The Top 20 Mistakes Corporate Accountant Make

(How to revolutionise the finance team's performance)

By David Parmenter

As a failed corporate accountant, by that I mean I had to organise my own 'leaving do', I feel particularly well qualified to write this article. I have, however, discovered many better practices, from accountants across the world, as that is what I do for a living. The twenty major blunders since Paciolo sent us on our way are randomly listed.

1. Having over 80 account codes for the P/L

Show me a company with less than 60 account codes for their P/L and I will show you a management accountant who has seen the light. However, I have seen many chart of accounts with more than 300 expense account codes in the G/L, with up to 30 accounts for repairs and maintenance!

Why is it that the least experienced accountant volunteers for re-setting the chart of accounts? I think I know the answer! All the wise owls duck for cover. Yet, the chart of accounts sets the Finance team up for disaster in many ways. It determines how we report and set targets.

Common sense goes out the window, the CFO eyes just glaze over at the chart of accounts progress meetings, the objective to reduce the account codes by over 40% gets lost and slowly but surely, just like the budget instructions, the chart of accounts takes on a life of its own.

Action:

Do not breakdown costs into a separate account unless they represent at least 1% or greater of total expenses. This will reduce your costs to somewhere between 40 to 60 account codes.

Do not break revenue in separate codes unless revenues represent over 3% or greater of total revenue. This will reduce your revenue to somewhere between 15 to 20 account codes.

Have larger buckets and when you are asked a stupid question ask them what decision is going to be made based on the information requested or tell them the answer is '42'. A skilled management accountant can always investigate 6 weeks of expenditure and then annualise the number. Remember whatever the answer is you can assume it is a true and fair view, besides nobody else is going to follow you into that canyon!

> "Appoint a hard nosed 'keeper of the chart' who can ensure that the following disciplines are continually maintained" Quote from a wise CFO

2. Only forecasting to year-end

Typically corporate accountants have reforecast the year-end numbers every month. This is flawed on a number of counts. Firstly, why should one bad month, one good month translate into a change of year-end position. We gain and lose major customers, key products rise and wane, this is the life cycle we have witnessed many times. Secondly, the forecast is a top-top forecast with little input and no buy-in from the budget holders. Thirdly, two months before year-end management appear to ignore the oncoming year. Fourthly management and the Board know whatever number you have told them is wrong! You will change it next month!

Action:

Forecast quarterly six quarters ahead using a planning tool (not Excel) as it is a commonly accepted better practice. The trick to this rolling forecasting is to make it a fast light touch, so managers can do it quickly. Quarters 2 to 6 are not the important ones. The key is to get quarter one correct.

To understand this look at www.bettermanagement.com as I have explained this process in a web seminar and accompanying article. They are all free.

Please read Appendix 1 which is an extract from my Pareto's 80/20 rule for corporate accountants.

3. Breaking down the annual plan into twelve before the year starts

As accountants we like things to balance. It is neat and tidy. Thus it appeared logical to break the annual plan down in to twelve monthly breaks before the year had started. We could have been more flexible. Instead we created a reporting yardstick that undermined our value to the organization. Every month we make management, all around the organization, write variance analysis which I could do just as well from my office in New Zealand. "it is a timing difference…." "we were not expecting this to happen", "the market conditions have changed radically since the Plan" etc.

Action:

If you still need to perform an annual planning process you can at least remove the need for twelve monthly targets arising from this process. We should instead report against more recent targets derived from quarterly rolling forecasting process. This change has a major impact on reporting. We no longer will be reporting against a monthly budget that was set, in some cases 17 months before the period being reviewed.

To understand this look at www.bettermanagement.com as I have explained the setting of monthly targets as part of the quarterly rolling forecasting process in a web seminar and accompanying article. They are all free.

You may wish to purchase my white paper on 'quarterly rolling planning' from www.davidparmenter.com which explains this in more detail and includes electronic versions of templates, checklists, workshop agendas etc.

Please read Appendix 1 which is an extract from my Pareto's 80/20 rule for corporate accountants.

4. Giving budget holders an annual entitlement

Doing an annual plan is daft enough but to compound it with asking budget holders what they want and then, after many arguments, giving them an 'annual entitlement' to funding is the worse form of management we have ever presided over.

I use portioning out a birthday cake at a nine year old's party to explain the stupidity of an annual plan. A clever parent says to party goers, "Here is the first slice, if you finish that slice and want more, I will give you a second slice". What we do in the annual planning process is divide the cake up and portion all of it to the budget holders. Like nine year olds, budget holders lick the edges of their cake so even if they do not need all of it nobody else can have it. Why not, like the clever parent, give the manager what they need for the first three months, and then say "What do you need for the next three months?" and so on. Each time we can apportion the amount that is appropriate for the current conditions.

Action:

The better practice is to say to a budget holder we will be aware of your annual request but will only fund you on what you need to run the next quarter. This small but significant change means:

- 'Spend it or lose it' can no longer work, budget holders find it nearly impossible to hide their reserves in the next three month period

- budget holders are encouraged to seek funding for initiatives that were not in the annual plan, as long as they have a sound fit with the organisation's strategic objectives
- the budget holders will be weaned off asking for an annual entitlement they do not need or may not need as they know what's the point of participating when the real action occurs once a quarter, just before the new quarter starts.
- Please read Appendix 1 which is an extract from my Pareto's 80/20 rule for corporate accountants.

5. Budgeting at account code level

What made accountants ever conceive that we needed to set targets at account code level. It was done by our forefathers so we duly followed in the well trodden steps. It makes no sense.

Having budgets at account code level has encouraged budget holders to allocate expenditure to an account that that has room for it, thus at a single stroke undermining the purpose of the G/L which is to account for costs and revenue in the right areas.

Do you need a target or budget at account code level if you have good trend analysis captured in the reporting tool? I think not. We need to apply Pareto's 80/20 rule and establish a category heading which includes a number of G/L codes.

Action:

Limit the number of categories in a budget holder's (BH) budget to no more than twelve. Have a budget category line if the account code is over 10% of the total e.g. show revenue line if account code is over 10% of the total revenue. If the account code is under 10% consolidate it with other account codes until it forms a category representing over 10% of the total.

Map the account code expenditure history to these categories – a planning tool can easily cope with this issue without the need for a revisit of the chart of accounts.

Please read Appendix 1 which is an extract from my Pareto's 80/20 rule for corporate accountants.

6. Taking months doing an annual plan – when it can be done in 10 working days or less!

The annual planning process is not adding value, instead it is undermining an efficient allocation of resources, encouraging dysfunctional budget holder behaviour, negating the value of monthly variance reporting and consuming huge amounts of time from the Board, senior management team, budget holders, their assistants and of course the finance team.

When was the last time you were thanked for the annual planning process? At best you have a situation where budget holders have been antagonized, at worst, budget holders who now flatly refuse to co-operate!

Like a laboratory rat we go down the same pathway each year to find there is no cheese, no passing 'Go' and collecting £200, just mayhem. The annual planning process may have worked for Julius Caesar but certainly not for us.

The nightmare of three to four months arguing over resource allocation when nobody knows the answer, the endless cut-back rounds, the game playing, the spend–it or lose-it-mentality is not befitting the 21st century. The only thing holding us back as corporate accountants for making this change are:

- committing the time to understand the solution
- learning how to sell change
- finding the gap in our busy workload to make it happen

Action:

The extermination of the annual plan was first written about by Jeremy Hope of 'beyond budgeting' fame. To test the hypothesis that organisations would thrive without an annual plan he went about searching for organisations that have never had the process in the first place. These organisations exist and are thriving. The beyond budgeting movement has many converts and the best place to start this journey is to read Jeremy Hope's articles, any search of the www will find many!

Read Jeremy Hope's work "Reinventing the CFO: How Financial Managers Can Transform Their Roles and Add Greater Value", Jeremy Hope, Harvard Business School Press, 2006

To understand the changes required look at www.bettermanagement.com as I have explained 'quarterly rolling planning' in a web seminar and accompanying article. They are all free.

Please read Appendix 2 which is an extract from my Pareto's 80/20 rule for corporate accountants.

7. Producing numbing monthly financial reports

Many management reports are not a management tool; they are merely memorandums of information. Too many of our reports are issued well after the horse has bolted. As a management tool management reports should encourage timely action in the right direction, by reporting on those activities the Board, the management and the staff need to action.

Many monthly finance reports, prepared by the finance team, are never read. They include endless detail, often a result of having a common template for all subsidiaries regardless of size. The result is a consolidated pack with a four to five page essay, consolidated numbers and a copy of each subsidiaries submission. I once saw a 140 page pack!

Action:

Reduce the finance pack down to fewer than ten pages. Eliminate the essay and simply have a small comments box on each statement. Only have one page to summarise the subsidiaries results and only include the large ones and any other that are in trouble. Small subsidiaries that are performing well do not need to be included in the pack.

> "Educate and engage with senior and middle management. Find out and assess what they really need to know to manage the business and ruthlessly eliminate the eye sight ruining worthless pages that engineers and middle management are so fond of." Quote from a wise CFO

To understand this look at www.bettermanagement.com as I have explained this process in a web seminar and accompanying article on 'decision based reporting'. They are all free.

Please read Appendix 3 which is an extract from my Pareto's 80/20 rule for corporate accountants.

8. Reporting on the wrong performance measures

Many companies are working with the wrong measures, many of which are incorrectly termed key performance indicators (KPIs). For many years accountants and other senior officials, with a spare afternoon at hand, have sat down and thought up another set of measures. This has lead to a potpourri of performance measurement and reporting that has done nothing for the organisation. None of these measures were tied in any way to the critical success factors of the organisation.

From my research, very few organizations really monitor their true KPIs. The reason is very few organizations, business leaders, writers, accountants, consultants have explored what a KPI actually is. From the extensive research I have performed and as a by-product of the years writing a KPI book I have come to the conclusion that there are four types of performance measures:

- key result indicators (KRIs) - give an overview on past performance and are ideal for the Board as they communicate how management have performed in a critical success factor or balanced scorecard perspective
- performance indicators (PIs) - tell staff and management what to do
- result indicators (RIs) – tell staff what they have done
- key performance indicators (KPIs) - tell staff and management what to do to increase performance dramatically.

Action:

To understand performance measures better look at www.bettermanagement.com as I have delivered a series of web seminars and accompanying articles. They are all free.

Also look at Kaplan & Norton's book 'Translating strategy into action the balanced scorecard' and my KPI book 'Key performance indicators – developing implementing and using winning KPIs'

Please read Appendix 4 which is an extract from my Pareto's 80/20 rule for corporate accountants.

9. Not producing daily / weekly decision based reports

For leading organizations decision based information is based around daily / weekly information on progress within the organisation's critical success factors (CSFs). In one company the SMT who have a 9 o'clock news report every morning followed by further weekly information. At the monthly management meeting to discuss the results even the HR manager is able to enter the sweepstake guessing the month-end result.

I believe as a corporate accountant, you have arrived when your management team know whether the month is going well or badly during that month. Thus enabling the SMT to do something about it before the month ends.

Senior finance people should be insisting that assistant accountant level staff be engaged with staff across the business at the work face as this is where you often find out the true story rather than the story for public consumption.

> "'In addition there are highly intelligent people in key parts of the business with great systems and a finger on the pulse of their part of the operation. So don't be a typical isolationist bean counter, network and forge relationships with marketers, logistics, production people and be prepared to use their systems and information to add depth and quality to your forecasts. You'll get a better result, gain respect across the business and have more fun if you leverage off what's "out there" rather than reinventing the wheel every time. These connections need to happen at all levels of the finance team." Quote from a wise CFO

Action:

Corporate accountants should look at providing the following daily and weekly reporting:

- Yesterday's sales reported by 9am the following day
- Transactions with key customers reported on a weekly basis
- Weekly reporting on 'late projects' and 'late reports'
- Reporting some weekly information on key direct costs
- Daily / weekly on the KPIs

Understand how you convert your reports to a decision based tool by listening to webcasts on www.bettermanagement.com. You can also attend my courses or purchase my white papers on the topic.

Please read Appendix 5 which is an extract from my Pareto's 80/20 rule for corporate accountants.

10. Selling change by logic

Nothing was ever sold by logic!! You sell through emotional drivers. Remember your last car purchase!! The car sales person, as the make their way towards you weigh up what might be your emotional drivers. To a 23 year old, well paid IT guru, they will point out the 180 BHP, the low profile tyres, and say" this car needs to be driven by an excellent driver as it is quite dangerous". To me, having spotted the grey hair, they will point out the six air bags and say 'This car has enough power to get you out of any trouble you find yourself in and you will never lose traction with those tyres", to a Gucci lady they might say, "Sit inside and look at the quality of the décor, it has been designed by Sally Felds etc". These three buyers have all been shown the same car!

Many initiatives driven from the finance team fail at this hurdle because we attempt to change the culture through selling logic, writing reports, issuing commands via email!! It does not work.

Action:

We need to radically alter the way we pitch a sale to the SMT and the Board. We first have to make sure we have a good proposal with a sound focus on the emotional drivers that matter to them. We then need to focus on selling to the thought leader on the SMT and Board before we present the proposal. This may involve informal meetings, sending copies of appropriate articles, telling better practice stories etc to awaken the interest.

All major projects need a public relations (PR) machine behind it. No presentation, email, memo, paper related to a major change should go out unless it has been vetted by your PR expert. They are experts on emotional drivers. All your presentations should be road tested in front of the PR expert. Your PR strategy should include how to sell the change to staff, budget holders, SMT and the Board.

11. Allowing month-end reporting to go past three working days

Is your team one of the many who are sucked-in by processes that have more in common with the Charles Dicken's era than the 21st century? When I was a corporate accountant each month end was a disaster waiting to happen. Each month-end had a life of its own. You never knew when and where the next problem was going to come from. Always two or three days away we appeared to have it under control and yet each month we were faxing (email was not on the scene then) the result five minutes before the deadline. Our fingers were crossed as a series of late adjustments had meant that the quality assurance work we had done was invalid and we did not have the luxury of doing it again. Does this sound familiar?

Quick month-end reporting has been around since the early 90s when far seeking CFOs starting looking at the concept of 'day one' reporting. However this has been superseded by those who have developed systems capable of giving the CFO a full accrual net result, at any time, during the month. The virtual close, as it is called, is reputedly performed by CISCO, Motorola, Oracle, Dell, Wells Fargo, Citigroup, JP Morgan Chase and Alcoa.

Up to 70% of a corporate accountant's time is spent on month-end reporting, the annual accounts and the annual planning process. These three activities I call the trifecta of lost opportunities for the accounting team. When were you last thanked for any of these tasks? You need to attack the month-end first!

Action:

To understand this look at www.bettermanagement.com as I have explained this process in a web seminar and accompanying article. The are all free.

Please read Appendix 6 which is an extract from my Pareto's 80/20 rule for corporate accountants.

12. Using Julius Caesar's calendar as a reporting tool

Julius Caesar gave us the calendar we use today. It is not a good business tool because it creates 12 dramas a year for the finance team and budget holders, with each month being slightly different.

Between three and five months every year will end on a weekend, and finance teams often find that the month-end processes are smoother for these months. Why not close-off on the last or nearest Friday/Saturday of every month like many U.S. companies do? The benefits of this include precise four or five week months, which make comparisons more meaningful, and there is less impact on the working week as the systems are rolled over at the weekend.

Otherwise every month is a drama because we close on a different calendar day. Every month we have to issue detailed instructions which effectively says "Please do on Thursday what you did on Wednesday last month".

Closing off at the weekend can be done for all sectors; some will require more liaison than others. It would also make a big difference in the public and not-for-profit sectors. You simply present to the Board June's result and balance sheet. You do not need to highlight the July 2nd close. At year-end the missing two or extra two days of income and balance sheet movement will be taken up in the auditor's "overs and unders" schedule.

By making this change you are beginning to create "12 non events a year," the "El Dorado" of all corporate accountants.

Action:

Contact your G/L provider and ask "Who uses our G/L and closes on a set day each month?". They will link you to them and you will see at first hand the benefits.

Choose which day. It is best to be the nearest rather than the last 'Friday', 'Saturday', 'Tuesday' to month end etc. The last Saturday can have you closing six days before month-end, whereas the preferred option of nearest Saturday will only be a maximum of 2 working days out.

Just do it! You will owe me a drink when you see how easy and beneficial it is.

13. Spending months on the annual accounts

The annual reporting whilst an important legal requirement does not create any value within your organization. Thus seldom is it a task where your team has received any form of gratitude in the past. Accounting functions therefore need to find ways to extract value from the process while at the same time bringing it down into a tight time-frame.

How many times has the final year end audited number been within 5% of the month twelve number? We spend far too much time chasing our tail. There is absolutely no reason in 99% of the cases why the "first cut" of year-end for internal reporting should not be the same as the last cut for external reporting.

Allowing the auditors the luxury of a leisurely year-end sign-off based around their workload provides them with many months of hindsight where unrecorded liabilities and the like are there for 'all to see'. It is daft to hang the dirty washing out for that length of time!

Action:

Make it a level playing field and request a sign-off with 15 working days from year-end. Understand how to perform a year-end inside 15 working days post year-end by attending my course or purchasing my white paper on the topic.

Please read Appendix 7 which is an extract from my Pareto's 80/20 rule for corporate accountants.

14. Investing in a complex G/L and upgrading unnecessarily

If I owned an accounting package company I too would be issuing upgrades every time I wanted to improve my bottom-line. I cannot understand that accountants who, and I include myself here, are notoriously 'careful with money' waste money on G/L upgrades, or worse invest in a more complex G/L. Yet corporate accountants will spend hundreds of thousands on a G/L package where the core services could be delivered for a fraction of the investment.

Who do you think designed these complex G/L monsters? Do you think it was a bunch of CFOs with many war stories between them or was it some young guns, under thirty, who have never 'fired a gun in anger'? I mean this figuratively speaking. Nobody accountant with grey hair, who has worked in industry, would have given birth to such monsters. The task of the G/L is very simple, recording the expenditure and revenue. Nowadays the G/L is not required to report the numbers, hold budget figures or be the enquiry tool. These are all done by user friendly tools. I joking say that there are only ten experts in SAP who know all the on/off switches and I am often pulled aside by experienced implementers who say I have over stated the number!

I came across a CFO who was managing a 500 FTE company uses MYOB, a $500 package. He quite wisely said, "Why should I spend more. The only users of the G/L are my management accountants. We have an analysis tool for budget holder's to access their accounts. We have a planning tool for forecasting and reporting actual against target".

Besides, changing the G/L writes-off some of your experienced staff for three to five months achieving an 'own goal'. Tell me when you last received a thank you from the budget holders for implementing a new G/L?

Action:

You really only need to acquire a new G/L if your existing G/L does not support 21st century accounts payable options.

Stick with your existing system, maximise its use especially all the accounts payable features such as storing scanned images of invoices, electronic ordering and receipting etc.

To understand this look at www.bettermanagement.com as I have explained this process in a web seminar and accompanying article. They are all free.

15. Letting Excel dominate the finance system

I wager that Bill Gates never, in his wildest dreams, thought that Excel would become the core financial system in many companies and that the models would reach gigantic proportions. This epidemic has a cure it is called a moratorium of new Excel models and a deadline to remove the rest that are used daily, weekly or monthly in deriving the numbers.

KPMG have said that for every 150 rows of a spreadsheet there is a 90% chance of a logic error.

Lets face it Excel is great for doing a diagram, doing a one-off costing, being a table of numbers. It is not, and never should have been, a forecasting or reporting system.

Excel has no place in reporting, forecasting, budgeting and other core financial routines. Excel was never intended for the extensive exercises finance team's use it for. In fact many of us, if we worked for NASA, would be using EXCEL for the space program, and believe me when I say this, would probably make a good go of it. I however would not like to be the astronaut, in "outer space", finding out that there is a 90% chance of a logic error for every 150 rows in the workbook.

Action:

We need to embrace the new tools that are available, these include:

- a drill down tool so budget holders never need to look at the G/L
- a planning tool for forecasting and recording the annual plan
- a reporting tool to replace the procedure of dumping the monthly numbers to the G/L
- balance scorecard tools for displaying performance measures

16. Working Hard but not Smart

Why do we open our emails first thing in the morning, at home, on romantic dates?

Why do we have morning meetings?

Why do we always defer celebrations?

Why do other departments have more fun?

Why is the team Xmas function the last event to be organized and the first to be moved?

Many accounting teams are characterised by hard working , serious and committed staff. In-house client interruptions are tolerated but the message is conveyed that we need to move on ASAP.

Why do we, as accountants need to see our emails 24/7? Are we that important that looking at our emails at the weekend, at a friend's party, while we are having quality time with our children is essential? The facts are that nobody dies, or is at the risk of death because we have not looked at our emails. If you wanted to be that important to the human race you should retrain as a paramedic, a nurse on the emergency ward, a surgeon, an anaesthetist etc.

Looking at emails first thing in the day is the most destructive habit you can have! You have guaranteed losing, forever, at least one hour, going nowhere quickly.

Action:

For eight weeks take up this challenge:

- Look at emails two or three times during the working day and never before 10.30am. Eliminate weekend email correspondence.
- Have an open ended debriefing every evening in the last 15 minutes of the working day covering how best to help a particular in-house client who is having difficulties, ways to improve operations, plans for the next day and next week, finishing off communication, which due to the pressures of the day was not completed
- Implementing Kaizen, implementation is a daily activity -goal of two innovation each in the 8 weeks
- Ban morning meetings for the finance team
- Implement the Action Meetings practices, see www.actionmeetings.com
- Find a mentor for yourself
- Make inroads into getting rid of your personal baggage
- Put more emphasis on a service culture
- Have a team intranet page

17. Not investing enough in Accounts Payable

An accounts payable team is the centre of an accounting function for without its smooth operation: monthly accounts cannot be prepared promptly; the company does not, at any point in time, know of its total liabilities; budget holders spend too much of their valuable time processing orders and approving invoices for payment; low level of accuracy in the monthly accounts due to missed liabilities and posting errors etc

Many accounts payable processing procedures are more akin to the Charles Dickens era than the 21st century. Why do we go from an electronic transaction in the suppliers accounting system to a Charles Dickens paper based invoice? Surely we should be able to change this easily with our major suppliers.

Action:

To understand the many better practices look at www.bettermanagement.com as I have explained this process in a web seminar and accompanying article. They are all free.

Please read Appendix 8 which is an extract from my Pareto's 80/20 rule for corporate accountants.

18. Not adopting the purchase card – a free AP system!

I understand that the average cost of the whole purchase cycle has been estimated at between US$65 - US$85 per transaction. Pretty horrific when you realize that a high portion of your transactions are for minor amounts. The bulk of invoices can be for low value amounts, especially if consolidated invoices have not yet been organized. Remember it costs the same to process a $10 transaction as it does a $100,000 transaction. In addition, is it appropriate to request Budget holders to raise an order in your purchase order system for a $20 transaction? Surely the purchase order system would be better if it focused on the larger invoices, where 100% compliance was a given.

Purchase cards are different from a credit card and are here to stay. There are three liability options (limited to genuine business, company has sole liability and individual has sole liability). They work particularly well with high value low volume items where you are purchasing through the same suppliers as they will be able to insert G/L code information on the transaction e.g. organizations have told their national stationery supplier that the G/L code for stationery and have given them the department codes associated with purchase cards. The purchase card is certainly a way for you to take control of processing these minor value / high volume transactions, where they cannot be organized through an electronic consolidated invoice.

Action:

To understand this look at www.bettermanagement.com as I have explained this process in a web seminar and accompanying article. They are all free.

Please read Appendix 8 which is an extract from my Pareto's 80/20 rule for corporate accountants.

19. Not investing effort and time into leadership

Not intending to offend the reader I mention this observation, of all the finance managers, financial controllers and CFO's I have met I have noted that of the many qualities they possess leadership has been conspicuous in its absence. I believe this is mainly due to a lack of focus in the area rather than a lack of leadership ability.

As an observer of management, I have published many articles and recently a book called 'Leading edge managers guide to success'[1]. I would recommend all readers carefully absorb the lessons from the great leaders I have written about. By practising these traits you will rapidly improve your leadership style.

One of the greatest leaders has to be Sir Ernest Shackleton. His story is set out in Appendix xx. I do hope you make the time to read it.

Action:

For 13 weeks monitor yourself against the checklist I have established for you. On a fortnightly basis discuss progress with your mentor or a manager known for their people skills.

Please read Appendix 9 which is an extract from my Pareto's 80/20 rule for corporate accountants.

20. Not celebrating enough

I came across an accounting team who were too busy to even organise their Xmas celebration. The marketing department organised it! Accountants have yet to realise that a celebration is a great communication tool.

By being too busy to celebrate your achievements you are effectively saying you have nothing to celebrate.

Action:

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[1] "Leading edge managers guide to success" by David Parmenter, J Wiley & Sons 2010 ISBN-.

Schedule your next celebration and make it happen. Invite members of the senior management team along.

Schedule your next celebration and make it happen, suggestions include:

- celebrate every project completion
- hold a staff meeting in a café once a month and shout the whole team coffees and muffins
- set up a regime where birthdays are honoured and celebrated
- shout the team to a lunch-time visit to the cinema
- for Xmas give your staff options – cinema x5 instead of an Xmas function
- during team meetings ensure at least three team members to thank
- give cinema tickets/ meals vouchers to whose have gone beyond the call of duty

Writer's biography

David Parmenter is an international presenter who is known for his thought provoking and lively sessions, which have led to substantial change in many organisations. David is a leading expert in: the development of winning KPIs, replacing the annual planning process with quarterly rolling planning, quick month-end processes and converting reporting to a decision based tool.

David's work on KPIs is recognized internationally as a breakthrough in understanding how to make performance measures work. His book, 'Key Performance Indicators: Developing, Implementing, and Using Winning KPIs' is one of the best selling performance management books on Amazon.com. John Wiley & Sons Inc have also published his second book "Pareto's 80/20 rule for Corporate accountants".

David has delivered workshops to thousands of attendees in many cities around the world including Sydney, Melbourne, Kuala Lumpur, Singapore, Tehran, Johannesburg, Dublin, London, Manchester, Edinburgh and Prague.

David has worked for Ernst & Young, BP Oil Ltd, Arthur Andersen, and Price Waterhouse, and he is a fellow of the Institute of Chartered Accountants in England and Wales.

He has written over 30 articles for the accounting and management Journals including *"quarterly rolling planning - removing the barriers to success"*, *"Throw away the annual budget", "Beware corporate mergers", "Implementing a Balanced Scorecard in 16 weeks not 16 months", "Convert your monthly reporting to a management tool", "Smash through the performance barrier", "Is your board reporting process out of control?" "Implementing winning Key Performance Indicators", "Quick month end reporting" etc.*

He can be contacted at parmenter@waymark.co.nz He has recently completed a series of white papers which can be purchased from his website www.davidparmenter.com