Right and Left Brain Thinking

CMA’s new branding campaign, Creative Accountants

GRIP: Implications for Investors and Entrepreneurs

A Partnership in Excellence: The CMA Centre for Strategic Change and Performance Measurement

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Kanwal, Controller
Osami, Financial Analyst
Rob, Sr. Manager, Corporate Operations

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Welcome to the Fall issue of Update magazine. We are now into our 7th issue of Update in this format which was launched in spring 2007 at the 1st annual CMABC Members Conference. The positive response from our members within British Columbia, across Canada and internationally, as well as industry partners – have supported the growth of this magazine and have contributed to the editorial in future issues. Back issues of this magazine and previous newsletters are available to be downloaded on our website: www.cmabc.com under ‘News and Publications’.

I would like to personally thank the Update task force which includes CMAs and CMAs in training – who commit tirelessly to the content and success of this magazine. This volunteer board focuses its efforts in ensuring that the articles reflect the diversity of our designation as well as keep us current with topics that are appropriate to business. I would like to commend the efforts of Don Nilson - CMA, FCMA, Doris Good - CMA, David Andru - CMA, Roy Quinones - CMA, Geoff Bryant - CMA in training and Tiana Mah - CMA Communications Specialist – all of whom have had significant input into this magazine as well as past issues.

As you may be aware – we launched the first stage of our new CMA branding campaign across Canada in late May 2008, and will commence the next stage of advertising...about the same time you will be reading this magazine. Based on member questions and responses (both positive and concerned) Update asked John Roumelis – Group Account Director at CMA Canada’s national advertising agency TBWA, to provide some insight from the agencies perspective into the development of this initiative. TBWA is recognized world-wide as a strategic partner in developing campaigns that differentiate their clients – and build market share. I know you will appreciate reading this article.

This spring Shannon Thompson, Recruitment Manager at CMA British Columbia – traveled to Africa through the invitation of the Rotary International Group Study Exchange. Not only was the invitation notable, Shannon also took the time to meet with some CMAs working in Tanzania. She agreed to share those stories along with her experiences with us in this issue.

We hope you enjoy reading this issue and if you have any suggestions of members that we should be profiling or article submissions, we look forward to hearing from you.

Regards,

Vinetta Peek, CMA (Hon.)
Vice President, Marketing & Communications
vinetta@cmabc.com

Have an article, editorial suggestions or feedback you’d like to share with Update? Contact Tiana Mah, Communications Specialist at tiana@cmabc.com.

Want to advertise in the next issue of Update? Contact Chris Livingstone at 604.684.2961 or chrislivingstone@choicemedia.ca.
We have wrapped up another fiscal year, and as we write this, are looking ahead to fall and the many member events and initiatives the Society has planned for 2008/2009.

A couple of Society events that we’d like to bring to members’ attention include our annual convocation event on Saturday, October 25th where we will be welcoming 213 new CMA graduates to the designation, as well as this year’s FCMA and CMA students and industry, will be on Wednesday, November 5th at the Vancouver Convention and Exhibition Centre. Further details on both these events can be found on cmabc.com and cmacareerconnections.com.

As you know, for many years now we have focused much of our time and resources to the long term sustainability and success of the BC Society. Our staff, the Board and our many CMA and student volunteers have all worked very diligently over the years to ensure CMABC has meet or exceeded the board approved key performance measures of quality growth, new student intake, member, candidate and employer satisfaction and operational effectiveness. Our focus will continue along these lines with ongoing growth being the first among equals of our performance measures.

To help achieve this growth the Board has formed a new strategic planning committee. This committee meets monthly and will be making recommendations to the BC Board at their February/March 2009 Board meeting.

Aiding our growth is the recent accreditation of Kwantlen Polytechnic University. Kwantlen joins Simon Fraser University, the University of British Columbia and Okanagan University College as accredited post-secondary institutions under the CMA Canada Accreditation of Institutions program. Accounting program graduates of these four universities who’ve achieved a minimum GPA and have met the required CMA prerequisite courses during their undergraduate studies are exempted from the CMA National Entrance exam and may proceed directly to the Strategic Leadership Program (SLP).

This September the Society launched the CMA QuickStart program. This program, offered in conjunction with Langara College, allows students to complete the CMA Accelerated Program prerequisites, introductory financial accounting and managerial accounting, in a compressed format. For students with a non-business degree completing the CMA QuickStart and Accelerated Programs is the quickest preparation route for the CMA National Entrance exam. All CMA students must successfully pass the National Entrance Exam, or have graduated from an accredited university (SFU, UBC, OUC or Kwantlen), before entering the CMA professional program – the Strategic Leadership Program (SLP).

This past month we’d both attended, as well as Past BC Chair Mehb Jessa, the CMA Canada (CMAC) Council of Chairs meeting on September 5th in Toronto. On September 26th we held our volunteer appreciation luncheon, followed by the Annual General Meeting and changing of the Executive Board. I would like to recognize the work and commitment of the 2007/08 CMA British Columbia Board Executive: Kelvin Stretch from Kamloops, Donalda MacDonald and Mehb Jessa from the Lower Mainland for their outstanding work and dedication to the CMA designation this past year.

It is with regret that I announce that CMA Canada President and CEO, Steve Vieweg, has given his resignation notice effective June 2009. A search committee has been formed and will be chaired by CMAC Board Vice-Chair, Bob Strachan.

On another note, I am happy to announce that Meryle Corbett, from Kelowna, will be the new Alberta/British Columbia/Yukon national representative. Meryle is filling the vacancy left by Bob Strachan. Bob has been appointed Vice-Chair of the CMAC Board. Congratulations to both Meryle and Bob on their new CMAC positions.

We wish everyone a productive rest of the year and look forward to meeting many of you at one of the upcoming Society events.

Best regards,
Update on the CMA Executive Program

This fall the BC CMA Executive Program enters its sixth year with over 81 senior managers and executives completing their CMA designation through this educational pathway.

Since its 2003 Vancouver launch in partnership with Simon Fraser University this program has graduated CMAs from a diversity of sectors - forestry, tourism, crown corporations, government, manufacturing, and education among others. This diversity is also demonstrated in the size and scope of the Executive Program students’ employers, ranging from independent consulting firms to some of Canada’s top ten largest companies. Since its inception the CMA Executive Program has attracted candidates from all areas of BC including Prince Rupert, Prince George, Kelowna, the Lower Mainland and Vancouver Island, as well as internationally, with past students from the US and Shanghai all participating and sharing discussions about advanced strategic management practices and financial performance factors.

In 2007 the CMA Executive Program was launched in Victoria in partnership with the University of Victoria. This expansion allowed for continued growth of the CMA designation and increased the profile of CMA within the Vancouver Island business community.

Update magazine recently caught up with some recent CMA Executive Program students and graduates to find out how their CMA designation has benefited them and the current challenges and initiatives they are working on.

Update magazine: Can you give us a brief description of your responsibilities at your company?

Jon: As general manager of Paterson Countertops, my responsibilities span almost all aspects of the business, including staffing and training, product pricing, job costing, meeting sales targets and client relations.

Tom: PRA Group is the largest independent provider of risk management services for private and public sector clients in Western Canada. As Director, I manage PRA Group’s Vancouver Island consulting, risk management and internal audit practice.

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Michael: MedGenesis Therapeutix is a biopharmaceutical company developing therapeutics for serious Central Nervous System disease including the areas of Parkinson’s and Alzheimer’s disease. As CFO my responsibilities encompass accounting & governance, financing, business development, and as a member of the senior management group, overall management of the company.

Michael Lincoln, CMA
Chief Financial Officer
MedGenesis Therapeutix Inc

Update magazine: What are some of the challenges and initiatives you’re currently working on?

Tom: The ongoing challenge with Internal Audit is to show the value in the work we do. I try to increase awareness of internal audit and enterprise risk management at every opportunity.

Jon: The biggest challenge has been recruiting and retaining qualified staff. With Victoria’s steady growth, low unemployment, and an ever increasing demand for our product, our number one issue has been finding qualified people.

Michael: Two of the major initiatives I’m working on that require a significant amount of my time include raising capital, as well as various partnering initiatives that would accelerate our development process or strengthen our technology platform.

Michael: The three pillars generally play an equal role in my position over time. That said, biotech is a very fluid environment. This typically results in the need to emphasize one pillar over the others periodically depending on the circumstance.

Tom: All three are critical to my role. PRA Group is a growing firm that has weekly strategy sessions. Without focused strategy, managed growth would be impossible. Whether it be with staff or clients, management is fundamental to the success of PRA Group. Our firm is decentralized, so unlike a traditional office where you interact face to face, I have to manage our teams remotely and I may not see some team members for weeks. I use my accounting knowledge regularly on project work, interacting with senior management or presenting findings to audit committees on accounting related issues. Internal audit work, while diverse, is grounded in accounting. I must draw on all three pillars daily.

Update magazine: The three Pillars of the CMA designation are Strategy, Management and Accounting. Do these competencies play an equal role in your job or do you find that there is one of these functions that you tend to lean on more than the others?

Michael: The three pillars generally play an equal role in my position over time. That said, biotech is a very fluid environment. This typically results in the need to emphasize one pillar over the others periodically depending on the circumstance.

Tom: All three are critical to my role. PRA Group is a growing firm that has weekly strategy sessions. Without focused strategy, managed growth would be impossible. Whether it be with staff or clients, management is fundamental to the success of PRA Group. Our firm is decentralized, so unlike a traditional office where you interact face to face, I have to manage our teams remotely and I may not see some team members for weeks. I use my accounting knowledge regularly on project work, interacting with senior management or presenting findings to audit committees on accounting related issues. Internal audit work, while diverse, is grounded in accounting. I must draw on all three pillars daily.

If you have inquiries about the CMA Executive Program or would like to refer a colleague, please contact Jameel Dawood (jameel@cmabc.com), or Mike Simons (mike@cmabc.com) on Vancouver Island.
The commercial credit card industry has moved beyond “plastic” to sophisticated spend management programs for corporations and public sector organizations of virtually all shapes and sizes. The benefits of “spend management” have become so important to business success that CFOs – in some cases CEOs – are paying close attention to the many ways in which organizations can drive efficiencies and cost savings by implementing a number of spend management tools in addition to a corporate card program. The result is a superior level of cost control, improved buyer/supplier relationships and revenue generation. With the right tools companies can manage all critical elements of their spending cycle – including sourcing suppliers, automating RFP’s, contract management and procurement and invoice presentation and payment – with detailed analysis to help them track and control their capital. Depending on their needs, clients may choose an individual component to augment their existing system or they can implement a total turnkey solution.

A spend management program, which has at its core a credit card that is used by company employees, is relatively easy and cost effective to incorporate into most business environments, as long as the provider of the service listens closely to customer needs. Such programs are not “one size fits all.” The best programs start with a corporate or purchasing card and incorporate Web-based solutions that clients can use to automate their complete spending cycle.

In a basic sense, commercial card programs are ideal for small value transactions. They free up working capital in organizations and allow businesses to control their expenditures and have increased transparency into how company funds are being spent. Businesses that pay suppliers using a corporate card can get free working capital from their card services provider for up to two months. The card services provider pays suppliers within 48 hours, thus enabling both parties improved working capital positions.

Total spend management solutions focus on larger value transactions where paper documents cannot be eliminated. Instead, the supply cycle is fully automated, with workflow rules to match purchase orders, invoices, bills of lading and contracts. Paper cheques are replaced with electronic funds transfer (EFT) transactions, resulting in a fully automated and streamlined process, saving organizations time and money. According to Ariba, a leading spend management technology provider, measurable savings include:

- 60% reduction of paper based invoicing
- 50% decrease in PO. invoice errors
- Trimming of invoice and payment cycles by 75%
- Capture of negotiated and early-pay discounts previously missed due to manual processes
- Bulk enablement of several thousand suppliers in months rather than years

A commercial card program, or spend management solution, is a cost effective program resulting in significant return on investment for businesses. According to Forrester Research Inc., the spend management solutions market has grown an average of 35% over the past four years and is expected to continue its double digit growth, as organizations strengthen their focus on optimizing working capital and cost management.

Vic Iwanow, CMA, is a Senior Manager at BMO Spend & Payment Solutions, a division of BMO Financial Group.
In the previous issue, we reviewed the historical background to the taxation of dividends in Canadian tax law, leading up to the introduction in 2006 of the new “GRIP” and “LRIP” ("general rate income" and "low rate income") corporate tax accounts. The former involves Canadian private companies only and the latter involves Canadian public companies only. That article reviewed the implications for those corporations in managing their tax affairs.

In this issue, we turn to individual investors – both stock market investors in public companies and entrepreneurs in private companies. Both need to come to grips with the significant implications of GRIP and the new dividend tax law.

Commencing in 2006, there is now a dual integration system, one for public and one for private. Investors in private companies engaged in entrepreneurship enjoy the “old” system on the first $400,000 of annual profits, now called “ineligible”, and the new system for profits in excess of $400,000, now called “eligible”. Investors in public companies enjoy the new, richer “eligible” system. The two systems differ in the math of the gross-up and credit. Ineligible dividends have a gross-up of 25% while eligible ones have a gross-up of 45% (The difference reflects the different tax rates paid previously by the corporation). The dividend tax credit has two components – federal and provincial. In BC, the combined credit is 18.43% of the grossed-up amount for ineligible dividends and 30.97% for eligible dividends.

The accompanying Chart A gives some perspective on the implications of each system. The top row shows the 2008 personal marginal tax bracket ranges in BC. The rows following show the marginal tax rates in BC for an incremental dollar of different kinds of investment income at different income levels (Note that this chart would vary significantly from province-to-province).

### Implications for stock market investors

A number of observations are worthwhile. First, the tax rate on eligible dividends is now lower than it is on capital gains, across all marginal tax brackets. Second, in comparing the two sets of tax rates for dividends, we underscore how over-taxed public company dividends have been all of these years. Third, eligible dividends are totally tax-free for incomes under $70,000, and only slightly taxed between $70,000 and $75,000. Fourth, the top tax rate on ineligible dividends has been all of these years. Third, eligible dividends are totally tax-free for incomes under $70,000, and only slightly taxed between $70,000 and $75,000. Fourth, the top tax rate on ineligible dividends has been all of these years.

#### Chart A

<table>
<thead>
<tr>
<th>Taxable Income</th>
<th>Interest</th>
<th>Capital Gain</th>
<th>Ineligible Dividend</th>
<th>Eligible Dividend</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt;$35,016</td>
<td>20.2%</td>
<td>10.1%</td>
<td>2.3%</td>
<td>0%*</td>
</tr>
<tr>
<td>$35,017-37,885</td>
<td>23.0%</td>
<td>11.5%</td>
<td>5.7%</td>
<td>0%*</td>
</tr>
<tr>
<td>$37,886-70,033</td>
<td>30.0%</td>
<td>15.0%</td>
<td>14.4%</td>
<td>0%*</td>
</tr>
<tr>
<td>$70,034-75,769</td>
<td>32.5%</td>
<td>16.2%</td>
<td>17.6%</td>
<td>2.2%</td>
</tr>
<tr>
<td>$75,770-80,406</td>
<td>36.5%</td>
<td>18.2%</td>
<td>22.6%</td>
<td>8.0%</td>
</tr>
<tr>
<td>$80,407-97,636</td>
<td>38.3%</td>
<td>19.1%</td>
<td>24.8%</td>
<td>10.6%</td>
</tr>
<tr>
<td>$97,637-123,184</td>
<td>40.7%</td>
<td>20.3%</td>
<td>27.8%</td>
<td>14.1%</td>
</tr>
<tr>
<td>&gt;$123,184</td>
<td>43.7%</td>
<td>21.8%</td>
<td>31.6%</td>
<td>18.4%</td>
</tr>
</tbody>
</table>

The tax credit received on dividends applies to the total tax bill resulting from total income. This means that, for incomes under $70,000, eligible dividends are not only tax-free but actually reduce the tax on other income of the taxpayer. A “leakage” problem occurs when the taxpayer does not have other sources of income to soak up the excess dividend credits. For instance, someone in the lowest bracket earning only eligible dividends could leave as much as $5,600 of tax credits on the table.

A foregone tax reduction of this size may inspire tax planning initiatives that have not been previously necessary in the world of only ineligible dividends. For instance, in this circumstance the tax law long has permitted a couple to transfer the dividend income (and the related tax credits) from the lower income spouse to the higher income spouse. If the transferee spouse can enjoy the tax credits and pays little or no tax on these extra dividends, the benefit for the couple would be the tax break on whatever dependent credits can now transfer, which can be quite sizable. But this only works if there is a couple!

Another tax planning strategy to address sizable leakage is to manage taxable income in some fashion. One version of this critically requires proactivity during the tax year while the other version requires some cleverness when preparing the tax returns in the following Spring. Proactive steps would involve generating some taxable income to soak up the credits. This might, for instance, involve cashing out some RRSP funds! While this might seem heretical, in fact, it might make sense to use the proceeds to contribute to the new Tax-Free Savings Accounts which join our world in 2009. Alternately, unrealized capital gains could be harvested to generate more income.
Some income management strategies can be executed at tax preparation time. For instance:
- Defer RRSP deductions on contributed amounts
- Defer CCA on rental or self-employment income
- Accelerate the taxation of a previous capital gains reserve
- Defer some credits, like donations and medical expenses
- Transfer eligible credits to your spouse
- Elect pension splitting with a transferor spouse
- Defer permissive tax shelter deductions
- Defer loss carryforward claims

Implications for entrepreneurs
The dual integration system is good for entrepreneurs as well as investors. The old system only integrated well for corporate income taxed at a low corporate rate, which is what applies to many entrepreneurs. However, entrepreneurs making profits in excess of the Small Business Limit (recently raised to $400,000 annually) historically found themselves trapped into a high salary/bonus distribution tax strategy in order to avoid inadequate integration. This meant drawing a salary in excess of the entrepreneurs’ personal needs, and resulted in high personal tax bills. Now, with the dual system, the entrepreneur only needs to draw compensation to fund personal needs, and the excess business profits can be taxed in the company with impunity because those profits can be withdrawn in the future as eligible dividends with proper integration.

The implications of the dual system go further. An entrepreneur with low personal income needs and whose company has eligible dividends available in the GRIP pool, may find it “tax smart” to voluntarily take greater compensation than needed, in the form of eligible dividends. We can see this from the chart, which tells us that voluntary eligible dividends which raise the taxable income up to $70,000 will come tax-free.

This introduces a fundamental annual tax planning principle of use-it-or-lose-it, akin to using up personal credits each year. When the entrepreneur has a tax-free dividend window up to $70,000 annually, it should be used, not wasted. If the entrepreneur doesn’t need the extra cash, the extra funds can be retained in the business and sit in a tax (free) paid shareholder loan account in the company.

However, this strategy needs to be managed in the long term if the entrepreneur intends to sell the company and qualify for the $750,000 capital gains deduction. If the company holds too much liquidity from its retained earnings, the share sale may not qualify for the tax-free capital gain.

Entrepreneurs who own passive holding companies get a new and good result, too, with eligible dividend rules. Typically, their HoldCos will only generate GRIP from the dividends in a portfolio of public stockholdings, but not from interest or rental income or capital gains. However, the HoldCo might also own shares in the entrepreneur’s active company, which generates business profits in excess of the Small Business Limit. An eligible dividend paid to the entrepreneur from a HoldCo will cause that income to be tax-free as it passes through the HoldCo and taxed to the entrepreneur, according to Chart A.

Lastly, for investors or entrepreneurs with exclusively, and large, eligible dividends, the interplay of federal tax, provincial tax and Alternate Minimum Tax (AMT) can leave one’s head spinning. Finding an optimum and tax-free strategy is pretty well impossible. This is new, because the old ineligible dividend system never attracted the wrath of AMT. For instance, while the chart above indicated that an incremental amount of eligible dividends was tax-free up to $70,000, if one’s income is solely eligible dividends, the AMT changes that result. In fact, only $49,000 of such dividends are tax-free; above this, the AMT kicks in. At $70,000, the AMT tax bill would approximate $4,100 instead of being free and, furthermore, the provincial tax credits are not fully enjoyed.

Don Nilson, CMA, FCMA is the Principal at Nilson & Company. He is also a member of the Update Editorial Task Force.

In the next issue of Update Don will review the tax and financial planning issues of the new Tax Free Savings Accounts.

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Managing constraints is a key element to managing a successful business. In fact, you could say that this phrase is derived from a management philosophy called the Theory of Constraints (TOC), originally developed by Eliyahu Goldratt. TOC points out that some factor, whether internal or external to a firm, acts as a constraint such that identifying and managing it is essential in order to complete a desired goal effectively.

For example, the length of time required to complete a project is constrained by the number of employee hours available to work on such a project. Similarly, inventory and availability of raw materials constrains the amount of goods that can be manufactured, thus affecting the amount of revenues that can be generated. While budgeting and variance analysis may identify such factors and their associated drivers, allocating such resources to satisfy those constraints identified may be a tiresome and difficult process.

MS-Excel provides a way to expand on this concept—and allows you the possibility of further maximizing your results.

**What is Solver?**
Solver is an add-in tool offered by MS-Excel. The function of this feature is to select the value of specified variables that obtains a feasible solution, subject to constraints defined by you. While the Solver tool itself is limited to quantitative constraints, such as units of inventory, dollars available, etc. (or qualitative constraints defined quantitatively), there are still a myriad of functions for which Solver is useful, including the following situations:

**Production decisions** – How can you maximize margins or minimize costs, given scarce resources?

**Cash Flow Forecasting** – How do you ensure that anticipated cash shortfalls are met?

**Logistics** – How can you minimize your costs given time constraints and availability of resources?
Understanding the Model

Cash-flow forecasting is critical to ensure enough cash is available, especially during off-peak sales periods. In this example, a company has identified cash receipts and cash disbursements for the upcoming fiscal year, including sales expectations and associated inventory purchases. Please also note the additional company policies and assumptions at the top of the spreadsheet.

For every Solver Model, there are certain parameters that need to be defined. By going to Tools and selecting Solver, you will see these parameters (diagram 2):

**Decision Cells**
These are the cells that Solver will select values for (diagram 1). In this case, the withdrawal amount from the Line of Credit (LOC) is what Solver will base a solution on.

**Target Cell**
This is the value that you would like Solver to find a solution for (diagram 1). Please note that the target cell specified should be a formula that depends on the value of the decision cells. In this case, we want to minimize the use of the Line of Credit, and so the target cell is the sum of Interest Paid on the LOC for the year.

**Constraints**
This is the complicated aspect of Solver, and normally determines how effective the model is. Constraints limit the model such that they give Solver a guideline for how to calculate a feasible solution. For this example, we have three constraints (diagram 1):

1. The "Line of Credit" value for each month must be greater than or equal to zero.
2. The Maximum Line of Credit Balance in any month can not exceed the limit of $200K.
3. Company policy dictates at least a minimum cash balance of $30K as a safety measure, in case net cash inflows are less than expected.

Once these have all been defined, hit the “Solve” button. MS-Excel will now identify whether or not a solution has been identified. In this case, Solver has issued a solution which satisfies all constraints. To demonstrate further, you can alter the constraint values by increasing or decreasing the Monthly Min. Cash Balance, or increasing the LOC Limit to see what other solutions Solver may find. Please note that in some cases, Solver will not provide the most optimal solution, instead identifying a solution that satisfies all constraints. To come up with a more optimal solution, more stringent constraints may be required.

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_Feeling Constrained? [cont’d]_

To help explain, we’ll use a production decision model. A copy of the spreadsheet used in the following example has been saved to the CMA Website under “News and Publications, under Update magazine._
‘Customer experience’ is a relatively new industry term, referring to the aggregate of all experiences a customer has with a company providing goods or services.

A customer experience could be a face-to-face interaction with a retail sales associate, a conversation with a telephone banking customer service representative, or a transaction through an online photo-finishing website.

Customer experiences are ultimately intangible. But managing customer experiences – ensuring their consistency and quality – is a key determinant to the financial success of a business.

Customer Loyalty and Advocacy
Positive experiences increase customer loyalty. Businesses in all industries love loyal customers, as loyal customers are generally happy customers. Loyal customers are more likely to be repeat purchasers with increasing volume and frequency over time and willingness to try new products. Loyalty is an important metric to consider when forecasting sales and improving planning and operations, as loyalty ultimately drives marketing and sales effectiveness.

Building a base of loyal customers is the most effective route for sustainable business expansion, as loyalty equals recurring sales. But loyalty is also strongly tied to advocacy – loyal customers refer their friends and family to their favourite brands and suppliers of products and services, and become an auxiliary marketing machine for the company. Thanks to the advocacy of loyal customers, more revenue can be generated with less marketing costs, and thus loyalty can drive higher margins.

Managing Customer Experience
In today’s networked economy, consumers share their experiences with their social networks, regardless of whether the experiences are good or bad. With the popularity of social networking websites, review sites too numerous to mention, and overall enhancements to the ease-of-use of personal communication technology, customer experiences can be instantly shared among friends, relatives, co-workers, even strangers.

However, as Rogers and Apple recently discovered during the launch of iPhone in Canada, poor customer experiences tend to stick in the public consciousness (and draw more mainstream media attention) more than great customer experiences. Tell a friend that your wireless phone plan is unreasonably high, and your experience could be passed along to ten other people in the ‘circle of trust’ in a couple of days. Start a group or blog, and suddenly thousands of people around the world are in the conversation.

It doesn’t matter if your experience is a fair representation of the brand in question – your experience could influence other people’s buying behaviours. Rogers may have spent millions of dollars in marketing iPhone, but unhappiness over pricing plans damaged their brand, and possibly drove customers to the competition.

The voice of the customer can punish a company, but it can also serve as a canary in a coalmine, and allow a company an opportunity to reverse a potentially disastrous decision. In 2007, HSBC, the world’s largest company, began to charge 9.9% in overdraft interest on student accounts, which had previously been interest-free. A 5,000-strong Facebook group launched a campaign to battle the policy change, including a planned demonstration outside HSBC headquarters in London. Within weeks, HSBC reversed the decision, freezing the introduction of interest on graduate accounts, and refunding charges levied against these accounts.

The key to managing the customer experience effectively is not simply responding to issues and complaints, but pre-empting these kinds of crises by encouraging customers to tell them about their experience. Most companies, however, through years of refining their brand, their messaging, their communications channels and processes, put up walls instead, effectively telling the customer that either their feedback is not needed, or welcomed.
Managing the customer experience means providing customers the channels to provide feedback, of all kinds, at every interaction or transaction with a product or during the difference stages of a product lifecycle. Integrating business processes so the company can respond to and resolve issues, questions and complaints closes the cycle for the customer. Improving planning cycles, product marketing, service and support from intelligence derived from the management of the customer experience closes the cycle for the company.

**Customer Loyalty & The Bottom Line**

Leading companies in customer-focused industries are beginning to find ways to leverage technology to quantify, measure and use the customer experience to optimize performance, drive results, and create legions of loyal customers.

In financial services, companies are now acquiring customer feedback during transactions, as a way to optimize core business processes. MBNA, a subsidiary of Bank of America, collects customer feedback every time an online credit card application is closed prior to completion; by finding out why potential customers are abandoning the transaction, and fixing aspects of the online process, it has rescued hundreds of thousands of dollars of annual customer revenue each month.

Listening to the customer and using their feedback to improve products and service delivery is the ultimate loyalty strategy. By implementing the right processes, companies build brands, optimize the value and efficiency of transactions, and ultimately support customer retention and growth strategies. It’s called customer experience management (CEM), and the best CEM strategies help ensure cost reductions and business improvements are not mutually exclusive.

Ultimately, CEM is a continuous improvement process that requires elements of measurement and control, as well as strategic and fiscal oversight. What good is a CEM program if measurements are not aligned with financial objectives, or corporate planning?

On that note, what good is a customer experience management program without the contributions of a CMA?

Given the profession’s focus on strategy formulation, planning and innovation, and performance measurement - including the use of balanced scorecards and forecasting to predict future performance – it’s time for the accounting discipline to begin to understand the influence of the customer experience on a company’s bottom line.

Dennis Leung, CMA, is the Corporate Controller at ResponseTek (www.responsetek.com). ResponseTek specializes in Customer Experience Management software solutions.
Legal Protection for Directors and Officers

By Richard J. Berrow

Directors owe a duty of care to the company they represent, that is, to not be negligent in managing the company’s affairs; as well as a duty of loyalty to act in the best interests of the company, that is to avoid conflict(s) of interest. Breaching these duties can result in lawsuits against the director(s) by shareholders, shareholder groups, lenders, competitors, even the company itself. Takeover situations, oppression proceedings, pension plans management, and securities class actions - all expose the director(s) to unplanned litigious situations.

Most companies provide legal protection for their directors and officers through the exercise of corporate indemnification powers, and Directors’ & Officers’ (D&O) insurance. Increasingly, directors and officers expect their corporations to provide relevant protection in their respective role. Directors should have an indemnity contract in place with the company, even if the company places D&O insurance since the indemnity might cover claims that the insurance does not. If the insurer refuses to pay, then the director has recourse to the indemnity.

Conversely, D&O insurance can respond where a corporate indemnity does not, and when the company has become insolvent. The insurance also benefits the company itself by paying the company’s indemnity obligations to the director so as to preserve corporate funds for other uses. D&O insurance policies are not limited by an honesty and good faith requirement. But they invariably have a serious misconduct exclusion, and other limitations. While basic D&O insurance does not cover the company for its own wrongdoing, “entity coverage” for the company itself is available, for some types of claims that are apt to be made against both it and its directors (e.g. securities class actions).

Here are some key points for directors and their accounting advisors to consider. Most apply to corporate officers as well.

**Ideal Corporate Indemnity**
A corporate indemnity should take the form of a contract, so that the director can enforce it against the company. The company will also have a by-law governing indemnification, but the by-law is not a contract. Superior indemnity protection requires the company to:

- indemnify the director against all claims, unless a court has made a clear finding that the director did not meet the good faith conduct threshold. This removes the company’s discretion to deny indemnity for other reasons;
- advance defence costs, unless and until there has been a finding or admission that the director did not meet the good faith conduct threshold;
- make advances without requiring security for repayment, or interest in the event that the director must repay (after a finding of bad faith);
- permit the director to select and instruct his own defence counsel, independently of company or for other directors, unless there is no risk of conflicting interests;
- provide the director with adequate D&O insurance while serving and for a stated period afterwards;
- fund coverage counsel for the director to deal with claims against the company under the indemnity, or against the D&O insurer; and
- arbitrate coverage issues, for speed and privacy (except for matters that the statute requires a judge to approve, such as the advancement of defence costs in a shareholder derivative action).

These are only a few examples of the possible enhancements. Some companies also set up trust funds to meet their indemnity obligations, which can assist in the event of insolvency, but this is more common in the US than Canada.

Directors owe a duty of care to the company they represent, that is, to not be negligent in managing the company’s affairs; as well as a duty of loyalty to act in the best interests of the company, that is to avoid conflict(s) of interest. Breaching these duties can result in lawsuits against the director(s) by shareholders, shareholder groups, lenders, competitors, even the company itself. Takeover situations, oppression proceedings, pension plans management, and securities class actions - all expose the director(s) to unplanned litigious situations.

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Ideal Directors’ & Officers’ Policy

There is no standard D&O policy. Relatively little case law about the meaning of policy terms exists. Therefore, those placing coverage should consult insurance professionals and/or legal counsel with expertise in D&O coverage.

When assessing a D&O policy, consider the following:

• Does the policy pay defence costs even for claims that, if proven, will result in an uncovered obligation, such as a fine or penalty, or a judgment for fraud?

• What is the scope of the exclusion for major misconduct? Wording nuances are particularly important here, such as the differences among “fraud”, “deliberate fraud”, and “wilful violation of law”.

• Does the misconduct exclusion apply only after a judicial finding, or can the insurer withhold defence funding beforehand?

• Is the exclusion for misconduct clearly severable, so that coverage is only removed for the actual wrongdoer, and not for others who may have negligently acquiesced?

• The policy will also contain an exclusion for claims alleging that a director received an illicit benefit. It too should be clearly severable among insureds.

• What is the scope of the exclusion for claims by one insured against another, and claims by or in right of the company itself, such as shareholder derivative actions? Better policies contain several exceptions to these exclusions.

• Does the policy cover the wage and tax claims arising on insolvency?

• Will the insurer control the defence, or can the director appoint and instruct his own defence counsel?

• Many policies impose a deductible, to be paid by the company where it has the ability to indemnify the director. Is the director at risk of having to pay the deductible if the company refuses to do so?

• Does the policy abate the insurer’s ability at common law to rescind coverage for all insureds, if anyone has made a material misrepresentation (even an innocent one) in the application for the policy? Better polices are non- rescindable, or at least limit rescission to those who knew of the error.

• Does the policy have liberal reporting provisions, so that claims or potential claims arising late in the policy period can be reported during a window of opportunity afterwards?

• Does the policy contain “entity coverage” for the company itself, or would the directors rather not share the coverage with the company?

• How does the policy describe the insurer’s obligation to fund the defence where there is a mixed of covered and non-covered claims?

• Does the policy contain a priority of payments clause, so that the proceeds go first to claims for which the company cannot indemnify?

When a claim arises, the company and the director defendant should expect a prompt and expert response from the D&O insurer. The insurer’s representative will likely be an in-house lawyer who works exclusively in this area and possibly external coverage counsel as well. Often the insurer proposes a claims handling agreement at an early stage, dealing with what percentage of the defence costs the insurer will pay, the appointment of defence counsel, and other important matters. Often the insurer will also reserve its right to deny coverage, and make its own investigation of coverage, including the accuracy of the application for the policy. For the policyholder, managing the relationship with the insurer is just as important as defending against the underlying claim. Unless there is no doubt about the availability of coverage, policyholders should regard the insurer as an adverse party, and seek independent legal advice about their rights and obligations under the policy.

Richard J. Berrow is a Vancouver-based partner of Fasken Martineau DuMoulin LLP and the author of “20 Questions Directors Should Ask About D&O Indemnification and Insurance”, a 2008 publication of the Canadian Institute of Chartered Accountants.

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Hello.

My name is ________, CMA and I’m a Creative Accountant.
We are at the beginning of an incredible time for CMAs. Creativity is increasingly being identified as the single most important ingredient for success in today’s business landscape. Those who embrace it are aggressively leading the way. Those who don’t are at risk of becoming obsolete. As a designation, we have embraced creativity starting with owning the words Creative accountants back in May 2008. In our advertising, which is about to launch across Canada in October, our focus is on demonstrating creativity as it applies to our unique approach and deep understanding of business.

**How does one come up with a creative idea anyway?** Nobody’s come up with a cure-all answer as of yet. But the so-called experts do seem to agree there are certain steps one can take to creatively meet any challenge.

**Step 1. Research:** Before you can creatively solve a problem, you need to know everything there is to know about that problem. You’re a CMA, so you already have the analytical skills to really dig deep. This is where you apply those skills to turn over every stone. Talk to people. Gather. Ask questions. Come at it from a different angle.

**Step 2. Incubation:** Let the research sink in. You can do this partly by letting the information bounce around in your head while you go to lunch, for starters. Then you should spend significant time thinking about the problem, being sure to write down whatever thoughts pop into your head. Restaurant napkins work great. But don’t edit. Your subconscious is exploring the possibilities and your initial ideas don’t have to be great or even make sense. You simply have to get them all out. Eventually you’ll get to the good stuff.

**Step 3. Illumination:** This is that Eureka moment when a new idea comes to you. Also known as “A-HA” and “BOO-YA,” the culmination of all your training and experience as a CMA will ensure that when you’ve landed on something big, you’ll know it!

**Step 4. Execution:** Brains have two sides for a reason. It’s at this stage of the creative process that you put your logical side back in charge to ensure your creative idea can actually work in the real world. Having a plan to implement a great idea is just as important as having the idea in the first place. Many good ideas have been lost in the ether thanks to poor execution. As a CMA, you have the strategy, management and accounting to ensure yours doesn’t.
creative time for CMAs. Creativity is increasingly being identified as those who embrace it are aggressively leading the way. Those who don’t are at risk with owning the words Creative Accountants back in May 2008. In our advertising, creativity as it applies to our unique approach and deep understanding of business.

Creative Break

Creativity is about looking for new ways of doing things. It’s about pushing past the obvious. Let’s see how many ways you can EQUALLY DIVIDE this box into FOUR PARTS. We’ve already done the obvious one for you. What are some others? See page 20 for the answers.
The Writing is on the Wall

CMA Canada’s national advertising agency TBWA\ provides insight on the new brand campaign, Creative Accountants.

By John Roumelis

As we were closing in on the final stages of completion of our launch campaign for the CMA designation, I thought twice about the bold step we were about to take. Linking creativity and accountants was taboo and a convention in the accounting world that nobody would have considered debunking and yet it was becoming apparent that creativity was the single most important ingredient for success in today’s business landscape. It was also a value integral to the CMA program that holistically combined strategy, management and accounting. As I stared at a wall of one of the most creative and successful global enterprises in the World – Disney, the certainty of our decision crystallized. On the wall of the Epcot Centre was written – “Imagination is more important than knowledge.” The speaker of course was Albert Einstein. Would anybody dare categorize this genius as a numbers guy?

TBWA\ has always professed that brands can’t beat the competition by following the rules of the competition. Brands that are able to outperform the market usually do so by breaking the conventions of their market and plotting a unique vision of the future. We call this Disruption and our own proprietary Disruption process was employed with the help of CMA to rebrand the CMA designation.

The vision was to make CMA the designation of choice. To have CMAs recognized as more than just accountants, but as essential for business success. In today’s business environment, success has never been more challenging. From the rising Canadian dollar and energy prices, to the growing tax and regulation burdens and the continued growth of offshoring, it is clear that there is a need for constant innovation as well as strict financial controls.

Integral to the CMA designation is the development of holistic thinkers who combine financial rigour with creativity and innovation. We identified this as the magic combination of right and left brain thinking. Being able to deliver creative solutions by seeing the big picture, not just numbers on the spreadsheet. CMAs don’t just operate in the accounting department – they’re trained to talk to all parts of an organization.

Our vision was to demonstrate that CMAs drive success through creative problem solving. To show that CMAs don’t just measure value, they create it across an entire business. They have not only a unique skill-set, but also a unique mind-set. This combination of left brain/right brain thinking is exactly relevant for today’s business needs. CMAs speak to the need to look beyond the numbers to identify possibilities, while still being grounded in strong financial rigour. CMAs bring those possibilities to life through actionable strategies and plans. This way of thinking speaks the language of success, not merely accounting. It is grounded in CMA’s
values of integrity and creativity. It is relevant and inspirational to multiple audiences.

There is nothing more powerful than an idea whose time has come. Creativity and accounting are exactly what business needs right now.

Richard Florida, Author of "Rise of the Creative Class" argues the creative class is driving the economy and prosperity of cities and entire economies.

Author, Andrea Goulet, a senior copywriter at Capital One, says:

"I think the world is in need of creative accountants. Not ones who will manipulate the rules, but accountants who can see the big picture, understand the tax implications and honestly, legally and ethically find ways to save me money on my tax liabilities. No one wants a bean counter – I can buy software for that. What I need is an accounting consultant (hard to find, by the way)."

The CMA brand campaign was first launched in May 2008 demonstrating that CMAs were creative accountants in a very positive way. A Public Notice was issued in radio, television, print and online that demonstrated the significance of the new CMA brand platform. CMA tackled the stigma of the word "creativity" in conjunction with "accountants" head on.

The Public Notice was followed up with long copy print ads that playfully discounted the old conventions and negative stereotypes of associating "creativity" with "accountants". In a world where creativity and right brain thinking are becoming imperative for success, CMA positioned communications in line with the core competency of the program.

The launch extended beyond traditional media into a media arts inspired brand website redesign and wild postings and letters to editors across Canada asking them to respectfully consider using alternative terms to describe inappropriate practices by accountants other than the conventional approach of linking the word "creative" with "accountants". As Jay Bertram, President of TBWA\Toronto eloquently put it, "We knew in order to resonate with our target we had to tackle age old accounting conventions that have never been challenged and demonstrate the core values of the brand which is creativity."

LOOKING FORWARD
Phase two of the CMA launch campaign begins in October 2008. While the initial launch was to debunk the convention that creativity and accountants don’t go together, phase two will demonstrate what creativity means in the business world and why a CMA is essential for success.

Creating a distinct identity for the CMA brand will reflect the true DNA of current and future CMAs. In the end, reclaiming “creativity” will retain the positive association it has always enjoyed in almost every other context and CMAs will be recognized even more by their unique skill set and mindset.

While some may argue this creates initial discomfort, take comfort in knowing that the long-term success of the CMA brand is contingent on differentiation from other designations and relevance to business.

The writing is still on the wall.
John Roumelis
Group Account Director
TBWA\Toronto

John Roumelis is Group Account Director at TBWA\Toronto and has worked on national and international award-winning campaigns over the past several years. Notable achievements include the “What do you love to do and why aren’t you doing it?” campaign for AGF which enjoyed several Gold Marketing Awards and a Bronze Lions at Cannes. He helped launch the highly successfully Infiniti G35 Sedan campaign which garnered numerous accolades including the gold Extra Awards for all categories. John recently championed the Infiniti Cirque du Soleil brand campaign which continues to raise eyebrows across the country.
For most CMAs, contemplating a new IT system is right up there with a daily root canal for anticipated pain. So much is at stake – the hassles of conversion, possible data loss, and worst of all, the risk of wasting a lot of money on something that makes your life harder, not easier.

The process can actually be pleasant, however, when you use a strategic approach. View an IT implementation as an opportunity to exercise corporate values and reinforce a commitment to organizational goals. Here are five basic rules of thumb.

1. Evaluate value, not cost.
Your organization undoubtedly strives to emphasize quality in its own marketing efforts. You take pride in offering the best possible products and services at fair prices. And you are constantly threatened by less-scrupulous competitors who will do anything to cut corners, particularly in areas that customers won't immediately notice.

All too often, though, we forget this basic value proposition when purchasing computer systems, and become penny wise and pound foolish. We make decisions based on initial outlay rather than anticipated benefits. Yes, you may pay less for a low-end solution without all the bells and whistles. But on the other hand, a more robust, well-designed system often improves efficiencies so much that it pays for itself in just a few months. From then on, it's saving you money – and creating ever-increasing value.

2. Look for a solution that aligns with specific business initiatives.
Any proposed IT solution must be driven by your strategic goals, not those of the business partner. Sometimes it is tempting to turn the helm over to your consultant, assuming that they have superior knowledge of the industry or information systems in general. True, they may have in-depth understanding of a vertical market. But very rarely will they place your interests over their own, because they are not financially vested in your long-term success.

Accountants face a tricky solution here, because we are usually not IT experts at heart. Our real passion lies in the beauty of financials, not the power of bits and bytes. So we frequently lack confidence in asserting ourselves with technical gurus.

A good tactic is refusing to change vocabularies. If a consultant insists that you discuss database space and network speeds, bring the conversation back to inventory turns and quarterly margins. In other words, stay on your own turf. A competent business partner should be bilingual, translating technical jargon into understandable financial terminology. Then you can verify that the purchase supports enterprise-wide goals.

3. Ask for quantifiable results.
Consider this as a corollary to Rule 2 above. Once a consultant has positioned a potential solution into finance-friendly language, they should provide verifiable evidence that their technology works. That means hard, cold numbers as well as warm and fuzzy customer testimonials.

What kind of ROI can you expect from a new customer relations management product? How will manufacturing defects decrease with a new enterprise package? You deserve answers to questions like these before making a decision. A good business partner will be able to furnish you with facts, often in the form of case studies. Contact their references to check that numeric data is still valid.

4. Assess user buy in.
The world's best IT solution is worthless if your people won't use it. So incorporate users from all levels into the evaluation process. Find out which features are most important, and which they don't care about. Use your business partner as a resource here, for they will understand the needs of workers with very specific skill sets and a wide variety of technical sophistication.

Early user involvement is the best way to ensure the long-term success of an implementation. Most people become very attached to known technology, even when the product is outdated and clearly inadequate. We humans resist change, especially when it is imposed from the top down. But if we have a chance to voice opinions, and feel that our ideas are validated, we are much more eager to go along with a transition.
Ask for your users’ assistance in defining system requirements. Confirm that the vendors offer a structured implementation methodology by questioning the implementation road map in the context of end users, your requirements and the vendor’s involvement.

5. Be realistic about internal capabilities.

It’s easy to over-estimate the abilities of internal IT staff when it comes to a software conversion. Only veterans really comprehend the complexity of a full-scale implementation, or even a major upgrade. This is definitely a specialized field, and botches by amateurs frequently increase costs by 100 or 200 percent.

Choose both a solution and a consultant with a history of smooth installations. Not only will your implementation go faster, but the integrity of your data will be maximized. Furthermore, when requirements for customizations pop up, as they invariably do, your partner will be able to develop them quickly and properly. While you may pay a bit more for professional implementation, this is another case where you should consider value over cost. With a system that’s installed right the first time, you’ll begin reaping benefits as soon as possible, sometimes six or eight months quicker than when inexperienced programmers tackle the job.

As with so many other decisions in business, the bottom line for a wise IT investment is to keep your eye on the compass. In our profession, the compass is comprised of strategic goals and initiatives. Refuse to be distracted by feature-of-the-month sales ploys, and look for products and providers that match your business model and competitive positioning. Then you’ll be able to boast to colleagues about surviving the dreaded IT conversion process – and they’ll be none the wiser about how painless it turned out to be.

It’s easy to over-estimate the abilities of internal IT staff when it comes to a software conversion.


CREATING CREATIVE ACCOUNTANTS

Maureen Fizzell, CMA, has been motivating SFU Business students to choose accounting as their specialization since 1993. Her passion for accounting combined with a love of teaching and writing about it has stimulated scores of students over the past 15 years to make the profession their career of choice.

She is the author of a popular introductory financial textbook Financial Accounting: A User Perspective used in many Canadian Universities and received the TD Canada Trust Distinguished Teaching award. In 2004, CMA Canada awarded Maureen its highest honour, naming her a Fellow of the Society of Management Accountants.

Maureen is stepping down from her duties as Associate Dean, Undergraduate Programs to return to her first love, teaching. We, her SFU Business colleagues and students, salute her and thank her for her unflagging efforts and leadership for the past eight years.

Maureen Fizzell, CMA
Fellow of the Society of Management Accountants, Associate Dean Undergraduate Programs, SFU Business, Simon Fraser University
Corporations know that to grow and succeed they need to engage the processes of continual change and renewal with confidence. Change is one of the most ubiquitous phenomena, and it can be one of the most difficult, complex, and frustrating. The economic, social, and technological transformations that mark the beginning of this century call for new knowledge and skills to support organizations in their ability to respond quickly and adapt effectively to the pressures of accelerated change, increasing interconnectivity, and global market competition. Organizations need the willingness and the ability to embrace new paradigms, as well as leadership that extends beyond the vision of where to go: this means changing behaviors, providing frameworks for dialogue, a willingness on the part of senior management to embrace broader organizational empowerment, transparency, and effective performance measures. It means fostering a culture, instilling the confidence and providing the skills needed in this changed environment.

The CMA Centre for Strategic Change and Performance Measurement

The CMA Centre for Strategic Change and Performance Measurement was formed in response to the need for more and better research on strategic change, and the need to ensure access to that research for managers working to transform their organizations. The Centre constitutes a 10 year partnership between CMA and Simon Fraser University’s Faculty of Business Administration. Opened in January, 2006, the vision of the Centre established by its Advisory Board is to “become an essential resource for business leaders and academics engaged in the area of strategic change and performance measurement”.

The objectives of the Centre include: developing a leading edge research capability in the area of strategic change and performance measurement; promoting research into how organizations plan and execute strategic change, and how best to measure the performance of organizations undergoing such change; facilitating access for CMAs to leading-edge knowledge in the area of strategic change; and providing opportunities for SFU students to gain experience in the areas of strategic change and performance measurement.

SFU Business

SFU Business represents an outstanding home for the Centre. The Faculty has an international reputation for excellence in research and teaching, particularly in the area of management and organization studies. In a recent analysis (done at the University of Texas, Dallas), SFU Business ranks in the top 25 universities worldwide for research published in the top general management academic journals in the last five years. Faculty members at SFU are devoted to understanding strategic change, from a variety of perspectives, both academic and applied, with research examining change in the private, public and voluntary sectors.

A Partnership in Excellence: The CMA Centre for Strategic Change and Performance Measurement

By Tom Lawrence
The Centre’s Activities

In working to achieve the Centre’s vision, we have engaged in a wide range of activities, including research, executive education, and outreach.

- We are currently supporting two major research projects, one examining the management and measurement of change in Vancouver public schools, and one exploring the role of multi-sector collaboration in fostering change in a healthcare domain. We have also hosted an international research workshop on field-level change, the papers from which will be published in a book by the University of Cambridge Press.

- We have offered a number of continuing education opportunities for CMA and other local managers. These have included sessions with Dr. Cynthia Hardy from the University of Melbourne on managing interorganizational collaboration, Dr. Julia Balogun from City University in the UK discussing the management of strategic change, and most recently a public dialogue with Professors Danny Miller and Isabelle LeBreton-Miller on the strategic management of family firms.

- Our major outreach project is Outlook for Change (www.outlookforchange.ca), an online publication devoted to managing change in organizations and communities. The aim of the online publication is to provide a resource for change agents and aspiring change agents in organizations and communities. Making change happen and stick is repeatedly cited as the most central and the most difficult task for organizational and community leaders. Through this vehicle, we hope to make it just a bit easier by providing the best of current thinking and research, and tools for change. Our primary focus has been on translating academic research on strategic change for managers with a need to plan and implement change in their organizations. Recent articles and videos have examined the role of cultural intelligence and collective innovation, and provided managerial reviews for books such as *The Upside of Down* and *The Big Switch*.

CMA Centre Fellows and Scholars

The Centre has also provided a means of stimulating research on strategic change and performance measurement within the Faculty by offering Fellowships and Scholarships to new Faculty members and doctoral students. Currently, Professor Natalie Zhao is the CMA Centre Fellow; her work examines the fascinating world of errors in organizations, and especially how they influence organizational learning and change. We also support two CMA Centre Scholars, Masoud Shadnam and Graham Dover – both doctoral students working with the Centre Director, Tom Lawrence, on studies of change in organizations, industries and fields.

Going Forward

To date, the CMA Centre has been an outstanding partnership between CMA and SFU Business. With a highly supportive Advisory Board made up equally of members from CMA and SFU, it has been able to rapidly establish itself as a key feature of SFU Business, and the new Segal Graduate School of Business. As SFU Business refines its research focus, the Centre will also be refining its focus to better support the Faculty, the University and the community. Within the broad domain of strategic change and performance measurement, we will be paying special attention to issues of innovation and change connected to complex, multi-sector problems. The problems we face as a community and a country are demanding increasingly innovative solutions that engage the private, public and voluntary sectors in joint initiatives and cooperation. The Centre aims to become a focal point for understanding these social innovation processes in Canada and particularly looks forward to engaging with the CMA community in this process.

Tom Lawrence is the Weyerhaeuser Professor of Change Management, and Director of the CMA Centre for Strategic Change and Performance Measurement at SFU’s Faculty of Business Administration. His research focuses on the dynamics of power, change and institutions in organizations and fields.
If you’re thinking about nominating one person to champion your change project then you may need to think again.

According to a recent article published in the MIT Sloan Management Review, The Underlying Structure of Continuous Change, championing change in an organization requires four distinct roles, each with very distinct skills and resources!

They argue that conventional models of change fail to address the complexity of the environment in which most organizations operate. Change projects are rarely neatly packaged and are often open-ended and fluid. Continuous change is not chaos, however: it is a cyclical process with four stages through which ideas are translated into actions and routines, and ultimately into a part of the organizational culture. The successful negotiation of each phase requires specific resources and a certain type of champion.

### The Four Stages of Continuous Change

**Evangelists** are those champions who can persuade and influence organizational members to change. Active in the first phase of change, they draw on informal networks using politicking and story-telling skills to mobilize and inspire commitment.

The baton then needs to be picked up by **Autocrats**, champions, who use their authority to support the implementation of the idea. Their credibility within the organization reduces uncertainty associated with change and overcomes potential resistance.

With the idea of change accepted by individuals there is a need to integrate the new ways of working into existing organizational systems and structures. **Architects** are the champions who use their technical expertise to build new ideas into routines which over time become taken-for-granted.

And finally, **Educators** are those champions who encourage future innovation by setting the stage for the birth of new ideas in order for the cycle to be repeated.

The message is clear - for change to be both formulated and effectively implemented, all four kinds of champion must be present. Organizations most likely to successfully manage continuous change will invest in evangelists, autocrats, architects and educators - a team of champions.

**Tom Lawrence** is the Weyerhaeuser Professor of Change Management, and Director of the CMA Centre for Strategic Change and Performance Measurement at SFU’s Faculty of Business Administration. His research focuses on the dynamics of power, change and institutions in organizations and fields.

**Graham Dover** is a CMA Canada Centre Scholar at the Segal Business School, Simon Fraser University.

For more information on change management visit the CMA Centre for Strategic Change and Performance Measurement publications website www.outlookforchange.ca.

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An Experience of a Lifetime
By Shannon Thompson, Recruitment Manager, CMA British Columbia

If you told me twelve months ago that I’d be part of a team traveling to Tanzania as part of a Rotary International Group Study Exchange Program, I’d think you were pulling my leg. But on Wednesday, April 16, 2008 I left Vancouver for what would turn out to be an experience of a lifetime. I was joined by three other non-Rotarian business professionals: Jennifer Wesman, Programs Coordinator with Frontier College, Erin Robinson, Community Programs Manager with Vancity Credit Savings Union, Deneka Michaud, Editor and Host with Delta Cable, and our Rotarian team leader Nancy Nikolai.

Do you know how to record your CPLD hours online?
Here are three key tips to help you in this process.

1. To record your CPLD hours, you will need to login to your Member Account using LOGIN: First initial of your first name followed by your last name (no space in between) PASSWORD: Your society membership number.

2. If you have a common last name, your Login ID will not work and you will need to contact Ruby Chui at 604.484.7064 or ruby@cmabc.com.

3. The minimum requirement for CPLD is 120 learning credits over a moving three-year period. A minimum of 20 learning credits must be completed and reported annually. Learning credits that exceed the three-year, 120 unit minimum cannot be carried over to the next three-year period.

CMA members are reminded that CPLD must serve to increase professional competency in the broad area defined as the CMA territory. Any activity that increases your business and professional competency is considered eligible if it is at a high enough level to enhance your professional skills and abilities. Any inquiries about what qualifies as CPLD can be referred to Rick Lightheart at 604.484.7004 or rlightheart@cmabc.com.

Further information on the CPLD reporting structure may be found at www.cmabc.com under Members – Professional Development.

CPLD offerings are provided to our members monthly in the CMA e-news email blast, on line at www.cmabc.com and through special events such as our 2009 CMABC Members Conference.

Our Tanzanian Experience
Our six week journey to East Africa, sponsored by Rotary International, offered us a unique opportunity to study our vocations, and participate in various projects and organizations sponsored by Tanzanian Rotary Clubs. Some of the projects we participated in included a visit to a school for deaf, blind and mentally challenged children in Dar es Salaam, a tour of Tanzania Youth Alliance (TAYOA) - a registered non-profit organization that provides HIV/AIDS, entrepreneurship, and civic/human rights education for young people, and Tanzania’s only cancer hospital for children and adults.

We also had the opportunity to visit the United Nations International Criminal Tribunal for Rwanda. This tribunal was established to prosecute individuals responsible for genocide committed in Rwanda in 1994. Listening to witnesses’ testimonies was a memorable experience.
A CMA Overseas

While in Tanzania I had the opportunity to meet with John Layle, CMA in Dar es Salaam. Originally from Tanzania John moved to Ottawa in the 1970s to study accounting and finance. In 1976 he moved back to Tanzania, after obtaining his CMA designation, to pursue a career in external audit.

Currently John is the Managing Director for Akiba Commercial Bank – a financial institution that manages East Africa’s premier microfinance program with approximately 17,000 microfinance clients. The Akiba Commercial Bank microfinance lending system is well respected and has a 92% repayment rate. To encourage microfinance clients to build personal savings the bank also offers individual and group loans with a forced savings program.

Active within the business community John currently serves on the board and is part of the ethics committee with the National Board of Accountants and Auditors (NBAA) in Tanzania. He is also involved with various other accounting and business organizations in Dar es Salaam.

Rotary International Group Study Exchange Program

The Rotary International Group Study Exchange (GSE) program offers a selected group of young business professionals a unique, once-in-a-lifetime opportunity to participate in a cultural and vocational exchange. The exchange program is designed to not only provide participants with leadership and management opportunities, but also allows each team member to study and connect with business professionals and key contacts in the host country. For more information about upcoming GSE excursion, visit http://www.gse5040.org.

Shannon Thompson is the Recruitment Manager at CMA British Columbia.

Looking for CPLD events?

Subscribe to CMA British Columbia’s E-News to get up to date CPLD opportunities emailed to you monthly.

Email: info@cmabc.com.

2009 CMABC Members Conference

May 26 – 27, 2009
Hilton Metrotown Hotel
6083 McKay Avenue, Burnaby, BC

2 Day CMABC Members Conference

Mark it in your calendar!

Look out for more information in CMA E-News, your monthly member e-newsletter, throughout the fall 2008 & spring 2009. For more information on the 2009 CMABC Members Conference please email cmabc@cmabc.com.
2008 CMABC Members Conference
This year’s Members Conference was a sold-out event with over 250 members attending the two day conference on May 27 and 28th at the Best Western Richmond Hotel and Conference Centre.

Building upon the success of the first annual CMABC Members Conference last year, the Society decided to focus the 2008 conference on Continuous Professional Learning and Development (CPLD) based on the CMA Competency Map.

The Society thanks all members who completed the conference feedback survey and based on your feedback we are excited to announce that the third annual CMABC Members Conference will be May 26-27, 2009 at the Hilton Metrotown in Burnaby. We will continue to focus the conference on professional development, as well as expanding the number of sessions offered and increasing registration to over 400 spots.

Mark your calendars today and we hope to see you at the next CMABC Members Conference.

Upcoming CPLD Opportunities

- **CMA Professional Liability Insurance Seminar**
  
  
  This seminar qualifies for 2 CPLD credit hours

- **CMA Canada Enterprise Risk Management seminar**
  
  Oct 30, 2008 - Vancouver Fairmont Hotel, Vancouver, BC
  
  This seminar qualifies for 6 CPLD credit hours.

- **UBC Sauder Accelerated Leadership Program**
  
  Oct 26 - Nov 7, 2008 - Whistler, BC
  
  Feb 22 - 27, 2009 - Whistler, BC

- **Third annual CMA British Columbia Members Conference**
  
  May 26 & 27, 2009 - Hilton Metrotown Hotel, Burnaby, BC

For more information about these CPLD opportunities refer to the latest issue of CMA E-News or visit the events section on the CMA British Columbia website.
Members on the Move

Congratulations to these CMA British Columbia members who have been promoted or accepted a new career opportunity:

**Frank Chen**, CMA is now the CFO of Zongshen PEM Power Systems Inc. (TSXV:ZPP). Frank previously was CFO of Golden China Resources Corporation (TSX:GCX).

**Cindy Kailly-Smith**, CMA has moved from the Insurance Corporation of BC (ICBC) to BC Lottery Corporation (BCLC) as Manager of Internal Audit.

**Dennis Leung**, CMA has recently moved from Accenture Utilities BPO Services as Finance Lead on the BC Hydro IT Outsourcing Unit to ResponseTek Networks Corp. where he is Corporate Controller.

**Anne Matthews**, CMA and **Donald McLellan**, CMA have both recently joined Coast Mountain Bus Company. Anne is now the Manager Planning & Reporting and Donald is Director Financial Services. Don previously was the Comptroller Financial Planning & Reporting for the BC Liquor Distribution Branch.

**Richard S. Wong**, CMA has been appointed Vice President, Wolrige Mahon Corporate Finance and Business Advisors.

**Tom Wong**, CMA has been appointed Financial Services Industry Leader - Western Canada of Ernst & Young LLP (EY). Tom is a partner at EY. His group provides services in the areas of business process improvement and business systems design, implementation and assessment, in order to help clients manage business risks.

Have you recently moved to a new company, or would like to welcome a new CMA to your company? Submissions to Members on the Move can be emailed to Tiana Mah at tiana@cmabc.com.

New and Returning Members of CMA British Columbia

Welcome to these CMAs who are new members of CMA British Columbia:

**Don Courtney**, CMA has returned to BC from Edmonton, AB. Don joined BearingPoint, Management & Technology Consultants as a Senior Business Consultant in Victoria. While in Edmonton he held SAP Analyst positions with The City of Edmonton and TELUS.

**Francisca (Frankie) Fenton**, CMA has recently moved to BC from Oakville, Ontario and is now a tax manager with Deloitte & Touche LLP in their Langley office. While living in Ontario Frankie was an independent tax consultant.

**Kim Hamilton**, CMA has recently moved from Alberta to BC and is an accountant for HMSI. Prior to moving to BC Kim was with Data Business Forms as their Branch Accountant for Edmonton and Vancouver.

**Michelle LeBlanc**, CMA, MBA has moved to Victoria from Edmonton and is now with BearingPoint Ltd - Management & Technology Consultants as a Senior Business Consultant, Public Services. Prior to this Michelle was part of the Senior Business Analysis - SAP Finance Team for Lehigh Cement Company.

**May Li**, CMA has taken on the role of Controller, Regional Finance with Zurich Insurance Group for the Greater China and South East Asia Region. Before joining Zurich Insurance Group May was the Vice President and Financial Controller for Metlife Limited, Hong Kong.

**Drew Shaw**, CMA has joined EPOD Solar Inc. in Kelowna as their Chief Financial Officer.

**Paul Zhang**, CMA has joined BC Hydro and Power Authority as a Business Strategy Advisor, Enterprise Strategy & Investment.

Career Connections 2008

**Wednesday, November 5, 2008**

**Vancouver Convention & Exhibition Centre**

5:00 – 6:30 pm Networking reception & keynote speaker
6:30 – 8:30 pm Career Fair

Attend CMA British Columbia’s Career Connections 2008 for the largest, most exclusive career fair connecting:

- BC’s top employers
- BC’s top CMAs and CMA Students
- BC’s brightest university & college students and graduates.

Career Connections is an exclusive opportunity for you to discover how far you can go in business with a CMA designation. BC’s top employers will be attending and they want to hear what you have to offer.

Register today at [www.cmacareerconnections.com](http://www.cmacareerconnections.com).

For exhibitor information contact Shannon Thompson at 604-484-7023 or shannon@cmabc.com.
Diary of a CMA in Training

Canadian GAAP to IFRS: From the Student Perspective

By Geoff Bryant

As many of you know, as of 2011, any publicly traded Canadian company listed on a Canadian securities exchange will be mandated to file their financial statements using International Financial Reporting Standards (IFRS) as opposed to Canadian GAAP. The transition from Canadian GAAP to IFRS will influence many departments and areas, especially reporting by publicly traded companies, as well as preparers and users of financial statements.

This transition will affect a wide range of people from key decision makers in management, IT, investor relations to human resources - individuals at all levels of an organization, not just accounting and finance professionals, will need to understand the new reporting standards and implications of transitioning to IFRS.

For students the move from Canadian GAAP to IFRS is slowly gaining prominence in our accounting classes as we learn how IFRS will affect financial statements. Currently, about 12,000 companies in about 100 countries use some form of IFRS*. The training required for making the switch from Canadian GAAP to IFRS will vary by audience with Canadian universities and colleges, Canadian accounting designations’ educational programs, and continuing education at a corporate level being impacted the most.

A recently published article by Susan Schott Karr, a well respected financial journalist and editor of Financial Executives International, showcased the challenges that both public practice and educational institutes will experience as we progress towards IFRS. In the article, Paul Munter, a U.S. senior public practice partner at KPMG stated “the distinction has more to do with industry guidance (IFRS has none) and application (GAAP has more)”. For this reason, Munter believes that the transition in education should not be feared by students or faculty. Munter discusses that a key teaching element will be to focus on the conceptual framework of standards because these standards are a part of the IFRS hierarchy*.

The main challenge for students and faculty of accounting programs is to integrate IFRS changes into the current accounting curriculum. Canadian accounting professors have undergone training sessions to address this challenge and are preparing for the changes ahead. Utilizing cases and group work are commonly used teaching methods to explain the transition from GAAP to IFRS at Canadian institutions.

My experience with IFRS in my accounting courses has been limited. Most educational institutes are implementing curriculum changes for the upcoming fall semester, and therefore any students who have recently completed their accounting degree have not been exposed to any changes. The one change however that was discussed in my advanced financial accounting course was the change in the calculation of non-controlling interest (NCI) when consolidating financial statements. Under GAAP, NCI was calculated using the subsidiary’s book value for the balance sheet, and net income for the income statement. Under IFRS however, NCI will be calculated using fair market value figures. Our class discussion focused on user’s expectations and the impact that this along with other changes will have on financial statement presentation and analysis.

For me, along with other accountants in industry as well as public practice, the knowledge of IFRS on accounting systems and reporting will be gained through professional development in the workplace.

As I wrote in my last article, Kwantlen Polytechnic University received University status from our provincial government. In addition, CMA Canada has now also accredited Kwantlen’s Bachelor of Business Administration Accounting program. Kwantlen’s accreditation means that student who have graduated from the BBA in Accounting at Kwantlen Polytechnic University, and have met all 16 CMA Syllabus topics with a minimum grade requirement of 75%, can now be exempt from the CMA National Entrance Exam. This could not have happened at a better time. I am now strongly considering entering the SLP program in January. By doing so, I can realize my goal of becoming a CMA by September 2010.


Looking to hire a Certified Management Accountant with strategic financial management expertise that will help you achieve business success? You’ll find what you need on CMA British Columbia’s job site. Visit www.cmabcjobs.com today. Contact Shobna Nand at shobna@cmabc.com for more information.
Our Members in Memoriam

We wish to extend our sympathies to the families and friends of the following members who have recently passed away:

William Edwin Allen, CMA, Vancouver, BC
Received his RIA from Alberta in 1968. William retired from GNIL Industries Inc as Corporate Secretary in January 1995. William passed away on July 21, 2008 at the age of 82.

James Patrick Brooks, CMA, Kelowna, BC
Received his CMA from BC in 1988. Pat worked for Geotivity Limited as CFO prior to his diagnosis of brain cancer. Pat fought a courageous battle and attended Chapter events whenever he could. It is with sadness that Pat passed away on June 2, 2008 at the age of 53.

Norman E. Coley, CMA, White Rock, BC
Received his RIA from Manitoba in 1967. Norman had worked for the Hudsons Bay Company. Norman passed away on July 15, 2008 at the age of 80.

James H. Daymond, CMA, St. Albert, AB
Received his RIA from BC in 1975. Prior to retiring in 1980, James worked for CN Railway as Chief Accountant. James passed away on August 25, 2008 at the age of 81.

William John Glazier, CMA, Abbotsford, BC
Received his RIA from BC in 1960. Bill was very active in all aspects of his life which included Chapter Chairman, 1965-66, National Conference Committee, 1973 & 1982, Provincial Council, 1968-69, President of CMA Canada. Bill was awarded a Life Membership in 1990 in recognition of his service to CMA. He retired somewhat in 1987 as President and Founder of Cascade Lead Products. Bill passed away on July 16, 2008 at the age of 86.

Kenneth R. Keeping, CMA, FCMA, Surrey, BC
Received his RIA from Manitoba in 1952. Ken was a very active member with our Society which included, Provincial Planning & Development Committee, 1979-80, Provincial Long Range Planning Committee, 1982-83, Provincial Management Accounting Accreditation Board, 1984-87, Provincial Board, 1980-84 and then Provincial President, 1982-83 as well as serving as President of CMA Manitoba prior to moving to BC. Ken served on the National CMA Board and represented Canada on the Board of Confederation of Asian & Pacific Accountants (CAPA) and General Chairman in the 1993 International Conference of Asian and Pacific Accountants in Vancouver. In recognition of his achievements in the accounting field, CMA Canada awarded Ken with their highest designation, FCMA in 1981 and in 1990 CMABC awarded Ken a Life Membership. Ken retired in 1986 from Versatile Corporation as Vice-President, Human Resources. Mr. Keeping passed away on July 23, 2008 at the age of 81.

Bruce dePas Murray, CMA, Campbell River, BC
Received his RIA from BC in 1969. Bruce was Chairman of Victoria-Vancouver Island Chapter in 1972-73. Prior to retiring in 1991, Mr. Murray worked for Bendickson Contractors Limited as Controller. Mr. Murray passed away in November, 2007 at the age of 71.

If you’d like to send a note of condolence to families and friends of these members, contact Rick Lightheart at 604.484.7004, 1-800.663.9646 ext. 7004, or rlightheart@cmabc.com.

cmabcjobs.com Key Tips for Employers

1. Want to know how many people viewed the job that you posted in the past day, week or month?
   As an employer you can use the Reports feature to see job views or employer description views on an hourly basis to a monthly basis. This is just one of the many reporting functions of cmabcjobs.com.

2. Want to advertise your company to CMAs and CMA students?
   Banner advertising is available on a monthly or yearly basis on both the employer and the job-seeker areas of the website at very competitive rates. cmabcjobs.com boasts roughly 35,000 banner ad impressions per month. Contact team@cmabcjobs.com for more details.

3. Want to send a response to everyone who applies letting them know about next steps?
   Use the Auto-Response function in the Employer Centre to create a customized message that will automatically send a reply email to anyone who applies for your posted job through cmabcjobs.com. An example would be, “Thank you to everyone who submitted an application with [Your Company]. We will contact all applicants within two weeks.”
CMA British Columbia Scholarship Fund 2007-2008

Each year, CMA British Columbia awards 16 scholarships at 12 post-secondary institutions across British Columbia. These scholarships, each worth $1500 towards a remission of CMA fees, are designed to help emerging talent pursue a career in the CMA profession.

Congratulations to these scholarship recipients.

Camosun College
Henrik Woehlk
Acct 420 – Management Cost
Accounting III

Capilano College
Christine Elliott
Marian Easton Memorial Scholarship
BFIN 431 – Advanced Management Accounting

Kwantlen Polytechnic University
Tina Tony
ACCT 4720 – Advanced Managerial Accounting

Vancouver Island University*
Heather Sharpe
Acct 362 – Cost and Managerial Accounting II
*Formerly Malaspina University College

Okanagan College
Gwen Nygaard
Dick Lucas Memorial Scholarship
BUAD 366 – Advanced Managerial Accounting

Simon Fraser University
Stefan Miadenovich
WC Easton Scholarship
BUS 478 – Strategic Management

Karim Adatia
BUS 424 – Managerial Accounting II

Thompson Rivers University
Rosanne Lamarche
BBUS 425 – Advanced Management Accounting

Trinity Western University
Brittany Steunenberg
BUSI 324 – Management Accounting II

University of British Columbia
Tsz Ying Cheung
Lam A. Milne Memorial Scholarship
COMM 491 – Strategic Management

Chuan Chiao Jasper Lin
Tom Kennedy Memorial Scholarship
COMM 454 – Accounting for Management & Control Incentives

**Scholarship recipient information was unavailable at the time of publication.

We thank the following individuals who made a donation to the CMA Scholarship Fund from July 2007 to June 2008.

If you would like to make a donation or if you have an employer offering a matching donation program, contact CMA British Columbia’s Member Services at 604.687.5891, 1.800.663.9646, or info@cmabc.com.

Graham Alce, CMA, FCMA
D.R. Alexander, CMA, FCMA
Darryn Allegretto, CMA
Jerry Asner, CMA
Joan Axford, CMA
Shirley Baker
William Barker, CMA
Thomas G. Barley, CMA
Galina Bazova, CMA
Bruce Belsher, CMA, FCMA
Colin Bennett, CMA, FCMA
Elmer Benoit, CMA, FCMA
Gary Boudreau, CMA
Ross Brearley, CMA
Margaret Briscaill, CMA, FCMA
Jayne Brooks, CMA, FCMA
David Burke, CMA
Christian Cameron, CMA
Christian Cameron, CMA
Francis Camilleri, CMA
Hana Carbert, CMA, FCMA
Lavino Calvacante, CMA
Roger Chan, CMA
Bob Cheng, CMA
Nevin Chernick, CMA
Jack Chun, CMA
Allan Cobbett, CMA, FCMA
John Connor, CMA
Roger Craddock, CMA, FCMA
Alexander Dancs, CMA, FCMA
Allyne Darnel, AAT
Inwrn DeVries
Bruce Dunn, CMA
William Easton, CMA, FCMA
Lois Etherington, CMA, FCMA
Evan Farrell, CMA
Gordon Farrell, CMA, FCMA
James Fedorak, CMA, FCMA
James Ferguson, CMA
Dominic Fiore, CMA
Maureen Fizzell, CMA, FCMA
Victor Fowler, CMA
Hans Frie, CMA
Beth Gibson, CMA, FCMA
Roger Gil, CMA
Roosevelt Godoy
Bradley Goodwin, CMA
David Grace, CMA
Karen Grant
Ellen Hamer, CMA
E. George Hartmann, CMA, FCMA
Rosemary Harvey, CMA
Brenda Hersh, CMA
Peter Herz, CMA, FCMA
Don Hincks, CMA, FCMA
Daniel Ho, CMA
G. Brian Hobson, CMA, FCMA
Winnie Huey
Kuo-Wei Hung, CMA
Ermie Iannacone, CMA, FCMA
Wayne Jefferson, CMA, FCMA
Stephen Joyce, CMA
Mark Kennedy, CMA
Brian Kennedy, CMA, FCMA
Pat Kennedy, CMA, FCMA
Barbara Keyes, CMA
Ronald Kloess, CMA
Roman Kozak, CMA
Richard Krowuch, CMA, FCMA
Dennis Lam, CMA
Dennis Law, CMA
Savo Lazarian, CMA
Jon Lever, CMA
Richard Lightheart, CMA, FCMA
Dong Liu
J. Gordon Loewen, CMA
Jan Lok, CMA
Eric MacFarlane, CMA
Katherine MacNell, CMA, FCMA
Mia Maki, CMA, FCMA
Neil McClelland, CMA
Shendi McGreen, CMA
Stephen McKay, CMA
Christine McKinnon, CMA
James McLeeman, CMA
Roth Mellor, AAT
Richard Mester, CMA
Lawrence Metz, CMA, FCMA
Claire Milne
Sunil Mohan, CMA
Sean Monaghan, CMA
Andrew Morrison, CMA
John K. Nguyen, CMA
Don Nilson, CMA, FCMA
Sid Norman, CMA, FCMA
Jim Pammeter, CMA, FCMA
Ron Park, CMA (Hon.)
Ravinder Pathak, CMA
Robert Pellatt, CMA, FCMA
Rodney Pennman, CMA
Linda Penner, CMA
Yvonne Pinder, CMA, FCMA
John Podmore, CMA, FCMA
Vincent Poon, CMA, FCMA
Sandra Record
Dwight Reynoldson, CMA
Eric Robinson, CMA
Grant Rolf, CMA
Monique Sang, CMA
James Schimmowsky, CMA
Leslie Schindelka, CMA
Jill Schnarr (Telus Communications Employee Matching)
Randy Schwindt, CMA
Mi Sun Shin, CMA
Melinda Shum, AAT
Warren Smith, CMA
Wayne Solomon, CMA
Glynn Spelliscy, FCMA
Robert Strachan, CMA, FCMA
Kelvin Stretch, CMA, FCMA
Robert Stuart, CMA, FCMA
William Symons, CMA, FCMA
Kayoko Takeuchi, CMA
Robert E. Taylor, CMA, FCMA
Ernest Tesluk, CMA
Richard Thorpe, CMA, FCMA
Dominic Tsui, CMA
Dorothy Turner, CMA
Kendall Turner, CMA
Manon Van Tuyl, CMA
Maria Vasile
Robert Venema, CMA
Cheng-Ying Weng
Leslie Ann Wilburn, CMA
Janice Faith Wilson
John Wray, CMA
Ming M. Xiao, CMA
Yong Xu, CMA
Joseph Yau, CMA
Tony Yuen, CMA
E.J. Zak, CMA, FCMA

CMA UPDATE | FALL 2008 | Certified Management Accountants | British Columbia
Chapter Profile: Kamloops Chapter

CMA British Columbia Chapters are an essential link in the Society’s relationship with its members and the local community. For each Chapter, an executive committee of CMAs is responsible for organizing and promoting activities to encourage member involvement, networking and professional development throughout the year.

To recognize the efforts of these committees and to learn about their upcoming initiatives, Update Magazine spoke with Dave Hallinan, CMA – Chapter Chair of the Kamloops Chapter.

Can you give us a brief description of your role as a Chapter Chair?

I see my role in the Chapter as a communicator of information - one that distributes information out to the executive and members in the Kamloops region. I also see my role as being the person to reconnect with lapsed members and to welcome new members to the Chapter.

What are your impressions of the level of CMA brand awareness in Kamloops?

I sometimes feel like we are the third party in a three party race, but when speaking with students at the local university there is definitely a greater awareness on campus. More students are looking to get information out to the executive and members in the Kamloops region. I also see my role as being the person to reconnect with lapsed members and to welcome new members to the Chapter.

What are some of the challenges you face in Kamloops?

Geographically the Kamloops Chapter is very large and in some of the smaller communities there are only a handful of members. Developing sessions that are rewarding for a couple hours drive in winter conditions poses unique challenges. The Kamloops Chapter has a great core group that is active at local events. Many of our events have a long tradition, such as our annual Christmas Social with members and spouses. Where we’d like to see growth is attracting new members to the area and in reconnecting with those we haven’t seen for a while.

Why did you choose to become a CMA?

My decision to pursue the CMA designation originated (many, many) years ago while working in the forest industry. At the time the designation was the RIA (Registered Industrial Accountant) and as I could see my career tied to the natural resources sector, the designation was a good fit. As I started my studies I saw how the program focused more on strategic planning and operational excellence - from this point on my interest in the designation soared.

I’ve never seen myself as an accountant with a strong interest in tax, audit or even financial reporting. Rather how to create operational efficiencies, designing strategic plans that address broad organizational issues, and being able to articulate a clear and understandable vision is what interests me. The CMA program addressed these interests and allowed me to develop, enhance and refine my skills in these areas.

What are your impressions of the level of CMA brand awareness in Kamloops?

I’ve never seen myself as an accountant with a strong interest in tax, audit or even financial reporting. Rather how to create operational efficiencies, designing strategic plans that address broad organizational issues, and being able to articulate a clear and understandable vision is what interests me. The CMA program addressed these interests and allowed me to develop, enhance and refine my skills in these areas.

What advice would you give to a post-secondary student with an interest in a CMA designation?

Many post secondary students focus specifically on attaining the degree of the program they are in. After many conversations with students I’ve noticed that they often end up missing one or two prerequisites thus delaying their opportunity to challenge the National Entrance Exam. There are many great resources available on the three accounting designations. It doesn’t take long to determine where your educational interests lie – my advice is to gather all the information you can about the industry and to check out the designations’ prerequisites.

In the Kamloops Chapter interested students are welcome to attend our events for free as this is the perfect opportunity for them to meet successful CMA members and ask questions. Many of us have been down a similar path and are always willing to share our experiences and are available to mentor and coach interested students.

If you are interested in getting involved with the Kamloops Chapter, please contact Dave Hallinan at 250.828.5560 or dhallinan@blc.com.
Congratulations to these 259 CMAs*

As part of CMA British Columbia’s 2008 Executive Tour, we traveled around the province to recognize CMAs who have held their designation for honorary milestones of 25, 30, 35, 40, 45, 50, 55 and 60 years. The presentation included the awarding of a commemorative, dated pin along with biographies read for each of the award recipients that attended.

**Executive Tour 2008**

25 Years - 1983
- Mr. Allan Achtemichuk, CMA
- Mr. Gerald Adams, CMA
- Mr. Howard R. Anderson, CMA
- Mr. Allan Achtemichuk, CMA
- Ms. Marian Berry, CMA
- Mrs. Mary C. Ballen, CMA
- Mr. Allen E. Johnson, CMA
- Ms. Alice Thorndike Usher, CMA

30 Years - 1978
- Mr. John M. Bucy, CMA
- Ms. Patricia Burke, CMA
- Mr. John M. Bucy, CMA
- Mr. John M. Bucy, CMA

35 Years - 1973
- Mr. Charles Shackerley-Bennett, CMA
- Mr. John M. Van Koll, CMA
- Mr. John M. Van Koll, CMA
- Mr. Robert McMillan, CMA

40 Years – 1968
- Mr. William E. Allen, CMA
- Mr. Stephen Gray, CMA
- Mr. Michael Siddons, CMA
- Mr. Peter Gardner, CMA

45 Years – 1963
- Mr. Gordon Alexander, CMA
- Mr. John G. Lozie, CMA
- Mr. H. R. Millard, CMA
- Mr. J. Gordon Loewen, CMA

50 Years – 1958
- Mr. William Zambik, CMA
- Mr. Jack Vorauer, CMA
- Mr. John M. Van Koll, CMA
- Mr. Gerald A. Sterk, CMA

55 Years – 1953
- Mr. Victor J. Christison, CMA
- Mr. George E. Weightman, CMA

60 Years – 1948
- Mr. R. Glynn Spellissey, CMA, FCMA
- Mr. Richard B. McCallum, CMA
- Mr. Joe Ching, CMA
- Mr. Michael Che-Kuen Lai, CMA

“On behalf of CMA British Columbia, I would like to express my heartfelt thanks to this special group of dedicated members,” Colin Bennett, CMA, FCMA – President and CEO of CMA British Columbia said. “Without exaggeration, you have been the worthy ambassadors of the designation, representing our capabilities in the marketplace, supporting our recruitment efforts, and providing us your wise counsel over the years.”

**Ms. Maimu McLeod, CMA**
**Mr. Terry McCallum, CMA**
**Mr. John A. Moran, CMA**
**Mr. Sidney G. Norman, CMA**
**Mr. Ronald Ogders, CMA**
**Mr. Cecil J. Primeau, CMA**
**Mr. David S. Richards, CMA**
**Mr. Selwyn Rose, CMA**
**Mr. Otto Schmid, CMA**
**Mr. Stephen Chi Fung Siu, CMA**
**Mr. Albert R. Soreng, CMA**
**Mr. John Spence, CMA**
**Mr. Robert W. Strachan, CMA**
**Mr. Gilbert Tulloch, CMA**
**Ms. Alice Thordi Usher, CMA**
**Ms. Julia J. Wang, CMA**
**Mr. John D. Wolff, CMA**
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* The CMAs listed in this article achieved their milestones between January 1, 2008 and December 31, 2008.
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