



Can You Ace 10 Tough Job Interview Questions? | KATHY WILLIAMS

The way you handle those difficult questions you're asked during an interview can land you the job or perhaps leave the hiring manager less than impressed. You need to be prepared and have the right attitude, Richard Bayer, chief operating officer of the Five O'Clock Club, a career coaching and outplacement company, says.

To help job candidates plan and prepare, Bayer has compiled a list of 10 tough interview questions and some suggested answers. Here are some excerpts:

- 1. Tell me about yourself.** Be succinct. Don't delve into every job on your resume and waste the interviewer's time with details that don't apply.
- 2. Why didn't you finish college?** Stay positive. Don't say "I couldn't decide on a major." Instead, say "I love computer animation and took a few courses, but I wanted to get out there and make things happen."
- 3. How long have you been unemployed?** If you've been unemployed for six months or more, think about what you've done during this time period, find something honest to say, and make it relevant to the job you're applying for.
- 4. Tell me about the worst boss you've ever had.** Don't be sucked in by this question. Say "I've learned something from every one of my bosses."
- 5. What are your weaknesses?** If you name a weakness, make sure you show how you've dealt with it.
- 6. What are your strengths?** Give an example to illustrate each one you name. For instance, "I'm very organized. I was asked to straighten out 3,000 boxes of files. Within three months, everyone in the department could find anything they wanted."
- 7. What are you looking for?** Name the kinds of positions you think would be appropriate for you, and describe what you could do for the company.
- 8. How would you handle this?** If you can't think clearly when the interviewer describes a problem situation and asks how you would handle it, you can say, "I'd have to give it some thought," and then mention it later in the interview or give an example of something you have done before to handle a complex problem.
- 9. What is your current salary, or what are you looking to earn?** Postpone the discussion of salary until you get an offer.
- 10. What questions do you have for us?** Since you've prepared for the interview by researching the company, have four or five questions ready.

For more information about the tough questions and the Five O'Clock Club, visit www.fiveoclockclub.com. ■

FUNDING CONTINUING EDUCATION

► As the demand for skilled accountants keeps growing, some companies are offering all kinds of benefits to recruit top candidates. But a recent survey by Robert Half Finance & Accounting shows that many are overlooking one particularly attractive benefit: reimbursing staff for the continuing education units required to maintain their professional certifications.

Half of the 1,400 CFOs polled said their organizations don't reimburse staff for such education. But 29% said they reimburse their employees in full, and 17% said they offer partial reimbursement.

"Companies that support continuing education signal they are committed to the professional development of their staff, which could give these firms an edge in their recruitment and retention efforts," Max Messmer, chairman and CEO of Robert Half International, explained. "While education benefits rarely are the sole criterion for accepting a position, they can tip the scales in an employer's favor in a competitive hiring environment." ■



[GOVERNMENT]

Congress Takes Up Complexity in Financial Reporting

STEPHEN BARLAS, EDITOR

Robert Herz, chairman of the Financial Accounting Standards Board (FASB), didn't show up at the House Financial Services Committee hearings on March 29 with a bulls-eye on his back. But representatives of the U.S. Chamber of Commerce and Financial Executives International (FEI) teed off on him, in polite language of course, over the FASB's proposed Fair Value Measurement standard. The criticism came amid concerns from all the folks testifying, including SEC Acting Chief Accountant Scott Taub, that financial reports have become way too complex and something needs to be done. In fact, Rep. Geoff Davis (R.-Ky.), a member of the Committee, introduced a bill the day before the hearings called the Promoting Transparency in Financial Reporting Act of 2006 (H.R. 5024), which would require that for the next five years the respective chairs of the SEC, FASB, and PCAOB (Public Company Accounting Oversight Board) testify annually before the Committee about their efforts to reduce the complexity in financial reporting.

Of course, the FASB thinks it is doing something to simplify reporting by moving forward with fair value accounting. David Hirschmann, senior vice president, U.S. Chamber of Commerce, disagreed. He said, "In the end, it is not at all clear that this well-intentioned attempt to give investors better information will do anything other than make financial statements less precise and meaningful for investors." He got support for that view from Colleen Cunningham, president and CEO of FEI. She stated, "In terms of complexity, accuracy, and transparency of financial reporting, we are very concerned that FASB's proposed Fair Value Measurement standard will only exacerbate complexity, with little benefit to, or indeed may actually detract from, the understandability and usefulness of the resultant reported information."

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SEC Messaging CD&A Proposal

The Securities & Exchange Commission's proposal to create a new Compensation Discussion and Analysis (CD&A) section in financial statements filed with the Commission is just as controversial as the FASB's Fair Value Measurement standard. Announced in January, the proposed CD&A would replace the current Compensation Committee Report. But, unlike the FASB proposal, the SEC's proposal is being criticized for going both too far and not far enough.

The CD&A would call for some clear narrative and then disclosure of compensation in three broad categories via tables. Companies provide tables now, but they have some shortcomings. For example, the tables don't call for a single figure for total compensation, and that information generally isn't provided even though, according to the SEC's proposed rule, "there is considerable commentary indicating that a single total figure is high on the list of information that some investors wish to have."

Jesse Brill, chairman of the National Association of Stock Plan Professionals, says all that extra disclosure is great, but what's missing from the SEC's proposal is a requirement that board of director compensation committees address whether they find the total numbers to be "fair, reasonable and not excessive, and consistent with the company's internal pay equity policy."

On the other hand, Jim Markey, vice president and chief counsel—Securities and International, Kellogg Company, doesn't want companies to be required to quantify the amount of tax gross-up payments in post-employment circumstances; they should only be forced to describe it in narrative. "Showing a number for a tax gross-up payment will be of little value—and ultimately confusing—to stockholders because of the number of variables involved in making the calculation," he explains. ■



[BOOKS]

A Handbook for New Controllers

The job of controller has become more complex in recent years. Acquisitions, financial structuring, and managing relations with analysts and investors command increasing focus. At the same time, the accounting scandals such as Enron and WorldCom have shown the potential value that the controller can add in the traditional role as guardian of performance management and good planning. As business fundamentals and credible accounting become the new criteria that investors use to judge corporate quality, many companies would benefit from renewed attention by the controller—and CFO—in helping management better understand a company's performance and evaluating its strategic decisions.

Steven Bragg's *The Controller's Guide: Roles and Responsibilities for the First Years* examines the controller's function by discussing how a company creates value and integrates financial and operational measures. While some planning and performance management systems are based entirely on financial measures, Bragg analyzes a business using ratios and trends. Some are linked to finance and other performance measurements, and others focus on functional areas other than accounting, such as customer service, engineering, and materials management. These additional measures enable the controller to perform a more thorough job of maintaining systems, reporting on operating results, or recommending changes based on an understanding of a company's entire operations and how they interact. Bragg includes the complete, worked-out financial and business ratios that a controller would need.

Despite the book's title, much of this information is vital not only to the controller but to all functional managers and department heads. Globalization and the changes in the finance organization have opened up a need for training in areas that weren't traditionally needed or for skills that weren't previously considered. It will help finance professionals who are looking to fill and carry out multiple roles and tasks, such as being a business partner, strategic visionary,

communicator, and creator of value.

For example, in one role a CFO must have a proactive and future-oriented approach to cost control and improvement. Bragg covers this in the target costing section, which mixes the accounting techniques with other business and managerial aspects and terminologies, such as kaizen costing. He also discusses how to take alternative paths and costing systems, and he provides a simple, clear explanation of activity-based costing and management (ABC/M).

Each section contains practical, usable advice and tips on how to diagnose, analyze, and solve the issue being addressed. It also contains tons of examples, checklists, flowcharts, tables, and a good number of graphic illustrations. The book is an easy reference to updated accounting principles and standards, including U.S. GAAP and pronouncements from the Financial Accounting

Standards Board.

Bragg's book is a useful handbook for those starting a new assignment as a controller. I remember having a number of questions on my first day as a controller, uncertain about what my responsibilities and authority were, how I could handle my staff, and other technical aspects. I was searching for a complete reference that would help answer my questions and ease any anxiety, and this book would've been useful, especially the chapter "Recruiting, Training, and Supervision."

This book is an outstanding, indispensable guide that covers the wide range of financial responsibilities facing controllers today. With practical examples and workable solutions, it can be used to institute improved control and accountability in any company of any size. It's the ultimate resource for finance managers, controllers, CFOs, and anyone involved in the design, implementation, review, or reporting of financial system or internal controls. In this book, we find that internal controls are used not only to combat fraud but also to monitor the consistency and completion speed of transactions.—*Khalid Khowaiter, CPA*





[RESEARCH]

A New Beginning for SMAs | BY RAEF LAWSON

As part of its mission to provide leading-edge research relevant to its members' needs, the Institute of Management Accountants (IMA®) is issuing Statements on Management Accounting (SMAs) once again. SMAs provide the global financial community practice-based guidance on management accounting and financial management concepts, policies, and practices.

The SMAs will be available online to IMA members at no cost and will be available for purchase by nonmembers. A new, modern design has been adopted that will facilitate these downloads. The Statements will be organized based on a new framework that is consistent with the Research Practices that compose IMA's Research Centre of Excellence. These practices include Leadership Strategies and Ethics, Enterprise Risk and Controls, Technology Enablement, Strategic Cost Management, and Business Performance Management.

IMA also has adopted a new process for issuing SMAs. In this due diligence process, IMA will issue an exposure draft (ED) of a proposed SMA, publish an abstract of the ED in *Strategic Finance*, and make the full text of the ED available online at the IMA website for public comment. IMA will use comments received, along with the recommendations of an external review panel, to revise the ED before it is issued as an SMA.

Exposure drafts for two SMAs are now available for comment: *Lean Enterprise Fundamentals* and *Accounting for the Lean Enterprise: Major Changes to the Accounting Paradigm*. Abstracts of these SMAs follow, and full texts of the exposure drafts are available at www.imanet.org/smas. IMA invites both individuals and organizations to submit comments regarding these exposure drafts and encourages comments both for and against the positions in the ED. Comments should be submitted by May 25 via regular mail or e-mail to Dr. Raef Lawson, CMA, IMA director of research, at rlawson@imanet.org.

Lean Enterprise Fundamentals

An increasing number of companies are employing lean concepts in order to produce and deliver products and services to their customers. The objectives of this SMA are to help financial professionals understand the underlying principles of lean processes and to broaden awareness of the impact of lean on management information.

Accounting for the Lean Enterprise: Major Changes to the Accounting Paradigm

As companies employing lean principles restructure their organization from functional specialties to process-focused business units, accounting services must also readdress the content and form of the information provided. This SMA focuses on the information necessary for value stream management, product family view of costs, budgets and financial planning, and transaction elimination. ■