

# THE JOURNEY FROM CFO TO CHAIR

Transitioning from executive to Chair of a Board can be seen as a formidable journey, demanding a shift from operational involvement to strategic oversight. **Emily Jones** speaks to Criticaleye Board Mentor, **Alan Bannatyne**, on his journey from being the CFO of a global business to gaining his first Chair role at XPS Pensions Group



For over two decades of his executive life, **Alan Bannatyne** established his career in the finance function at the specialist recruitment consultancy, Robert Walters Group. Starting out as their Group Financial Controller, **Alan** swiftly ascended to the role of Chief Financial Officer, a role which he held for more than a decade.

At the same time, **Alan** was keen to develop his portfolio career and took on a non-executive director position at the pensions consultancy XPS Group in 2017, where he was both

Senior Independent Director and Audit Committee Chair. Balancing this with his CFO role at Robert Walters, it was a rapid start for him as XPS - which has 1,400 employees in the UK - was in the process of moving from private equity ownership to listing on the London Stock Exchange, where it raised £179 million.

He reflects: "It certainly would have been easier to join six months pre-float because I joined from a standing-start in terms of relationship building. Actually, the Board only formed around the float and the first time I met the Chair was

in the closing meeting for the IPO. It was far from a smooth start, but you learn an awful lot. Seeing the IPO process first hand is extraordinary."

## Establishing the Chair Mindset

By 2022, **Alan** had stepped away from his executive career and subsequently taken on his first Chair role at XPS. As with any Chair role, the priority was to build good relationships with the executive and non-executive directors, and get a real feel and understanding of the business. An interesting twist on >



this at XPS is that the company has two CEOs, Ben Bramhall and Paul Cuff.

**Alan** says: “The XPS Co-CEOs have very similar strategic beliefs and philosophies. You see some very high-profile co-CEO companies where it hasn’t worked ... But here, they don’t have big egos and they’re not trying to outshine each other.

“A huge benefit [of the Chair role] is the level of engagement with the CEOs. As a Chair, you’re seeing them on a regular basis, and you get a clearer understanding of their strength of feeling around issues.”

The Chair’s role in supporting the executive team in communication with shareholders has also been an interesting experience as a capacity for reflection and balance is required. He states: “I was surprised as to just how outspoken shareholders are. They’ll tell you their philosophies and strong opinions and these are normally contradictory across the shareholder base.”

### Boardroom Pressures

By allowing space for agility in his leadership style, **Alan** has been able to foster an environment for new ideas on his Board, as he goes on to explain: “It’s just about everyone having the opportunity to contribute freely to debate.” By allowing the Board and the executives to be aligned on strategy, **Alan’s** focus as Chair can be turned to execution.

Every Chair has their own style and approach when it comes to getting the right rhythm in the Boardroom when discussing strategy, performance and governance. **Alan** explains: “I try to run

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a value-driven agenda and start with the most important things. Of course, the governance section creates the hygiene factors, but the content around people, execution and strategy in my view are best positioned at the top.”

During his tenure, **Alan** has recently brought two new non-executive directors onto the Board and is happy to mix things up on occasion. “As Chair, getting the strategy right is critical. At XPS, we include subject matter experts who genuinely understand the industry and ensure that we have pragmatic experience around the table,” he comments.

There will inevitably be tough moments to navigate. **Alan** said: “One great Chair I worked for described the role as being about challenging and supporting the exec team, but not necessarily in that order. It’s an interesting balance and you’re trying to get the best outcomes for the business.

“You know that there will be times of stress, but that’s the nature of the Plc world. You’re going to disagree, but how and the manner in which disagreements take place will rely on the quality of the Chair-CEO relationship.”

The best chance to drive success for any Chair is to bring together a diverse mix of executive and non-executive directors who are aligned on making decisions on what’s right for both the business and shareholders.

As **Alan** puts it: “Ultimately, the better the people around the Board, the better the performance. It’s not a role for a perfectionist, but it’s meaningful and highly rewarding – and full of interesting challenges.” ■



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