



## Pick of the crop

It is at times like these that a firm's investment in its people, in nurturing talent and developing skills and knowledge, can really pay off, as **Christopher Hill**, group CFO of Travelex, explains to Steve Coomber, because it's those same people that will get the company through the downturn and beyond.



Like most organisations involved in the financial services sector the last two years have been challenging for Travelex, the world's biggest foreign exchange firm.

'The recent crisis has provided a number of unique opportunities and challenges for anyone working in finance. We are in uncharted waters and that has placed a lot of pressure on finance people, particularly for us as we are a leveraged business,' says group CFO Christopher Hill.

'To be able to manage through this period we've needed a strong finance team who can keep the business focused, keep the business disciplined, but at the same time help the business react to the changes and have the commercial focus to position for the upturn.'

As the head of the finance function, Hill has the group finance team reporting into him, with divisional finance directors from each of Travelex's three business divisions: global business payments, currency services, and card and mobile payments.

There are the divisional finance directors and controllers, and then the finance heads out in the various business regions that Travelex operates in. The group has offices in 35 countries and corporate relationships in over 100 countries. All in all there are about 200 people in the finance community, says Hill.

'In the tough economic environment that we're in, particularly with Travelex being essentially a service business, what is really important for us is to develop our own people, and deliver the right sort of training to those people to make sure that we can serve our customers in the right way, and that we have got the right skills in-house,' says Hill.

'The last year and a half has been tough for everybody including ourselves. But we have really focused on making sure that we develop our people. You try to make sure that you can survive through the tough times, and that you are ready for the turn in the cycle as it comes through, and a key part of that is making sure that you have got your people in the right place.'

### Nurturing talent

One way that Travelex nurtures talent for the future within the finance function is by identifying a number of entry level

positions within the group finance team. Promising candidates, either from outside the organisation, from one of the big professional firms, or from the internal talent pool, are brought in to work in these positions within the group finance team, whether it is focusing on planning and forecasting, liquidity management, group reporting, or other functions. That individual will then be moved out into one of the divisional finance teams. Over the last 15 months or so about ten people have benefited from this process.

'This works well for a number of reasons,' says Hill. 'To start with we get some people who are very strong academically and well-qualified, and by bringing them in at the centre we can give them an understanding and appreciation of what is needed at the group level in order to get all the finance processes running smoothly.'

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Then, when these people go down into the divisions, they take a piece of the group finance ethos with them, adds Hill. When they are sat at the group level, they field and ask questions across all three divisions, and are able to see where one division's performance is stronger than another's with respect to a particular process.

'When these people then go and sit in a particular division they are taking those processes with them. So you are growing

and nurturing that talent centrally and then moving it out to the division, and disseminating finance best practice through the divisions at the same time.'

Being creative with how you position your people is an excellent way to add both to their development and the development of the organisation overall, says Hill. Another important element of Travelex's talent strategy in the finance function is moving people across disciplines and units to provide them with a wider exposure to the group's business.

You have to shake teams up and keep them moving if you want to keep them engaged, he adds. That requires management to both recognise the need to do that, and then to set up an environment, where you are able to organise a number of rotations for people.

'We continue to develop and stimulate people by taking them out of one area and putting them into another. So, for example, the person who runs the group function in Australia used to head up the UK retail business, the person who heads up the group function in Hong Kong used to be a key person in the business payments business in the UK, and we have a person who was previously in internal audit who is now out running the finance team for business payments in the US,' says Hill.

'There is no question that the movement of talent around the company helps in several ways. Because you are developing these people, providing them with new challenges, continuing to stimulate them, it means you are more able to retain that talent in the organisation. And, once again, you're disseminating some of the best practice and the best processes from within the group around the different areas of the business. It may be a gradual process, but you are having a much wider impact than you could do through lectures or seminars.'

Hill makes sure that he keeps close tabs on the talent within the finance function. When he is sat down reviewing the business with his direct reports for example, particularly when he is having conversations with the finance directors, then inevitably 'people' will be one of the main issues discussed. As Hill notes, whether it is in relation to improving processes, developing productivity, or



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maximising profitability, the finance team is a key enabler. It is fundamental for organisations to get the people piece right.

'We certainly have a process where we talk about who the talented people are at

particular levels of the organisation. It is relatively informal, but also extremely focused, and my reports would have similar discussions, so there is generally an acknowledgement that 'people' are very high on the management agenda.

Assessing the talent can be difficult in organisations with complex hierarchies and management structures. That is not a problem at Travelex, though.

'We have a fairly flat management structure, and so I always have good visibility of my people, plus I make it a point of wanting to know how they are doing, and where we are developing the people in the team who will be moved around the company next,' says Hill.

The company sponsors a number of finance people further down the organisation to do their accountancy qualifications, and other professional qualifications, including management accountancy, for example.

Finding those people within the organisation that are determined to obtain professional qualifications, and that are proactive when it comes to career development, is another useful indication of where people with the potential to take on more senior positions might lie within the company.

It is also important to foster the right corporate culture within which talent can develop, and to make sure as a business that management sends out the appropriate signals internally. After all, Hill was an internal promotion. He joined Travelex as group financial controller in January 2007, a couple of years after its acquisition in 2005 by Apax, and was appointed group chief financial officer in January 2009. What better signal that you can make it to the upper echelons of the company if you have the talent?

'There is a talent stream within Travelex. We do promote a lot of people internally, and I'm sure that has a positive impact on the other people in the organisation to see that happening,' says Hill.

'So I always make sure that when we do these cross-divisional moves they are publicised within the finance team, because it is important that people understand that there is that sort of mobility.'

#### **A fair exchange**

Of course the training and development is not confined to the finance department, but extends across the business. While with some businesses the training and development budget is one of the first to get cut in a downturn, at Travelex there is

an understanding that while training and development benefits employees in terms of their career development it can also be targeted in such a way that it addresses specific issues within the business at a given point in time.

So, for example, says Hill, there has been an emphasis recently on training people who deal with currency services. 'The programme for currency services employees is a good example,' he says.

'It is all about equipping the sales associates who sit at the desks at the airport with the ability to deal with customers. If they are sat there with a long queue in front of them, for example, they know to make eye contact every so often with people in the middle and to the back of the queue, because this way people will stay longer and begin to feel some empathy with the person dealing with the queue.'

'The training that we give these people, about dealing with customers, dealing with changing customer flows, and changing customer requirements, helps us to become a lot more sensitive to customer behaviour, and obtain a huge gain in productivity.'

Similar benefits have been obtained in the business payments division, by focusing training on areas of competitive advantage for the business, such as improving vertical sales, where the sales conversation has to be far more solutions-based in order for Travelex to be a winning business in such a tough environment.

As well as distributing finance best practice throughout the finance function, it is also important that finance expertise is being disseminated to the rest of the business, says Hill.

'We have a performance cycle that we go through, where I sit down with the people running their divisions and go through the financials with them,' says Hill.

'At that stage you're tying in all their day-to-day activities, whether with customers, products, or platforms, whatever it is, tying those activities to their financial impact. You need to be able to get the commercial people in the business, the non finance people, to be aware of the effects of their actions on the ultimate results of the business.'

## Leveraging your network

Often senior managers do not get much time for continued professional development. But while there may not be the opportunity to attend a two-week executive education programme at a leading business school, it is worth finding some time to leverage your network to good advantage.

'If you build a strong team that is focused on the strategy, what they need to execute, and you can hold them to that performance cycle, then you can create some space that provides you with the opportunity to talk things through with your network of advisors,' says Christopher Hill.



'Those advisors might be lawyers, accountants, bankers – they have a breadth of experience through a number of businesses – peers, colleagues, and even other CFOs.'

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From Hill's perspective, running the finance function, it is essential to make sure that the finance people are in the mix, involved alongside the rest of the people making the important decisions and running the business.

Of course talent management is not just about specialist skills and knowledge it is also about things like employee engagement and providing meaning in the workplace, enabling individuals to fulfil their career ambitions. Organisations that tend to this facet of their employees' lives are more likely to benefit from higher retention levels.

'When you meet Travelex people you will find very hardworking, committed, loyal people. One big reason for that is that Travelex has always been a very entrepreneurial business. Our relatively flat management structure means that people can clearly see the impact they have on the business, they can see what they are helping to achieve,' says Hill.

'When people are empowered, if you give them that freedom then it helps to retain them, because they appreciate that they are with an organisation that wants

to help them develop; that's a pretty powerful message.' ■

### Christopher Hill

Christopher Hill joined Travelex in January 2007 as group financial controller and was appointed chief financial officer for the group in January 2009. Prior to this he worked for VWR International, the US-based global laboratory supply company, which he joined in 2005 as finance director (UK and Ireland). As head of the finance function for a subsidiary of the group (a private equity investment owned by Clayton, Dubilier and Rice), Hill was responsible for substantially improving working capital and EBITDA performance over his tenure. Before joining VWR International, he worked at General Electric from 2000 to 2005.

