

CMA magazine

THE VOICE OF MANAGEMENT ACCOUNTING
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JANUARY/FEBRUARY 2012

Recruiting with social media
Managing Gen X, Y, etc.
Conquering dragons
How to deal with reporters



Outlook: 2012

Fasten your seatbelts

Vacation stress?
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1400 – 1 Robert Speck Pky.
Mississauga, ON L4Z 3M3
(905) 949-4200
www.cma-canada.org

DIRECTOR, PUBLICATIONS/EDITOR-IN-CHIEF

Mara Gulens
(905) 949-3126 mgulens@cma-canada.org

CONSULTING EDITOR
Kim Pittaway

COPY EDITOR
R. Franklin Carter

EDITOR, RESEARCH
Andrea Civichino
(905) 949-3109 acivichino@cma-canada.org

DESIGN & PRODUCTION
Hambly & Woolley Inc.
(416) 504-2742
www.hamblywoolley.com

TRANSLATION SERVICES
Hélène Arsenault, Michelle Gosselin, Ruth Samson
(514) 878-1105 traduction@cma-canada.org

MARKETING & COMMUNICATIONS
Cindy Ruocco
(905) 949-3116 cruocco@cma-canada.org

CONTRIBUTORS
Gabrielle Bauer, Luigi Benetton, Patrick Buckley,
Jennifer Campbell, Frank Ciannella, Jennifer Dawson,
John Harris, Carsten Hilker, Jaclyn Law, Paul Lima,
John Lorinc, Norman Sheehan, Jacob Stoller,
Lianne Thompson, Denise Zaporzan

ADVERTISING ACCOUNT EXECUTIVES
Online Magazine Marketing
473 Kingswood Rd., Toronto ON M4E 3P4
Martin White
(416) 726-7435 marty.white@sympatico.ca
Gwen Dunant
(416) 778-4954 gwendunant@rogers.com
Fax: (416) 778-4954

CIRCULATION & ADMINISTRATION
For general inquiries and changes of address, contact Suzanne Maunder
at (905) 949-3127 or smaunder@cma-canada.org.

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Flipping through the printout of this issue just days before it goes to press, I think about the main message in these pages. It's all about managing change, yourself and your career.

How timely for the first issue of a new year fraught with excitement, anxiety and loads of questions!

Will the merger of Canada's three accounting bodies become reality? What about that crazy economic roller-coaster ride – will it ever end? Freelance writer **John Lorinc** (whose work has appeared in *Spacing* magazine, *Toronto Life* and *The Walrus*) explores these issues and others in "Outlook 2012: What's in Store for Management Accounting" (p. 24).

And how about all those IT buzzwords: cloud computing, mobile apps, big data? **Jacob Stoller's** "2012 IT Survival Guide" (p. 28) will help you kick off a year of living technologically.

The rest of the issue also tackles other issues that come your way, such as reporters in need of sound bites (p. 34) or social media adventures you thought you could avoid (p. 37).

One of my favourite articles, **Jennifer Campbell's** "Getaway Guide" (p. 20), provides tips on preparing for vacation. If you recall my previous editorial about "owning busy," you'll know that's advice many of us need. The article is also helpful if you're struggling to find time for other basic "aways," such as lunch and weekends.

How will you be managing in 2012? And how can we help you manage more effectively?

My favourite email of 2011 began with the words "I am encouraged by your words." We hope that our words – our articles and resources – will encourage, empower and engage you as we all face the challenges and opportunities of a new year.

Please let us know how we're doing and what you'd like to see on our pages. As always, please send us your thoughts. We're listening.

And if you want to catch us on Twitter (@CMAMagazine) between issues, we're there now too.

Enjoy the read and have a great year!

Mara Gulens

Director, Publications/Editor-in-Chief
mgulens@cma-canada.org





ARE YOUR CLIENTS READY TO **ENTER NEW MARKETS?**

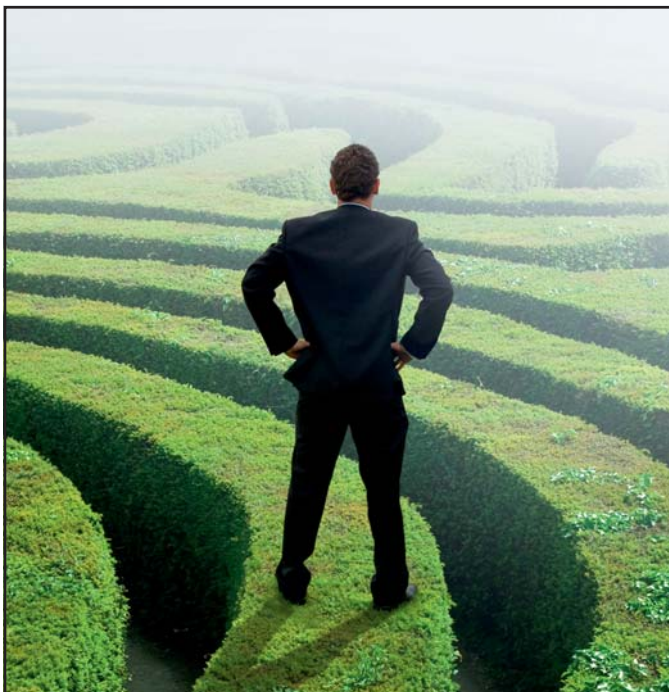
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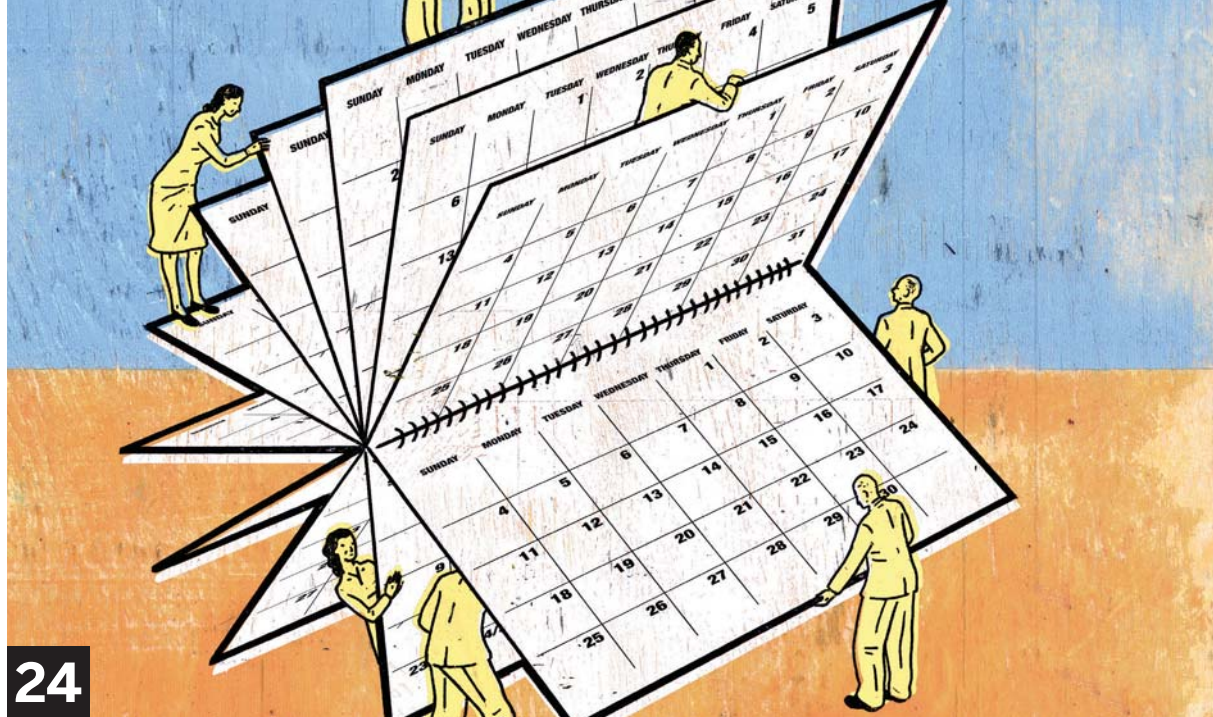
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16



20



24

Contents

JANUARY/FEBRUARY 2012

FEATURES

20 **GETAWAY GUIDE** Plan for your escape before, during and after your vacation so you really get a break. *By Jennifer Campbell*

22 **MANAGING THE MULTI-GEN WORKFORCE** Find connections and synergies to embrace generational differences. *By Denise Zaporzan, FCMA*

24 **OUTLOOK: 2012** What's in store for management accounting. *By John Lorinc*

28 **2012 IT SURVIVAL GUIDE** How to stay ahead of the technology curve. *By Jacob Stoller*

32 **TAKING ON THE CHALLENGE** Analytics vendors build new technologies to cut data down to size. *By Frank Ciannella and Carsten Hilker*

DEPARTMENTS

6 **FEEDBACK**

8 **NOTEWORTHY**

COLUMNS

12 **CONVERSATION** With personal finance guru Gail Vaz-Oxlade

14 **RESEARCH** Ready for risk

16 **HUMAN CAPITAL** Lesson plan

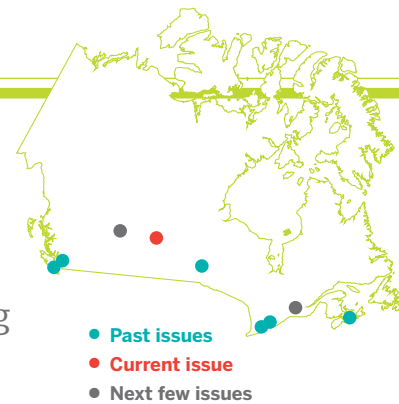
34 **UNPLUGGED** When the reporter comes calling

37 **LEGAL** Not just for kids anymore

40 **TECHNOLOGY** Recruiting with social media

42 **SPOTLIGHT** Conquering dragons

Cross-Canada spotlight



Since the relaunch of *CMA magazine* a year ago, we've been focusing our spotlight on CMAs across the country and from various walks of life. (See Spotlight on p. 42.) Do you know someone inspiring? Do you have in mind a CMA with an incredible story to tell? Drop us a line so we can shine a light on them.

I'm an older CMA living in Halifax and have been working on short-term contracts for the past several years due to the lack of employment opportunities in the area.

I'd appreciate seeing a regular column on Continuous Professional Learning and Development (CPLD) opportunities, especially low-cost or free ones.

—Michael Fredericks, CMA
Halifax, N.S.

Our response: We're happy to highlight low-cost and free CPLD opportunities, and are searching for some to include in upcoming issues. We'd also like readers' help: What resources do you turn to for professional development? What tips do you have for learning on a budget?



What do you use? Which social media tool do you use most often?

- a) Facebook
- b) LinkedIn
- c) Twitter
- d) I socialize face to face.

Let us know at magazinesurveys@cma-canada.org or respond online at www.cmamagazine.ca.

I enjoyed your article about Kevin O'Leary and his new book *Cold Hard Truth* (November/December 2011). You might be interested to know that I was Kevin's partner for many years and was the "accountant" mentioned on page 76 and throughout the book. I'm one of your members!

—John Freeman
Guelph, Ont.

I tossed the December issue unread. The reason for the holidays is Christmas.

I live in an area called Little India. The display of Christmas lights is amazing and shows how almost every race, creed and religion treasures the principles of Christmas: love, generosity, peace and harmony.

There's not enough of that today and that's why I refuse to patronize businesses that won't say Merry Christmas.

Merry Christmas to you and your staff.
—W.R. Meredith
Surrey, B.C.

Our response: We hope you had a merry Christmas and that all our readers enjoyed their holiday celebrations — no matter which holiday they were celebrating. Happy new year to all!

CMA welcomes letters to the editor

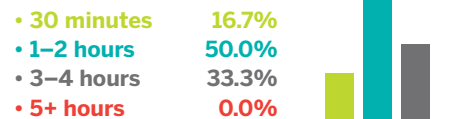
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Email steals half your day

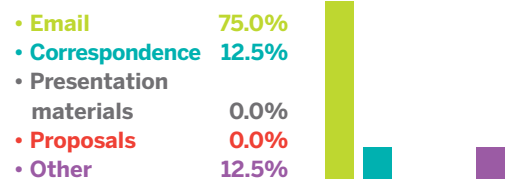
A few issues back, I asked you questions about business writing. We learned that CMAs not only spend a large chunk of their day writing (up to four hours), but also spend most of that time writing email.

How does one cope? We'll have a story on email management in the next issue of the magazine.

How much time do you spend writing at work each day?



What do you spend most of your time writing?



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New and relevant

PRIVACY PROTECTION

Beware cyber attacks

Canadians are showing signs of unease about the handling and security of their personal information.

According to the *2011 Canadians and Privacy Survey* commissioned by the Office of the Privacy Commissioner of Canada (OPC), nine in 10 respondents were concerned about businesses requesting too much personal information, not keeping it secure, selling it to other organizations or using it to send spam or other unsolicited marketing messages.

“Modern technologies are creating new threats to the personal information of Canadians, and businesses of all sizes face an ever-increasing challenge to protect it,” says Canada’s privacy commissioner Jennifer Stoddart.

Small businesses can enhance their personal information handling practices with the OPC’s tools and guidelines for cybersecurity awareness.

Visit www.priv.gc.ca/resource/sbw/2011/index_e.cfm. — *C.R.*

INTERNAL CONTROL

Proposed guidance

Maintaining effective internal control in response to risk is top of mind for the Professional Accountants in Business (PAIB) committee of the International Federation of Accountants (IFAC).

In an effort to establish a benchmark for good practice and help accountants create a cycle of continuous improvement, the committee has developed principles that accountants in business can apply to help their organizations avoid the problems of applying internal controls.

Roger Tabor, chair of the PAIB, says the proposed guidance can be implemented regardless of existing internal control frameworks or standards as it deals with internal control issues that are often unsuccessful due to poor implementation and design.

To help improve the applicability of the guidelines by providing feedback, visit www.ifac.org/paib by Feb. 29, 2012. — *A.C.*



WEB WATCH

Site refresh

CMA Canada’s Become a CMA website provides prospective CMAs with a user-friendly window into the world of strategic management accounting. With a new look and revised navigation, the website provides information on becoming a CMA, the core competencies unique to the designation as well as video profiles of CMAs across the country.

Visit www.becomeacma.com. — *L.T.*

PAYROLL

Go electronic

Canadian businesses issue more than 8 million records of employment (ROEs) a year. Of those, only 60 per cent are submitted electronically through ROE Web, an application that helps streamline payroll and HR processes.

According to Service Canada, switching from paper to electronic ROEs saves employers time and provides flexibility by aligning ROE issuance with pay cycles. Since ROEs are validated prior to submission to Service Canada, employers receive fewer clarification calls and requests for payroll information.

ROE Web allows companies to submit up to 1,200 electronic ROEs at once, import key ROE information into the payroll system for reference and record keeping, and retrieve ROEs if a change is required without having to re-enter all of the information.

See www.servicecanada.gc.ca/roeweb. — *C.R.*

GREEN REPORTING

Canada leads

The benefits of sustainability reporting are gaining interest around the globe. And they’re opening up challenges and opportunities for the accounting profession.

“Society has changed profoundly in the last few decades,” said Professor George Serafeim from Harvard Business School at the University of Toronto (Mississauga) Master of Management and Professional Accounting Conference in November.

“The role of the corporation in society is changing and accounting institutions need to change. Accountants play a big role in improving measurement and disclosure practices, providing assurance of inputs, processes and outputs and assisting in developing standards that will improve the quality and comparability of information.”

Guest presenters at the conference also looked at how sustainability is affecting the Canadian oil and gas industry and how corporate charitable contributions enhance revenue growth.

In her presentation “Sustainability Reporting and Its Impact on the Accounting Profession,” Gwendolen B. White, associate professor of accounting at Ball State University, discussed the benefits of cost savings, innovation, risk assessment and environmental compliance.

According to White, Canadian companies such as Goldcorp, Bell Canada, Royal Bank of Canada and MEC are leading the way in sustainability reporting. — *A.C.*

SMALL BUSINESS

Bring on the benefits

Almost all small business owners (86 per cent) feel obliged to take care of their employees but fewer than six in 10 (58 per cent) offer a health benefits plan. Even fewer offer other benefits such as profit-sharing (25 per cent) or an employee pension plan (15 per cent).

Of those small business bosses who don't offer benefits, close to one in three (27 per cent) have considered offering these employee perks.

The findings, published in the *Manulife Financial Small Business Research Report*, show that small businesses are thinking big when it comes to benefits but there may be barriers to implementation. — *J.D.*

HAVE YOUR SAY

The Pulse

A new focus group providing feedback and perspective to CMA Canada's Research Foundation is looking for volunteers.

As a volunteer of the Pulse, you'll be expected to participate in electronic polls and surveys distributed via email once or twice a month. Each poll or survey will take less than 10 minutes to complete.

Volunteers will also have the opportunity to review pre-released documents and papers and provide comments on how CMA Canada can improve the creation and delivery of research-based products.

For more information or to get involved, contact thepulse@cma-canada.org. — *A.C.*



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STRIDES AND CHALLENGES

Ongoing issues for women

Women have made great strides in the workplace, but the challenges they face still differ from those of their male colleagues.

In late November, Borden Ladner Gervais LLP (BLG) brought together leaders from Canada's legal, human resources, accounting, academic and communications industries for a round-table discussion.

What are the key issues women face in the workplace? What can be done to shape the future? What needs to be done to support women's rise to the top?

Nathalie Bernier, a managing partner at KPMG's Montreal office, talked about her experience becoming a managing partner in 2007 and what it was like to be the first woman appointed to such a position in a major Canadian accounting firm.

Bernier takes mentorship seriously and tries to meet new hires — especially female accountants — to offer advice on managing careers and getting the skills needed to advance in the industry.

Most of the new hires "don't have a clue about gender issues ... and want to talk about career advancement and opportunities," said Bernier. She only addresses gender issues if they come up in conversation.

CMA Ontario's Professional Development Institute (PDI) will open up the floor to this topic and others at the Women in Business Conference on Apr. 18 – 19, 2012, in Toronto.

For more information, see www.pdi-cma.com/continuing-education/conferences. — *A.C.*

ACCOLADES

Textbook win

Sylvie Deslauriers, FCMA, was recently honoured with an award from the Quebec Department of Education, Recreation and Sport for co-authoring *La comptabilité et les PME* (*Accounting for Private Enterprises*).

Heralded by the awards committee as a "stunning piece of work," this university textbook encompasses Deslauriers's 25-plus years of teaching experience.

Since 1998, she's been an associate professor at the University of Quebec at Trois-Rivières, teaching case studies for the undergraduate and CMA entrance exam preparation programs.

Deslauriers's book *Accounting for Success: The Guide to Case Resolution* was published in 2010. — *J.L.*



VIEW FROM THE C-SUITE

No plan to replace senior leaders

Forty-three per cent of Canadian organizations predict a shortage of executives over the next five years, but less than a third (32 per cent) have a C-suite succession plan, says a report released by executive search firm Odgers Berndtson.

Preparedness for the upcoming leadership exodus varies by province.

Eighty-two per cent of those who completed the online survey in Quebec say they'll have difficulty filling vacancies in the corner office. The figures were 51 per cent in B.C. and 48 per cent in Ontario.

Only 10 per cent of organizations surveyed in Atlantic Canada have a succession plan in place — the lowest percentage in the country. — *J.D.*

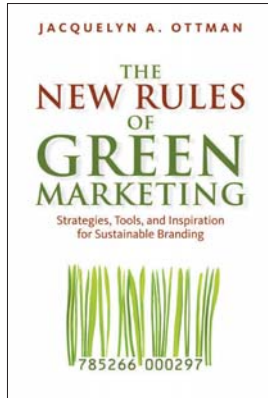
BOOK REVIEW

Growing green

Over her 20-plus years as a green-marketing consultant, Jacquelyn Ottman has seen the market for environmentally friendly and ecologically sustainable products grow.

Today, purchasing at least some green products is the norm for most consumers. One fifth of consumers are core green buyers, opting for green wherever possible, while 60 per cent of consumers will make a green purchase only if it is as good as or better than a non-green product.

In *The New Rules of Green Marketing*, Ottman lists several strategies for marketing green products:



- Design greener products that display an EnergyStar or WaterSense label of the EPA (Environmental Protection Agency).
- Eco-innovate with emerging technologies.
- Emphasize the improved direct benefits of new products and services when promoting the environmental ones.
- Appeal to the needs of green psychographic segments such as resource conservers, health fanatics, animal lovers and outdoor enthusiasts.
- Avoid greenwashing by communicating only eco-friendly claims that have independent verification.
- Set up partnerships with relevant groups of consumers, suppliers, retailers, regulators and environmental organizations.

For people trying to capture the attention of the green or green-leaning consumer, this book offers valuable insights on the key levers that can help trigger a purchase.

Author: **Jacquelyn A. Ottman**

Publisher: **Berrett-Koehler Publishers**

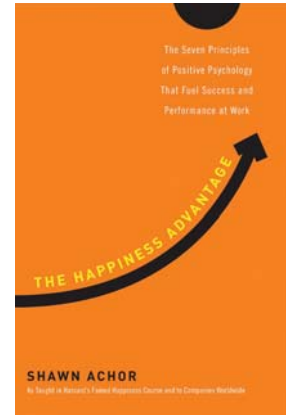
Reviewer: **Patrick Buckley**, CMA, PhD

BOOK REVIEW

First, be happy

Some believe that the only way to obtain lifetime happiness is through hard work. In *The Happiness Advantage*, Shawn Achor points to a large volume of research that shows that happiness comes first. It's the key to success, and organizations that hire happier people will be more productive.

The text contains numerous supporting examples from Achor's research with Harvard students and a worldwide assortment of organizations. But it really takes off in section 2, where Achor hones in on the seven principles:



1. **Happiness advantage:** Find personal happiness by showing gratitude, focusing on positive experiences, getting regular physical exercise, meditating and performing random acts of kindness.
2. **Fulcrum and lever:** Adopt a positive mindset and leverage it to obtain success.
3. **Tetris effect:** Spot patterns (as in the game Tetris), and learn to adopt positive thinking and patterns of behaviour.
4. **Follow up:** Search for post-traumatic growth after a crisis.
5. **Zorro circle:** Draw a circle around a small set of manageable goals nestled within a list of all possible personal aspirations.
6. **20-second rule:** Set up a personal environment that triggers desirable behaviours.
7. **Social investment:** Remember your social support network in times of crisis.

The Happiness Advantage is a readable text based on current research, and the author speaks in a relaxed, easy-listening style on the CD version.

Author: **Shawn Achor**

Publisher: **Crown Business, Random House**

Reviewer: **Patrick Buckley**, CMA, PhD

TECHNOLOGY

CFOs get wired

Financial executives are talking techie, a new Robert Half Management Resources survey shows.

Thirty-eight per cent of the 270 Canadian CFOs surveyed said they were more involved in technology-related decisions than they were just three years ago. Almost a quarter (23 per cent) said they are "much more involved." Only 7 per cent said they were less involved.

Financial execs are putting their money where their mouths are, too. In a separate Robert Half Management Resources survey, IT systems were one of the top areas CFOs were planning to invest in over the next 12 months. — *J.D.*

Noteworthy is compiled by Andrea Civichino (A.C.), Jennifer Dawson (J.D.), Jaclyn Law (J.L.), Cindy Ruocco (C.R.) and Lianne Thompson (L.T.).

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Media gal **Gail Vaz-Oxlade** takes aim at attitudes that keep people in financial straits

By **Gabrielle Bauer**

Q: How might you explain the fact that personal debt remains high despite record-low interest rates?

A: People accumulate debt not because of high interest rates per se, but because our society encourages debt.

Credit card companies give people extra rating points for paying only the minimum on their monthly balance. The more rating points you have, the more value you have to a lender because you'll be paying them interest every month. So financial institutions will woo you, and you'll accumulate a rainbow of credit cards.

Q: What's your advice for Canadians about reducing debt?

A: Don't listen to the lenders knocking at your door. Use your own judgment.

Q: How can parents create a savings culture for their children?

A: Parents would rather walk across the desert with a camel on their back than talk about finances with their kids. I say, get over it.

Talk to your kids about the financial decisions you have to make: Couch or TV? Monthly payments or paying in full? Talk about the difference between a need and a want.

Next, give your children some money to manage, such as an age-appropriate allowance. You can even give them a makeshift credit card (from the bank of Mom and Dad) with an agreed-upon limit and interest rate.

Q: We all know people who manage huge budgets, but can't keep a cheque from bouncing. Why is that? What can they do?

A: I run into this all the time, and I think it's because personal financial decisions are laden with emotion, while professional ones are not. At work people pore over data sheets and see the numbers in black and white. They wouldn't dream of not tracking expenses. I aim to help people run their family finances like a corporation does.

Q: Do today's youth feel as entitled as the media say they do? Do they feel that someone will bail them out if they go into debt?

A: I don't want to paint all young people with the same brush. Some feel entitled; some don't. In fact, I get a lot of letters from young people concerned about aging parents awash in debt. I think a sense of entitlement has more to do with individual personality than with age and gender.

Q: How's the *Princess* TV show going? Are those divas for real or just putting on a show?

A: There's no showmanship. What you see is what these people are really like.

I'm learning that people who grow up on reality TV have a skewed world view. Just now I'm working with a princess who told me, "If Kim Kardashian can get a 25-carat diamond ring from her fiancé, why can't my boyfriend buy me five carats?"

Q: How do you see the role of credit in financial responsibility?

A: Credit isn't inherently a bad thing, but it's easy to misuse and abuse. Part of the problem is that financial institutions are handing out credit cards like candy. Can you imagine going to the bank and saying, "I have no job. Could you please give me a credit card?"

Q: How would you distill the principles of money management?

A: Whether you're a corporation, a small business or a family, the basics of money management are the same: (1) make a budget, (2) set aside for a rainy day, (3) don't spend more than you make, and (4) use debt only to improve circumstances, not to consume. It's not rocket science. But maybe it is, because so few people are doing it! ■

Gail Vaz-Oxlade is a TV host, money maven, teacher and artist. She has authored 11 personal finance books and currently hosts the Slice Network's reality show *Princess*.



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Ready for risk

Strategy maps to survive and thrive

Recession lesson learned: Be prepared

By **Norman Sheehan**, CMA

ONE OF THE KEY LESSONS FROM THE

recent economic turmoil is that corporations that take on risk without being adequately compensated suffer from poor performance and, in the worst cases, become insolvent. If companies are to survive — even thrive — they need to adopt risk-based strategies.

Ready, set, map

Because managers can't implement strategies they don't understand, the first step in a risk-based strategy execution is to clearly map what the company is trying to accomplish in terms of mission, vision and strategy.

While a company's strategic plan outlines where the company wants to go, a strategy map is a one-page illustration outlining how it will get there.

A strategy map shows what the firm hopes to accomplish in terms of customer, financial and societal goals, and how the firm will achieve these results using its processes and resources. The strategy map communicates key initiatives that must be successfully executed if an organization is to achieve its desired outcomes.

The underlying logic of a strategy map for a profit-seeking firm is as follows:

- **Employees who are well supported when completing their work can successfully complete processes which deliver value to customers through customer service, innovation, production, and regulatory and compliance activities.**
 - **Successful completion of these processes means higher productivity and happy customers.**
 - **Happy customers are more likely to buy more with each visit and visit more often. Increased revenues and lower costs should occur.**
 - **Lower costs and higher revenues ensure that a company meets shareholder expectations.**
- Map your route**
- A strategy map starts by explicitly defining the desired destination and then clearly outlines the route that will enable the organization to reach that destination.
- Typically, that destination is **financial**: how much and what type of value does an organization need to create to satisfy shareholders and stakeholders?
- Working backward from that financial destination, the senior executives must define the organization's customer value proposition, the processes required to deliver on that proposition, and the learning and growth required to allow employees to perform the strategic processes.
- **Employees are enabled to effectively and efficiently complete key processes through training, enhancing the corporate culture, and are supported in their decision making with information systems.**

THE VALUE OF A STRATEGY MAP

LEARNING AND GROWTH

Describes how the organization will enable its employees to perform the strategic processes

PROCESS

Describes how the organization will effectively and efficiently deliver the customer value proposition

CUSTOMER

Describes the organization's customer value proposition

FINANCIAL

Describes how much value the organization needs to create for its share/stakeholders

Strategy maps allow organizations to deliver strategic processes, provide satisfying customer experiences and meet stakeholder expectations.

The **customer perspective** typically includes one sentence describing the organization's value proposition. That statement succinctly answers why customers should buy from this company instead of its rivals.

The **process perspective** describes how the organization will efficiently and effectively deliver the value promised to its customers, and includes the following key processes:

CUSTOMER PROCESSES involve increasing demand for the company's offerings by marketing to current and future consumers, and managing relationships with current customers. Customer process activities include formulating sales campaigns, making sales calls and improving branding.

OPERATIONAL PROCESSES include all the activities necessary to produce the sales offerings. Operational process activities include purchasing raw materials, negotiating with suppliers, assembling offerings, shipping goods and providing after-sales service.

INNOVATION PROCESSES include developing new offerings and improving a company's production.

REGULATORY AND SOCIAL PROCESSES include ensuring employees comply with a jurisdiction's laws and regulations as well as undertaking activities which improve the company's standing

in the eyes of stakeholders, such as sponsoring children's summer camps or reducing the environmental footprint.

The first perspective, **learning and growth**, describes resources that enable employees to effectively and efficiently perform the internal processes described above. Examples:

HUMAN CAPITAL improves the organization's capabilities by hiring and retaining the right employees, and then enhancing their competencies through training.

ORGANIZATIONAL CAPITAL aims to align the employees' activities with the company's mission or vision by enhancing the company's culture, teamwork and leadership.

INFORMATION CAPITAL is the information technology which makes employees (a) more efficient by assisting with transaction processing such as payroll or data entry, and (b) more effective by providing decision-making guidance such as management control systems, standard operating procedures or customer relationship management systems.

A firm's strategy map outlines how the firm plans to achieve the best possible outcomes for its shareholders and stakeholders.

But how can managers ensure all goes according to the organization's strategic plan? To keep the firm on track

for success, managers also need to anticipate what could go wrong and then use the management control system to prevent and reduce the impact of these events or the probability of these events occurring. ■

Norman Sheehan, PhD, CGA, CMA, is an associate professor in the Department of Accounting at the University of Saskatchewan's Edwards School of Business. This article has been adapted from a brief published by AICPA's Business, Industry and Government Team.

This article is the first in a series of three. Each part outlines one of the following three risk-based strategy execution steps:

Part 1 uses Kaplan and Norton's strategy mapping technique to describe a company's strategy on one page.

Part 2 outlines how to use a company's strategy map to identify and assess key organizational risks.

Part 3 applies Simons's Levers of Control, a comprehensive management control framework that managers can use to implement their company's strategies, to manage key risks, and to discuss the continual monitoring of risks and risk mitigation tactics.

Look for Part 2 in the March/April issue of *CMA magazine*.

Lesson plan

How one college is helping international students succeed

The Student Success Program at Toronto's Centennial College

By **John Harris**, FCMA

SNAPSHOT: STUDENTS AT CENTENNIAL COLLEGE

- About **16,000** full-time and **25,000** part-time students enrol annually. They come from almost **100** ethno-cultural groups and speak **80** languages.
- The college offers more than **100** diploma, certificate and degree programs.
- About **20** per cent of Centennial's students are international students. About **one-third** study business, mostly accounting and financial services.
- The majority of Centennial's international students come from **India** and **China**, but a growing population comes from **Vietnam**, **Turkey** and **Brazil**.
- Many students have already succeeded in higher education in very different academies.

SUCCESS IN HIGHER EDUCATION IS

particularly important when it comes to international students. First of all, their tuition tends to be about three times higher than domestic tuition, and Canada's reputation will suffer if the money spent produces inadequate results.

Second, according to the Canadian Millennium Scholarship Foundation, retention initiatives are about three-to-five times more cost-effective than total costs associated with new student recruitment.

Student success is important for the CMA profession as well. Because an increasing number of accounting and financial services professionals are retiring, Canada has a dire need for new, qualified entrants.

And while it's important to maintain high professional standards, it's hard to understand why accounting and financial services programs include "killer" courses — programs with high failure and drop-out rates — which can discourage students from continuing. The focus should be on improving teaching methods which allow students to fully grasp key concepts and succeed.

About 60 per cent of international students want to remain in Canada after graduating. To succeed, they require an education with a focus on the English language, soft/employment skills and a credential/degree. They also require pathways to future educational opportunities. Most

students want to achieve these goals quickly and move on to a career.

Toronto's Centennial College is recognized as one of the most culturally diverse post-secondary institutions in Canada.

Centennial's School of Business has learned the following lessons about helping students achieve greater success. Although the majority of these steps apply to all students, some initiatives apply specifically to international students.

LESSON 1: Match program pathways to student needs and regulatory realities

Pathways that shorten the distance to graduation promote the persistence that's needed for student success. An international student needs to graduate after two years of full-time study to qualify for a three-year Canadian work visa. "Bridging" and "fast track" programs recognize prior higher-education achievement. Most programs connect to industry certification and the college's School of Continuing Education, facilitating part-time/online course delivery for extended program completion.

LESSON 2: Lay the groundwork for success

New student orientations not only maximize participation but also consider the international student and recent immigrant by attempting to involve parents, guardians and partners. As

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Centennial College's teaching initiatives help students from 100 ethno-cultural groups get the education they need for business opportunities in Canada. Eighty different languages are spoken at the college.

well, the BUSN-110 course, which appears on every business-program student's timetable in the first semester, helps students quickly gain the skills and knowledge they need to succeed in their educational careers, no matter what their geographic origins. Students learn the college's code of conduct, policies on plagiarism and the grading system. Students also learn research skills, case-analysis and presentation skills, and study and goal-setting techniques. Students learn how to relate better to others from the same or different cultures, and communicate more effectively.

The college also runs a Centre for English Language Studies to deliver an English Language Learning (ELL) program for international students who do not meet admission requirements but wish to study at Centennial. It's also for international students who have been accepted but have arrived too late to be admitted.

The centre works with the Business Development Unit and the International Department to develop and deliver the ESL curriculum both domestically and internationally. Students can be "readied" in their home countries.

LESSON 3: Use technology to help students juggle more effectively

Students juggle many responsibilities in addition to their studies (such as work, family, etc.). Every course is supported with computerized learning

technology that allows students to access weekly course materials, see posted grades, and use virtual office hours and tutorial sessions.

LESSON 4: Spot and support at-risk students

A team of student advisers available for one-on-one academic counselling helps ensure the identification and clarification of student goals and directions. The Student Success Program (SSP) in the School of Business works with students who have been placed on academic probation or suspension to identify reasons for poor academic performance and provide counsel.

In cases that are due to non-academic reasons (such as financial, medical and family commitments), the suspension is lifted and further counselling is provided, allowing for a proactive approach to learner success.

The SSP has recently started using surveys to identify and counsel students who are likely to risk academic failure.

LESSON 5: Track and analyze data to spot barriers

The college's Dean of Students Office maintains a retention data tool that annually searches for the potential "killer" courses mentioned earlier in this article. The tool gives clear information on the cost of attrition and helps drive evidence-informed revisions to tests, scheduling, course outlines and teaching approaches.

What next?

As noted, 60 per cent of international students want to find permanent work in Canada, yet employers still want to see "Canadian" work experience before offering jobs.

Canadian government regulations make it difficult for international students in co-op stream programs to work off-campus, which limits their ability to gain meaningful experience before graduation. The result is jobs without people and people without jobs — or, more specifically, skilled graduates without jobs and employers in search of skilled people.

CMAs are trained to strategize and synergize across many stakeholders and can often hire. With looming talent shortages in accounting and financial services, CMAs need to lead the way and help eliminate this gap. ■

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John Harris, FCMA, is chair of Accounting, Financial Services, Legal & Administrative Studies at the School of Business, Centennial College. This article is derived from a longer report on promoting first-year student success in higher education that was presented at Memorial University in the spring of 2011.

For related articles on international students and education, see the November/December issue of *CMA magazine*.

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Brenda Yackle, CMA
Corporate Controller
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By **Jennifer Campbell**

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DESTINATION

Relaxation



WE ALL OCCASIONALLY NEED A HOLIDAY.

But leaving the office can also fill us with dread as we speculate about the work involved in preparing to go away and the work that awaits us when we return. So we offer a vacation-wary worker's guide to getting away. Who knows? Some of these tips might even help you get through a regular day.



BEFORE

Resist temptation. As Robin H-C, a life coach and the author of *Thinking Your Way to Happy!* says, our bodies are chemical factories. When we get stressed, we tend to go for caffeine and fast food and maybe a little too much wine or beer.

She recommends eating healthy foods and drinking lots of water to put the body in balance. "Just having an eight- or nine-ounce glass of water can make a big difference about how you relate to things. It's sometimes that simple."

Delegate, delegate, delegate. "This is something we can do if we can give up on having it done the way we'd do it or it being perfect," says H-C.

Of course, delegating takes time. But in the end, delegating probably takes less time than completing the task. And you might just set up a system that will make things easier the next time around — or even day to day.

Set priorities. Sometimes when we have a lot to do, we find ourselves doing things that don't need to be done at that precise moment. No filing nails, working on your golf swing or updating social media. Those things can wait. So can the phone which doesn't have to be answered every time it rings.

H-C recommends recording a phone message that says you're on a deadline, that you check messages at 9 a.m. and 4 p.m. daily and that if the message is urgent to contact you by email. "A lot of the time, phone calls involve small talk. That's a big time-waster," she says.

Make a list. Check it twice. Helen Dyrkacz, a CMA who now teaches leadership seminars, says CMAs are

organized, analytical people, and she's no exception. She suggests creating a checklist of all the things you need to do before going on vacation. Make one for two weeks before, one week before, two days before and the day before. Maybe even the morning of.

"It works like a charm," Dyrkacz says. "A lot of it has to do with good planning in advance. I have the checklist and review it regularly."

Communicate. Meet with staff members and brief them on what's coming up. "I delegate one person to be responsible for my things while I'm away," says Dyrkacz. "I realize not everyone has staff so then it's a matter of planning as best you can before you go."

Minimize the damage on return. Dyrkacz says it's important to let people know you're going to be away. Leave a voice message that names your contact while you're on vacation. That will reduce your stress and let others get a feel for your job.



DURING

Use the power of now. "When you live in the moment, there's no stress," H-C says. "It's when you look back or look ahead that you get stressed." But, she says, living in the moment takes training. As humans we like to worry and analyze.

Relax. "There's a reason we have vacation," Dyrkacz says. We need to rest and focus on having time out from the place of work.

Turn it off. Leave your smartphone at home, or at least keep it turned off.

Some experts, including H-C, suggest practising on weekends. "We're a media

gratification society," she says. But connecting with others and decompressing are equally important. Without decompressing it's harder to perform at work. Give yourself time to rejuvenate.



AFTER

Plan ahead. It's a good idea to set a false return date. If you're back at your desk on Monday, make your official return date Tuesday so you have a full day to get your bearings. It's also a good idea not to book any major projects, presentations or deadlines for the first week, particularly if you might be battling jet lag.

Be methodical. When you return, suggests Dyrkacz, quickly run through what's waiting for you, including voicemail messages, email and upcoming meetings. Then make another to-do list with blocks of time for each task. "Blocking that time is really important," she says.

Tackle email. Once you've scanned all the email and deleted the spam, start sorting. Some email you can deal with on the spot; some you can delegate; some you can revisit in a couple of days. One easy way to make the task seem smaller is by filing email into folders according to project, topic or urgency.

Breathe. Most people realize that people who have just returned from vacation need time to get back into the groove. Simply inform those who don't seem to possess that emotional intelligence that you need the time. ■

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Jennifer Campbell is an Ottawa-based freelance writer.

Managing the multi-gen workforce

Find connections and synergies

Embracing generational differences is a positive step forward

By Denise Zaporzan, FCMA

If you're a 21st-century manager, odds are that you're managing a three- or four-generation workforce.

Your office may have Traditionalists (born before 1945), Boomers (born between 1946 and 1964), Gen Xers (born between 1965 and 1980) and Millennials (also known as Generation Y, born between 1980 and 1999). Generation 2020 — those born around 2000 — will apply for their first jobs in the next decade.

How can you succeed in managing this multi-gen workforce? Consider these tips.

- Although each generation has different motivations, they have similarities. These similarities include communication and feedback needs, a desire for meaningful work that is connected to their interests, wanting to be included and heard, and a need to have satisfying social interaction.
- Don't try to fit everyone into one little box. You need to learn and understand each generation's attitudes, beliefs, values and experiences through surveys or casual discussion. This knowledge will make it easier to understand how to reward employees and deal with difficult situations.
- Follow a team-based learning and mentoring model. Each generation brings something to the table. You have an opportunity to let each generation teach the others their



skills, work ethic, knowledge and technology. You can have a powerful and robust workforce with two-way communication across the board.

Know that, regardless of your generation, we're all in the same boat. There are three forces that are shaping the future of work.

- **GLOBALIZATION** Global access to markets and talent is opening up the world to the workplace.
- **DEMOGRAPHICS** The five generations we just mentioned are the magic ingredients in the workplace recipe.

- **COMMUNICATION** Employees, customers and managers now have the ability to communicate immediately through social media and — in the future — who knows?

Embrace your workforce for the diverse and talented group of people that it is. You and your organization will be well positioned to embrace the changing workforce in the future. ■

Denise Zaporzan, FCMA, is president of Denise Zaporzan & Associates in Winnipeg. See www.denisezaporzan.com.



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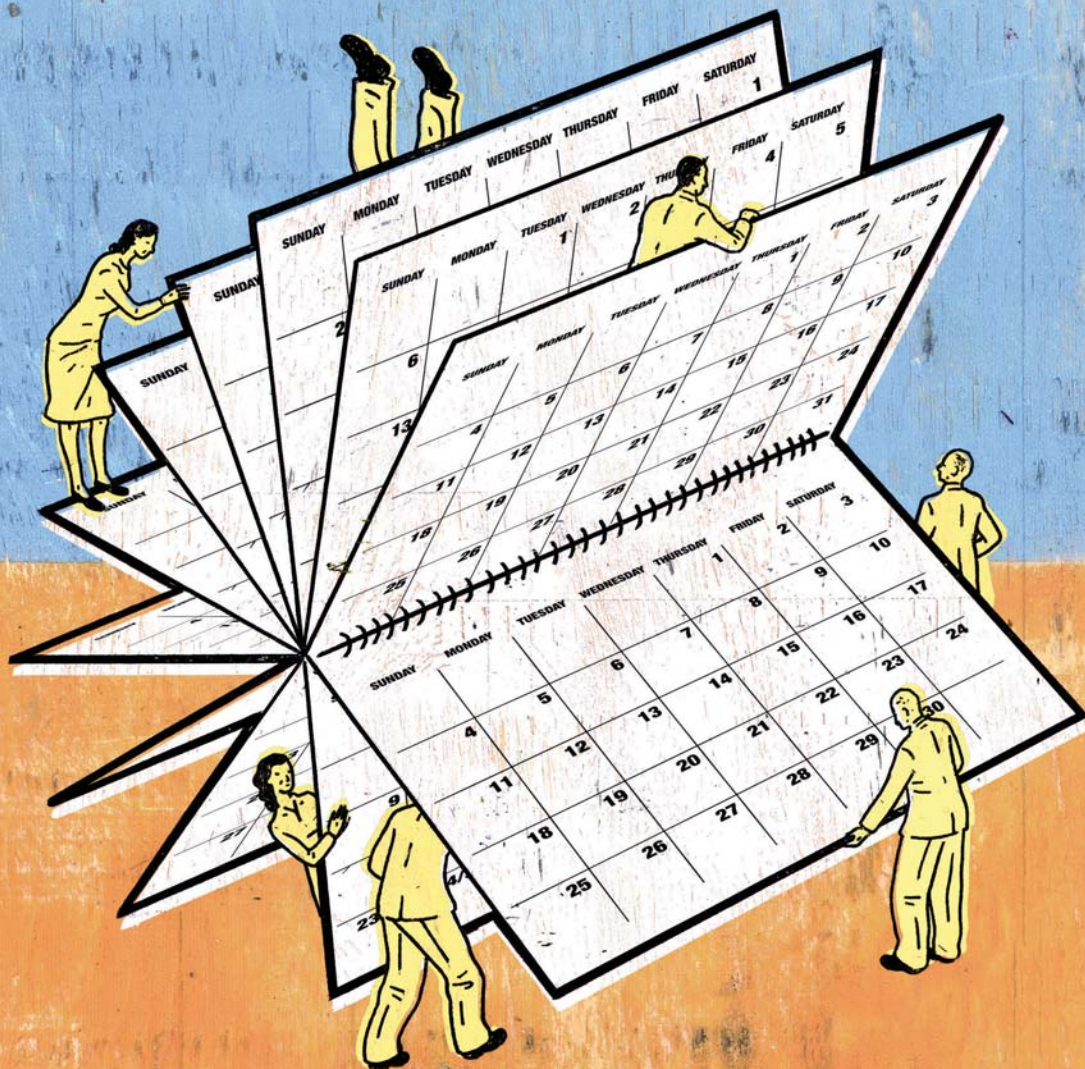


OUTLOOK: 2012

What's in store for management accounting

Volatility, turbulence, upheaval and a year of continuous change

By John Lorinc



WILL 2012 BE A DÉJÀ VU YEAR? **In many ways, the waning weeks of 2011 felt eerily similar to the final innings of 2008, a period when Wall Street's credit meltdown all but threw the American economy into reverse.**

The parallels are striking: political upheaval, roller coaster markets, troubled banks and emergency sessions of world leaders seeking enduring solutions to the problem of over-leveraged organizations. In 2008, it was all about Lehman Brothers and today it's about Greece and Italy. But the result is very similar. Investor confidence is shaken to its core, and even roiling Asian economies are feeling the impact.

Now, as then, Canada finds itself in an enviable position. While the Canadian economy has shed some jobs, our natural resources are still in high demand. The banks are stable thanks to long-standing liquidity ratio policies, and the country's public debt and deficit levels, while they could be lower, appear manageable, especially in comparison with those of our trading partners.

The global uncertainty, however, directly affects Canadian companies and the management and financial professionals responsible for guiding them through a period when growth is anything but assured.

We asked some thought leaders in the profession to reflect on what they're expecting in 2012 in the broader

economy, management trends and issues relating to the profession itself. Here's what we heard.

ECONOMIC OUTLOOK

A Bank of Montreal survey, conducted early last fall by Leger Marketing, found that 51 per cent of Canadian businesses believe that 2012 will be better than 2011. And while a third of those surveyed reported that the economic uncertainty south of the border had negatively affected their firms, 79 per cent said they expected to invest as much or more in their companies compared with 2011.

The results closely mirror the sentiments of CMAs such as Carol Ring, vice-president of strategic initiatives for Rogers Communications. "From my perspective, things in Canada will continue to move forward, slowly but positively," she says. Her take on Canada's largest trading partner: "The U.S. will find its way out of the economic doldrums."

Brian Whiteway, CFO for St. John's-based Verafin Inc., is more guarded in his predictions about the United States.

Verafin is a leading provider of anti-money-laundering and fraud-detection software, and does about 80 per cent of its business with the troubled U.S. banking sector. "We remain optimistic," he says.

But Whiteway knows that the European lenders whom Verafin has dealt with are increasingly nervous about liquidity. Indeed, the late fall shock waves coming out of Europe have tempered what should be, in Geeta Tucker's estimation, "a really exciting period." The CFO of Agriteam Canada, a Calgary-based organization that advises international development projects, points to the enormous change underway in many Middle Eastern countries in the wake of the so-called Arab spring.

But the prospect of a European recession has tempered her optimism. "If there's a domino effect in Europe, I think it will have an impact on the global economy," says Tucker.

She sees Canadian firms operating abroad reining in their investing activities. Agriteam's own operations are still reduced compared with the pre-2008 credit crunch. "I can see 2012 as being a year of mixed blessings."

Calgary-based Debbie Gorsline, an FCMA who sits on the board of CMA Alberta, sees these mixed signals all over her client base, which includes smaller oil-and-gas service companies, real estate firms and retailers.

In the resources sector, she says, the



Fifty-one per cent of Canadian businesses believe that 2012 will be better than 2011.

Seventy-nine per cent expect to invest as much or more in their companies than they did in 2011.

contracts are coming quickly and firms are hustling for business, but retail is at a “standstill.” With even Alberta consumers still fretting about disposable income, many continue to guard their savings. “Things have slowed right down.”

MANAGEMENT TRENDS

With all signs pointing to persistent volatility, Wilfrid Laurier University associate business professor Gene Deszca, a former CMA Canada board member, says Canadian companies competing in global markets will be challenged to react swiftly to events that quickly ripple across borders. He’s watching the fallout from high European youth unemployment rates and the fear that China’s real estate bubble will burst due to flagging Western consumption.

Such turbulence expresses itself in fluctuations in the Canadian dollar,

which has been tied directly to global resource markets in recent years. With the loonie trading against the U.S. dollar from the low 90-cent range to well over one dollar, Deszca says Canadian firms need to make “constructive use of their hedging strategies. People who are good at that stuff will be in high demand.” In difficult times, he adds, “the agenda is all around flexibility and adaptability.”

In the near term, in fact, senior managers in a growing number of firms will increasingly seek out disruptive innovations, either in their own product line or with their internal processes, notes Montreal CMA Ajay Pangarkar, president and performance strategist at Central Knowledge Inc., a change management consultancy.

Instead of seeking to innovate incrementally, forward-looking companies want to change the rules

of the game entirely, as Apple did when it unleashed the revolutionary iPhone on RIM’s BlackBerry. “I think we’re going to see a lot more of this in the coming years,” Pangarkar says, adding that mobility-oriented technologies and workforces will become ever more critical.

At Winnipeg-based Palliser Furniture and Upholstery, vice-president of finance and accounting Catherine Gillespie points out that tenacious uncertainty has forced her team to be highly attentive to the firm’s daily financial position. Several U.S. furniture manufacturers went under recently, in part because of their over-exposure to Chinese suppliers that demand cash even before the merchandise is loaded onto ships, much less in retail showrooms.

“The love affair with Asia is showing cracks,” Gillespie says, noting that Palliser’s decision to maintain its North American manufacturing operations appears to be paying off. “We’ve all learned how important cash flow is in the last few years.”

Such deft corporate responses underline the importance of balancing a focus on short-term financial concerns with long-term sustainability, says Stathis Gould, head of Professional Accountants in Business service delivery at the International Federation of Accountants (IFAC).

“If you’re heading towards rough weather, you don’t throw away the

CORPORATE STEPS TO SUCCESS IN 2012

- Make constructive use of hedging strategies.
- Be adaptable.
- Seek out “disruptive innovations.”
- Be highly attentive to your daily financial position.
- Watch cash flow.
- Balance short-term financial concerns with long-term sustainability.
- Benchmark corporate culture to attract and retain skilled younger workers attuned to values.

2012 will be a year of mixed blessings.

lifesaver,” Gould says, noting that CMAs are well positioned to look for growth opportunities and revenue drivers.

One of the longer-term management trends Carol Ring is watching for in 2012 involves the importance of leveraging corporate values to boost the bottom line. “We’ve all gone through process re-engineering, Six Sigma and customer service,” she observes. “I think the next real frontier is around corporate culture.”

In recent years, Ring says, some researchers have shown that firms that make it onto the top companies-to-work-for rankings also tend to out-perform the Standard & Poor’s 500. Because of their culture, such top-ranked firms have been successful in reducing costs associated with employee churn, and also appear to be more adroit at removing impediments that lead to staff frustration, such as excessive internal bureaucracy.

Ring predicts that in the short and mid-term, CMAs in corporate leadership positions should look for new ways to benchmark corporate culture as a way of attracting and retaining skilled younger workers who are highly attuned to values. “In the fight for talent, this is going to be an issue,” she says.

At the same time, notes Agriteam’s Geeta Tucker, the lingering softness in the job market has eased pressure on human resources managers, especially in markets such as Calgary, where salary inflation in the accounting profession was a major headache for employers during the boom period.

In the past few years, however, new graduates applying for positions appear to demonstrate less “entitlement,” especially when it comes to salaries, Tucker says. “It’s a much better hiring market. In 2012, people are not going to be asking for \$70,000 to \$80,000 to be a junior analyst.”

PROFESSIONAL ISSUES

As the Canadian implementation of the International Financial Reporting Standard (IFRS) enters its second year, domestic firms that have chosen to switch away from Canadian GAAP will continue to adapt to the shift in 2012.

The changeover, however, has soaked up a lot of time and effort among financial professionals, says Verafin’s Brian Whiteway. “One standard makes a lot of sense,” he says, noting that both companies and investors have grown weary of dealing with financial reporting in multiple local standards.

For CMAs whose clients tend to be smaller owner-managed firms, the primary issue remains the transition to Accounting Standards for Private

Enterprises (ASPE), which entered its second complete year in January 2012. While Gorsline says the shift isn’t as technically complex as the changeover to IFRS, clients are still making the adjustment as they complete their first set of year-ends.

The other professional issue that will continue to preoccupy CMAs is the resolution of the proposed merger with the Canadian Institute of Chartered Accountants (CICA) and the Certified General Accountants (CGA).

With ongoing attempts to harmonize global reporting standards and amalgamate accountants’ organizations, a Canadian merger seems increasingly likely, according to many CMAs. But the profession, observes IFAC’s Vincent Tophoff, must work to define its future role within a combined organization.

Other issues also need to be resolved, such as differences in the educational requirements of the various designations. Tucker at Agriteam says the curriculums in particular may still diverge enough that a three-way integration could be difficult to manage.

For others, however, merger fatigue seems to have set in. As Brian Whiteway says, “I’m looking forward to the issue being completed in whatever way.” ■

John Lorinc is a Toronto journalist who writes regularly about business and politics for *The Globe and Mail*, *The Walrus* and other publications.

2012 IT SURVIVAL GUIDE

Trends for the year ahead

How to stay ahead — or at least on top — of the technology curve

By **Jacob Stoller**

Now, here, you see, it takes all the running you can do, to keep in the same place. If you want to get somewhere else, you must run at least twice as fast as that!

— Lewis Carroll, *Through the Looking-Glass*



Keeping up with the latest trends in information technology (IT) can feel like a hopeless task. Some areas are changing so fast that the best one can manage is to avoid getting further behind.

As stewards and interpreters of financial information, CMAs depend on IT and should have a high comfort level with its strengths and limitations. While CMAs aren't required to become specialists, they do require a level of due diligence and awareness, and a readiness to look for answers.

For this survival guide, we looked at the seven areas of IT that are having the most impact on CMAs. We then consulted with our experts and dug up some learning resources for each area.

1. Data integration

You know you have a data integration problem when your boss asks for a report and IT says, "You can't get there from here."

Data integration is about to get tougher as organizations start to gather and analyze the massive quantities of information collected from Internet transactions, email, website traffic, social media interactions, supply chains and other sources. The resulting flood of data is simply too big and too complex for the traditional tools that organizations now use.

Learn more: CMA Ontario's Strategic Analytics Course gets CMAs on top of not just the technology, but also the principles of data analysis that the technology is built on. This course will help CMAs assess new developments and priorities in their organization's data analysis agenda.

- Visit the Professional Development Institute (www.pdi-cma.com) for details.

Colleges and universities also offer similar courses through extension programs.

- A search on SlideShare (www.slideshare.net) will locate presentations from university courses, public seminars, consultants and industry associations. Search for terms such as "data sources" or "financial data."

- The Society of Cost Estimating and Analysis (www.sceaonline.org) publishes articles on leading-edge techniques.

2. Business Intelligence (BI) tools

Analytic work depends partly on the BI tools a company has adopted, so knowing what these tools can and can't do is highly productive. Lately, vendors have focused on building integrated suites, and often they have been aided by acquisitions of smaller players. Solutions geared to specific verticals (e.g., health care, construction or retail banking) are also on the rise. In-memory analytics is an emerging area that will help organizations execute complex analysis.

Learn more: Many companies train their IT people to use their BI tools and leave the task up to them to train and support users. Unfortunately, the intended user training rarely happens. Instead, take a course or — even better — bring in a trainer, so that all analysts can be trained together and share their questions, insights and knowledge.

- Vendors such as IBM (www.ibm.com), SAP (www.sap.com), SAS (www.sas.com) and Microsoft (www.microsoft.com) offer white papers, webinars and other informative materials that help users understand their products. Vendors also offer case studies and insights on how their products are used in specific industries.



Seven areas of IT that are having the most impact on CMAs

1. DATA INTEGRATION
2. BUSINESS INTELLIGENCE (BI) TOOLS
3. DESKTOP SKILLS
4. PC HARDWARE
5. MOBILE APPLICATIONS
6. CLOUD COMPUTING
7. PRIVACY AND SECURITY

- IT industry research firms such as Gartner (www.gartner.com) or Forrester (www.forrester.com) try to stay on top of leading software trends and can give comparative overviews.
- Two white paper syndication sites — Tech Target (www.techtarget.com) and Bitpipe (www.bitpipe.com) — post vendor-produced white papers. Wikipedia (www.wikipedia.com) is useful for getting a quick read on a product or product area.

3. Desktop skills No matter how sophisticated BI tools get, there will always be gaps that leave CMAs picking up the pieces at their desktops. Weak desktop skills are a significant, if somewhat invisible, handicap.

And with the rush to mine the huge stores of data that companies have collected from the Web, CMAs can expect more analysis of some of the more subtle aspects of the business and more work defaulting to the spreadsheet.

Learn more: There are many potential areas of improvement. Among them:

- **Advanced spreadsheeting.** The average analyst who masters pivot tables and error proofing can move way ahead of the pack.
- **Graphic skills.** Sophisticated users of graphic skills in a program such as PowerPoint can easily convey complex business ideas that are harder to grasp by looking at a page full of numbers.

Courses in widely used applications are available from business schools, community colleges, boards of education and private individual trainers.

- YouTube (www.youtube.com) provides easy-to-follow video tutorials on operations such as building a pivot table in Excel and creating a 3-D pie chart in PowerPoint.

- Forums such as www.officeusers.org help users cope with non-standard requirements and software bugs. Vendor technicians often participate.
- The For Dummies guides are easy to follow and are written by industry insiders.

4. PC hardware The story never changes: year in and year out, users need more speed and more power in their PCs. Events such as the pending launch of Microsoft Windows 8 will trigger yet another scramble for upgrades.

Learn more: For those who buy machines, it makes sense to at least understand the basics. There are many models to choose from, but the basic components — CPU boards, memory, drives and monitors — have been functionally the same since the 1980s. Understanding these parts might embolden a buyer to consider the so-called white box market where local assemblers use industry-standard components to build no-name machines, generally for less than the cost of a brand-name equivalent.

- *Basic PC Hardware for Dummies* by Dan Gookin will help make vendor brochures and techie websites at least comprehensible.
- Tom's Hardware (www.tomshardware.com) is a favourite site of IT folks who want to keep current.
- *PC Magazine* (www.pcmag.com) publishes comparative tests of hardware, peripherals and software products.

5. Mobile applications Mobile devices are classified as consumer devices; however, mobile applications for business are appearing so fast that even the analysts are surprised. The difficulty is that there are many mobile platforms.



The average analyst who masters pivot tables and error proofing can move way ahead of the pack.

Learn more: The best one can do is try to keep up with the offerings available on a single mobile platform.

- All the mobile vendors — Apple, Google, Microsoft, RIM — host blogs, information sites and discussion boards that promote a lively dialogue on the latest trends.
- Because of the huge activity in the mobile world, business publications such as *CIO Magazine* (www.cio.com) now focus a lot of attention on workplace mobility.
- MobileEnterpriseStrategies.com is one example of a blog that focuses on the enterprise side of mobile computing.

6. Cloud computing Because of cloud computing, the machine you're accessing is likely not hosted down the hall, but in another facility. You have more options and perhaps less control. It will take time, however, for many types of applications to be successfully converted to a cloud-type environment.

Learn more: In spite of the hype, cloud computing is not new, and there is no single entity that could be called a true cloud. Learning about the cloud is really about studying and comparing vendor offerings.

- Check out the offerings of major vendors such as Amazon, IBM and HP who are defining the field.
- Like mobility, the cloud is hot, so it gets lots of coverage. Outsourcing should be studied as well.
- IT Governance Ltd. (www.itgovernance.co.uk) serves as a hub for a host of business issues that are highly relevant to cloud computing. Included are articles and links on issues such as service level agreements, stewardship of data, vendor performance, and communication.

7. Privacy and security For those who have access to sensitive data, an oversight can pose enormous risks to the organization and the individual. Cybercriminals now use inexpensive tools to go after small and mid-sized companies, steal private information and sell it through organized criminal networks. Mobile access of databases is increasing the risk of breaches.

Learn more: This fundamental area should be covered by any individual who has access to a corporate network. Ensuring that all employees adopt a set of proactive habits is the only sure way to keep sensitive data secure.

- The Ontario Government's privacy website (www.privacy.bydesign.ca) and British Columbia's equivalent (www.oipc.bc.ca) offer practical advice on protection methods, legal issues and employee awareness.
- Well-known commentator Michael Geist hosts a lively blog at www.michaelgeist.ca that covers legal issues and privacy.
- Security software vendor Symantec (www.symantec.com) publishes an annual survey on the prevalence of the latest threats. ■

Jacob Stoller is a Toronto-based writer and researcher.

Taking on the challenge

New technologies to manage big data

Is in-memory technology a solution?

By **Frank Ciannella** and **Carsten Hilker**

Big data comes with big challenges: how to collect it, how and where to store it, how to process it within limited timeframes and how to make best use of the information once it's processed.

Analytics vendors are rising to those challenges in many ways and developing technologies to cut big data down to size. SAS Institute, for example, helped Macy's cut the run time for its weekly pricing optimization. Their analysis of two-to-three years of data went from an average of 27.25 hours to 1.25 hours. SAP's in-memory database is designed for speedy data retrieval to let it manage huge volumes of information.

Because of the challenges, there's a lot of buzz about big data. To get us started, we asked SAP's Frank Ciannella and Carsten Hilker for their take. They help their customers deal with big data, and here's what they said. We'll have more in the next issue.

Getting profitability management right is about getting the analysis right. The first step is providing business users with the information they require to understand where their organization stands.

Most companies have profitability reporting in place. Unfortunately, many of today's profitability systems are based on traditional disk-based data-

bases built on 30-year-old IT design principles. Optimized for transaction processing, not Business Intelligence (BI), these systems offer poor reporting response times, long process run times and latencies.

TIME OF TRANSITION

Profitability management is going through a major transition as in-memory technology fundamentally challenges the widespread use of disk-based databases and profitability systems. High performance profitability — profitability based on in-memory technology — negates business and technology compromises and catalyzes new profitability management processes.

Key data points include prices, sales volumes, revenue, cost of goods sold, cost-to-serve as well as measures such as gross margin and operating profit. Actively managing profitability means understanding and properly using the profitability levers of pricing, product mix and marketing strategies, and analyzing the impact on profits by changes in costs.

Profitability systems capture profit-relevant business transactions, facilitate attribution of cost-to-serve and minimize the overhead costs of carrying market segments. They allow for analysis along key profitability dimensions including product, customer and channel.

Key challenges include the processing



of large data volumes in cost calculations and reporting and dealing with latencies that arrive when the data is transformed from a transaction-oriented format to a reporting-friendly multi-dimensional analysis format.

IN-MEMORY DATABASES

In-memory databases rely on the computer's main memory for data storage, and are faster than disk-based databases because they have simpler internal algorithms and fewer CPU instructions. In-memory databases are up to one million times faster than disk-based databases. By 2012, according to technology research group Gartner, 70 per cent of global 1,000 organizations will load detailed data into memory.

In-memory is relevant for profitability management because the speed of analysis and the size of the underlying data are critical drivers. SAP's HANA (in-memory) database, for example, can run 350 times faster than traditional databases and access up to 460 billion records in a 0.04-second response time.

In-memory technology also enables processing profitability data in real time. With in-the-moment insight, a company can influence business to come instead of reviewing results after the fact.

High-performance profitability fueled by the power of in-memory technology is instantaneous and enables organizations to leverage the once unthinkable: regular, repeatable use of big data. High-performance profitability allows organizations to turn improved insight into competitive differentiation to make decisions in real time, accelerate business performance, unlock new insights, increase business productivity and improve IT efficiency. ■

Frank Ciannella is a director of Enterprise Performance Management (EPM) solutions for SAP's Global Center of Excellence. **Carsten Hilker** is a solution manager at SAP for the Cost and Performance Management portfolio of solutions within Enterprise Resource Planning (ERP) and EPM.

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When the reporter comes calling

How to prepare for media interviews

Build your answers around key messaging

By **Paul Lima**

YOU NEVER KNOW WHEN A REPORTER

will call. Perhaps your company has been asked to comment on an accounting scandal. Or there are rumours your organization is merging with another one, or your company has issued a media release touting expansion plans. No matter what the case, when a reporter calls you should be prepared to answer questions.

Before talking to reporters, write down key messages. Include points about what you want to convey about your organization and how you want to respond to anticipated questions.

For instance, if the proposed article is about a particular corporate accomplishment, the reporter will invariably ask you when your company was founded and where it's located.

Let's say your company services the widget industry across the country. You'd want to briefly weave appropriate aspects of your key message into answers, as follows:

- **"In 2008, our CEO saw an opportunity to service the growing widget industry, so he established ABC Inc."**

- **"We're headquartered in Vancouver and service widget organizations across Canada from remote offices in each province."**

- **"We're based in Toronto but conduct business with clients across Canada through our website, ABCINC.com."**

In a few seconds, you've answered the questions as well as said something meaningful that a reporter might include in an article, or a TV viewer might want to know more about.

Often, reporters will ask for a bit of company background. Have a 30-second elevator speech prepared. It should include your company name, what the company does, whom the company does the work for, where and when the work is done (if appropriate), and why.

Prepare for the unwanted

You also have to be prepared to answer questions you would prefer not to be asked.

For example, the reporter might ask if your company is profitable. If corporate policy dictates you should not reveal this information, you could say "No comment." But that answer makes it look as if you have something to hide. Instead, convey information that addresses the question to the extent you can.

- **"We're privately held and don't reveal that information, but revenue has**



increased by double digits in each of the last three years."

- **"We landed four significant contracts this quarter and are exceeding our projected growth expectations."**
- **"We're particularly excited about prospects because of the increased growth in the sectors we service."**

This way, you're not dodging the question. You're saying what you're allowed to say and shining a positive light on your company. In fact, you're probably giving the reporter a more interesting answer than "Yes, we're making money."

Crisis, what crisis?

At times, you may be asked to comment on an industry problem or crisis. Before the interview, determine if you will (or can) comment on the specifics or only speak hypothetically.

Either way, you still have to know what you want to say based on what you want to accomplish.

Do you want to demonstrate your

knowledge about the issue? Do you want to let companies know your organization can help them avoid such situations?

Based on your objectives, determine your key messages and weave them into your answers.

Finally, someone at your organization should monitor social media to see what's being said about your organization. Your social media spokesperson should avoid arguing with others in cyberspace. Instead, have him or her determine if a reply is warranted. If it is, your media spokesperson should reply clearly and concisely, debunking any rumours or false statements and weaving in key messages where appropriate.

In short, you can't control the questions, but you can control your answers. By controlling your answers, and making them as interesting as possible, you might cause the reporter to consider angles he wasn't planning to cover, and therefore help shape follow-up questions and coverage.

Unless you prepare for interviews, you could forget to convey information you want to express, convey the wrong information or convey information that circumstances dictate you should not discuss. If you're prepared, you'll be able to articulately and confidently reply to simple, complex and confrontational questions. ■

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Paul Lima is a Toronto-based freelance writer. See www.paullima.com.



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Not just for kids anymore

Bad behaviour is bad behaviour in real life or online

Create social media policies to guide your staff

By **Luigi Benetton**

BEING SOCIAL HAS NEVER BEEN A FAD. We're all social creatures. We naturally reach out to others, whether in person, on the phone or by using technology such as social media.

We're also litigious creatures, so it's little wonder that certain instances of "reaching out" can elicit lawsuits and other problems.

Avoiding litigation resulting from social media faux pas sounds easy enough. Just block social networking sites on your company network and draft draconian policies forbidding their usage.

Easier said than done. Digital natives — kids born with a digital device in their hands and most likely to use social media — may simply do an end run around your policies by using their smartphones while they look for another employer, one who allows reasonable use of social media on the job. (Even today, some employers offer staff a choice between coffee/smoke and social media breaks.)

In addition, judicious use of social media can hugely benefit savvy organizations. So instead of setting

rigid global rules, consider the issues that social networking might cause and work to prevent them.

Common social media issues

About the only thing newer than social media are the laws that specifically govern their usage. Precedents exist, particularly when equivalent online and offline actions don't materially differ in nature, but don't be surprised to find plenty of legal grey areas.

Here's a short list of issues your social media policy must cover.

Copyright — your company's Your company might create an information product — such as an e-book, instructional video or blog post — for customers, news media or other audiences. But what happens when another business simply copies it and presents it as their own work, without attribution?

All you need to do to establish copyright and prevent theft is (1) create work with some originality, and (2) set the work down on a fixed medium.

If or when the need arises, your corporate lawyers will be able to pursue parties who violate your copyright, if it's worthwhile to do so.

Here's a caveat. Posting material on third-party sites such as a Facebook fan page, Twitter feed, YouTube channel or *Huffington Post* can muddy copyright claims. Check out each site's fine print to determine ownership of posted

content. That fine print might influence your social media policy.

Copyright — other people's In the same way you want copyright on your company's original works respected, make sure you don't violate other people's copyright.

Product endorsements Does your company pay bloggers for product endorsements? Evolving laws might make that practice legally risky. Should your company send bloggers free products to evaluate, ask that the fact be mentioned in the resulting post.

Guilt by association The city of Vancouver suffered from rioting after the Canucks' 2011 Stanley Cup Game 7 loss. This event differed from a similar 1994 post-Cup riot because this time people took pictures of the rioters and posted them to sites such as Facebook.

Certain employers recognized their employees taking part in the riot and chose to discipline them. The problem: laws dealing with evidence acquired from social media sites are still under development. Once this area of law evolves, employers will be able to fine-tune their policies to deal with such cases of "guilt by association."

Defamation Whether it occurs in conversation, a tweet or a reply to a

blog post, defamation is defamation. Add the casual nature of social media, and employers may find themselves drawn into lawsuits over unauthorized comments made by their employees.

Even if employees defame others using personal devices while away from work, any connection made between such employees and their employer could cause the employer problems.

If your company runs a blog or other social media presence that enables other people to add comments, consider having all comments held for moderation (wherever possible) so that you can avoid lawsuits in your role as the forum provider, especially if the original commenter can't be found.

Most social media – related landmines explode because people don't look where they step.

Develop your own social media policy

Researching other people – business partners, prospective employees or opposing litigants in a lawsuit – is just a Google search away thanks to Facebook pages, Twitter streams, blog posts and other information people make publicly accessible.

Most social media – related landmines explode because people don't look where they step. Once employees receive policies and training on said

policies, they can buy in to smarter use of social media.

1) It's faster to draft a document if you use a pre-existing template, so do the same thing with your policy. Check out

- existing policies from a variety of organizations at the Online Database of Social Media Policies (<http://socialmedia.governance.com/policies.php>); and
- 10 Must-Haves for Your Social Media Policy (<http://mashable.com/2009/06/02/social-media-policy-musts>).

2) Make sure all departments get involved. Social media don't exist in a silo and neither should your social media policy.

3) Educate employees on the need for policies. Use case studies that emphasize specific mistakes that led to problems.

4) Draft policies that can be easily understood to prevent your company from becoming a case study for others.

5) Make policies and enforcement measures easy to understand and find. ■

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Luigi Benetton is a Toronto-based freelance technology writer. See www.LuigiBenetton.com.

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90 of Canada's top 100 companies count on the CPA for their payroll education and knowledge

Recruiting with social media

Online tools open doors

These days, HR goes online to recruit and promote talent

By **Jacob Stoller**

THE RECRUITMENT OF NEW EMPLOYEES

was one of the first applications of social media in business. And while practices are still evolving, organizations that have mastered these information tools are seeing numerous advantages such as keeping their employees up to date on internal events and maintaining a steady dialogue with clients.

In particular, many human resources (HR) departments now use social media to help them learn about prospective employees as well as promote their companies to attract top talent. When used properly, social media can enhance nearly all aspects of recruiting.

New tools mean more power

The most obvious use of social media in recruiting is candidate searches. Sites such as LinkedIn provide not only thousands of searchable resumé, but also links to relevant discussion groups, blogs and Twitter posts that candidates may have written. Consequently, a searcher can learn not only about a candidate's "on-paper" qualifications and experience, but also other details such as how well the person writes and how he or she might fit into a company's work culture.

For those who hire regularly, automated tools such as ResuméGrabber and MaxHire, which are available through cloud-based subscription services, allow searchers to amass large numbers of resumé from multiple

sources — including job boards, social media and Google — and load them conveniently into a database.

Social media, however, can offer far more than a source of resumé. Their real power is their role in initiating and nurturing relationships with candidates.

One organization taking this approach is PricewaterhouseCooper (PwC), a global professional services firm. "We use social media to help us tell the story to our prospective recruits," says Toronto-based Colleen Bailey Moffitt, talent leader at PwC Canada. "Social media allow people to reach out directly and talk about what it's like to work here."

PwC is particularly active in social media with its campus recruitment program, Brilliant Futures. In addition to maintaining a team of 20 bloggers, the firm also posts YouTube videos that convey short overviews, advice on what to expect when you become an auditor and the personal perspectives of employees.

Moffitt reports that the YouTube channel is getting 100 to 200 visitors a week, and the Twitter site has more than 4,500 followers. "It's growing rapidly, exponentially," says Moffitt. "We see it playing an even greater role in years to come."

Toronto-based TD Bank Group finds that social media help the firm's HR people move beyond the reach of traditional job boards and lecture circuits.

TOP THREE SOCIAL MEDIA TOOLS



FACEBOOK

WEBSITE
facebook.com

REGISTERED USERS
800 million

CHARACTERISTICS
**Personal, informal,
multimedia**



LINKEDIN

WEBSITE
linkedin.com

REGISTERED USERS
100 million

CHARACTERISTICS
**Businesslike,
formal, text-based**



TWITTER

WEBSITE
twitter.com

REGISTERED USERS
175 million

CHARACTERISTICS
**Fast moving, direct,
minimalist**

The real power of social media is their role in initiating and nurturing relationships with candidates.

“What we found with our social-media recruitment piece is that our recruiters get to engage themselves in the communities that they support,” says Josephine Quercia, manager of Talent Systems and Programs, Corporate HR at TD. “They are able to connect with groups that they may not have connected with before.”

In addition to promotional videos on its Careers web page, TD puts its recruiters in the limelight by featuring them on a LinkedIn page which now boasts more than 36,000 followers. “It’s a great way of putting a face on who our recruiters are, and a face to the bank,” says Quercia, “so that potential candidates can really feel that connection and get a good sense of what TD stands for.”

Keeping your tools in check

Companies need to use discretion, however, particularly when they gather information. If they don’t have solid policies in place, a simple candidate background check can quickly become an invasion of privacy. Reading somebody’s Twitter posts, for example, is reasonable. But paging through Facebook photos of a candidate’s family vacation is probably going too far.



The law offers few guidelines here. Since social media sites such as Facebook, LinkedIn and Twitter are all considered public domain, employers are free to search them for publicly displayed information, regardless of how embarrassing or misleading it may be.

“The courts have been pretty clear. When you put information onto the Internet, that’s not private, that’s public,” says Constantine Karbaliotis, privacy lead with Toronto-based HR consultancy Mercer Canada. “This is an area where the law and people’s expectations aren’t lining up.”

Accuracy is another concern. While social media can provide valuable information about potential employees that would be hard to find elsewhere, social media can also convey misleading, or even false, information.

Consider, for example, a potential hire who has a lot of Facebook photos that show him holding a glass of beer or wine. Does he have a problem with alcohol? Perhaps, but it’s also possible that all those photos were taken in a single night. Because social situations are more likely to be photographed, an album might not accurately reflect the totality of the candidate’s life.

Employers should keep in mind that recruitment is often the beginning of a long-term relationship and that the rules for candidates should be the same as the rules for employees.

“You can’t turn employment into a sort of constant surveillance state,” says Karbaliotis. “You’re not going to have positive relations with your employees if they feel like they’re constantly being watched.”

Transparency is also key, and Karbaliotis points out that candidates and employees have the legal right to review and challenge the information that companies collect on them. “The overall approach I would recommend is say what you do, and do what you say,” says Karbaliotis.

The future is connected

Active Facebook profiles, frequent blogs and constant Twitter updates are quickly becoming the norm among tech-savvy youth. Indeed, statistics show that 42 per cent of teens and college students use Twitter, and spend an average of 11.4 hours per week on Facebook.

As numbers such as these grow, social media will play an increasingly bigger role in recruiting. If HR departments approach this new reality with a positive mindset, social media could become an ever more powerful way to connect people in the business world. ■

Jacob Stoller is a Toronto-based writer and researcher.

Conquering dragons

Bryan McCrea, CMA, on entrepreneurship and using his book smarts

By **Jaclyn Law**

BRYAN MCCREA IS THE AFFABLE CO-OWNER

of Saskatoon-based 3twenty Solutions, which designs and builds “container camps”: modular housing, workspaces and storage for mining, oil/gas and construction sites.

Developed while McCrea was an accounting student at the University of Saskatchewan, 3twenty has already struck deals worth more than \$1 million. Not bad for a guy who, just a few years ago, was shooting wedding videos to pay for tuition.

In 2009, McCrea and two partners pitched their idea to a competition sponsored by the Wilson Centre for Entrepreneurial Excellence. They used their first-place prize money to build a demo container, which they carted to CBC’s hit show *Dragons’ Den* in February 2011. With enviable ease, the trio scored a \$120,000 deal with Brett Wilson.

McCrea, a newly minted CMA, credits the methodologies and tools he learned in the Strategic Leadership Program with helping him start 3twenty.

“CMA Saskatchewan was willing to work with me as an entrepreneur to ensure I was fulfilling my practical experience requirements. To me that was unique; they believed in and understood what I was doing.”

The CMA designation has also given McCrea — who, as the dragons pointed out, looks barely old enough to shave — added credibility. “When you have a 25-year-old going into a room, it really helps customers and people we’re working with, even our bankers,” he says. “They deem me a little more credible when they see I have a CMA background.” ■

Jaclyn Law is a Toronto-based freelance writer.

Employer: 3twenty Solutions Inc.

Role: CEO

Most valuable piece of advice: “Don’t get stuck in the role you think you’re supposed to play. Break the borders of your job description.”

Website:
www.3twenty.ca



Chris Hendrickson Photography



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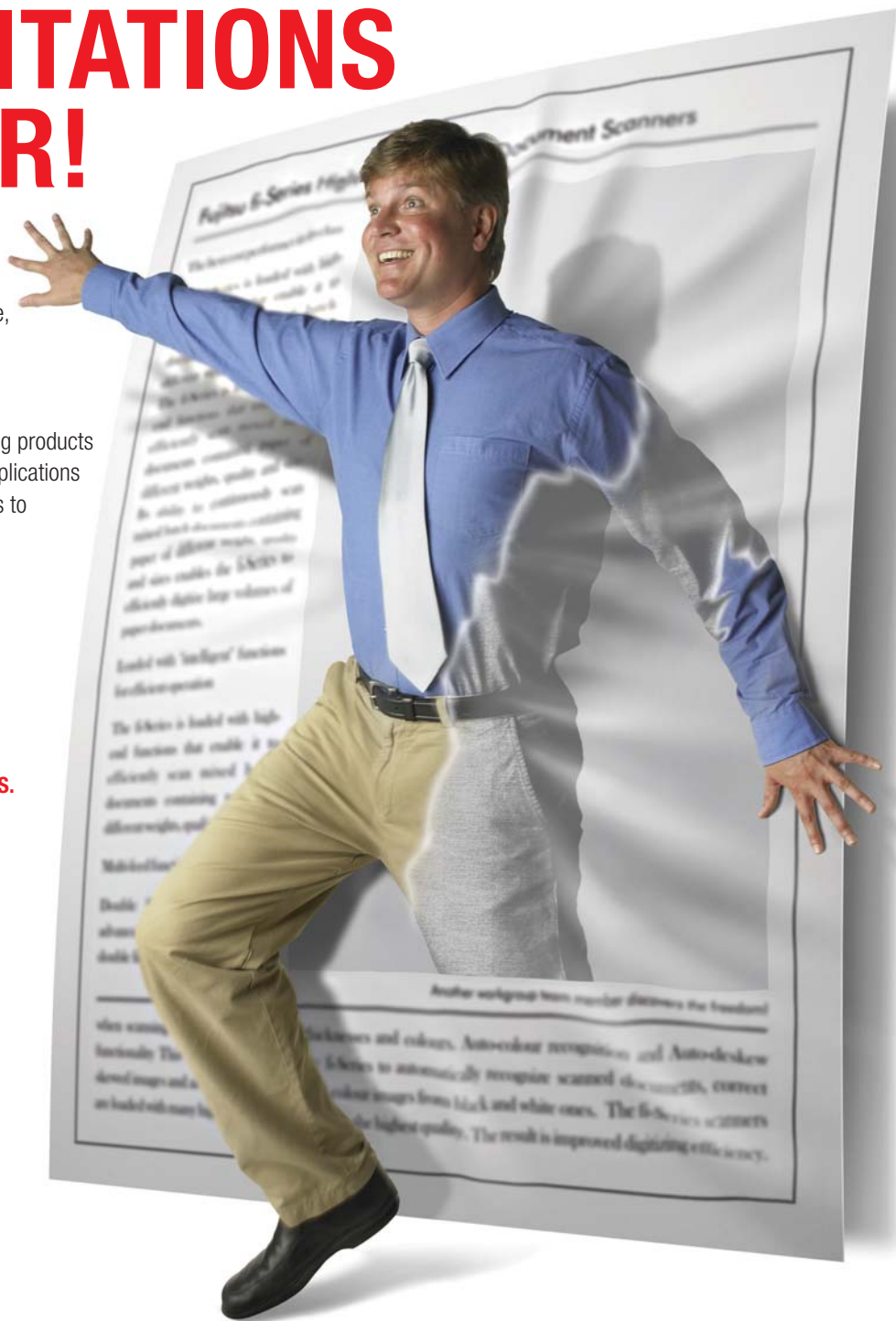
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