The Practitioner’s View of Financial Certifications & The Role of FP&A
Today’s Panelists

Jake Bailey, FP&A
Controller & Director of Finance
Tana Exploration Company

Frank Chou, CTP, FP&A
Senior Financial Analyst
General Motors Company

Steven Phillips, CTP, PMP, FP&A
Director & Assistant Treasurer
Cash America International
The Practitioner’s View of Financial Certifications

Frank Chou, CTP, FP&A
Senior Financial Analyst, Manufacturing Finance
General Motors Company

• My experience in Treasury and FP&A
• Early career
• Role in Manufacturing Finance & General Motors overview
• Why I earned the CTP and FP&A credentials
• How the credentials have benefitted me
• My plans as Senior Financial Analyst
Role of Professional Certification

- **Develops people** - acquisition of knowledge, skills and abilities
- **Qualifies people** - confirmation that people have required knowledge, skills and abilities
- **Distinguishes people** - differentiates between proficiencies
- **Recognizes people** - acknowledgement of people who consistently perform to standards
Role of Professional Certification

Helps employers by:
• better defining and developing technical job competencies
• identifying job candidates who have acquired those attributes

Helps practitioners by:
• developing knowledge and skills required to perform technical job competencies
• recognizing competence - elevating professional status
• advancing career and improving marketability
Why the Certified Treasury Professional® Credential?

- Sponsored by the Association for Financial Professionals
- First given in 1986 – today more than 30,000 financial professionals have earned the credential in 54 countries
- 2,500~ individuals register annually
- Eligibility requirements:
  - Minimum of 2 years full-time work experience in treasury/finance
  - OR
  - MBA or graduate degree in finance + 1 yr. full-time work experience in treasury/finance
- Renewal Requirements
  - 36 Hours of continuing education every three years
Why the Certified Treasury Professional® Credential?

The CTP exam is designed to test mastery of knowledge, skills, and abilities required by finance professionals to execute critical functions related to corporate liquidity, capital and risk management, such as:

- Maintain corporate liquidity
- Manage optimal cash positioning
- Employ working capital strategies
- Utilize various types of payment systems
- Monitor and control corporate exposure
- Optimize capital structure
- Manage cross-border funds movement
- Recognize corporate governance issues
- Build cost effective banking relationships
The Practitioner’s View of Financial Certifications

Steven Phillips, CTP, PMP, FP&A

Director & Assistant Treasurer
Cash America International

- My experience in Treasury and FP&A
- Early career
- Role at Cash America & company overview
- Why I earned the CTP and FP&A credentials
- How the credentials have benefitted me
- My plans as Director & Assistant Treasurer
Why the Certified Corporate FP&A Professional® Credential?

- Launched in 2013
- Sponsored and administered by the Association for Financial Professionals (AFP)
- Developed by practitioners for practitioners
  - The success of the FP&A credential is a function of active practitioner involvement.
  - Practicing FP&As are involved at every stage of the process.
  - Three+ years in development.
- Developed following global standards of practice
  - AFP employs professional testing experts to assist in all aspects of the exam development process to ensure psychometric soundness and legal defensibility of the program.
Why the Certified Corporate FP&A Professional® Credential?

Designed to test mastery of core knowledge, skills, and abilities required to execute corporate FP&A functions, such as:

- **Provide insights** to the organization’s financial decision making process
- **Build budgets, forecasts, annual plans** accurately and efficiently
- **Work as member of team** of financial analysts or work independently
- **Communicate effectively** with others in a wide range of positions, internal and external to the organization
Why the Certified Corporate FP&A Professional® Credential?

• Gather qualitative and quantitative information on factors affecting the financial performance of the organization
• Validate and assess quality/consistency of data, analyze data and relevant facts
• Understand financial concepts and identify key business drivers
• Use advanced spreadsheet functions (i.e., cross tabulations, matrix tables, macros, etc.)
• Assess and adapt processes to changes in the business environment
• Understand database structures and functions
The Practitioner’s View of Financial Certifications

Jake Bailey, FP&A
Controller & Director of Finance
Tana Exploration Company
• My experience in FP&A
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• Role at Tana Exploration & company overview
• Why I earned the FP&A credential
• How the credential has benefitted me
• My plans as Controller/Director of Finance
About the FP&A™ Credential

Credential Requirements

• **Exam, Education and Experience**
  – Candidates may enroll in the FP&A program and begin taking the exams before the education and experience requirements have been fully satisfied, but will not be awarded the credential until all requirements are met.
  – **Five years** from date of enrollment to accomplish all 3 requirements.

• **Renewal**
  – 45 Hours of continuing education credits every three years.
About the FP&A™ Credential

Experience Requirement
• Full Time Equivalent Work Experience in FP&A position.
• 35 hours of work per week.
• At least 50% of time spent performing/managing or supervising those who perform financial budgeting, forecasting, financial modeling, corporate financial planning/strategic planning, financial analysis

Education Requirements
• Finance, accounting or business degree or
• Additional finance and accounting coursework or
• Other Credentials - Approved credentials to replace finance, accounting or business degree
About the FP&A™ Credential
Two Part Examination

• **Part I- Financial Acumen**
  – 110 Multiple Choice Questions + 15 Task Based Simulations
  – Gathering and Interpreting Information - 40%
  – Financial Concepts and Communication 60%

• **Part II- Financial Analysis/Building and Interpreting Financial Projections**
  – 90 Multiple Choice Questions + 35 Task Based Simulations
  – Analyzing Information 35%
  – Building Financial Projections 35%
  – Using Technology/Software 30%

• **Delivered annually, two 60-day windows: Feb/Mar and Aug/Sep**
The Role of FP&A

What is Included in the FP&A Function?

- Strategic Planning and Budgeting
- Financial Measures and Performance Metrics
- Analyze Results and Trends, Model Scenarios
- Forecasting (demand, cash flow, performance)
- Corporate & Business Reports & Analysis
- Ownership of Core Processes and Enabling Technology, Drive Standardization
- Coordination with Divisional Teams on Key Deliverables
- Preparation of Financial Presentations for BOD
The Role of FP&A Field of Financial Planning and Analysis

• High value in being able to transform data into actionable knowledge *(Where can the organization produce greatest ROI?)*
• Growing importance of function
• Practitioners taking on expanded roles in FP&A practice within organizations
• No agreement on job performance competencies
• Little consensus on proper techniques companies use to model and forecast
Study Tips for FP&A Credential

- Jake’s Study Tips
- Frank’s Study Tips
- Steve’s Study Tips
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Questions?