



# How to be an Effective "CA CEO"?

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If you can DREAM it,  
you can DO it.

~ Walt Disney



# Who is a “CEO” ?

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- A **chief executive officer** is the highest-ranking corporate officer (executive) or administrator in charge of total management of an organization

# The “CEO”

- A **Chief Executive Officer** (CEO, American English),
- **Managing Director** (MD, British English),
- **Executive Director** (ED, American English)
- **President**



# How is a CEO placed?

Superior to the

- Management Board  
or
- Supervisory Board

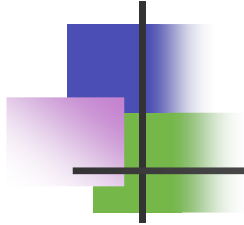


# What does an Effective CEO ensure?



## **Keeping Everyone Happy**

- The Customers
- The Stakeholders
- The Employees
- The Regulator
- The Society



***"As you think, so  
shall  
you  
become."***



## *Fact File*

*A  
recent study  
showed  
21% of CEOs  
received their  
degree  
in  
engineering.*





# Self Analysis

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- Know Yourself
- Understand your Interest
- Choose the Your Path
- Follow it.

***Choose  
your Way!***





## *Fact File*

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*Business degrees and finance related degrees other than an MBA are also very common choices for those looking to become a CEO.*

# Education Set the Foundation Right!!

- Graduate in a basic discipline.
- Chartered Accountancy
- Management Education



# Education of CEO



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- CEOs with degrees from top-tier schools :
  1. Meg Whitman, former CEO of eBay – undergraduate degree from Princeton, MBA from Harvard
  2. John Bogle, former CEO of The Vanguard Group – undergraduate degree from Princeton
  3. Roberto Goizueta, former CEO of Coca Cola – undergraduate degree from Yale



# Education of CEO

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- Some well-known chief executives, however, dropped out or never went to college:
  1. Richard Branson, CEO of Virgin Group
  2. Michael Dell, CEO of Dell Computer
  3. Barry Diller, CEO of IAC/Interactive



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# **The 1<sup>st</sup> Step Becoming a CFO**



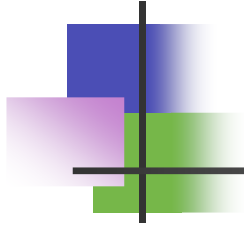
# CFO answers the following questions

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- **How Much?** – Risk can we tolerate
- **What Could?** – Go Wrong
- **What Would?** – Happen if it did
- **What can we do?** – About it
- **What do we need to know?**



# A **CFO** has to know and constantly review



- Business Model
- Risk Profile
- Market Risk
- Economic Factors
- Risk Tolerance Limits
- Value Drivers
- Formulas, Mechanics and Metrics
- Early Warning Systems

# A CFO's Caution!!!!

- 
- Should be on **emerging risks**
  - **Unknown Threat** are far more dangerous
  - Should **Live and Breathe Risk to sense the pulse of risk**
  - **Regulatory Risks** are of critical importance
  - Tab on **International Economic Developments essential**
  - **Stay one step ahead of what's coming**
  - **Recognize factors that combine to create emerging risks**



# Roles of a **CFO**

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- Strategic planner
- Business translator
- Corporate spokesperson
- Risk manager
- Internal control coordinator
- Regulatory compliance expert
- Audit committee advisor

# Changing Role of CFOs

- 
- From being a pure financial scorekeeper to being an entrepreneurial partner to **CEO**
  - Under the **Corporate Sustainability Platform CFO's** role is looked forward in 3 critical areas namely
    - Investor's Relation
    - External Reporting
    - Financial Risk Management
  - Sustainability and Financial Risk Management



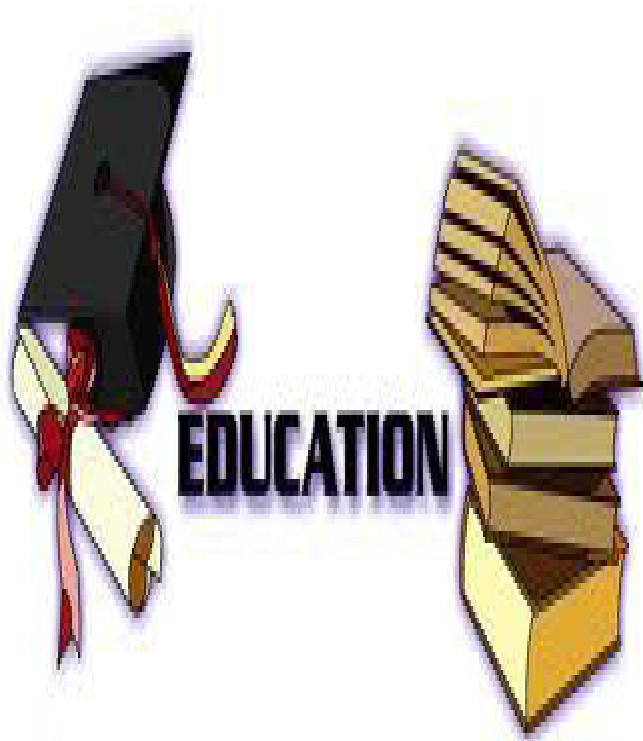
## *Listen to Leaders*

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*Matsobane Matlwa, CEO of the South African Institute of Chartered Accountants (SAICA), "the business sector is increasingly appreciating the extraordinary business value they can derive from the expertise of the nation's most sought after business qualification (Chartered Accountant)."*

# The Knowledge Management

- Knowledge in Law
- Know about Treasury Management
- Industry Knowledge





# Business Laws – You should know

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1. Anti Money Laundering Laws
2. Laws relating to Alternate Dispute Resolution
3. Laws relating Real Estate
4. Family and Succession Laws
5. Legal Metrology laws
6. Laws Relating to Charity
7. Labour Laws
8. IPR
9. Insolvency Laws/BIFR



# Business Laws – You should know

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10. Securitization Laws
11. Laws relating to Non Banking Financial Institutions
12. Competition Laws
13. Consumer Laws
14. Laws relating to Cooperative Societies
15. Corporate Laws
16. Laws Relating To Limited Liability Partnership (LLP)





# Business Laws – You should know

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17. Laws Relating To Micro, Small And Medium Enterprises (MSMES)
18. Banking Laws
19. Insurance Laws
20. Securities Law
21. Laws relating to International Trade
22. Foreign Exchange Management Laws
23. Right to Information Law
24. Laws relating to Special Economic Zones (SEZ)



# Business Laws – You should know

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- 25. Energy Laws
- 26. Carriage Laws And Multi-Modal Transportation Of Goods
- 27. Laws relating to Aviation Sector
- 28. Laws relating to Telecom Industry
- 29. Laws relating to Pharmaceuticals
- 30. Information Technology and Cyber Laws
- 31. Environmental Laws
- 32. Carbon Credit



## *Fact File*

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- “A remarkable 32% of the chief executives of the JSE’s (Johannesburg Stock Exchange) top 194 companies ranked by Market Capitalisation are chartered accountants as of April 2011”

# CFO to CEO – The Transition

- From being a pure financial scorekeeper to being
- **An entrepreneurial partner to CEO**





## *Listen to Leaders*

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“The distance between number one and number two is always a constant. If you want to improve the organization, you have to improve yourself and the organization gets pulled up with you. That is a big lesson. I cannot just expect the organization to improve if I don't improve myself and lift the organization, because that distance is a constant.” - **Indra Nooyi**



# Qualities of an Effective CA CEO

# Qualities of an Effective CA CEO



- Be a leader
- Be a Keeper of the Company Vision
- Be Positive
- Absorb the Pain for The Team
- Find the Smartest People And Defer On Domain Expertise
- Think BIG
- Be a Good Link between The Company + Investors
- Desire to succeed
- Be a Good Link between The Company + Product
- Pay attention to details
- Be Able To Learn On the Job

# Qualities of an Effective CA CEO



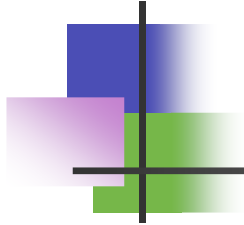
- Be Competitive
- No Experience Almost Preferred
- Work with People
- Have an Uncanny Ability to Say No
- Work Hard
- Have Some Technical Knowledge and Skillset
- Integrity
- Be Able To Break Things Down Into Sizable Chunks and Milestones
- Make Money
- Have the Ability to Call an Audible
- Can Motivate the Team through Despair
- Be a Great Communicator



# CA CEO – Skills Sets



- **Communication Skill**
- **Effective People Manager**



*Remember that time is money*

Ben Franklin, 1748



**One of the Founding Fathers of the United States.**



# The four-quadrant TO DO List

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	Due Soon	Not Due Soon
Important	<b>1</b>	<b>2</b>
Not Important	<b>3</b>	<b>4</b>





# Learn to say “No”

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- This will help earn what you want
- This will help you stay in focus
- This will help be wise with money
- This will set your priorities right

Therefore, learn to say “NO”



# Skills required to be an effective CEO

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1. Basics in Management and Leadership
2. Planning
3. Organizing
4. Leading
5. Coordinating Activities and Resources

# Exceptional Qualities of CA CEOs



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- Courage and independence of thought
- Charisma and self-confidence
- Strong ethical approach to accountability
- Serenity in the face of pressure
- Good thought leaders, sharing ideas and listening to others
- Thinking in terms of suitable business models
- Being able to set up a strong performance-driven organisation

# Path Breakers





# Suhas Gopinath, CEO & President Globals Inc.

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- Age: 22
- Born in Bangalore, Karnataka, India
- Launched a web site at the age of 14, and incorporated his company the same year,
- Gopinath taught himself how to build websites and sold portals to bricks-and-mortar firms in the US
- In 2005 received Karnataka's Rajyotsava Award.
- In December 2007, received "Young Achiever Award" at the European Parliament, Brussels.
- Gopinath was announced as "Young Global Leader" for 2008-2009 by the World Economic Forum, Davos





## **Suhas Gopinath, CEO & President Globals Inc.**

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- At 16, he was recognized as the world's youngest entrepreneur in by CNBC and e-Business, Canada.
- At 17, he was recognized as the World's Youngest CEO by leading Medias across the globe including BBC, Washington Times, The Age, etc., including Limca Book of Records.
- A resident of Bangalore and hails from a middle class family, where his father was a defense scientist.



# *Top 20 most powerful CEOs for the year 2012*

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- **1 Ratan Tata Tata Sons**
- **2 Mukesh D Ambani Reliance Industries**
- **3 Kumar Mangalam Birla The Aditya Birla Group**
- **4 Azim H Premji Wipro**
- **5 Chanda Kochhar ICICI Bank**
- **6 Deepak Parekh HDFC**
- **7 A M Naik Larsen & Toubro**
- **8 Anand G Mahindra Mahindra Group**
- **9 Adi Godrej Godrej Group**
- **10 KV Kamath Infosys & Non Executive Chairman, ICICI**



# *Top 20 most powerful CEOs for the year 2012*

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- **11 Anil D Ambani Reliance Group**
- **12N Chandrasekaran Tata Consultancy Services**
- **13 Gautam S Adani Adani Group**
- **14 Shashi RuiaEssar Group**
- **15 Cyrus Mistry Tata Sons**
- **16 Sunil Bharti Mittal Bharti Enterprises**
- **17 Naveen JindalJindal Steel & Power**
- **18 Nitin Paranjpe Hindustan Unilever**
- **19 Shiv Nadar HCL**
- **20 Venu Srinivasan Sundaram Clayton, TVS Motor Company**



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# Lakshmi N Mittal





# Lakshmi N Mittal

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- Lakshmi N Mittal:- Steel Tycoon
- Lakshmi Niwas Mittal is the richest Indian in the world, with an estimated wealth of \$25 billion.
- He resides in London, has his company registered in the Netherlands, but still holds an Indian passport.
- L N Mittal left India in the mid 1970's to start his career.
- He was send to Indonesia by his father to shut down the family's ailing steel plant and sell the land.
- Instead, young Lakshmi Mittal saw an opportunity and turned the plant around.
- Mittal acquire a 1.3 million tonne, Iscot Steel plant in Trinidad & Tobago , which was loosing \$100,000 a day.
- One year of Mittal style management and it was making profits. That move helped him to get into America.
- He is the chairman and chief executive officer of ArcelorMittal



# Azim Hashim Premji





# Azim Hashim Premji

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- Azim Hashim Premji, the chairman of Wipro Technologies, is one of the richest Indians.
- He is an icon among Indian businessmen, especially in the software industry.
- Born on July 24, 1945, Premji was studying Electrical Engineering at Stanford University, USA when due to the sudden demise of his father, he was called upon to handle the family business at the age of 21.
- Wipro was then Western Indian Vegetable Products, a small cooking oil company.



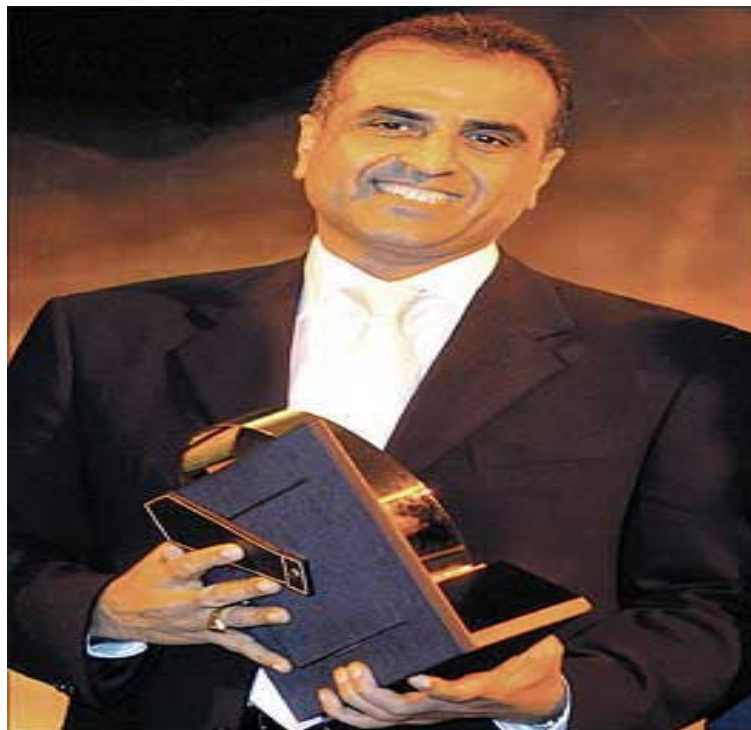


# Azim Hashim Premji

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- Premji diversified into bakery fats, ethnic ingredient based toiletries, hair care soaps, baby toiletries, lighting products and hydraulic cylinders.
- And then shifted focus from soaps to software.
- He transformed Wipro into one of India's most successful IT companies.
- Under Azim Premji's stewardship, Wipro has grown from a fledgling Rs 70 million oil company into an IT giant with a turnover of \$2.4 billion and an employee strength of 57,000.

# Sunil B Mittal





# Sunil B Mittal

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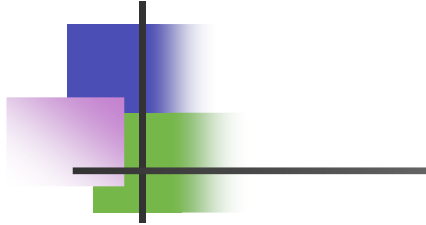
- Sunil B Mittal is chairman and managing director of Bharti group.
- Bharti is India's largest GSM-based mobile phone service. Son of a politician, he built his Bharti group, along with two siblings, into India's largest mobile phone operator in just ten years.
- Vodafone and SingTel both own stakes in recently renamed flagship Bharti Airtel.
- The group also has partnerships with Axa for insurance and with the Rothschild family for exporting fruits and vegetables.

# Sunil B Mittal



- The 54-year-old has always been a pioneer.
- A first generation entrepreneur, he started his first business in 1976 with a capital investment of Rs 20,000.
- He decided not to be a politician and set up a small bicycle business in Ludhiana.
- By 1979, Sunil Mittal realised that his ambitions could not be fulfilled in Ludhiana, so he moved out to Mumbai.
- He initially founded a number of trading concerns, and established the first company to manufacture push button telephones in India.

# Kumar Mangalam Birla





# Kumar Mangalam Birla

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- Kumar Mangalam Birla, born on June 14, 1967, is among the richest persons in India and the eighth youngest billionaire outside India.
- He is chairman of the Aditya Birla Group, one of India's largest business groups.
- Some of the Birla group's companies are: Grasim, Hindalco, UltraTech Cement, Aditya Birla Nuvo and Idea Cellular.
- He took over as chairman of the group in 1995, at the age of 28, after the sudden demise of his father, Aditya Birla.

# Kumar Mangalam Birla



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- When he took charge, there were doubts about his ability to handle the giant business house, but he proved all naysayers wrong.
- In the 11 years that he has led the group, he has won admiration, recognition and praise for his management acumen and contribution to the industry.
- Under his leadership, the group has consolidated its position in existing businesses and ventured into cellular telephony, asset management, software and BPO.



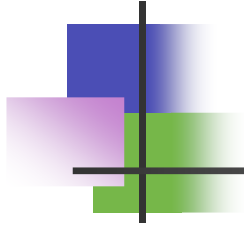
# Kumar Mangalam Birla

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- He is a chartered accountant and also holds an MBA from the London Business School



# Rahul Bajaj





# Rahul Bajaj

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- Rahul Bajaj is the chairman of the Bajaj Group, which ranks among the top 10 business houses in India.
- He is one of India's most distinguished business leaders and internationally respected for his business acumen and entrepreneurial spirit.
- He took over the reigns of Bajaj group in 1965.
- Under his leadership, the turnover of the Bajaj Auto the flagship company has risen from Rs 72 million to Rs 46.16 billion.
- The initiation of liberalisation in India posed great challenges for Bajaj Auto.

# Rahul Bajaj



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- Liberalisation brought the threat of cheap imports and FDI from top companies like Honda.
- Rahul Bajaj became famous as the head of the Bombay Club, which opposed liberalisation .
- The scooter sales plummeted as people were more interested in motorcycles and the rival Hero Honda was a pioneer in it.
- The recession and stock market collapse of 2001 hit the company hard and it was predicted that the days of Bajaj Auto were numbered.



# Rahul Bajaj

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- However, Bajaj Auto re-invented itself, established a world-class factory in Chakan, invested in R&D and came up with Bajaj Pulsar Motorcycle.
- Bajaj Pulsar is currently a leader in its segment.



# About the Author

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- *CA. Rajkumar S Adukia is an eminent business consultant, academician, writer, and speaker. He is the senior partner of Adukia & Associates.*
- *In addition to being a Chartered Accountant, Company Secretary, Cost Accountant, MBA, Dip IFR (UK), Mr. Adukia also holds a Degree in Law and Diploma in Labor Laws and IPR.*
- *Mr. Adukia, a rank holder from Bombay University completed the Chartered Accountancy examination with 1st Rank in Inter CA & 6th Rank in Final CA, and 3rd Rank in Final Cost Accountancy Course in 1983.*
- *He started his practice as a Chartered Accountant on 1st July 1983, in the three decades following which he left no stone unturned, be it academic expertise or professional development.*



# About the Author

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- *He has been coordinating with various Professional Institutions, Associations, Universities, University Grants Commission and other Educational Institutions.*
- *Authored more than 50 books on a vast range of topics including Internal Audit, Bank Audit, SEZ, CARO, PMLA, Anti-dumping, Income Tax Search, Survey and Seizure, IFRS, LLP, Labour Laws, Real estate, ERM, Inbound and Outbound Investments, Green Audit etc.*
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# THANK YOU

