

Executive Job Share Case Study: Environmental Technologies

The Company

Environmental Technologies is the parent of a group of companies that leverage state-of-the-art chemical purification systems for various applications including refrigerant reclamation and recycling, medical supplies, lubricants, and industrial cleaning products. Currently at under \$10 million per year in sales, the company is publicly-traded and has plans for rapid growth in the near future, with contracts pending for upwards of \$100 million in the next 5 years. This growth should include international expansion with need for new facilities in Europe and the Middle East. As well there is a plan to move the company headquarters to Europe and list on London's AIM stock exchange.

The Role: Vice President of Finance

To handle the expected growth, the CEO created a senior finance position to oversee all of the company's accounting and financial activities. This includes all financial planning and analysis, cash flow management, controls and compliance, asset management, and management of the existing finance team. Additionally, this role is expected to facilitate some significant equity and credit facility activities to raise the needed capital for expansion. This position required a senior finance professional with a depth of experience in public markets.

The Executive Team

The company is managed by the CEO, who is also the Founder of the organization. He has a Masters degree in Chemical Engineering and an MBA. A Vice President, acquired through an acquisition, also sits on the executive team and manages the marketing function. Like many entrepreneurial organizations, the CEO handled most of the operations, sales, and financial strategy for the company until this position was created. Giving up control is difficult for the CEO, especially because he has had challenges with employee fraud in the past. Both incumbent members of the Executive Team have been in the industry, and their respective roles, for many years and have a wealth of technical knowledge about the business.

The Department

The finance department currently consists of several full-time employees and a variety of out-sourced relationships, from audit to tax and inventory control. Co-ordination of these relationships had become challenging as the business grew and the consequences of this were beginning to show in the company's financial condition.

Other Factors

The company headquarters is located in the community of Irwindale, California, in the eastern part of Los Angeles, adjacent to one of its recycling facilities. The office space is relatively small and modest. Loyalty is highly valued at the company and most employees have been with the company for many years. The atmosphere is friendly, informal, and unstructured. While computer technology is present, many processes are not automated. Because of the overseas location of many of EVT's facilities, the amount of international travel required for the role is extensive. This travel includes work in the Middle East.

Why Executive Job Share at EVT?

To build a solid financial foundation for the company with adequate internal processes and controls as well as a sustainable structure of debt and equity, the company needed a diverse set of financial skills and background experience. At its current size, however, the company could not afford to fund two or more new executives of this caliber. Moreover, the candidate pool for this role is constrained by the tight labor market for finance talent, the commute, the international travel, and the risks associated with the company's current financial position. An Executive Job Share Program where each partner could work 20-30 hours per week allowed EVT to recruit from a larger pool of candidates and attract a much deeper skill set than with a single person. It also provides EVT with built-in backup for the role and an unparalleled system of financial checks and balances.

The Executive Job Share Team: Sohinaz Soutedeh and Diana Berger

Ms. Soutedeh and Ms. Berger both have impeccable credentials and have risen to the top of their respective careers. Unwilling to work the 70 plus hour workweeks their careers demanded because of family obligations, they both held independent consulting roles until engaging with EVT. Both missed the fulfillment of working to shape a single organization through a challenging, hands-on growth opportunity.

Ms. Soutedeh's background is in strategic planning, compliance, and mergers and acquisitions, and she has taken companies public on AIM in the past. She received her MBA at Columbia Business School and spent several years at GE Capital. Ms. Soutedeh is skilled in developing effective investment and growth strategies, managing cash flow, preparing sound financial plans, and ensuring corporate compliance for investors. Her management style is driving, motivational and mentoring. Her particular skills are in decision-making, negotiating, time management, and self-motivation. She is also fluent in Persian and can speak some Arabic, which is of particular value to EVT.

Ms. Berger is a CPA with a Masters in Economics from Columbia University. She has extensive experience in credit facility development, accounting, and audit as well as risk management. In the past she served as CFO of a start-up company, establishing all of the financial systems and managing the company debt structure. Ms. Berger is adept at high-level decision-making, process coordination, and implementing strategic plans. Her background in accounting, debt and asset management make her a strong process and controls driver. Her management style is a teaching/mentoring one. Ms. Berger is also skilled at networking, establishing rapport, and influencing.

The team shares values of integrity, responsibility, discipline, and strong results-orientation. They have agreed to split the hours required and the compensation structure in half, as well as the travel, vacation, and sick time. Each has a laptop and a separate email account. They share accountability for the financial targets and deliverables for their department. All financial documents must be co-signed before they leave the Office of the Vice President of Finance. Moreover, despite their respective strengths, both have knowledge of the entire financial condition of the organization.

The "Marriage"

The CEO, Ms. Berger, Ms. Soutedeh, and the rest of the organization form an important team. Their personalities work well to support and complement each other. Ms. Soutedeh is energetic, full of new ideas, and likes to bring everyone together to work through issues. Ms. Berger is very methodical, thoughtful, and appreciative of people's contributions. She also effectively bridges the gap between Ms. Soutedeh's desire to change with the CEO's reluctance to give up control. Even under stress the personalities align effectively. Ms. Soutedeh tends to take more of an

even-keeled, deliberative approach where Ms. Berger can be firm and decisive. They both effectively tackle conflict situations in a way that is productive and non-threatening to the CEO.

These Executive Job Share partners have made a commitment to each other to resolve differences privately and support each other's decisions. They are also working with an executive coach to ensure their relationship lasts a long time and they individually continue their career development throughout the duration of this role. The opportunity to work together in this way has given each of them the ideal mix of career growth and work-life balance, and they are very happy with their position at EVT.