

Joe Vincent: *Building Bridges*

By Lori Colaccio Parks

Joseph A. Vincent, CMA, considers himself a bridge builder. Back in 1994-1995, when Joe served as one of 12 national vice presidents for IMA® (Institute of Management Accountants), the VPs focused on making connections between and among members, chapters, councils, the business and academic communities, regulatory and standards-setting bodies, and other professional organizations, so they adopted “Building Bridges” as their theme for the year. Joe took that theme to heart, and it has been an important building block for his service in IMA through the years.

Twenty years later, Joe is starting his term as the 2014-2015 Chair of the IMA Global Board of Directors, and he intends to bring that same commitment to working alongside others to his new post. “I don’t need to be the loudest voice in the room,” he says. “I’m someone who likes to listen, who likes to include others and encourage them to participate in discussions and keep things moving in a positive direction.”

From his lifelong residency in Connecticut, to earning the rank of Eagle Scout, to serving at several medical devices companies, to being named Financial Executive of the Year in the Northeast, Joe has maintained a high degree of professional loyalty and commitment to hard work and creating value that will no doubt influence the direction of IMA in the year ahead.

Vincent’s Market

Joe’s professional journey was shaped by his childhood, which he spent in Stratford, Conn., the same town where he and his wife of almost 40 years still reside. His young life orbited around his family’s business: a meat and grocery market called Vincent’s Market, located on the Stratford-Bridgeport line about an hour from midtown Manhattan. It wasn’t a posh neighborhood, and Joe admits that “we weren’t rich by any stretch of the imagination, but we had a good life and were always busy.”

Being busy meant working at the store, and, as one of six children and the oldest boy, Joe spent his earliest days helping his dad there. It was a seven-days-a-week commitment, and the days were long: Vincent’s Market was open every day except Christmas and Easter. “It’s a tough business. You handle a lot of money, but you don’t get to keep a lot of it,” he recalls.

But that experience helped cement Joe’s perspective on hard work and creating value. From as far back as he can remember, Joe was exposed to the problems that accompany running an enterprise. “My father used to say that the hardest thing to do was to get someone to walk through the front door,” Joe explains. “He was always looking for ways to do things better, to bring people in, and keep them coming back.” Luckily for Joe and his family, his father succeeded very well in making the store profitable (although none of the children, contrary to what Joe’s dad had planned, eventually took over the family business).

Joe rounded out those early experiences by helping his dad with another role: training professional boxers. As a teen and into early adulthood, Joe accompanied his father to matches in Connecticut, Maine, and Massachusetts. It

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was a great opportunity for the two to spend time together as well as for Joe to witness the dedication that goes into pursuing something you love.

From Data Processing to Accounting

In between working at the store and attending boxing matches, Joe went to school, of course. He attended public high school in Stratford and became interested in data processing, a hot new field that a teacher suggested he would excel in. Following graduation, Joe enrolled in nearby Norwalk State Technical College, earning his associate in applied science (AAS) degree in data processing in 1971.

He had planned to attend Miami University of Ohio, which offered an outstanding computer-programming curriculum, but he didn’t quite have the financial resources to do so. Instead, Joe secured his first professional position at a division of United Aircraft as a senior cost control clerk. After working in this post for a year and enjoying it considerably, he decided to change his career path to accounting, knowing that his data processing background would be beneficial. He enrolled at Western New England University in Springfield, Mass., where he could pursue accounting and also play varsity football. (It was the only time Joe lived outside Connecticut, and, even then, he would drive the hour and a half back home on weekends to work at Vincent’s Market.)

Joe’s desire to work in industry was sparked by one of his accounting instructors, who was enthusiastic about management accounting and the impact that it could have on business performance. When Joe graduated in 1974 with a B.S. degree in business administration with a concentration in accounting, he was ready to start his management accounting career—and get married. Soon after graduating, Joe proposed to his high-school sweetheart, Charlene, and then accepted a position as a cost accountant for Picker International, a developer, manufacturer, and distributor of nuclear and ultrasound med-

ical diagnostic systems based in North Haven, Conn. (He now quips: “Perhaps I should have gotten the job first—and then proposed.”)

Joe spent nine years at Picker, working his way up through the accounting ranks. Those years were filled with great learning experiences as Joe helped the company grow from \$18 million to \$80 million in revenues in just five years. Before long, he was named assistant controller and soon afterward began to pursue his MBA with a concentration in finance.

In 1983, sales at Picker started to tumble after a product miss, and management decided to relocate Joe’s division to the corporate headquarters in Cleveland, Ohio. Joe didn’t want to move his family out of Connecticut, so he decided instead to finish his MBA (which he earned in 1984 from Sacred Heart University in Fairfield) and take a position at a start-up medical device company.

Tough Times in Medical Devices

That start-up was Novamatrix Medical Systems, Inc., a Wallingford-based company that developed, manufactured, and marketed leading-edge, critical-care patient monitoring systems worldwide. Compared to Picker, Novamatrix was a considerably smaller operation: It had been founded only five years previously, was listed on NASDAQ, and did about \$7 million in annual revenues.

Still, the job intrigued him because of the challenges and opportunities that it offered and because it was in a field that Joe had grown to enjoy. That sense of enjoyment, in fact, is apparent whenever Joe talks about his career. “I never felt like I was working because I was always doing something that I loved,” he says.

That feeling was tested during his 20-year tenure at Novamatrix. Joe started as controller and spent seven years in that position, during which time Novamatrix acquired a Welsh company that had developed one of the first, simple-to-use electronic sensors to measure blood/oxygen saturation levels. It also acquired an infrared research and development group in Redmond, Wash., that had invented a unique end-tidal carbon dioxide technology. Following these acquisitions, Novamatrix grew rapidly and by 1989 was achieving annual revenues approaching \$40 million.

Then the bottom dropped out. The company lost the initial round of an erroneous patent-infringement lawsuit brought by a competing British company, the result of which enjoined them from developing and selling their pulse-oximetry products. Sales plummeted by 40%, and within one year the company lost more than \$15 million.

“It was an ugly period of time,” Joe recalls. The company defaulted on all of its debt, was forced to cut the staff by half, spent several million dollars on appeals (it ultimately prevailed), and wobbled on the edge of bankruptcy.

Immediately following the initial litigation, Joe was promoted to CFO with responsibility for all aspects of finance, accounting, and administration, including business strategy, product reviews, contract negotiations, banking and investment banking relationships, and Securities & Exchange Commission (SEC) filings. He worked closely with the CEO to help make some difficult decisions, which shaped Joe’s perspective on what it means to be loyal, the importance of regular communication, and the adage that “Cash is King!”

“At the end of the day, it was all about the people. I could have left but didn’t, and many others remained loyal and committed as well. Everyone took a pay cut, and senior staff went some weeks without paychecks and spent many sleepless nights. It was definitely challenging, but we made a difference every day,” he explains.

Joe and the rest of the senior leadership team eventu-

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ally resuscitated the company—thanks in no small part to quite a bit of luck, he says, including well-timed private placements, standstill after standstill agreement with the banks, and a secondary public offering to eliminate debt and allow the company to invest in growth again. According to Joe, “You need a little luck to survive that kind of ordeal, but, to some extent, you make your own luck.”

By 2002, even though revenues and earnings were climbing, the company’s stock price remained flat, and the board decided to sell the then \$55 million company to a larger device company (which eventually became Philips). One year later, Joe decided it was time to move on.

Joe next worked as CFO for two family-owned businesses for brief periods, but in 2006 the former CEO of Novamatrix asked him to help out with a new venture—Dixtal Medical, Inc.—which Joe and his long-time colleague and friend “started from the ground up.” As CFO, executive vice president, and general manager, Joe was

responsible for negotiating a product-line purchase, hiring the management team, supervising the plant build-out, and establishing a quality system, along with other accounting and operations roles.

Building a team of 40 with a \$9 million business to start, Joe helped create a dynamic culture with a hands-on group who was passionate about its mission. The company became a profitable U.S. subsidiary of Dixtal Biomédica Indústria e Comércio Ltda., a \$100 million company based in São Paulo, Brazil. The parent company was sold to Philips in 2008, and, after spending more than six years at Dixtal, Joe left in 2012 to devote his time to an organization he's been committed to throughout his entire career: IMA.

Up the IMA Ladder

Joe began his IMA membership from virtually the first day of his working life in management accounting. His manager at Picker told him about the organization and encouraged him to get involved in the New Haven Chapter of what was then NAA (National Association of Accountants), a thriving community of accomplished professionals but what Joe now concedes was pretty much a “good old boys’ club.”

“I got hooked immediately,” he admits. “I went to my first chapter meeting with about 100 attendees and was immediately asked to serve on the board.” He served 11 years on the New Haven Chapter board, including a term as Chapter president in 1985-1986. “By that time, IMA had changed from its early days to a group that was very focused on continuing education and networking, and my chapter had its first female president two years before me,” he recalls.

Joe went on to be named president of the NorthEast Regional Council in 1992-1993 and an IMA national vice president in 1994-1995 (the “Bridge Builders” period). He also served on the National Board of Directors in 1988-1989.

His work as a volunteer leader gave Joe many opportunities to gain new skills and cultivate new relationships. He credits his IMA leadership roles with giving him more confidence with public speaking and helping him build successful teams.

When Joe joined IMA, the CMA® (Certified Management Accountant) certification was only two years old. Most members didn't know about it, and, if they did, they didn't understand the value it could bring to them and their organizations. It wasn't until much later in his career, after the dust had settled from the patent-infringement

lawsuit, that Joe decided to pursue the certification. When he earned the CMA in 1996, Joe was on the cusp of becoming involved in another IMA group to which he devoted considerable energy: the ICMA® (Institute of Certified Management Accountants) Board of Regents.

The Prestigious Regents

As most IMA members probably have noticed, several IMA Chairs have also been former Regents chairs. When Joe was asked to join the Regents, he says he felt somewhat out of his comfort zone: “I always viewed the Regents as a very prestigious group of academics and business and industry leaders, many with a string of initials after their names. I felt a little intimidated at first, but once I met colleagues like Bill [Knese] and John [Brausch], I realized that we all shared the same passion. Right from the start, I saw how we were making a difference.”

Joe served as a Regent a total of 10 years: from 1999 to 2006 and then, after taking time off to help get Dixtal Medical up and running, again from 2008 to 2011, when he served as chair. During his tenure, Joe helped shape many important decisions that affected the entire IMA membership. It's a time that he remembers fondly: “The first two terms were the best seven years of my time at IMA. I worked with some great people, including Priscilla Payne and Dennis Whitney [former and current heads of ICMA], and we hammered out some tough but very necessary changes to the program.”

Two of the decisions discussed during that time were offering the CMA exam in Simplified Chinese and switching from a four-part exam to a two-part one. Joe recalls that it was a difficult financial and philosophical decision to offer the CMA exam in another language. But based on the research of the projected demand for certification in China and the Regents' desire to expand the reach and influence of the profession of management accounting, in 2006 the Regents voted to offer this version of the exam beginning in 2007. The result, of course, has been phenomenal, with a high percentage of new CMAs coming from this geographic region.

On the second topic, there's no question in Joe's mind that the decision was the right one. “It's just a much tougher test now,” he says about the two-part exam, which was launched in 2010. “It tests a more narrow but very focused body of knowledge and tests it to a much deeper level.” Joe recollects that the process of deciding to move to a two-part exam was arduous. It involved reams of research, but that research confirmed what IMA has described as the “skills gap”: the gap between the skills

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that accounting and finance professionals have when they enter the profession vs. what CFOs are asking for. The new two-part exam helps close this gap by placing considerably more emphasis on the skills that CFOs say they need: decision support, planning and analysis, performance measurement, control, and ethics.

The Key Is CMA Growth

As a 40-year IMA member, Joe has witnessed significant shifts in the management accounting profession. The most obvious, of course, are the technological shifts (“back when I started, we were using 13-column pads and 96-column punch cards”) as well as the recent consolidations that have occurred among many professional organizations. (He also observes a similar trend of business combinations and that several of his previous companies are now a part of Philips.)

Joe has also seen significant changes to IMA’s flagship product, the CMA. “Driving the growth of the CMA has been and always will be the key to IMA’s success and uniquely positions us as a well-respected association,” he says. “It’s true that the CMA is not as well known as it could be inside the U.S., but internationally it has an incredible reputation because of its rigor and the fact that it is a U.S.-based certification.”

Joe points to the fact that although 75% of active CMAs are from the United States, 75% of those now taking the exam are from non-U.S. countries. From his perspective, the challenge is to ensure that the U.S. numbers continue to rise at the same time as the organization continues to cultivate international growth.

That international growth has been impressive, something that Joe credits both to the volunteer leadership and the capable helmsmanship of Jeff Thomson. “Jeff has been a great addition as the organization’s president and CEO. He has addressed the issues that made IMA membership

decline in the 1990s and early 2000s. He has empowered the staff and made them accountable for results. He also has done a great job at building bridges, reaching out to those who can add value to our organization.”

Joe intends to work with Jeff to strengthen and build those relationships, most notably with students, young professionals, academics, CMA review course providers, and governmental bodies (particularly in the People’s Republic of China, the Middle East, and Europe).

Joe also is committed to maintaining and enhancing IMA’s position as a thought leader in management accounting. “We’ve always been a thought leader in the field. We wrote an in-depth code of ethics for our organization; we’ve sponsored groundbreaking academic research on critical issues; we have a voice with standards setters. The key now is to be more proactive.” Joe says that the recent appointment of long-time member and enterprise performance management (EPM) expert Gary Cokins as IMA’s executive-in-residence demonstrates such a proactive stance.

Finally, Joe wants to continue to strengthen IMA’s networking connections. “Most people join IMA for three reasons: our certification program, the continuing education courses we offer, and the networking opportunities. Our certification clearly differentiates our CMAs in the professional market. Our continuing education offerings provide members with the opportunity to keep ahead of the curve on evolving trends. And our network of more than 300 student and professional chapters offers such a great opportunity for our members to grow in their careers, learn decision making and conflict resolution, and meet lifelong friends.”

That was certainly Joe’s personal experience, as he believes that his professional career closely paralleled and was certainly enhanced by his IMA career. He sincerely appreciates how IMA helped him professionally and gave him the opportunity “to really make a difference.”

In a philosophical mood, he expands on that thought: “As a kid, you believe you can do anything. Then at some point in your life—maybe in your 20s, maybe even later—you realize that you can’t do everything and that by making certain choices you’ve closed the door on other things. I’m proud that I’ve invested so much time in IMA. That was a significant choice that I made, and I’m very glad that I did. I’d certainly encourage others who can to do the same.” **SF**

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