

What does being a great FBP or Management Accountant look like?

(1,093 words, 5 minute read)

Being a great Finance Business Partner or Management Accountant has multiple elements to it – success in the core activities, innovation, learning more about the business and winning people’s respect. Here are some tips on how to do it.



In the age of the smart machine, human creativity (in problem solving, in building human relationships with clients etc) is how we keep our skin in the game.

Surveys show that the FBP part of the finance function is growing in importance, as more financial transaction work and process workflows becomes automated and AI starts to play a more prominent role in business – business processes become more about adding value to data, as it moves through the process. Meanwhile, analytics is separating out into descriptive analytics (legacy data), predictive analytics (forecasts and medium/long term trends) and prescriptive analytics (optimising resources).

FBP’s arguably need to become actively involved in uncovering what data is really needed by the organisation, how should it be used and what are the reliable ways of capturing and reporting it to give good insights. This isn’t just about the likely income and costs either. It’s also about risk – the volatility of forecasts and how vulnerable those numbers are to threats like new pandemics, credit crunches, supply chain disruption, sudden inflation swings, sudden litigation claims, tax rate changes, or labour shortages.

Try to understand the knock-on effects of each threat and you’ll start to ‘see around corners’ in the budgeting and forecasting activity you’re involved with. Make sure also that there is an internal consistency in your budgets.

Earlier in my career, I've loved the FBP and forecasting parts of my role. A few highlights for me were;

- being in a twelve-person project team, building a comprehensive activity-based costing model at national level for a High Street bank,
- overseeing the construction of a product profitability model for the Faculty of Commerce at an HEI,
- rebuilding a facilities-charging model to charge out central overhead costs to each faculty at Imperial College, London,
- building at group level, a Ten Year, integrated forecasting model covering; I&E, cashflows and future FTE projections at a UK membership body. Of course, I couldn't assemble the numbers without help – help from a major programme FBP, help from finance colleagues on staff costs, non staff costs and income projections. Luckily, most of them reported directly or indirectly to me, so I could get the necessary inputs, for top level reporting to the Board.

Being the FBP was and is a bit of a lonely ride - not quite being a fully-fledged Head of FBP, having your own, specific internal clients to deal with and not being one of the cool kids like; commercial marketing, memberships or fundraising, where the real money gets generated.



So, as a Finance Business Partner/Management Accountant, what does great look like?

Half the value of business cases is first framing the options available.

You need to understand the landscape and weather conditions first, before you choose the path.

Professionally, you need to maintain a reputation for integrity and pragmatism - not easy if the situation requires one or the other (top tip: let ethical integrity trump pragmatism, or you'll be in trouble with your professional membership body and accounting regulator).

You need to succeed at the core things – keep one foot in the finance camp and one foot in your clients' camp. Become the natural 'go to' person for your internal clients (the budget holders). Attend your client's team meetings and sharing their successes. But also find enough time to design and deliver some innovations and improvements. On this, the sooner you can productionise most types of reporting, the sooner you can start to add real value in generating the business cases, improving the forecasts & budgets, building costing models (product profitability or understanding cross subsidisation) and benchmarking against good practice.

Back when I joined a small manufacturing firm, as the Company Accountant, I had my first experience leading a finance team. I learned that:

- people are complex,
- everyone has their good and bad days at work.

I also learned the hard way to leave my ego at the front door, when I came to work.

As a FBP or Management Accountant, you generally need to work with the systems, files and internal clients you find. Find ways to adapt to your clients' internal cultures and reassure them that you remain accessible, if they need some support and guidance. Do that and you'll be well on the way to becoming a great FBP.

It's true what they say about any new team going through a cycle of forming, storming, norming and only then performing. Over the years and overseeing multiple teams across multiple corporate services departments, I've seen that cycle in action many times. Learn to expect it and see yourself as a catalyst to help move the team forward to the next stage in that cycle.

People, including your internal clients, have their own reasons for wanting to succeed (ambition, fear, curiosity, stubbornness etc). It's your job to play to their strengths, which are sometimes hidden, remain professional in all situations and help your clients build up their confidence to perform, step by step. There will be setbacks, errors and the occasional failure too – all of which are inevitable, if you are being ambitious.

Sometimes, you'll have a 'bipolar' client – they massively celebrate their successes. But are shattered to the core, if they encounter setbacks. Help them to rationalise setbacks and learn from them constructively.



When you join a new organisation, the sooner you find your head, the sooner you find your feet. And the sooner you find both, the sooner you'll find respect.

How do you win respect – from other departments, from the Executive Directors, your boss and from colleagues in the finance function?

- Try to be right as often as possible (quietly seek out the facts), so that people will respect your judgement,
- Be fair and don't make lame excuses,
- Look for win-win outcomes,
- Stay intensely curious,
- Try to learn from every mistake, or people's impatience with you will quickly turn into something more serious,
- Try to stay humble and give plenty of credit where it's due,
- Show integrity and be inclusive in the workplace,
- Slightly under-promise and then work hard to over-deliver,
- Try to work smarter rather than burn out, working ever-harder.

It's not just about the spreadsheets or Power BI – look outwards. Volunteer to work with Procurement on your clients' behalf to improve the supplier relationships – it will pay off for finance in the long run. But above all, enjoy the journey!

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