

Qualitative Review of Stories Told: Anecdotes of CFO-CEO Relationships in SDA Local Conferences

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RISK

**A SHIP IN THE HARBOR IS SAFE...BUT THAT'S
NOT WHAT SHIPS WERE MADE FOR.**

Introduction



In prior decades, Chief Financial Officers (CFOs) and Chief Executive Officers (CEOs) have functioned in their own professional executive compartments within their organizations rather than partnering together as cooperative teammates (Berry, 2015).

Introduction



According to Grove (2016), organizational health, effectiveness, vitality (Inkinen, 2016; Apenko and Chernobaeva, 2016; Verma and Dhar, 2016) and efficiency (Al-Amin, Makarem and Rosko, 2016; Horne, 2016; Epure and Lupu, 2012) has been directly linked to the positive working relationship between the CEO and CFO in the organization.

Literature



Organizational policies, procedures, values and interpersonal treatment enhance managerial effectiveness of managers leading to positivity and productivity in organizations (Malbasic, Marimon and Mas-Machuca, 2016; Srivalli and Kota, 2016; Rangriz and Soltanieh, 2015; Yildiz, 2014).

Literature



A crucial responsibility of the CEO, as the leader of the organization (Ode, 2016) and CFO is to foster and facilitate a good and healthy working relationship with each other (Baker, 2016; Grove, 2016; Caruso, 2015).

Literature



The impact of the Sarbanes-Oxley Act (Howell, 2015) has also influenced the relational practices of CFOs and CEOs in Seventh-day Adventist (SDA) conferences largely derived from the trending exponential growth in global membership and financial revenues (Adventist World – NAD 2013, p. 5).

Literature



The NAD Working Policy (2015-2016) and SDA Accounting Manual (2011) underline the operative relationships and positional duties of the CEO (President) and CFO (Treasurer) with the understanding that a positive working chemistry will be developed and nourished (Bartlett, 2016).

Methodology



A mixed methods research design (Creswell, 2014) was used in this study.

Pertaining to this paper, qualitative research was used with data purposefully selected, collected and analyzed from interviews with four local conference CFOs and CEOs, N=8, located in the USA.

Results (Stories Told)



Abe (CEO) Conference Tends to Impact Relationships

Ken's (CEO) and Ray (CFO) Just Hang Out Sometimes

Lee's Story (CFO) Stay in Your Lane

Sue's Story (CFO) From Watchdog to Watchperson

Tom's Story (CEO) Fired in 60 Seconds

Ray's Story (CEO) A President's Assassination

Stories Told



Abe (CEO) Conference Tends to Impact Relationships

“It depends on the conference you’re in and the specific needs of the local conference. There’s got to be a good working relationship, a trust factor. There’s got to be loyalty between the two or back and forth with the tow where they support each other. A high level of trust and ability to communicate between each other. The treasurer’s responsibility is to provide the president with good information.”



Ken's (CEO) and Ray (CFO) Just Hang Out Sometimes

Ken estimated that he and Ray (CFO) spent “4 to 5 hours a week” in discussing conference business, and “2 to 3 hours per week” in leisure time. Ray stated “we have a strong relationship”. I know what’s expected of me. Give timely and accurate financial information. Work together, support one another, focus on the right thing. Have a good team.”

Stories Told



Lee's Story (CFO) Stay in Your Lane

“It’s important to get to know each other. The more you know someone, the better you can trust them. And certainly that helps us to get to know each other on a very close basis, and that’s very important when carrying out some of the very difficult decisions that have to be made.”

“The treasurer should report to the president. Make the president aware on a regular basis of where we are financially, where we are with various business transactions that are taking place. To be an assistant to the president. Be able to handle the financial side of what the presidents wants to do as the president envisions the conference. To recognize that the president is the person who should have the vision and set forth the plan for the conference.”

Stories Told



Sue's Story (CFO) From Watchdog to Watchperson

“When I first became treasurer, I didn’t realize the importance of having, like some of the congenialities that I think I mentioned earlier between the officers (Doing things together with the families outside of the office, and fun related activities, etc.). I looked at my role as being the hammer, you know, the person, and you know, the watchdog. And I think that that made a kind of adversarial type of relationship. But as I have been in it longer, and have worked with people that I’ve had that kind of good relationship with, I have seen the benefit that it has been to the organization and to me as a person to have that kind of good relationship with the person that I am working with. And, it does something with the people know they can’t go to you and get some kind of stuff going behind the back of the president, and vice versa. They know you all are a cohesive unit, and that you are working together. I think it really makes a difference in your conference as to how settled your workers are, how settled your constituents are, that it’s kind of calming effect on your field with the officers are working together.”

Stories Told



Tom's Story (CEO) Fired in 60 Seconds

“It happened some years back. The president and the treasurer weren't getting along and the executive committee made the decision one day and, before it was taken, he (the treasurer) said: I cannot serve in this conference if this particular action is voted. Well, it was voted and he said, I can't work here if we're going to do whatever it was, I don't remember what the action was. And the president said (speaking to the treasurer), is that your final decision? And the treasurer said yes it is. And the president said, all in favor of accepting the treasurer's resignation, please raise your hand. And the committee unanimously raised their hands and the treasurer went from being treasurer to out of work in about 60 seconds. That's the best case I know of a treasurer really doing himself in. It's better not to get too far out on a limb like that.” According to Tom, the treasurer's intent in that story was not to quit his job, but his lack of clarity and a bad relationship with the president and board did not lend him a second chance. The moral of the story, he stated, is that a treasurer needs to work with the president and board as a team as much as possible.

Stories Told

Ray's Story (CEO) A President's Assassination

“What I saw was a treasurer who was there a long time and a president who was fairly new. The president had an agenda he wanted to do. A number of the directors in that conference wouldn't, didn't, think it was a good idea so they would just talk to the treasurer about it because the treasurer was there a long time. He knew everybody and had a good relationship with everybody. So instead of the treasurer saying, hey, you got a problem with this, the president's is the boss, he was elected, the constituency elected him, God called him, you need to work with him, kind of like King David. So go talk to him about it. He'd just talk to them about it. And then they'd all work together to try and undermine the president. And that's garbage. That is just pure garbage. Uh, then Satan was happy, and nothing got done, and everybody was fighting. And actually the president died of a heart attack. And I believe it was stress related. So you go to, if you have a problem with the president, go talk to him. If others have a problem in the office on the team, or pastors or the teachers, you have to encourage them to go to the president. You have to have that working relationship”.

Implications



Throughout the interview process in gathering these stories, the presidents (CEOs) and treasurers (CFOs) agreed that the relationship between the two had gone through an evolutionally stage from the past to the present and would continue to evolve in the future.

Conclusions



The quality of CEOs and CFOs relationships significantly impact the organizational outcomes in culture and climate for its internal and external operations. It's critical that these relationships be maximized in the most positive manner possible for the good of the conference and organization on all levels, partnership and subsidiaries.

Questions



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