

## Episode 44: Global Trends in Treasury Talent

### *Treasury Talent*

Craig Jeffery: I'm here with a guest speaker, Simon Lynch. He's the founder and Director at Treasury Talent. He is also the host of Treasury Talent, a fairly recent podcast on the scene, talking about a range of interesting treasury topics with senior leaders in treasury.

Craig Jeffery: He founded Treasury Talent in 2012, and they have offices in the US, Asia, and Australia. He focuses exclusively on the treasury market and he's built up his client base to over 200 clients in the last five years.

Craig Jeffery: And with that, Simon, I welcome you to the Treasury Update Podcast.

Simon Lynch: Thanks very much for having me, Craig.

Craig Jeffery: Since you focus on Treasury Talent and recruiting, and talking with treasury executives all the time, what do you see going on globally at the executive end of treasury careers? What's happening, what's changing, what's in demand?

Simon Lynch: It's interesting Craig, I find treasury when you look at it holistically, is actually a pretty stable area. It doesn't have massive spikes and peaks like other professions do, you know, there's no year end, there's no specific demand that changes. It's a fairly predictable, stable market. From a people perspective anyway.

Simon Lynch: The things that I really see that are changing are probably more around the actual recruitment process, rather than the treasury people themselves. So, one from a recruitment process, we have a lot more information now and it means there's a lot more information to sift through. It's becoming a lot harder to find people, which is actually, it seems counter intuitive, but more information means more time to be able to find people.

Simon Lynch: So, the thing that's changing a lot in my day to day world is, and that's the reason that I set up Treasury Talent in the first place, was to find a better way for people in the niche specialization of treasury. So, for me we're a talent pool, so within the States we have just over ten and a half thousand treasury people that we know. And so for us, the thing that's changing is that in the past people have used internal recruitment teams to go out there, advertise a role, take a response, and then choose the people that they want. And that's just not as effective anymore as the old process was, when it was easier to find people.

Simon Lynch: The things that I find that are changing a lot, treasury, by it's nature, is a relatively small function. So they're being asked to do a lot more with less. Technology is something that's enabling them to do that. So, systems and automation of manual tasks and moving away from spreadsheets and manual work to be more systemized and treasury management system implementations in order to facilitate that, are things that are very much on topic. And that's changing a lot as technology changes.

Simon Lynch: The other thing that I see that's changing is diversity, in particular gender diversity is something that is very topical at the moment. That's not a treasury specific thing, that is very much a global change. But the interesting thing is, treasury by default is a more male orientated career. If I look at our telepools, only 20% to 25% of people who sit within those telepools are females. While it's natural to get a 50/50 split on a short list, it's actually quite challenging, because you've only got 1 in 4 that is of the right gender mix that you're looking for to be able to fulfill that. So that's definitely, being spoken, I don't think that's a really good thing.

Simon Lynch: Diversity, for me, is a bit of a pet project. Yeah, I like that it's out there, but it's definitely not an easy one to fulfill. Outside of that, we're seeing, again technology's changing, but the rise of sort of non-bank lenders and the banking world is really fragmenting away from those dominant players where there's a lot of more fintechs and smaller businesses taking different parts of what banks did before. And as part of that, they need to fund themselves, they need to manage their risk, so they need to put in place a treasury function, in order to do both of those things.

Simon Lynch: And then the other, I guess, the other macro thing I'm seeing is infrastructure globally is in a sweet spot at the moment. So, the need for infrastructure, by definition, is a very capital intensive industry. And because it's capital intensive a game, they need to fund themselves, they need to manage their risks. So, the infrastructure pipeline creates a lot more treasury roles that need to be in place in order to fulfill that.

Craig Jeffery: Yeah, so, Simon, I guess it's a question ... I didn't realize you also do staffing for some of the non-bank lenders. So, what area does your company cover, what types of firms?

Simon Lynch: I would say our sweet spot is corporate treasuries, or corporate companies. And then the non-large banking institutions. So, anything that structures like a corporate treasury, where you would have a treasurer and an assistant treasurer, a treasury director, treasury manager, treasury analyst, that type of structure. They're the roles that we recruit and that we have a strength in recruiting, along with treasury accountants, treasury assistants people, they would be our core role. So, for the businesses that have that structure and need that skill set, they would be the businesses that we work with.

Simon Lynch: And I say not the big banks, mainly not that big banks just because the way they recruit and the process that they have doesn't really work in our structure. But, if they want to recruit those jobs, we would happily recruit them for them. It's just it's not really something that we've done a lot of with big banks.

Craig Jeffery: What is changing from the people and skills standpoint? What are you seeing that's different from the people that are applying for a directorship or the

assistant treasurer, treasurer, of a multi-national company? What are you looking for or seeing that's different from before?

Simon Lynch: So, treasury in my view is becoming a lot more strategic. It's a lot more, you know, they have a say to the title now, they're the right hand person to the CFO. What changing there, I definitely see the softer skills that a treasurer needs and a relationship going both up and down the chain, is a really sought after skill. That's really what separates the, I guess, those that get the jobs versus those who are just on short lists. So, for me, if you're talking at just the top end, the executive sort of level of treasury, the demand is definitely around ... they have to have subject matter expertise, absolutely. You wouldn't get to become a treasurer or assistant treasurer without having that subject matter expertise built in your career.

Simon Lynch: But, in terms of the skills that are in demand right now and what they're really looking for, it is definitely around those softer skills, the relationship skills. You're managing the banking relationships effectively to make sure that you are well funded, that you're managing risks. But also working very closely with the CFO. And more importantly, working very closely with the business and the leaders within the business, so that they understand what your role is in treasury, and how you can help them and deliver the value that you deliver across the business.

Craig Jeffery: So, with the advent of different tools that help sift through people, the ones that stand as a different method of recruiting than a recruitment firm, how is that changing what you're doing? How does that threaten your business at the top end, or where's the point of distinction that a recruiter can make a difference? Particularly at the director, AT, treasurer level of larger organizations?

Simon Lynch: It's not that different to what I just mentioned, the treasurers. I think that, from a talent perspective, it's all about relationships, it's about knowing people. So, if you look at businesses like Linked In and the social media platforms, or information sources really, they're very good at high level information. So, it's easy to get someone's title, it's easy to get the company that they work for. What you don't get out of those platforms is actually an understanding of that person. What they are, what they are good at, what they are seeking in their next role, what is their current salary, and the expectation on the salary that they want, what are their motivations for moving.

Simon Lynch: So, all of the key pieces of information that I would say are important, are the things that you don't get in the data heavy world. So, it's very much about having a relationship with people, understanding what their motivations are, understanding all of those pieces of information that I said. And then being able to use that information to get them the right roles for them, and the right roles for companies. From my perspective, all I really do is I disseminate information. That's my role. It's just looking at what does someone ... like I don't really make decisions, I guess is what I'm saying. I will tell a candidate, they'll say, "This is the

job I want," and I'll help them to come to the conclusion of whether that is the right thing for them or not.

Simon Lynch: People may have too lofty of expectations, and you need to bring them back to understand what the market expectations are. And likewise, from a client side, they will often have unrealistic expectations about what they're going to get. Normally, they want everything and they want to pay 20 grand less than what they need to pay. And so it's really managing those two expectations so that you can find people that will connect, and will get on well. So, yeah, personality is a big part of that as well, knowing that the two of them are a good match.

Simon Lynch: For me, I find that it's the unspoken stuff of information that's the most important information.

Craig Jeffery: I'm assuming you use some of these tools to do some of the early filtering, and then you have to get down to the softer skills, understanding motivation and roles, and how they would fit. Is that fair or how would you describe it?

Simon Lynch: Absolutely. And the key to that is that takes time. That's the piece that everyone thinks that the technology out there makes it easier to find people. But, it doesn't really make it that much easier, because you need so much more time now to disseminate that information. So, there's more information out there, but then there's more time needed to disseminate that information. So, I guess, from a Treasury Talent business perspective, our aim is that we disseminate that information to people, and then can provide a short list of people that fit the requirements at a much speedier process, than what an internal team could do. Because, we do it all day, every day.

Simon Lynch: Whereas, an internal team might only recruit one treasury role a year. So, they're starting from a blank sheet of paper when they start trying to recruit that treasury role. Whereas, we've already disseminated that information, and can then say to them, "Okay, here you go, here's the six people that fit the criteria that you've asked for." And we can do that within a day.

Craig Jeffery: Very good information. I want to get into the hard and soft skills in a minute. But, before we do that, you started, you just recently released the Treasury Talent podcast. I know you've been doing some recording for a while, and now you've put it out into the world for everyone to hear. So I wanted to first say congratulations.

Simon Lynch: Thanks, Craig.

Craig Jeffery: And then why did you do that? What made you say, "Let's have a podcast," and put that out? What were you trying to accomplish with that?

Simon Lynch: Great question. Look, I'm quite privileged in my role, as we just spoke about then, that I get to speak to lots of people. So, for me, talking to treasury people

is something that I do every day, all day. And so, within that, you meet some brilliant people, you meet some people that, you know, everyone has a different story. So, each of those stories I find quite fascinating. But what I guess I have always done, is I take a lot of those conversations for granted. I don't realize how much value and insight these people have. It was when I sort of sat back and thought about that, I thought, "Well, these people have this amazing information that they're telling me. Why don't I try and get some of that information out to the broader treasury community? And so that rather than just I learn, other people can learn and get value from that, as well. My business has gotten to point now where everything is ticking along pretty well, so maybe it's time for me give back a little bit."

Simon Lynch: And so I just thought if I can record podcasts and take the time that I taking anyway, but then actually disseminate that on a platform that allows more people to get that insight, to get that value, then I think everyone's better. The treasury community is my lifeblood, it's where, you know, what I do to make a living. And so, if I can thank them for everything that they've done for me, I'm winning, they're winning, and I feel like that sharing makes everyone better.

Craig Jeffery: I like that. So what are you learning from doing that? Anything. It could be the mechanics of it. Obviously, having conversations. But, what's something you've learned from doing the podcast?

Simon Lynch: The biggest learning for me, Craig, would be people are very unique. You know yourself podcasting, you're asking people to come and spend their time and to help. It's amazing how many people are willing to do that, that have great insight. It's hard to explain, that people are just more than willing to share their knowledge, they're more than willing to commit the time, in order to help others. And a lot of the people that I podcast with are very busy people, you know, they're senior treasurers and they're still willing to actually take the time when they understand what you're doing, talking to you and helping others in the industry to learn from their experiences.

Simon Lynch: So, I would definitely say that that giving part. Also there's a lot of common themes. The more people you talk to, you know, there are definitely common themes that are out there. People will really want to know what you've done well, but they also want to know if you had your time again, what would you change. Like a question I ask a lot, that everyone seems to love is if you were the 21 year old you, and you could sit down 20, 25 years ago with yourself, what advice would you give to yourself now, that you've learned over that time? Just simple things like that, where understanding and knowledge, I think, is what people seek. And the more of that we can put out there, we can help some of those juniors within the treasury circles to learn quicker than others have done, and learn from the mistakes of others, perhaps.

Simon Lynch: And learn from the good things I've done, as well, really. Like if someone's been very successful in doing something, and I share that, then the juniors will do that

as well. And I think the last piece that really comes across that I think a lot of people, in the latter part of their career finally understand, is that networking is really important. So, that's the number one takeout, probably, for me, in terms of advice people have given, is that they wish that they had been better at networking at a younger age. But, also, that networking is not necessarily about what you get. Networking is about giving, as well. So, it's almost a pay it forward type scenario, that you need to think about, okay, how can I help people? And if I'm helping people, then they'll help me.

Simon Lynch: And to some degree, that's the whole purpose of the podcast is, really, these people are helping others. And in return, they'll no doubt get something back. They're not asking for it, but they probably will do. And that's the essence of networking, in a lot of ways.

Craig Jeffery: Thanks, Simon. So, to our audience, you can find Simon's podcast if you search on your phone's podcast app. Or on your desktop, if you search for Treasury Talent, you'll see a stylized T, and it'll say Simon Lynch. And feel free to go ahead and listen to it or subscribe. We love to encourage other podcasters in the treasury space, as a way of just making sure that others are learning, there's a continual forum for that in different venues there. Thank you for doing that, Simon.

Craig Jeffery: Simon, I want to get back to a comment you made earlier about the hard and soft skills. You talked about, I guess you would say that you're looking at the more senior level to make sure they have the soft skills. And there's a requisite element of having hard, technical skills, as well. How do you master both, and how do you determine this balance between someone who's more technical, someone who's more soft skilled relationship oriented?

Simon Lynch: So from a "do you have to master both" question. Both side yes, definitely. And I think that at different times in your career, the hard skills or the technical skills, versus the soft skills, play different parts. I would almost summarize it, if you look at a classic treasury career and the roles that people sit in, when you're a treasury analyst you've got a little bit of commercial experience. You're then coming into treasury and you're learning about treasury. And so, that role, to some degree, is very much about potential. It's about getting good people who are willing to learn and can learn quickly. So to some degree, I would say that role as a treasury analyst is a lot more about softer skills and about potential, culture, feeling the culture of the business.

Simon Lynch: Then as you move from that treasury analyst into senior treasury analyst, treasury manager, senior treasury manager, that's really when that subject matter expertise comes to the fore. Those roles within a treasury function, there they're doing well, but they're very ... you'll have someone who is the interest rate risk specialist. You'll have someone who, for an airline, is the fuel risk specialist. Those roles will be very technically involved. At that point in your career, that technical expertise, I think, really comes to the fore.

Simon Lynch: As you sort of progress up into more management type roles, if you're going to an assistant treasurer or a treasurer role, you're coming back into that, where that you have to have understood the technical side of things and had that subject matter expertise. But you're progressing away from that, and your team is now really doing that. The softer skills then become more about managing people, but also about managing your team and your career, perhaps, within the organization. So that's up the chain, be it the CFO or the managing directors of business units. But also managing down the chain, as well, and making sure that people within the business understand what you do and what treasury does, and you're selling treasury effectively so that you can be the most effective team that you can be.

Simon Lynch: So, I guess over a career journey, hard skills, technical skills and soft skills play different roles, depending on the level of role it is that you're doing within a treasury function.

Craig Jeffery: Yeah, excellent. I appreciate how you describe some of the range. I always thought that when people start off as an analyst, they usually quickly develop deeper technical skills or hard skills, but like you said, sometimes it's fitting in, learning the business generally. And then advancing by being more technically adept, excelling at the hard skills. And nobody can really master all of the technical elements of treasury across the entire spectrum of what needs to be. So, very helpful for that.

Craig Jeffery: You know your role in trying to match people to jobs, to positions, or people to companies, or people to cultures, I guess. Your livelihood depends on achieving success in this match. How do you align people with cultures, I guess. There's the skill set, but there's also how are you making the alignment with culture and fitting into particular teams? What are your secrets?

Simon Lynch: I think that this goes back to what we mentioned earlier. It is all about having relationships with people and understanding people. So a lot of what I do, it's crazy to say, but it's kind of a gut feel. Like you meet someone, and from that meeting you understand a little bit about them, so that you can actually work out who are the people that are more closely aligned with that person. So, effectively who will get along with who, and who would want to work with who. It's not always that simple. To some degree it's that gut feel and that understanding of people that is fundamental to that.

Simon Lynch: But, as I mentioned earlier, I don't really make decisions in my role. I'm more disseminating information. So, I find that, for me, it's understanding a client and understanding the treasurer, for instance, and their team and what will fit well within their business. And then on the candidate side, understanding a little bit about the person, and whether the role that they have fits their career aspirations, and then whether they would work well together.

Simon Lynch: So, I find my business really will give people a selection of that. So you might have a short list of six people for a client. Within that, I'm not choosing the one. The company is choosing the one that they go with. I try and give them a selection of people that I think that they would want in their business, and fit the culture of what they're looking for. But, that also flips onto the other side as well. When you're dealing with candidates, it's a lot about what do they want, what are their career aspirations. And then explain to them how the market works, so that they can understand is what they're aiming for realistic for them to be able to achieve.

Simon Lynch: But, if you take those two and separate them, what it really means is, I don't, by default then, make a decision to say person A matches with company A. It's more these are the six people that company A has to choose from that fit what they're looking for, and who also want something similar to what they are providing. And then the sales process, I guess that's the interesting part of recruitment, the sales process is two ways, because the company has to buy into the person, and the person has to buy into the company to make that work. But, they're decisions that they make themselves. We just facilitate that, and make sure you're putting the right people together, so that they make the right selection.

Craig Jeffery: Your business, is it a mix of retained and success oriented search, or is it really focused on one? How would you describe your mix?

Simon Lynch: So, yeah, we do both. We both retain search, as well as success only placements. You tend to find the more senior roles, the business doesn't want to get ... not that they want to get anything, but the more senior the role, the more likely they are to go down a retained search path. But to some degree, the success only part of the business works just as well. We've already invested the time, so it's really about we can come up with a short list quite quickly. From that perspective, I don't mind either way, doing the retained search or success only. Because, my short lists are pretty much done prior to starting a process, in that I've already got the talent, we've already committed the time.

Simon Lynch: So, yeah, we do both. And outside it's a 50-50 mix.

Craig Jeffery: You said that when you're doing the podcast, your most loved question I think is, if you were 21 years old, what advice would you give them. I'm not going to ask you that, I'm going to take a mix, I won't copy it. But, when you've talked to people in their careers as they're looking for making a move or perhaps considering a particular position, what advice would you give certain personas or different people that may be a theme? Here's a couple things that you would tell people, do this or avoid this?

Simon Lynch: Let me answer this twice for you. If you did ask me that question, the one piece of advice I'd give to people is, if you're passionate about something and if you think you want to go down, like start your own business, or you want to do



something specifically. And I'll give you start my own business, because that's a piece for me. I worked in corporate for many, many years, and debated whether I'd go and do my own thing far too long. I should've gone out and done it five years earlier than what I did. But my advice to people is, if you're thinking to yourself that you have a passion for something and you want to do it, take the plunge and go and do it.

Simon Lynch: Secondly, for treasury people. Really understand what the career path that you would like to take is. And this is a different path for everyone. There's no right or wrong. You just need to understand in your own mind where you want to take your journey. And then you can make decisions on the back of that, that are the right decisions for the career that you would like to undertake.

Simon Lynch: Treasury is a niche area, there's plenty to do. There's lots of different options. You can go down the funding side, you can go down the risk side, you can go down the accounting side, the systems side. There's lots of different options that you can take within treasury. So just understand what it is that makes you tick, and then set about making the right career decisions for yourself based on where you want to go.

Simon Lynch: But, your career is long and it's not a rush. You need to just think through where you want to go, and then you can easily make those decisions once you know where you want to go.

Craig Jeffery: That makes me think of some other opportunities for a podcast that I'd either want to do, or you may want to do as well, about mentorship and career coaching. Simon, is there anything else that you wanted to share with the audience?

Simon Lynch: It's interesting that you pick up on that, the mentoring piece. Because, that's another question I ask in my podcast is, have mentors played a part in their careers. And the one thing that overridingly comes through as well, is that once people are at the treasury level, they will say they wish they had a formal mentor earlier in their career. They probably didn't get one until later. But also that they are mentoring other people and are happy to mentor other people. So, if anyone's worried about do I need a mentor, it doesn't have to be super formal. A mentor, really, is just someone who you can go to to get advice.

Simon Lynch: But, if you think that's what you would like to do, and you have someone in mind, approach them. Because, more often than not, they'll actually say, "Yes, that's fine."

Craig Jeffery: Simon, I want to thank you for your time and sharing your insights and experiences. And I do want to encourage everyone to check out Treasury Talent. If you could go on your podcast app that you have, search for Treasury Talent, and subscribe and listen to some of the interesting interviews he has. So, Simon, thank you.

Simon Lynch: Thanks for having me, Craig. It's been enjoyable.