

FIRST PERSON:

ENTERPRISE PRIORITIES IN THE MIND OF THE CFO

A CONVERSATION WITH CAROL HAYLES CFO OF CITIBANK E-BUSINESS



Carol Hayles was appointed CFO of Citibank® e-Business in February 2002, following more than five years as CFO of Citigroup's Global Relationship Bank and a Citibank career spanning several assignments in Canada. She has been with the company for sixteen years.

1. How has your role as CFO been affected by changes occurring in the industry?

The first thing that comes to mind is our increased responsibility, as an industry, for more transparent information about our business around the world. As CFO, I am accountable for the whole e-Business product set globally. Previously at Citigroup, our primary focus was on regional results rather than by product. As our clients grow globally and seek to use Citigroup's products and services in each new country in which they operate, it is more important than ever to report our financials similarly, on a global product basis. To help us show a more transparent unified picture of our business, we need to standardize our product data and the way we count the "widgets." Products vary across geographies and, as such, what we count can differ from one country to another, creating challenges in describing the overall business. Migrating to these new reporting processes and achieving the goal of more transparency in reporting of product attributes are necessary and, while in the short term, the process creates a resource drain; it's a case of short-term pain for long-term gain.

2. What do you think was the most important event in the financial services industry over the last year?

The tragedy of September 11th has, by far, had the most significant impact on the industry over the last year. We are proud to say that Citigroup played a significant role in keeping the financial markets operating not only in the US but also around the world. From our US offices outside of New York and in offices around the world, we were able to reach out to thousands of clients enabling them to continue their own business operations. While several of our New York offices were closed and our 7 World Trade Center site eventually collapsed, our extensive contingency planning enabled us to keep going to ensure service to our clients and help other banks and securities firms.

3. How is the Internet impacting your business?

I believe that the Internet allows both our clients and us to gather information about our operations more efficiently enabling greater control and better metrics to manage our overall businesses. Previously, the sheer volume of data made it difficult for most companies to have a holistic financial view more than at specific points in time (e.g., daily, weekly, monthly). The Internet provides a network by which banks and other suppliers can provide real-time information and execution services. Real-time access combined with robust connectivity to our clients' own systems creates the end-to-end process that we have all been trying to achieve since the 1970s when electronic banking was first introduced. The developments in technology fueled by the advancement of the Internet make this possible. From a Citigroup perspective, services such as Citibank® Treasury System Integration and CitiDirect® Online Banking deliver this vision to our clients directly.

4. What is your biggest challenge as CFO in an e-Business environment?

Today, we are able to get more and more financial information from our businesses and operations around the world. The challenge is boiling it down to extract the relevant information required to make informed business decisions. Within those mountains of data, we need to identify the information that, when coupled with other details allows us to identify ways to lower costs, drive revenue, and decrease time to market – while at the same time, improving the quality of service to our clients.

5. As Treasury continues to evolve into more strategic decision-making, what do you think are the global ramifications?

Treasury staff will continue to be challenged to pull disparate financial systems together as companies grow both organically and through acquisition. Centralization will be a key theme to gain control over financial flows company-wide and create processing efficiencies. Once standards are in place, however, treasuries can turn their attention from operational matters, engaging with the business units to advance business strategies and make recommendations surrounding the financial implications of those strategies.