

Chief Financial Officer

Acquirer of Specialty Line Brokers, MGAs and MGUs



The Situation

- Client was an acquisitive, specialty lines, insurance distribution platform, whose principals came from well-known names in the insurance brokerage and MGA/MGU space.
- The company was funded a few years ago from a private equity firm that specialized in the insurance space. The company had made 5 acquisitions to date and there were other acquisitions in the pipeline.
- There was an existing finance team, but the time had come to on-board a Chief Financial Officer who would be a strategic partner to the CEO. The CFO would be involved in due diligence of additional acquisitions and would work closely with the CEO and private equity partners to support the continued scale up of this company. There was a need to put in place a more robust accounting system; to integrate finance activities; and to create a shared services/holding company level infrastructure.

The Challenge

- The challenge was to find a CFO who had the combination of MGA/MGU/insurance brokerage and private equity experience and who had built out a finance infrastructure. Other important pieces to the CFO skill set were operational strategy, third party relationships (i.e. investment banks), investor relations/road show experience, a background in debt and equity financing, and an ability to develop a clear vision and target operating model.
- The location of this company limited the pool of candidates and recruiting during the COVID pandemic added a layer of challenge to the search since arrangements had to be made for video discussions followed at some point by face to face meetings (likely across from a long table at an outdoor restaurant).

The Approach

- Since the intended location of this role would make the candidate pool somewhat limited, the emphasis on this search would be strong candidate recommendations from ARExecutiveSearch's CFO network.
- After receiving several introductions to strong candidates, and after a reach out to likely candidates outside of the immediate network, 5 strong candidate profiles were identified which included a candidate directly from one of the company's competitors. A conference call was scheduled with the CEO and COO to discuss candidate backgrounds. After the conference call, the decision was made to interview all 5 candidates and initial video interviews were arranged.

WHY ARExecutiveSearch

- The carrier's Chief Operating Officer had known ARExecutiveSearch for several years from his time at two other carriers.
- He reached out to ARExecutiveSearch to see if there was an interest in a discussion about this CFO search.
- A conference call was set up with the company's CEO and COO to discuss the search, and a decision was made to retain ARExecutiveSearch.

The Choice

- The carrier's Chief Operating Officer had known ARExecutiveSearch for several years from his time at two other carriers when the team placed CFO's at both places. He reached out to ARExecutiveSearch to see if there was an interest in a discussion about this CFO search. There was. A conference call was set up with the company's CEO and COO to discuss the search. After the call, a decision was made to retain ARExecutiveSearch on this CFO search.

The Selection and Solution

- At the conclusion of the video interviews, three candidates were selected for 2nd round face to face conversations (across the long table at the outdoor café). After 2nd round, the one candidate who really stood out was from the company's direct competitor. This candidate had the combination of private equity, MGA/MGU/brokerage experience backed up with the experience of scaling up a company... exactly what the client was looking for.
- Arrangements were made for the lead candidate to meet with the private equity partners. Those conversations went well, an offer was extended, and salary negotiations started.

THE RESULT

- The CFO came on board and is doing exceptionally well. The company continues to grow.

Another successfully completed search.