In Conversation

Exchanging views & trading opinions with Elaine Lau



Money wise

It is common knowledge that the recent global financial crisis was caused largely by immoral unethical and greedy money managers. A sense of professionalism would have prevented such a disaster, which makes professional certification all the more important for students of finance. Two experts speak on how a university degree and a professional qualification can combine to produce more rounde discribined and emiliorable eradinates.

I uman error was largely to blame for the recent global financial crisis, regardless of whether the people in charge cught to have known better or simply did not know better. Some would say those in charge were blinded by dollar signs or simply lacked the ability to see the macro story that was developing from the circumstances.

UCS University in Malaysia plans to at least racide the latter half of the problem by setting up a UCS Prefessional Academy (UPA) where students can obtain professional extendents can be students as on both in professional extendents. The Chartered Institute of Management of Accountants (Gold) and UPA recently signed a memorandium of understanding in a unique collaboration to offer the CMA Certificate in Stalismir Finance as well as CMA occurating

Dr Robert Jelly, executive director of education of CIMA, and Sudesh Balasubramaniam, general manager of the academy. Italk about how obtaining a traditional degree and professional certification will ensure better trained students who have a more holistic view of finance.

Elaine Lau: How has the education industry traditionally viewed professional qualifications,

and how has that changed today?

Dr Robert Jelly: It has come full circle. I've been on both sides! I was formerly head of Dundee Business School...! I think the key difference has been - and it's not simply Malaysia - that university education is absolutely critical in

someone's lifetime development but there certain things that university education ca can't do. That's demonstrated by the fact the off Malaysian employers say they find grade on their own not particularly practical. This not unique to Malaysia, even employers in 1 UK and India are saying grads are unemplo-because they have an inability to convert to into practice. That's what life in university i about — challenging theory, looking at the

Professional education is different in a n of ways. It's much more applied, and certain CIMA is. Not all professional bodies are. But very much about preparing people for wor. they're in work, to improve their skills and their careers. That's one thing. The second that professional bodies, unlike universitie an ethical or disciplinary code that their m have to comply with. To use my own examp have both university degrees and a profess qualification. Two are from Scottish univerand no one can take those degrees away fr I can go on to be as unethical and immoral. and my university cannot remove those fro However, my professional body can. And th important to us. The recent financial crisis. largely caused by people being immoral, ur. and greedy. To prevent that, you need disci and that's what professionalism provides. It's not that universities do not provide it, by professionalism, ethical moral behaviour o after a level of maturity and experience.

Those are the two key differences. And I think what happened here, even for my time 20 years ago, professional qualification was the norm because the university sector was relatively underdeveloped. As the university sector developed, large portions of people were doing degrees and because it takes a long time to both study a degree and then do a professional qualification, professional qualifications actually went out of favour. And I think it's coming full circle, but guite rightly, after a graduate qualification. Because universities can do things that we cannot do in CIMA and we're very much about taking all that knowledge and understanding, adding different, higher-level skills, particularly applied skills.

Why did UCSI decide to form this partnership with CIMA?

maniam: At UCSI University, at the faculty of management and IT, we conduct two degree programmes that are related to management and finance Traditionally, it has been following a mode whereby students complete three years and we confer a degree in accounting or accounting finance. Most often, when they eventually work in the finance industry. there is a necessity for them to be linked up. with professional bodies because that may be a route for chartered accountancy and various other things. In a way, we are looking at a 3+1 scenario for our students, with CIMA in the picture. We see a continuation of their pathway after completing their degree with the relevant examinations and mapping of courses conferred by CIMA. That's where UCSI Professional Academy comes into place. It's a subsidiary set up by UCSI to look

Another area UCSI is looking at is the employability of our students globally. We have students from over 70 nations, a lot of them other than international students also go overseas to work. We feel that arming them with this sort of globally recognised qualification will give them an edge, a cap beyond their training provided in the degree fixed.

What is unique about this partnership? Jelly: What's unique about this relationship, it will be the first partnership in Malaysia where

we offer face-to-face CBAA training and also latamic finance training. This is the second face-to-face provider in the world we have another one in Hong Kong. Sudeah: From a university's perspective, we also see this as an opportunity to provide lifetory learning for our graduator. Once they graduate, they can do various to acquire knowledge as demanded by the to acquire knowledge as demanded by the employment sector and so on As you can

see. CIMA provides that sort of opportunity for our students in the form of CPD (continuing professional development). Of course, in terms of the UCSI Professional Academy, is not just to serve our students but also open up to professionals out there who are not necessarily our students to come and enrol and talee up professional classes such as CDMA.

Who would go for a CIMA certification? Is it just for accountants? Jelly: No, in fact it's just the opposite. What

we're aiming to do is essentially train finance professionals who can become business leaders. What makes CMA unique is we're a fusion, a blend of accounting, finance and management. Employers find that quite unique. We're training finance professionals to work in business or government; we're not training auditors or those who specialise in financial reporting, in a nutshell, we're training people to add value to their business, to help the business grow and to sustain the

business in every sense of the word. Our history is interesting. We were formed in 1919, by the person who founded Unilever. The reason be founded CIMA was that people who were trained accountants tended to look backwards. They're very important but they would look backwards and say all the money in the company has been used appropriately. CIMA members look forward - they're very much about the future, company strategy, how those strategies are implemented ... in business and government, we believe it's CIMA members they want because they have differently honed skills from the conventional accountant. And that's why we're so happy UCSI is joining us in this

We have 80,000 members worldwide. When we look at the jobs they have, some are management accountants, some are CFOs, some are CEOs. But many of them have very interesting titles like director. of innovation director of performance management. They're not boxed into a career in accounting as such. Many of them stay in the finance sector but with the qualification, they're more rounded. A big proportion of one of our exam papers involves project management - we have that coverage because employers tell us that's how they're using finance professionals now. They're out helping the business, working in project teams with engineers or marketing people. I visited Proton recently. The finance professionals are sitting in a room with the marketers. with the people setting the prices, looking at the quality, what goes in or what does not go into a car. That's the exciting part of management accounting.

How has the CIMA certification been modified since the onset of the financial crisis to better deal with the changing landscape of the financial world? What has been done to retool this certification?

Jelly: We do a lot of global benchmarking We update the CIMA qualification more regularly than any other body - every four years. We've only been doing this since 2004 when we changed the way we update the qualification. So every four years, we use an independent organisation, normally a university with a strong research background, to undertake research globally with employers. We ask employers in major countries of the world, including Malaysia, how skills are changing. We have a whole range of topics and skills that we ask employers to rank and each time we go out to do research, to rerank them and to anticipate in three to five years' time how they think that will change. For example, in our 2000 syllabus, there was very little about risk management. When we came to 2004 and undertook this research, suddenly risk management jumped from almost nowhere to very near the ton. As a result of that response, we were the first professional accounting body in the world to introduce a dedicated risk and control strategy paper.

Going forward, where do you see this partnership heading?

Sudesh: Eventually, we're looking at working with CIMA to incorporate this into our degree programme itself as an option for students.