

# Playing on the Management Team

**T**he number one complaint of management accountants with 10 or more years of experience is that "Management doesn't listen to us. We have a lot of knowledge about the company, but when it comes to the key business decisions we are not 'in the loop.' We are thought of as green eyeshade types or bean counters. If given the chance, we could really add value!"

This month's issue of MANAGEMENT ACCOUNTING® illustrates just how management accountants *can* add value and how management accountants *can* play on the management team.

Steven Harrison, manager of regulatory accounting at South Central Bell, says, in "Not Just Bean Counters Anymore," (p. 29) we were able to shed our score-keeping image forever by showing how management accountants can be value-added business partners and integral parts of the management team. To do this, we had to step out of the traditional role of compilers and take on the roles of interpreter, adviser, and partner."

"The key is convincing managers we can solve more problems than we create," Nathan Weaks, treasurer of Automatic Feed and author of the "Accountant as Production Scheduler" (p. 25) says. "Unfortunately," he adds, "management accountants tend to get absorbed in financial reporting. They are more concerned with meeting the needs of the outside customers. Consequently, the management accountant's inside customers, who are critical to his or her advancement, gain little direct benefit." Harrison agrees. "Management accountants often make the mistake of reporting the numbers but not telling management how those numbers can be improved upon."

Alfred King, former IMA managing director and instructor of an IMA course on helping management accountants play on the executive team, explains that in too many organizations one of two things is happening. Management does not expect anything other than financial reports from its accounting staff—very low expectation levels in fact are being met. Or, management would like to have active participation in business decisions using both the knowledge and skills of their management accountants, but the individuals are not perceived as being able to deliver. In the public accounting arena, this is sometimes referred to as the expectations gap.

The authors have recommendations for closing the gap.

Weaks says management accountants should be teachers within the company. They should educate managers about what data are available and how to access those data directly. Most important, he advises, they should not wait for managers to come to them. Management accountants should be walking the shop floor, talking to marketing and advertising managers to find out what data these departments need and then fulfilling those needs.

"The more we understand about how our companies work," says Harrison, "the better qualified we are to be on the general management team. We can recession-proof our jobs by showing we are not just keepers of books—we are integral to managing the business."

If the management accountant's objective is to gain increased respect, the solution has to come from working on and then improving real-world business problems, King notes. As one of the authors says, "Management accountants must understand the operating environment of their company. Knowing and applying the latest FASB pronouncement or calculating the cost of capital to the third decimal place may be necessary to perform today's narrowly defined job description. They are not sufficient to make you a player on tomorrow's management team."

One of this month's authors who does consider himself a management team player is Terry Zinsli, manager of finance and administration at Coors' Shenandoah Brewery, and author of "The Coors Shenandoah Experience." (p.37) He reports directly to the vice president/plant manager and is responsible for finance, information services, purchasing, inventory control/distribution, and logistics. According to Zinsli, his role was defined by Coors' top managers. "They wanted to expand the span of control for each position—they viewed it as a management tool to offer accountants 'horizontal exposure' and as a means for keeping headcount to a minimum."

Zinsli's advice is to look for opportunities. Learn everything about the internal customer in order to be a resource and business adviser. As an adviser, take a global view. If management accountants leverage their strong point—knowledge of numbers—they can be a desirable commodity for the internal customer. ■

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