

THE ROLE YOUR CFO PLAYS

Strong CFOs bridge the gaps between shareholders, employees and company executives.



When IDEARC INC. (IAR) was spun from VERIZON COMMUNICATIONS INC. (VZ) last November, we had solid plans for 2007: retain a first-class sales team, create advertising that would support our products, and continue to build our multiproduct portfolio. Our executive vice president and CFO, Andy Coticchio, has been crucial to both our pre-spin preparation and the launch of our new company.

Andy wears many hats in his job, including managing the financial side of the business and building our credibility and reputation within the financial community. As Idearc transitions into a separate com-

pany, it is imperative that we have a top-notch CFO, and it is important to know what makes a great CFO.

A good CFO is a strategist with a high level of financial acumen and the ability to tell the company's story to various audiences. A strong CFO must be able to consider all of the financial factors and form a single, coherent picture of a company's financials — to see the big picture and understand where the myriad little pictures fit in — and to effectively communicate his or her findings internally and externally.

For a publicly traded company, a CFO helps investors understand the strengths of the business, encourages employees to identify where they need to focus their efforts, and assists executives with decisions about what strategies need to be implemented to move the business forward.

The CFO must also feel comfortable discussing strategy — without a pencil, a calculator or a PowerPoint slide — in a way that satisfies both the most sophisticated Wall Street investor and the most junior employee. He or she must be able to do this while ensuring that the right message is getting through and audiences are accepting it as accurate, credible and motivating.

To be free to tell the story, a CFO needs a strong, reliable support team — people who are adept at determining, interpreting and reporting the numbers. He or she needs a mix of tacticians and strategists who also help the rest of the organization understand the com-

pany's financial situation, goals and challenges. The treasury team should work closely with the operations people, providing them with the tools and data to allow them to make the right decisions at the right time. I want a situation — and, fortunately, I have a situation — in which operations and staff seek out the CFO for advice and counsel and use the information to solve problems or create opportunities, a situation in which the entire finance team is considered a valued partner.

A good CFO clearly understands the laws and financial principles that govern a company. He or she stays up to date on changes and developments and uses that

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knowledge to make the company stronger so that he or she can help provide a good return for shareholders and an excellent product for customers.

And that brings me to perhaps the most important requirement: A good CFO does not compromise his or her values. Integrity and credibility are absolutely essential traits for him or her to have. There can be no middle ground, no waffling, no ambiguity. That is a responsibility that we at Idearc take very seriously. ▢

Kathy Harless is president and CEO of Idearc Inc. (IAR), which publishes print and electronic directory information. Its products include Verizon Yellow Pages™, Superpages.com®, Superpages Mobile™ and Solutions At Hand.