

## Message from the Chair

By Frederick E. Schea, CMA, CFM, CPA



# Reflections on China

Sometimes we focus so much on our work in the U.S. that we forget we're operating in a truly global economy today. Let's see what we can do to increase the feeling of a worldwide community.

The leadership of the Institute of Management Accountants (IMA®) has long recognized the organization's mission to act as an advocate for management accounting around the world. Nowhere is this mission more apparent than in the work we're doing in places like the People's Republic of China, which I had the good fortune to visit with senior IMA staff last month.

It was a wonderfully productive trip, made possible because of the groundwork laid by the individuals we've recently hired in Beijing. Both Linda Li and Harry Liang, who run IMA's satellite office there, as well as IMA Director of International Business Development Jim Gurowka, have made tremendous strides in a few short years to help increase IMA's presence in China. Currently, IMA boasts more than 1,200 members in China—and that number continues to grow almost daily. The chance to meet and interact with many of these IMA members at events organized in Shanghai and Beijing provided me

with an opportunity to increase my understanding of the needs of our global community.

The primary focus of our week-long trip was to spend time with organizations that have helped IMA expand its influence in China and to identify other entities that would like to partner in the future. I'm pleased to report on the progress we made with the five groups we visited:

1. Multinational corporations, which operate both in China and in other places around the world. These organizations clearly recognize management accounting as the global language of business and are very supportive of both IMA membership and the Certified Management Accountant (CMA®) certification, which is seen as a way to gain prestige and Western validation of accounting and finance skills.

2. State-owned enterprises, which represent a tremendous number of accounting and finance professionals—tens of thousands, in fact. They primarily include large corporations that employ accounting or finance staff who are more comfortable working in their native language—usually not English. These individuals have shown great receptivity to taking

the Simplified Chinese version of the CMA exam, which IMA introduced in mid-2007.

3. Privately held companies, including one of China's largest toy manufacturers, employing some 50,000 individuals. Professionals at these companies were also highly interested in IMA and the CMA, which is perceived as a way to advance their career and equip their finance and accounting staff with the skills necessary to compete in the global marketplace.

4. Educational institutions, such as the Shanghai University of Finance and Economics (SHUFE), one of the top accounting and finance schools in the country, enrolling more than 40,000 undergraduate and 20,000 graduate students. SHUFE recently joined IMA's network of review course providers approved to administer the CMA Learning System through live instruction. To help cultivate similar relationships, we also visited with other major universities in Shanghai, Beijing, and Xi'an.

5. Training companies, which offer technical education in accounting and finance. The individuals we met with were eager to offer CMA educational courses, and, through our visit, we gained two additional training partners.

My experience in China opened my eyes to two observations about the region. First, it's easy to imagine that the Chinese economy is distinctly different from that of the U.S., but my time there showed me just the opposite. Everywhere you look in the major cities, you witness the presence of multinational companies—yes, McDonald's and Starbucks, but also Caterpillar, Microsoft, and Google. Clearly, the U.S. and China share closely aligned economic ties and common interests in the area of commerce.

Similarly, the notion of “Buy American” struck me clearly as a fallacy. It's obvious from spending any time abroad in places like China that so much of our global economy is interconnected. Even in my community bank in Pennsylvania, for example, we have customers that source from or sell in the global markets. Rather than subscribe to what is often just a politically motivated mantra, why not seek out and embrace these points of commonality—and find ways to work together? It's an important lesson for IMA—and for all of us. I welcome your comments at [fschea@imanet.org](mailto:fschea@imanet.org) and invite you to visit my blog at [www.fscheablog.com](http://www.fscheablog.com). **SF**