

The skills of David Nish and Douglas Millican have helped to transform their respective companies, writes Robert Outram

STANDARD Life's David Nish received his Financial Director of the Year Award last week, not as finance director (FD) but as chief executive, the post he took up at the start of this year.

The appointment of Nish, a chartered accountant whose career took him through professional practice, with PricewaterhouseCooper, and the energy sector before joining Standard Life.

Formerly a mutual institution, Standard Life is now a plc on the stock market, and Nish says there are more similarities than differences between it and Scottish Power, where he was formerly finance director and where he was also named FD of the Year.

He explains: "I have been able to use a lot of my experience from Scottish Power. For example, there is a lot of volatility in the energy market just as there is in the financial sector."

"Scottish Power was privatised in 1991 and Standard Life has only been in the

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stock market for three years; so Standard Life is still going through some of the phases that I saw at Scottish Power, for example in its financial restructuring." Standard Life actually grew its business during 2009, with net life and pension inflows of £3.2 billion, up 57 per cent on the previous year and a 25 per cent rise in third-party assets under management at Standard Life Investments. The company also increased its dividend last year.

Nish says: "A key lesson [from the financial crisis] is that we have to focus on managing the things that are under our control. Our capital has been stable, because of the steps we took previously. Now, the intention is to ramp up investment for growth."

Running Scottish Water's finance function is the "more straightforward part of the role" for Douglas Millican. Unlike its counterparts south of the Border, Scottish Water is still currently state-owned but, like them, it is overseen by a regulator which has the power to set the prices the utility is allowed to charge.

The latest round of dialogue ended last November with a settlement that, Millican says, will mean "prices for customers will fall by 5 per cent over the next five years, taking us to the second lowest level of charges in the UK."



Winners David Nish (left, chief executive of Standard Life) and Douglas Millican (finance director at Scottish Water)
Picture: Malcolm Cochrane

Business experts hail two worthy winners

He adds: "Your case to the regulator must be based on solid data, plus evidence and arguments to back up your case. And rightly so, since he is awarding us £6bn, after all!"

As a key board member, Millican has helped Scottish Water achieve a better-than-50 per cent improvement in performance against customer service and regulatory benchmarks over the past three

years, as well as managing capital investment of £700 million over the same period to maintain and improve Scotland's water infrastructure.

He says: "It [the FD of the Year Award] is further recognition for the transformation that we've undertaken; the improvements that have been delivered and the continual quest to do even better... on the finance team we've got

some great people and that makes the job so much easier."

● Robert Outram is editor of *CA Magazine*, the journal of the Institute of Chartered Accountants of Scotland

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Finance directors saluted for huge contributions to their businesses



Robert Outram

THE Finance Director of the Year Awards, presented last Friday at a gala luncheon at the Edinburgh International Conference Centre, represent the most prestigious accolades available to finance directors in Scotland.

The awards, sponsored by Bank of Scotland and supported by ASA Recruitment and *CA Magazine*, honour the outstanding contribution and effort made by finance directors towards the overall success of their organisations.

The scope of the finance director's role has increased dramatically in recent years. They go beyond the realms of reporting and make significant contributions in areas of business integration, strategy, cost management, performance improvement, corporate finance and relationship management.

This year, the Bank of Scotland awards went to two finance directors: Standard Life's David Nish, now the group's chief executive; and Douglas Millican, FD with Scottish Water. What they have in common is not just a good head for numbers but also leadership and a track record of helping to bring about a transformation in their respective organisations that goes beyond the purely financial.

The members of the judging panel for the FD of the Year Awards have each made outstanding contributions to their organisations and industry. This year the panel comprised Frank Blin CBE, senior partner with PwC Scotland and chairman of the Scottish Enterprise Investment Fund (panel chairman); Donald Kerr, commercial banking director, Bank of Scotland; George Black, chief executive of Glasgow City Council; John Richards, group finance director with The Miller Group; Iain Moir, managing director of ASA Recruitment; Glenn Allison, managing director, Stewart Milne Group.

Frank Blin, chairman of the judging panel, said: "Year on year, the panel is impressed with the standard of finalists for the awards. After meeting with the finalists and after much deliberation, the panel was unanimous in reaching the decision for the 2010 winners."

"Our congratulations go to, not only the winners, but all those that support and enhance the role of the finance director."

Congratulations

to the winners of the Bank of Scotland Finance Director of the Year Awards 2010



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