

An institute for professional accountancy

SUMAN SAHA

A British institute set foot in Bangladesh, opening a new opportunity for young students to study professional accountancy in the country.

A degree from the Certified Institute of Management Accountant (CIMA) promises to help students find jobs worldwide, better pay and a path to climb up the ladder in an organisation. It will develop professional accountants for both domestic and international companies.

"CIMA will enable students to compete globally as it is the only professional body that qualifies accountants solely for business," said Bradley Emerson, regional director for Middle East, South Asia and North Africa, in an exclusive interview with The Daily Star on one of his recent visits to Dhaka.

He said businesses will face several challenges in running operations smoothly in future due to the economic downturn and financial crisis.

"I think businesses will face three main challenges. These are -- risk management, cost management and cash-flow management of an organisation," Emerson said.

A CIMA qualification will address the challenges, he added.

Business enterprises today look to hire proactive thinkers as professionals for the organisation, said the Sri-Lankan-born regional chief.

"If you want to run fast, you need to be agile, and a CIMA degree will help you to be agile," Emerson said.

The regional head of the accountancy body said the professional degree awarded by CIMA will enable the youth in

Bangladesh to get jobs all over the world.

He said there will be huge demand for management accountants to support growth of the domestic economy and its neighbouring countries, especially India and China.

"There will be a dearth of knowledge and skilled manpower in Asia, including the Gulf region, within the next ten years," said Emerson.

He said CIMA degree holders can pursue careers in the developed countries as foreign multinational companies recognise its importance.

Around 30-40 multinational corporations are now operating in Bangladesh and they put emphasis on CIMA degree holders for top-level hiring.

"We actually call it a global passport," said Emerson. "In migration, it also provides higher scores. For example, if a CIMA degree holder wants to migrate into Australia, he or she will be entitled to 50 migration scoring points."

"We have around 14,200 students in Sri Lanka. For a year, we export 3,500 CIMA qualified students to mainly Australia, Middle East, Canada and UK," he said.

The UK-based accountancy body, established in 1919, opened its office in Dhaka in August last year.

"The economy is moving east. It is predicted that 16 percent of the world economy will be controlled by India and China by 2030."

He said the most youthful population lives in South Asia, over half the population in the region is below 20 years of age.

"If you do not give them skills, there will be a global shortage of talents."

He said the Bangladeshi economy is also picking up. As



Bradley Emerson

a result, a lot of investment will come and new employment will be generated. So, plenty of talented people will be needed to support the growth.

He said there are around 2,500 professional accountants in Bangladesh, while the total population of the country is around 160 million; so there is an immense potential.

"In our market, education is very much religious. It is second to god and parents will do everything to ensure the quality of education."

Anyone who holds a higher secondary or A-levels degree can pursue the CIMA course. But, they have to enrol in the certificate of business accounting course.

In addition, professionals can enter the CIMA Certifica-

tion in Business Accounting at any stage in their career. Students can also enrol straight after college or university too.

The certified course has five modules. It is designed to provide the ground work in accounting fundamentals and how these are related to the business world.

All five course assessments are exclusively taken using a computer based system, using objective test questions. Each assessment runs for two hours and the pass mark is 50 percent.

There are some exam exemptions for students who have already studied a relevant degree or qualification.

An MBA or masters in accounting degree holders will be entitled to some exemptions

from the CIMA exams. Members and students passing from the Institute of Cost and Management Accountants of Bangladesh will also be entitled to some exemptions as the international accounting body has an agreement in this regard with the local professional body.

One has to go through four levels -- operations, management, strategic and professional competence -- to become a member of the international accountancy body.

He said two-thirds of the curriculum is business driven as it has enterprise, financial and operational pillars.

"CIMA is all about strategy. You will become a strategic thinker after finishing the course."

"We take the exam based on pre-seen and un-seen materials at the professional competence level. We give the candidates a case study six week in advance, which is actually a failed company, and they are asked to suggest on how to turn it around."

A CIMA student has to invest a total of \$4,500 to complete the two and half year course, which includes registration costs, annual subscription fees, examination fees and tuition fees.

Payment does not have to be done at once, as it can be paid in phases. Initial investment is around \$800, which is the registration cost, Emerson said.

CIMA has 183,000 members and students in 169 countries. It is growing at a double digit rate in the last couple of years. "Last year it grew by 12 percent globally and 15 percent in South Asia," said Emerson.

The international professional body takes computer based exams with one syllabus in May and another in November globally, on the same date and time, to evaluate and award grades to students.

"The top CIMA pass rate is 64 percent globally and 68 percent in Sri-Lanka," Emerson said.

On the salary structure, a recent salary survey by CIMA shows that it is very lucrative, said the regional chief.

"If anyone completes the first level, he or she will get 18,000 Sri-Lankan rupees a month," said Emerson.

Around 200 students are currently pursuing the CIMA in Bangladesh. CIMA tuition providers in the country are LCBS Dhaka and Chartered University College.

suman.saha@thedailystar.net

The certified course has five modules. It is designed to provide the ground work in accounting fundamentals and how these are related to the business world

WORLD MARKETING SUMMIT

An inclusive approach to innovation

SYED FERHAT ANWAR

PETER Ferdinand Drucker, the greatest management thinker of the last century, came up with the famous quotation, "There is only one valid definition of business purpose: to create customer".

He also made a very profound observation that has been lost in the sands of time. He said: "Because the purpose of business is to create a customer, the business enterprise has two -- and only two -- basic functions: marketing and innovation. Marketing and innovation produce results; all the rest are costs. Marketing is the distinguishing, unique function of the business."

Ironically, David Packard of Hewlett-Packard once observed that "marketing is too important to be left to the marketing people."

But as the years rolled on, rather than to learn and apply marketing and innovation, executives started to use selling as a synonym to marketing, economics as the driving force for markets, and innovation as an idea that was difficult for the world to pursue. The central focus was to maximise profit, keeping it supply centric and making things exclusive.

The above fact on the practices of marketing triggered the creation of World Marketing Summit (WMS) by the Guru of modern marketing, Professor Philip Kotler. His perception of "Future of Marketing" is based on the premise that marketing not only can be used to solve business challenges, but can also be utilised to strategically design solutions for the society at large.

was essential to design a business model that fulfils the agenda of marketing and at the same time can be practically assessed based on issues that are considered as societal challenges.

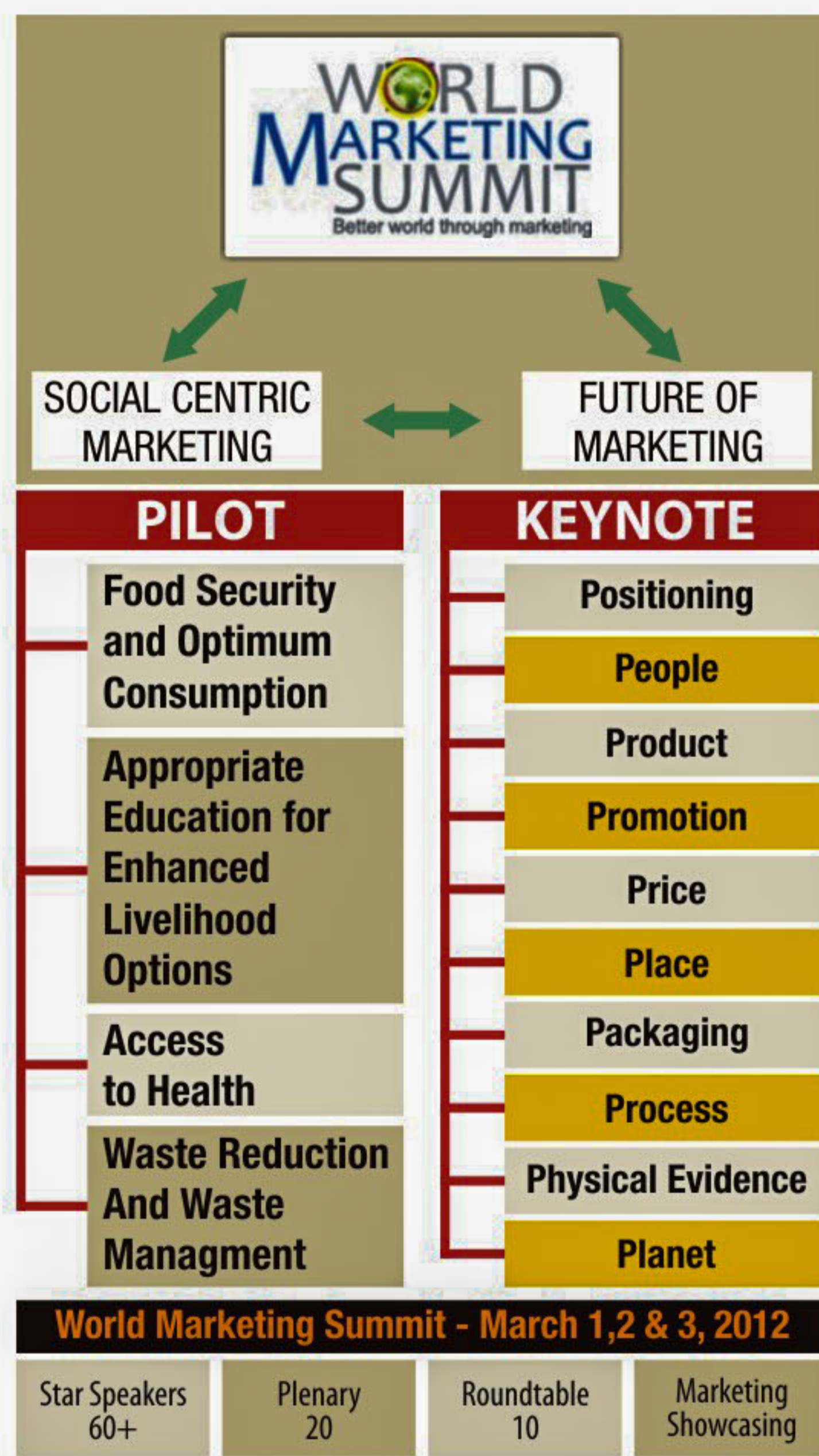
Thus, the newly constituted Kotler Centre for Marketing Excellence (KCME) under Dhaka University came up with an innovative incubation model to test the marketing ethos to address social challenges. These two thoughts are put together to design the World Marketing Summit 2012.

The incubator concept is an age old concept, which has been derived from pure science. In the concept, a controlled environment, laboratory experimentation in case of biological sciences in particular is undertaken.

Incubators are also considered as place or situation that permits or encourages the formation and development of new ideas, thus a place for innovation. The typical business incubator model, innovates ideas based on market information and are tried in the market based on pilot projects.

The incubators design the project management essentially as a competitive model and as such are exclusive in nature. This exclusive approach protects the innovation from the competition.

However, it is not surprising to see that only 2 percent of innovations are successfully marketed and see the light of recognition. It is because of this that the classical incubator approach is too expensive and time consuming for application in solving social models and thus become solely supply-driven as observed under the typical development agenda. The proposed incubators



under the WMS will be centrally coordinated by KCME using an inclusive model rather than the typical exclusive one. This basically implies that the incubator will first identify the challenge and at the same time the major actors who are responsible to touch three major concepts of marketing:

triggering need, creating want, and managing demand. The focus will be not just on the ultimate consumer but all the major actors. Thus the model must ensure that the behavioural change results in creation of demand for all actors with intent to satisfy the need and want of the ultimate consumer, in this

case, the society. In addition, the model must also ensure that the stakeholders benefit from the transaction.

Moreover, since the approach is societal driven, the inclusive approach will ensure that a sustained effort is ensured where all actors are working together towards a focused goal that entails sustenance of business through social emancipation. The process flow diagram for the incubator will be as follows:

The incubator concept is central to the theme of the World Marketing Summit. The main objective of the incubator approach is to formulate a conceptual framework driven by marketing principles and implement the findings in a real world scenario.

An incubator will have a mix of partners that will contribute both at theoretical level as well as at practical level. For each incubator topic, there will be two field incubators and a supervisory incubator. The following will comprise of the working team (both at the concept building as well as the pilot level) to create the inclusive model.

The working team will ultimately own the innovation created out of this business model as a new product ready for launch.

a. Academic partner will be the key hub for the research and monitoring team for the project. They will provide necessary support for housing the research team. They may also provide technical and other support services.

b. Government partner in each country will be the relevant ministry. They should be involved to assist and provide

any policy level guidance, or assistance. In addition, the government will be ultimately responsible to help delegates of WMS to travel smoothly across borders and disseminate knowledge within the government machinery.

c. Corporate partners will have multiple angles. They could be directly associated with the product in question, may represent the value chain of the stated product. Thus in real terms, the corporate partners will ultimately gain from the incubation. Thus, it is expected that the corporate partners will provide financial support for the incubator.

d. Development partner may have multiple focuses as well. They could be donors, provide technical support, help in linking with existing field project that are working on the millenium development goal issues, etc.

e. Media partner will be responsible for building awareness regarding the project and help in the promotional campaign for the product developed by the incubator. They may include above the line, below the line, and social media.

f. Research partner will assist in undertaking the initial field investigation for data collection and building MIS for regular feedback during the life of the project.

g. Communication partner will be responsible for developing the communication campaign and ensuring media coverage. They will include both advertising and public relations agencies.

The writer is a professor at the Institute of Business Administration, Dhaka University.

As the years rolled on, rather than to learn and apply marketing and innovation, executives started to use selling as a synonym to marketing, economics as the driving force for markets, and innovation as an idea that was difficult for the world to pursue