

## An Expanded Leadership Role

featuring Thomas S. McGurty, vice president for finance and treasurer

**Challenges:** Today's CFOs must be able to connect the dots in comprehending how all university functions relate. Understanding and supporting the intersection of finance functions and institutional goals and direction are critical. Effective communication from CFOs and their teams creates confidence among stakeholders that the team is working to align objectives. How administrative leaders carry out their jobs and interact with people is so critical.

**Solutions:** The contemporary CFO creatively tries to find ways to get to "yes" through partnering with the leadership teams. He or she brings to this creative process knowledge of, and learning from, best practices in peer institutions and outside the industry, as appropriate. Also important is a firm commitment to leverage technology and to integrate data and planning for processes such as labor, budgeting, forecasting, and grants planning.



### Tufts University, Medford, Mass.

- A private research university
- 5,500 undergraduates; approximately 6,000 graduate students and professionals
- 3,300 staff; 1,500 faculty
- Approximately \$900 million in operating expenses
- 85-person finance staff



Past expectations of the functional competency of CFOs should be maintained, but finance competency alone is not sufficient. Today's effective senior finance executives have the leadership and communication competencies for a broader role working across the university.

**Result:** Senior finance leaders spend much of their day communicating with executive leaders, managers, board members, and other institutional stakeholders, offering organizationwide transparency.

Confidence increased among institutional stakeholders that the CFO is working to align finance functions with institutional objectives.

*This case study was originally published in an article entitled "Financial Fix," which appeared in the June 2018 issue of Business Officer, the monthly flagship magazine of the National Association of College and University Business Officers in Washington, D.C.*

## Keys to Success

- As part of an executive budget committee along with the president, provost, and executive vice president, McGurty works toward clarity and direction on how the university's financial goals should intersect its educational business objectives. *"We need to feel confident that we're not going to get out over the tips of our skis. This requires making resources available for the university's agenda in a fiscally responsible way that doesn't overly constrain the institution,"* he says.
- The creation of a long-range planning model at Tufts University derived from the desire to clearly understand and be able to communicate what resources the university had and what the implications would be of drawing on those resources to further the academic mission.
- Advanced tools and technology played a major role in the redesign of the finance structure at Tufts, where leaders consolidated budget development and management functions into a budget center for greater efficiency. *"We're about to take steps to eliminate shadow systems in several areas, which have been a legacy problem for Tufts,"* McGurty says.