

F I N A N C I A L **WIZARDS**

By J.K. Radomski

Photos: Ruslan Sarkisian

Canada's financial services sector is constantly growing and employs more than 600,000 people. Meanwhile, Canada's top ten financial institutions reported profits totalling more than \$17-billion. Naturally, it's no surprise to find accountants contributing to this major cornerstone of our economy. These six accountants have found both great success and fulfillment in the financial services sector, and explain how you can too.

PETER CARDINAL

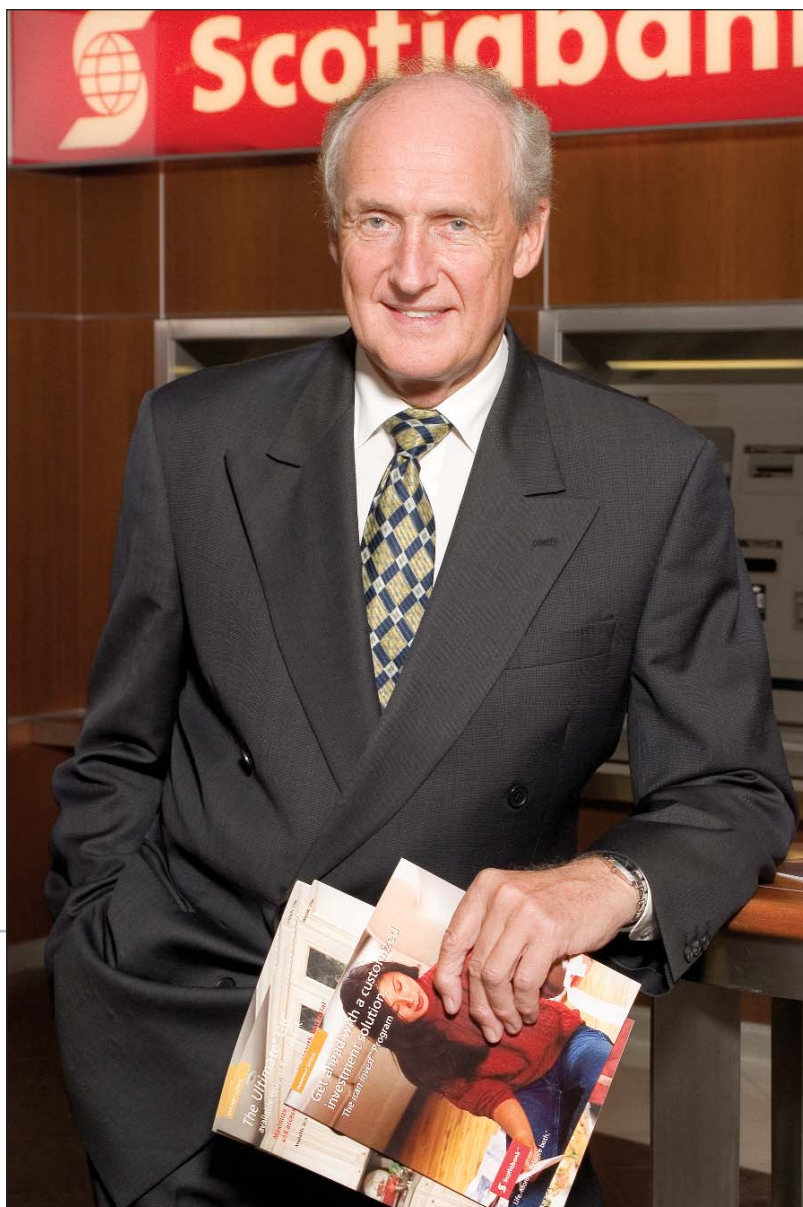
CGA — Executive Vice-President
Scotiabank

Peter Cardinal began his career running errands for bank tellers and getting their coffee. Today, he is responsible for Scotiabank's Latin American operations, and is on a first-name basis with high-ranking individuals in countries such as Mexico, Chile and Peru.

"I meet with foreign government officials, ministers of finance, Canadian ambassadors and business leaders," Cardinal says. "These meetings ensure the interests of the bank are aligned with government regulations, maintain good relationships, and demonstrate Scotiabank's commitment to the communities in which we serve."

While half of his time is spent working out of his Toronto office, reviewing results from the bank's international divisions, more often than not, he's on a plane to South America. Cardinal chairs board meetings in a number of countries around the equator, and learns about their activities by working with staff, government officials and finance ministers.

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Mexico is especially important to Canadian banks, as it's very open to foreign investments, with 90 percent of its entire banking system now in foreign hands.

"Mexico has welcomed us since they have opened up their economy. They've managed to attain a very impressive level of stability, even after having gone through some crises," Cardinal says. "In some ways they're a lot like Canada, in that they are a border country to the largest economy in the world, and in that 85 percent of their exports go to the United States. They have also adopted much more stringent corporate governance and supervising regulations, similar to those used in Canada."

And while working in foreign countries makes good business sense, it can create some unique challenges.

The first bank Cardinal had to reorganize in Mexico was more interested in actual transactions than customer service, and some of its branches were still operating manually, with very little in the way of electronic banking.

What's more, Cardinal didn't speak any Spanish when he was first offered his assignment there some seven years ago: "This was right after the Mexican 'Tequila Crisis' of 1995. There were 11,000 bank employees who didn't speak English, and it was our job to turn the bank around. It was a pretty daunting task."

Cardinal started his career in 1964, working as a junior for one of Scotiabank's Ottawa branches, filing deposits and cheques in storage boxes, and running errands for tellers. By 1976, he was working at the bank's head office as its assistant chief accountant, responsible for the accounting department, its wire centre, and the overall global clearing systems.

He credits his training as a Certified General Accountant for much of his success, including his promotion as an accountant, and transfer to the bank's main branch in Toronto: "In short, my CGA designation helped me get noticed by my superiors, and it helped me advance in my career. It also helped me figure out what the rationale was for all the accounting entries. It was a broad course, not just pure accounting, and I found it very useful. Many of the concepts I learned 35 years ago are still valid today."

Developing management abilities and leadership skills that helped him get along with other people, and learning to be flexible, also veered him towards success as a financial wizard: "In any business, or any profession, you have to learn how to adapt because it is a reality of everyday life."

The ability to adapt is especially important for students who plan on working as accountants in a foreign country, such as those located in this developing but competitive Latin American market.

"You have to understand what the accounting process is in each country, and how the tax systems works," Cardinal says. "Our subsidiaries, for instance, report under local regulatory accounting requirements, but when we report under Canada we have to do so under Canadian GAAP. So, you would have to be able to understand these differences, and be ready to broaden your horizons."

CATHY BATEMAN

CA — Financial Services Industry Leader
Deloitte

Managing one of the firm's largest accounts, running audits, and handling several group administration and human resources functions would be enough to keep most people occupied, but this is just a part of what Cathy Bateman juggles as Deloitte's financial services industry leader.

She also develops this growing industry practice for her firm across a much broader range of initiatives, manages client relationships, and inspires the capabilities of partners and other employees.

"Hectic and totally unpredictable describes a typical day," Bateman says. "But I love the variety. I like building sustainable processes, organizational infrastructure and relationships, and helping people develop and watching them grow."

Guiding her team to success is an important part of her job. The two dozen priority accounts she oversees repre-



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sents about half of Deloitte's financial services industry portfolio.

"If I can get the 24 account teams talking to each other, loving what they're doing, getting their teams organized, and delivering the right services to our clients, it's a big contribution to how the overall practice works," she says.

Bateman, who grew up in Malaysia, started with Deloitte Haskins & Sells in London, England in 1982, shortly after completing a math degree at Oxford University.

She came to Canada in 1986 through an exchange program, where she continued to work with Deloitte.

Eight years later, she joined Andersen to build their financial services practice: "It was a much smaller firm than Deloitte, and I wanted to be a part of something small and growing at that time. I grew the financial services audit group from 12 people to 65 over a six-year period, and I had a tremendous amount of fun doing so."

In 2002, the people and partners of Andersen were integrated into Deloitte, and Bateman returned to the firm as a partner.

"I was given the responsibility for the banking sub-segment of the financial services industry practice, which is really my area of expertise," she says. "Then, about a year-and-a-half ago, I was asked to take over the overall financial services industry leadership role for Canada. That means coordinating the efforts of all of our professionals in each of our functions - audit, tax, consulting, financial advisory, and enterprise risk services."

Part of that role involves working as the lead client service partner for CIBC, as well as doing non-audit work for three other banks, and managing priority accounts with insurance companies and investment management company leaders.

"I am also a mentor for some of the senior managers and managers in the group. Then there's the element of performance reviews and the people part of the job," she says.

Bateman interviews a person a week, and "hires about every other one," looking for candidates with intelligence, interest in the profession and industry, and problem solving, communication and people skills.

She says she also likes discovering what people in the firm are capable of doing, and encourages them to fulfill their aspirations. As the firm is big enough and broad enough in scope, a person there can pursue their interests in a variety of areas, or develop a true specialty demonstrating deep technical skills.

"You may be an outstanding tax partner and can answer any conflicts when the phone rings, but you might not be comfortable approaching clients directly," she says. "If I happen to know a large insurance company that needs tax help, I'll encourage a partner to pick up the phone and call the company. I believe our clients can benefit greatly from our knowledge about their company and business environment. We need to create situations where we can share that. We tend to be low key and act accordingly. We have a lot to offer, and my job is to help people recognize, believe, and act on that."

HEATHER KAINE

CA — Partner
KPMG

Complex transactions, derivative products, and valuation issues might confound some accountants, but not Heather Kaine. She understands the intricacies of the financial services sector and uses this knowledge to better serve her clients.

Kaine, who became a partner at KPMG in October 2004, works for the firm's FIRE practice, and serves the needs of financial institutions and real estate clients such as the Bank of Montreal, BMO Nesbitt Burns, Deutsche Bank, and the Berkshire group of companies.

While she is one of eight partners who works with the Bank of Montreal given its size, Kaine is otherwise the lead person at audits for the other clients she serves: "I am responsible for making sure the audits with these companies run smoothly. This means managing client



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relationships and dealing with issues as they come up, so we can resolve them together. I also make sure my team understands what's critical, and I help direct and focus their effort."

Joining Kaine on these audits is a team of staff accountants, some fresh out of university, all the way up to more seasoned managers, who are selected from the FIRE practice's 150-person staff in Toronto.

"Each audit engagement uses a different team of people, so that's one of the things I like about this job. You get to work with different people on a daily basis," Kaine says. "Each client also has its own challenges and different things to focus your attention on, so it's not the same job day after day."

Kaine, who has been with KPMG for 12 years, says one client may have valuation concerns over a security that's thinly traded, whereas another might need a new product or structured transaction reviewed from a financial accounting and reporting perspective, while still another may need to have some regulatory issues explained.

"There are a lot of changes coming. The requirements to audit internal controls over financial reporting that are coming to Canada have been a big issue. Additionally, there are new accounting standards that will have a tremendous impact on the financial services sector," she says. "The standards are changing so quickly, and it is so incredibly complex, that I think everybody is learning them. I'd rather deal with something early than come in at the eleventh hour and realize we have an issue."

Accounting students interested in the financial services sector should get a head start by staying current about these changes too, while still in school, says Kaine, who also has a human resources and performance counselling role as a partner: "When you're in university you have a lot to do, but you should read the newspaper and know what's going on in the world. It increases your confidence when you're being recruited because you can talk knowledgeably about the industry."

Successful audit engagements also rely on teamwork, so take advantage of as many case studies and UFE-type questions that allow you to work in teams as well: "Being able to work in teams is very important. When you work in auditing a lot of jobs are about you working with other people. The more you do that in university, the more you learn to deal with other people and how to communicate."

Students with financial wizard aspirations should also concentrate on courses that integrate a number of topics, pay special attention to their finance courses, understand the valuation of complex products and derivatives, and pay particular attention to hedge accounting.

Even as a partner, Kaine is still learning today: "Sometimes you learn of a new regulatory or technical matter in terms of how your clients are implementing them, or regulators come and speak to you about changes. When you encounter something new with a client, you learn to take it away and apply it to your next client."

RUDY DABIDEEN

CMA

Independent Investment Consultant

Rudy Dabideen protects and nurtures the pension retirement benefits of thousands of people each year by making sure their employers are benefiting from the best investment advice and opportunities available.

"I work with clients to make sure we deliver what we promised to them in terms of their expectations," Dabideen, an independent investment consultant, says of the growing pension investment field he works in. "It's all about making sure the cash is available at a later date to pay the pension promise. Equally as important, is ensuring the appropriate risks are taken in managing assets and return objectives."

Dabideen, a Certified Management Accountant, first discovered pension investments while at IBM, where he worked for the computer giant's budgeting area, financial



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systems, accounts receivable section, and its \$1.5-billion pension department: “That’s when I knew this is what I wanted to do with my life. Before that, it was more of looking around and trying different opportunities in this big company. But this was an area I was comfortable with, and that’s when I decided to pursue it more.”

Dabideen soon left IBM to pursue his newfound interest in pensions, and manage the Colleges of Applied Arts and Technology’s \$4-billion pension as its director of investments. Five years later, he joined the Ashford Consulting Group as the managing director of its Canadian operations.

“I made sure the firm was operationally sound from a number of different perspectives, but more importantly, I worked with clients to make sure we delivered the best investment advice,” Dabideen says of his three-and-a-half years with the Ashford Consulting Group, a firm that consults with corporations and foundations to help manage their pension and foundation assets, and monitors the overall process to make sure every component is performing as expected.

“Clients look to [firms like this] to help them manage and monitor their pension assets. We looked at these assets and told our clients what they should be doing from their liability perspective. Part of being able to do that is being on top of what’s happening in the capital markets worldwide, and making sure you link it to a client’s portfolio to make prudent decisions,” Dabideen says. “Clients entrust you to make sure their assets are managed prudently, so you have to take on a fiduciary role to make sure you fulfill that obligation.”

Dabideen says his training as a CMA plays a key part in his role as a financial wizard: “One of the things I have had to do is assess the different portfolio managers who look at company financial statements to determine the securities they buy and sell. So I have had to go into the financials of these particular companies too, and having the accounting background is comforting, as I understand what they’re talking about.”

Developing good people skills is another key to success in the financial services sector, especially where investments are concerned: “A lot of students concentrate on trying to get good grades, and as a result, too much time is spent studying. You need some balance because you also have to learn how to interact with people and learn to deal with different types of personalities. You have to be able to communicate with your clients to help them understand the risks they’re taking on. Losing money in the short term can be expected, so when it happens, your clients shouldn’t be surprised. When things go well that’s the easy part, but you will have tough meetings and down periods too.”

But if they’re up for the challenge, Dabideen says tomorrow’s accountants should definitely consider a career in this sector: “If you look at the demographics you’ll realize the population is aging. And an aging population means there are more people looking at financial assets, so by definition, it’s going to be a growing field.”

JENNIFER FIDDIAN-GREEN

CA, CMA — Forensic Accountant
Grant Thornton

Jennifer Fiddian-Green’s work puts drug dealers behind bars, prevents identity theft, and combats money laundering. It’s all in a day’s work as an investigative forensic accountant with Grant Thornton. Fiddian-Green is part accountant and part financial detective. When called into a fraud investigation involving millions of dollars and just as many discrepancies, she must determine the movement and flow of these funds, to build a case that will be used to defend or prosecute someone facing civil or criminal allegations.

“We bring some calmness and organization to a case, and help explain what happened. By building our case with evidence, we can come in and say there is a trail here, and we can put it together and connect the dots,” she says.



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“When we get a call, it’s not about something good that has happened. Somebody has an allegation, they’ve been hard done by someone, or someone has stolen from them, and they’re feeling vulnerable. They don’t know how to deal with it.”

She also provides litigation support services, and has appeared in court as an expert witness on a couple of occasions: “When you’re on the stand, there’s nowhere else to go. You have to answer the questions, and very often in these cases, you might not go to court until two years later.”

This, she says, means being extra careful when it comes to getting her facts straight, because she is often sorting out allegations that could have a serious impact on a person’s life.

“Very often some of these larger cases we work on requires going through boxes and boxes of information. That’s definitely a part of the job. It’s not the glamorous part, but part of what we do to take all that information, pull it together, and summarize it,” she says. “The work we put together to support what we’re saying, and the reports we produce, are very factual. We need to be as sure as we can be, so that means there’s a lot of hard work behind that. We check it and check it again, and check with other people.”

While on assignment as a forensic accountant to the Royal Canadian Mounted Police for two years, Fiddian-Green learned to value a high standard of proof: “A lot of my initial training was on criminal investigations, so I’m probably more wired towards really making sure to go beyond a reasonable doubt.”

Today, she works on cases that involve contractual claims between parties, allegations of employee fraud or theft, and shareholder disputes. Her clients include corporations, government departments, and even individuals.

And her versatility is not just limited to her cases and clients. Fiddian-Green is also a Certified Management Accountant. She relies on her CMA training in her work as a project manager for Grant Thornton’s leadership development program.

She says her CMA training taught her the skills that have helped her develop this new program: “Obtaining this designation gave me the opportunity to work on soft skills, such as presenting and dealing with people. It also gave me the analytical skills that come with having a CMA. This allowed me to understand the issues involved with this kind of a project, and to approach it in the ways that it needed to be approached.”

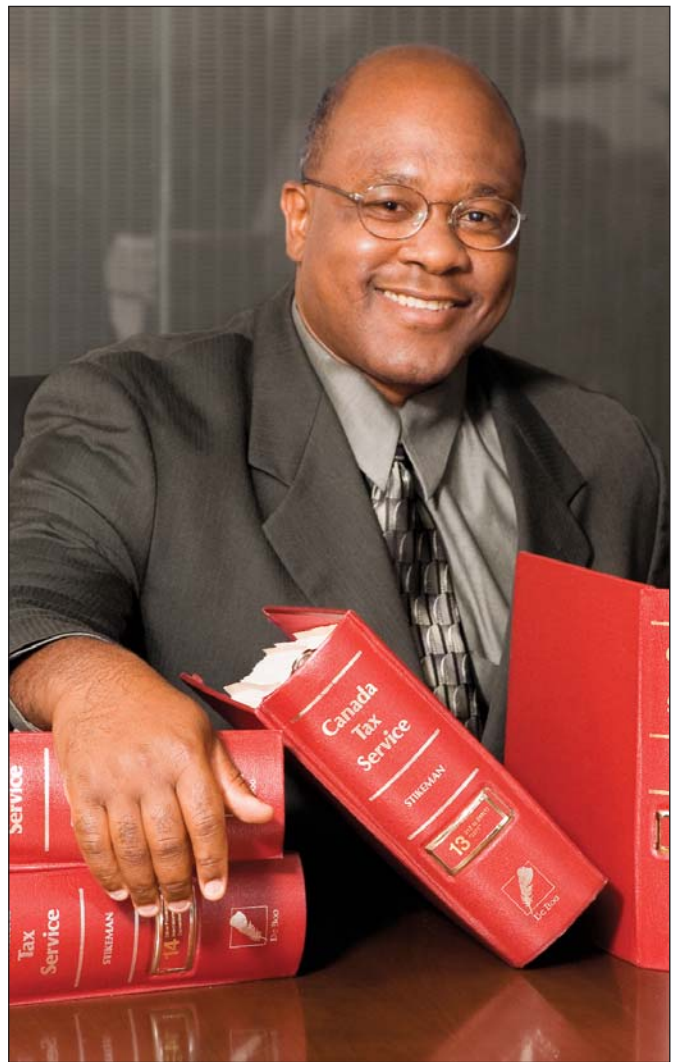
Meanwhile, Fiddian-Green credits her investigative mindset for drawing her into forensic accounting. She says students who want to become financial detectives in this growing field should be like-minded: “If you’re a good accountant, we can teach you the skills, but you need to want to search things out. You’re trying to understand the motives behind what has been done. You know for sure there are at least two sides to a story, but there might be 10 sides, and you’ve got to want to figure it all out and dig deeper. You also have to have the perseverance to do it, to start something and see it through to the end, because these are long timeline cases. They are not resolved quickly.”

ANDREW FORBES

CA, CPA — Tax Partner
KPMG

Andrew Forbes helps his clients understand the complexities of Canadian tax laws to help them reduce their tax bills.

“What’s satisfying about the work I do is that it’s challenging. And what’s challenging about the work is that you have to keep up-to-date with complex and changing information, such as tax legislation and court cases. It’s also rewarding in that at the end of the process, the goal is to arrive at a conclusion that benefits your client,” Forbes, a KPMG tax partner, says. “A few years ago, I went through about 600 court cases over a weekend to find cases that were relevant to a client issue. At the end of the day, I was able to find information from that process that ended up saving a client a lot of money.”



“The thing I like about tax is that it’s dynamic and constantly changing.”

Forbes provides KPMG's clients with tax-related services such as tax consulting, tax compliance, and tax accounting.

Tax consulting includes assisting clients in determining the most efficient way to finance a business venture, knowing what structures to use in making an investment, and helping review tax issues related to a proposed acquisition. Meanwhile, tax compliance involves helping clients prepare their corporate tax returns and completing the appropriate forms.

Forbes has also developed an interest in tax accounting matters, dealing with issues relating to Canadian and U.S. GAAP, and helping clients implement new processes and procedures.

"Tax accounting is about providing income tax advice based on your interpretation of the Income Tax Act, and reviewing related materials such as tax bulletins," he says.

Forbes is also involved with mergers and acquisitions, assisting clients in considering the tax issues related to a proposed acquisition, and makes sure they are not inheriting potential tax problems when acquiring a new company.

"The thing I like about tax, and the reason why I came into this profession, is that it's dynamic and constantly changing. What you may know last year, last month, or even last week, could become obsolete with every new budget, and with every new pronouncement," he says.

Forbes is not only a Chartered Accountant, but a Certified Public Accountant too.

"After getting my CA designation, earning the CPA designation was probably the next best thing I did," Forbes says. "A lot of the work I do involves having knowledge of U.S. GAAP. And although you can develop that knowledge on your own, I find having a CPA designation brings you instant credibility. When you're dealing with a fellow accountant in the U.S., and they know you are a CPA, they know you're talking their language."

Forbes says his CPA training has also translated into something more than just added credentials: "It's turned into practical applications at work. Knowledge of U.S. GAAP is critically important to a lot of my clients in dealing with tax accounting issues, so I clearly need to have an understanding of this. Going through the CPA program, I was able to get that basic, preliminary knowledge, but it also allowed me to work on U.S. GAAP files and issues."

Forbes says working in a public accounting firm is probably the best training future financial wizards can get: "I would not trade the training that I've had for anything. The public accounting environment provides the opportunity to learn and develop new and different skills. As an auditor, you're exposed to legal and regulatory issues, and to different industries and companies. You learn crucial organization and communication skills, and techniques. You also get to work with, and learn from, experienced colleagues. It's the diversity of experiences that you're exposed to in a public accounting environment that really equips you with the skill set you need to advance professionally." **CIA**

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