CGMA launch: the human dimension is the future of the business world

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Victor Smart, CIMA’s head of profile and communications, reports from the launch of the new CGMA designation, which featured two events held simultaneously in London and New York.

Everyone recognises that the world is going through a dramatic period of change, both economically and environmentally. Even though many of these challenges are most apparent in Europe and in the US, no country or market is impervious.

To get a true picture of what today’s C-suite face, CIMA and AICPA have produced a thought provoking report, ‘Rebooting business: valuing the human dimension’. It seeks to address short term thinking, and reveals the value that can be developed from the human dynamic within a company.

This includes customer and partner relationships, intellectual capital, and the professional development of employees. The results from the research are groundbreaking, with almost 300 CEOs from more than 20 countries taking part, including C-suite executives from some of the world’s leading organisations.

A new world of management accountancy

This latest research was revealed on 31 January at the launch of the chartered global management accountant
– the CGMA, the new global management accountancy designation, powered by a joint venture between the AICPA and CIMA.

This brings together two of the most influential accounting bodies in the world and as Charles Tilley FCMA, CGMA, CIMA’s CEO, highlighted in his opening speech: ‘We are creating a new designation which will be relevant in every corner of the globe. There has never been a better time to be a management accountant.’

The launch was broadcast live via a webcast to over 5000 people around the world and included a live video link between London and New York. An audience of business leaders and academics gathered at Dexter House, London and at Sentry Center, New York, to hear Charles Tilley and Barry Malancon, CPA, CGMA, AICPA president and chief executive officer, and others including Harold Baird, FCMA, CGMA, CIMA president, launch the new global designation and discuss the findings of the report.

Hosted by Bloomberg presenter, Kathleen Hays, in New York, and Kirsty Wark, BBC presenter, in London, the launch featured video clips and panel discussions with some of the C-suite executives highlighted in the report. These included Douglas Flint FCMA, CGMA from HSBC, Paul Polman from Unilever, Paul Walsh FCMA, CGMA from Diageo, Gary Kabureck CPA, CGMA, from Xerox Corporation, Angelo Messina CPA, CGMA, from Otis Elevator, and Chris Stanley ACMA, CGMA, from American Express.

**Focusing on the human dimension**

One of the key findings is that over the next 18-24 months, the main focus for business leaders will be on the ‘human dimension’. While financial drivers retain their importance, the report shows that people orientated factors will be critical to sustaining success over the long term.

The difficulty is in recognising that while the human dimension is vital, the importance placed on measuring non financial value is still dwarfed by the financial side of the equation.

Other key themes include short term financial focus versus long term sustainable success, working in collaboration and transparency. Interestingly, while harnessing the power of transparency has the potential to reap significant rewards, with 87% of CEOs surveyed saying they viewed transparency as an opportunity. Seven in ten said they struggled to find the right balance between being open and protecting commercially sensitive information.

The event was summed up by Greg Anton CPA, CGMA, AICPA chair, in his closing remarks: ‘Where would any business be without the three Cs: communication, collaboration and cooperation?’