

# Note about electronic material

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You have the option of **printing the material** and taking notes during the course, or **taking electronic notes**

If you print, we suggest you make sure you print the material large enough to take notes on it

We **cannot provide conclusive instructions on how to take electronic notes** in the pdf file on each registrant's device, because of the wide ranges of combinations of pdf software that registrants may have, in addition to platforms, i.e. MAC or PC, tablet, etc.

## COURSE INFORMATION

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# Welcome

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Please fill out the anonymous **polling** survey while you wait

When we start, we prefer cameras on for a more personal experience for all

You are allowed to eat and drink on camera!

Some prizes can't be won, without your camera on....

# ***ELEVATE YOUR CAREER BY SCHMOOZING YOURSELF TO THE TOP***

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***PRESENTED BY:***

**Stephen Priddle, CPA, CA, CMA**

**President**

**Practical PD**

**Courses For Accountants**

Just a joke, I am  
not a schmoozer...

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# ***ELEVATE YOUR CAREER WITH MORE STRATEGIC THINKING***

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***PRESENTED BY:***

**Stephen Priddle, CPA, CA, CMA**

**President**

**Practical PD**

**Courses For Accountants**

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# Introduction

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Thanks for being here, we will be together for 2 hours to talk strategically

Participate via Chat

There may be typos, and I have made small changes since the handout was distributed

You will get a fully completed slide deck after from me, blanks filled in \_\_\_\_\_

There will be some random, off the wall stuff from me, we don't want this course to be boring!

Interject comments and questions any time

You are allowed to disagree with me in the course!

Timing, one never knows if I will get through all the material in the first try...don't worry

# Notes

---

We had a different kind of summer, basically no vacation due to...

This is a rare course of mine that doesn't cover ethics

Also, no lawyer jokes, I am sorry...



# REMEMBER written feedback I am requesting after

---

List some things that you liked about the course

List some ways the course could be improved

What could be dropped if I had to cut 10-15 minutes

Can you think of a better title? \$100 cash

Please give an overall evaluation in short statement:

I will give you your coupon and course completion certificate when I get this!





# About you

---

It was hard to get this audience together in the summer season...thanks for being here, you are all busy people

An elite group of smart CPAs, great past participants, or you provided useful, engaged comments on my video courses

Therefore, some of you have only “met” me via video


Some of your best chats may become immortalized in future courses, but they will be anonymized

# All my live courses have an opportunity to win prizes

---

The Top Participant will get a prize

There will be a few other prizes, maximum one per person except the Top Participant can double up

An orange badge with a black border and rounded corners, containing the text "YOU WILL FIND WHAT THE PRIZES ARE LATER" in white, uppercase letters.

YOU WILL  
FIND WHAT  
THE PRIZES  
ARE LATER

Let's get to know each other a bit

---

# Type Canada if you have driven across the country...

---

I did as a teenager, (Ottawa-Victoria), 2 parents, and 6 kids in the car

No air-conditioning...

Not nearly as comfortable as minivan, although about 18 inches longer



# Type “terrible” if you once had a terrible job as a young person

---

Dirty, dangerous, incredibly boring, etc

That helped motivate you in your career to get a better job

I had several...

I was a deadman for a sandblasting crew, dirty, dangerous, incredibly boring

I was a bridge painter, very dangerous

I was a dishwasher, wet and monotonous

I flipped burgers, I smelled like them and the onions which I chopped them

# Type “choc” in the Chat if you like chocolate

---

And your favourite kind or product name

# Opening poll results

---

# I have just had a career change

---

I am still co-owner, Secretary and Board member of SureWx, a global aviation software company

I just **stepped down** from the CFO job there this year in my 12<sup>th</sup> year

I will continue to grow this company



# The new job

---

CFO & VP Finance - Fidus Analytics Inc.

I work remotely from Ottawa for a global business, nominally out of Calgary

The company that hired me has the same name as a 7 year former employer in a different industry

The President and founder is very, very ethical and competent



# Course objective and coverage

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- Discuss what is higher level strategic thinking
- Learn how to think at a higher strategic, big picture level, primarily by examples
- Get an idea of what is your current thinking level from your interaction with the examples
- Dozens of examples to improve your thinking in the areas of business, systems, technology, risk, tax, compensation, M&A and more pig

# TOPIC INTRODUCTION

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# Have you ever had a discussion at work?

---

Where others have raised much bigger, more important, strategic, big picture issues related to the issue, when you didn't/couldn't or were only into the details?

And you wish you had raised them...

I believe a key thing that separates people in the business world, is the level at which they think



# Have you ever had a discussion at work?

---

This used to regularly happen earlier in my career, but I have continuously improved my thinking level

It wasn't from courses or books or my B. Comm

I did this by hearing more higher level, strategic thinking from smart colleagues and again and by gaining more experience

This course will talk a little bit about how to do it mostly to provide you with more “experience”

I have never seen a course like this, although there are a lot of strategy courses

I wish I took this course when I was younger!

# You are all at different places

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Some are Presidents/CEOs/owners/partners

I was a “CEO” for over 8 years...

---

# I was a “CEO” for over 8 years...

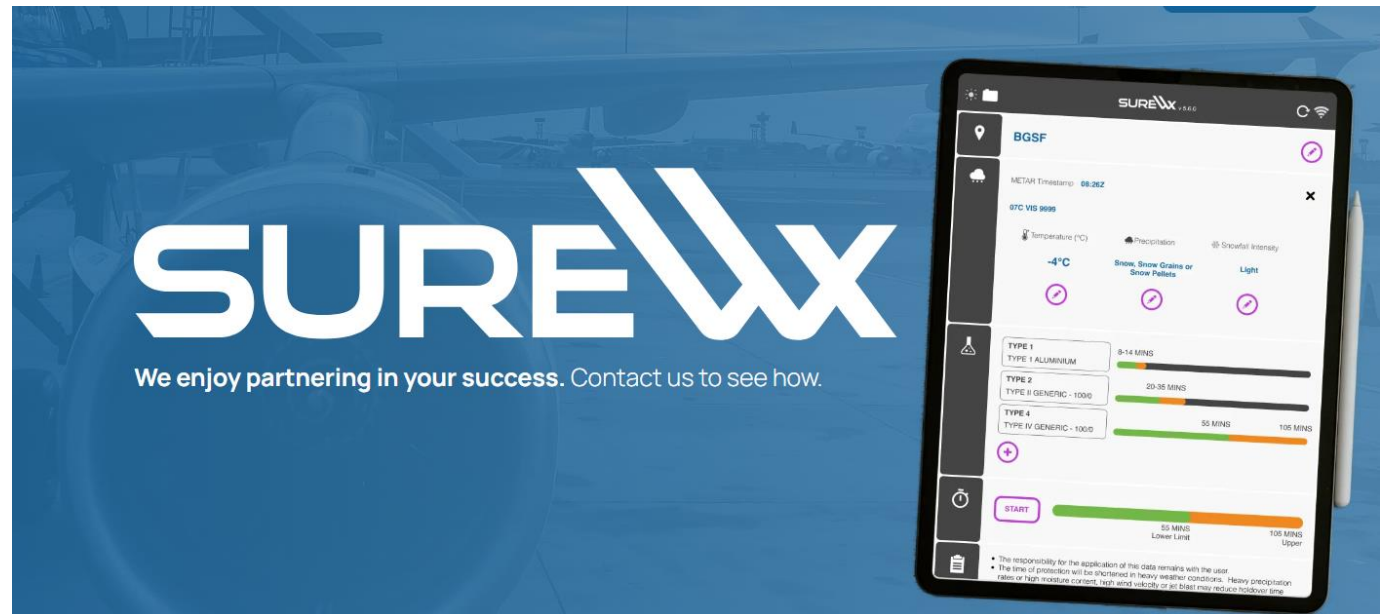
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Of my aviation systems company, SureWx Inc.

Company ensures flights are safer, reducing delays and cancellations, environmental benefits during winter weather

Via software, weather equipment, algorithms, know how, compliant with regulations

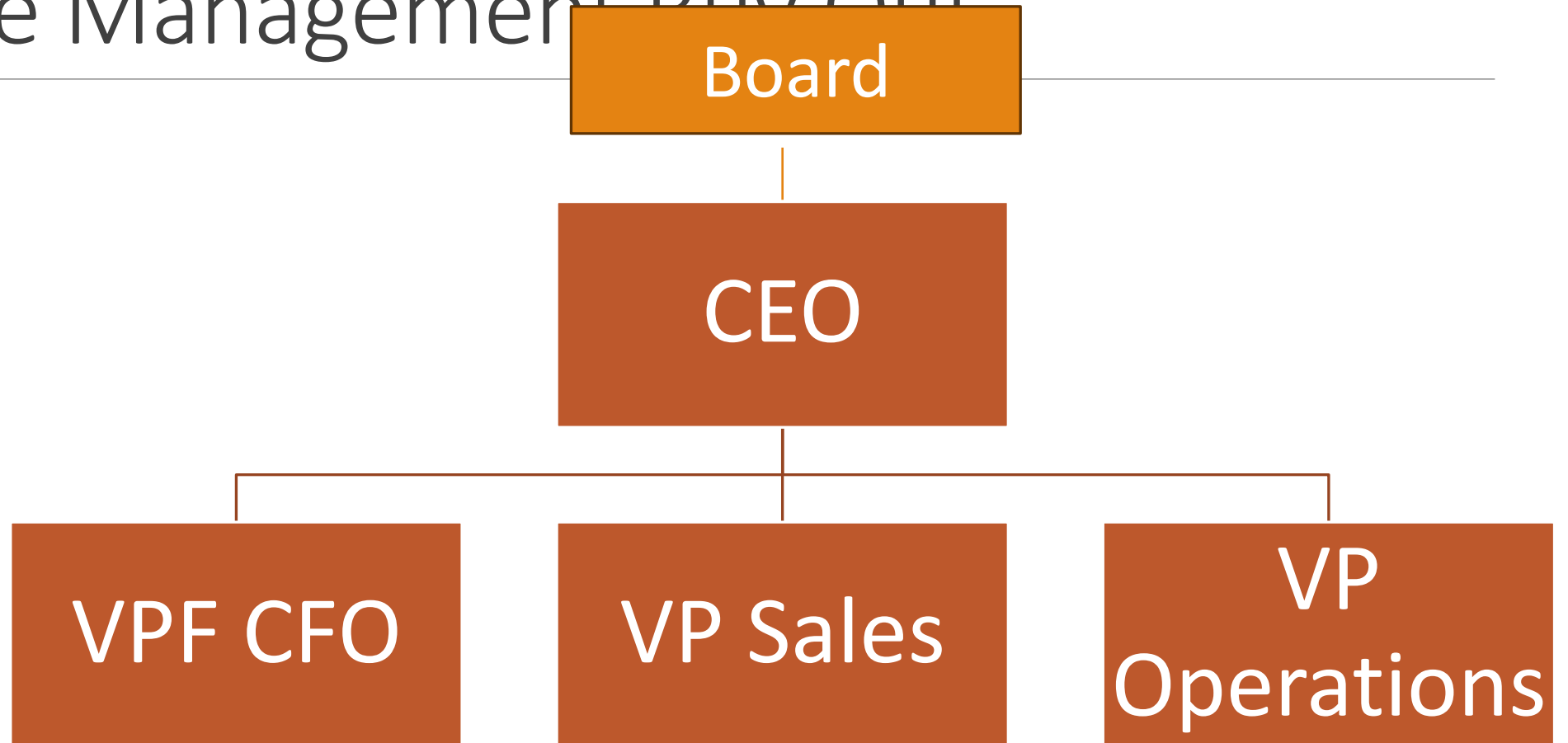
Let me explain



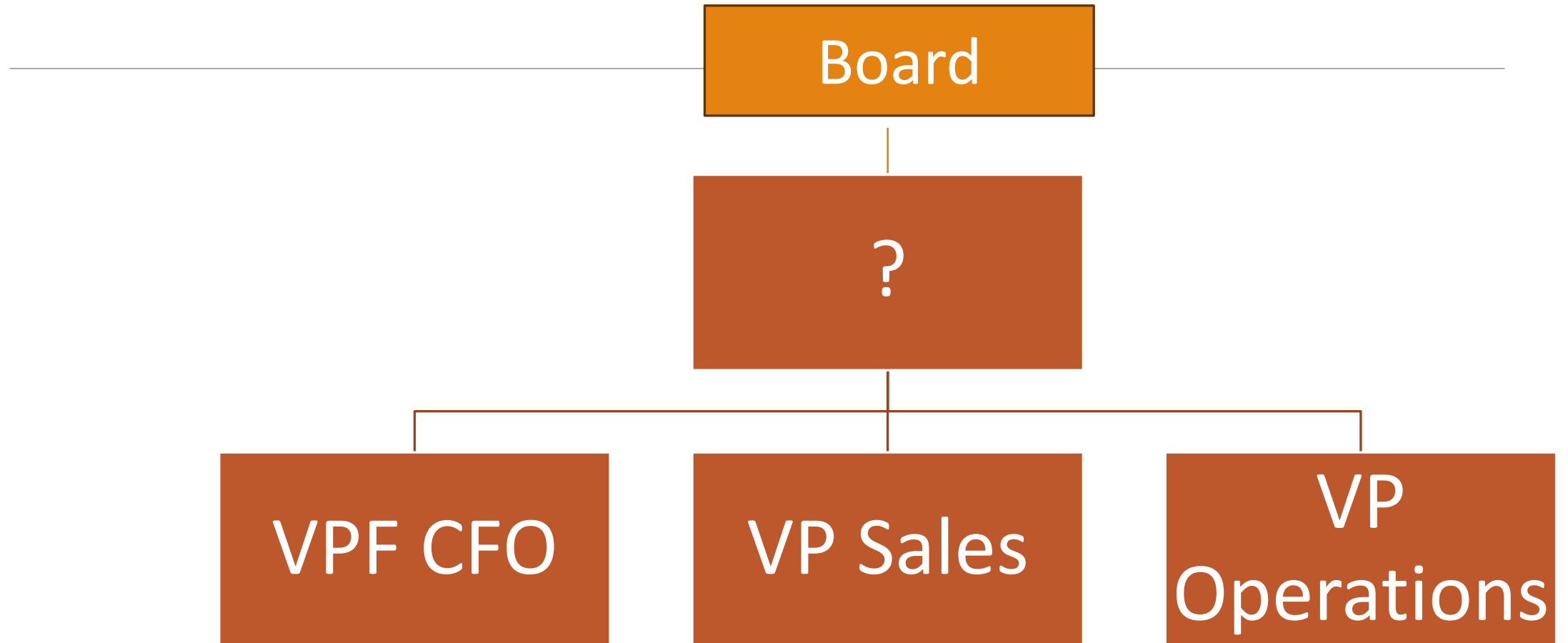


# Before Management Buy Out

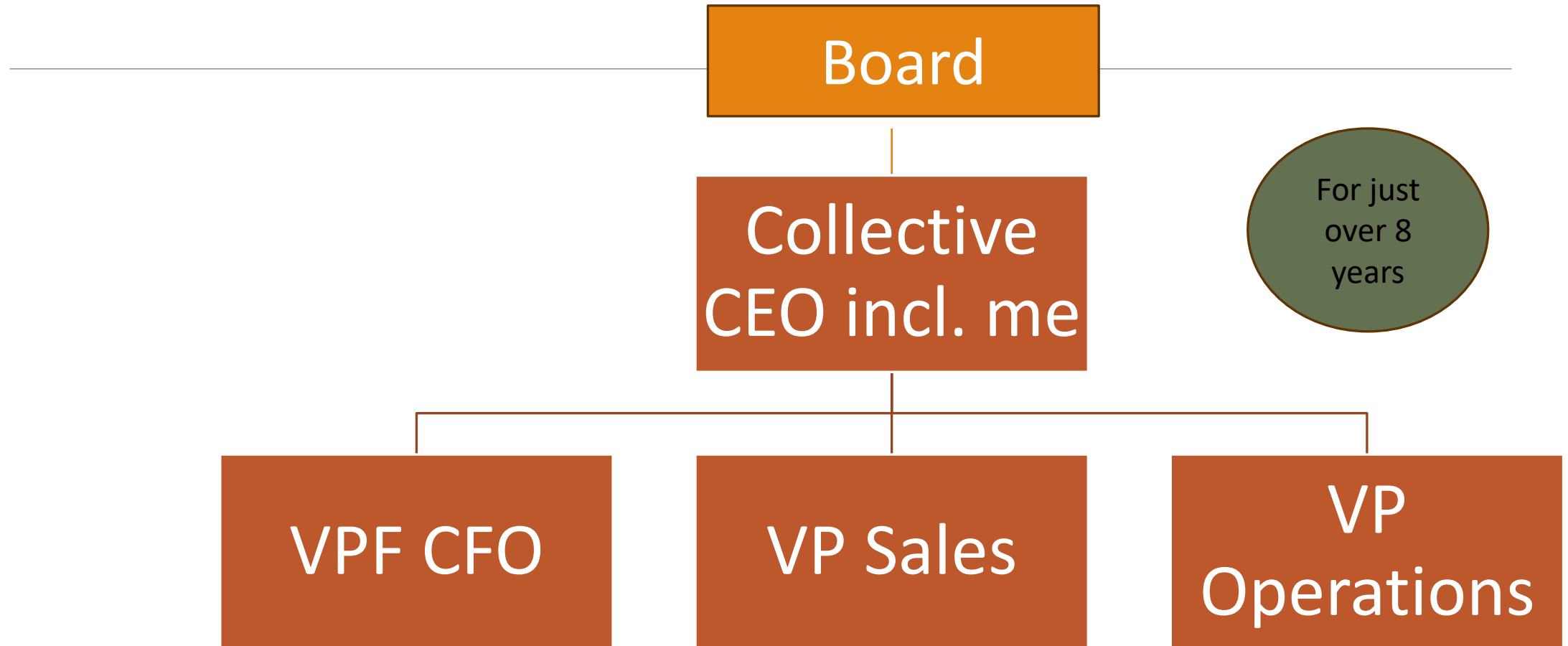
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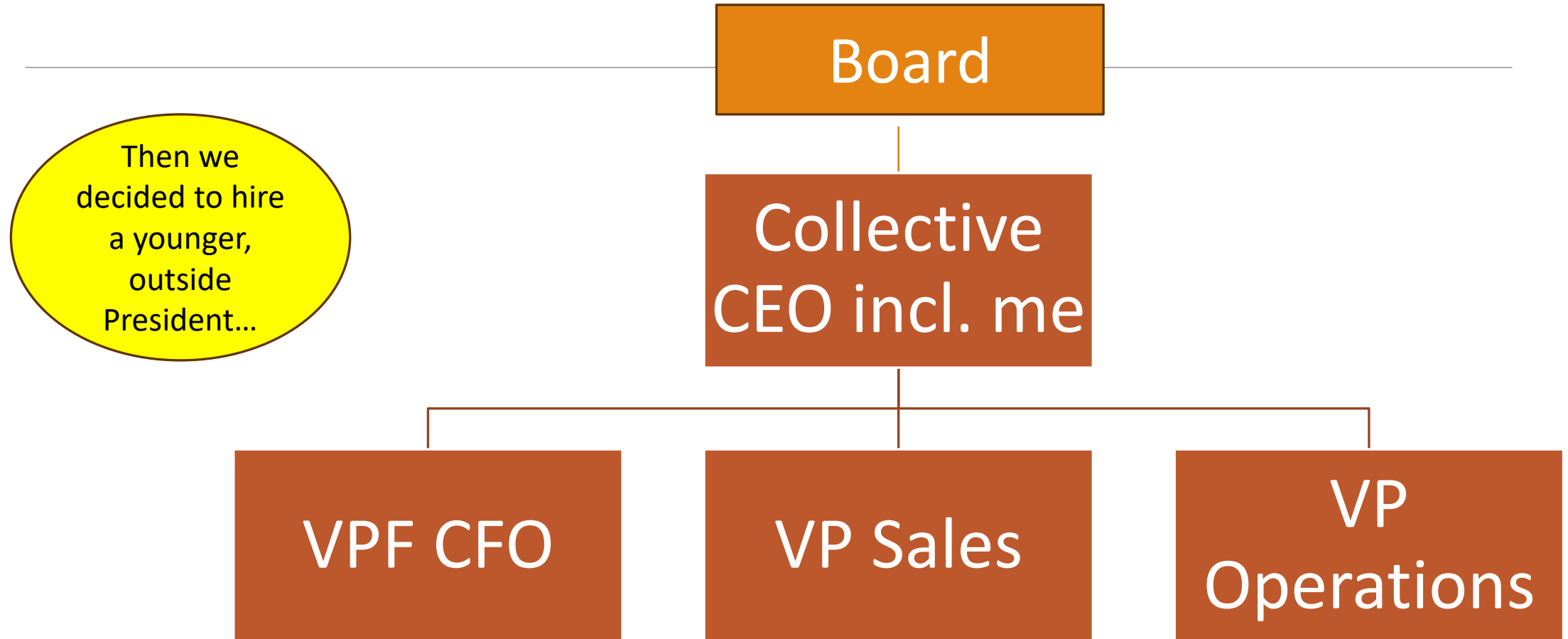
# After Management Buy Out



# After Management Buy Out



# After Management Buy Out



# You are all at different places

---

Some are Presidents/CEOs/owners/partners

Some are earlier in their career

Some are C-Suite and some are not, eg Controllers

Some have sat in many Board meetings as members, observers or management, and some have not been to any Board meetings

This course will help see your thinking of level when looking at many scenarios and also improve it, no matter what level you sit in your organization

If you can think more like your boss, the CEO, the Board, the owner, the partner, you will be ahead

Even if you don't aspire to the higher position

# Anonymous poll

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Would you like to be CEO one day, only answer if you are not one already?



# We will be mentioning Boards

---

# We will be mentioning Boards

---

I am aware that some of you don't have functioning, independent Boards, directing your business

There could be good reasons for it not functioning:

US subsidiaries, so parent company management directs

Closely-held family businesses, the Board doesn't meet actually bother to meet

That is OK, substitute this oversight for the Board in the examples

Think of the owner

**If you can think like an owner, it is always good**





# I sit on four Boards now

---

It is easier to think big picture and strategy when you don't even know all the details that management is aware of, and distracted by

I have turned down quite a lot of charity Boards, but may join one soon, story later in this course

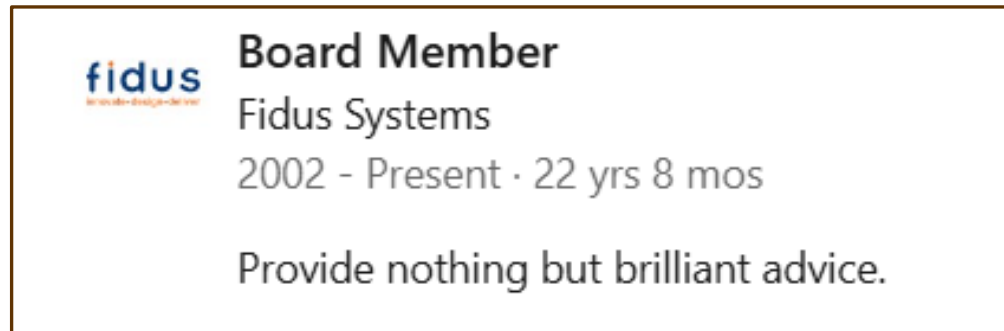
# I worked with a very big picture guy

---

Long-term Board member of a company I was CFO of

Seven years of Board meetings with him helped my thinking

His LinkedIn says:



I learned from his approach

# Issues and decisions face us all the time

---

Most young accountant thinks at the lowest level:

- What is the impact on what I do personally?
- How can I get my job done
- How can I make my job easier?
- But they need to get to higher level, strategic thinking

**WHY???**

# How will this help your career?

---

I want to make you look good

(That is what all my courses try to do)

You will look good in meeting and internal discussions if you are thinking well at your level, or even better, above your level

You can ask better questions (My questions at KPMG)

You will be able help your organization more

# What is the difference?

---

Higher level, strategic thinking in my view encompasses the medium to long-term, the big decisions, the big picture, overall changes of direction, big risks, value, economics and more

It is better quality thinking, it is looking beyond one's own job

Lower-level thinking tends to be tactical and detailed and operational and short-term

**Both** must be done well in any organization

The best people can operate at both levels

They recognize the big picture but are helpful with the small picture

Example: "I want you to implement \_\_\_\_ as it is strategically important, but watch out for these two specific things that might cause problems"

We will focus on the higher level

# We will study this, by way of examples

---

We have just talked concepts so far, I will illustrate this with many specific examples

Very short scenarios that lend themselves to the topic

Directly or indirectly inspired from real life

They may not be set in your industry or be familiar issues, but they are there as thinking tools

# What is your current thinking level?

---

You will be learned when you see where your answers fit in relation to the class and my answers on the difference scenarios

# Not theoretical diagrams and flow charts or professor stuff

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# EXAMPLE SCENARIOS

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# The scenarios

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Accounting system problem  
Cruise line pressured  
Can't hire the key person  
Residential property opportunity  
One A/P unit shines versus the other  
College systems startup  
Group RRSP decision  
Late-paying customer  
Oil company restriction  
The other company is getting sued  
Buy a competitor

Fast food customer discrimination  
Asian expansion  
Negative tax change  
The case of the disobedient six year old  
My software startup sees an opportunity  
The political party idea analysis  
The dumb CEO idea

Better supplier needed  
Now in charge of insurance  
Customer support business  
HVAC company dilemmas  
Money-losing sub for sale  
Sports, star player is injured  
A bill is received  
Conflict between department heads

# Scenario

---

There is an annoying problem with the accounting system, which hinders normal reporting.

# What do you think?

---

Use your experience, your imagination

Write in the Chat for one of the levels in the organization, hopefully different participants will cover them all

Staff: I want...

Controller: would want to..

CFO: I recommend....

CEO: This means.

Board: We think...

# Levels

---

Staff	I can't do my job properly
Controller	If we do ____, I might be able to create a work around
CFO	Is this accounting system meeting our needs, or do we need a new one?
CEO	Should we be moving to a company-wide ERP system, which includes a new accounting system, for a variety of reasons
Board	Is the management team capable of exploiting technology properly to make the company successful at all levels, or do they need help, or do we need new people in the positions

# Levels

---

Staff	I can't do my job properly
Controller	If we do ____, I might be able to create a work around
CFO	Is this accounting system meeting our needs, or new one?
CEO	Should we be moving to a company-wide ERP system, which includes a new accounting system, for a variety of reasons
Board	Is the management team capable of exploiting technology properly to make the company successful at all levels, or do they need help, or do we need new people in the positions

Sharp Controllers  
may also think  
this

# Levels

---

Staff	I can't do my job properly
Controller	If we do ____, I might be able to create a work around
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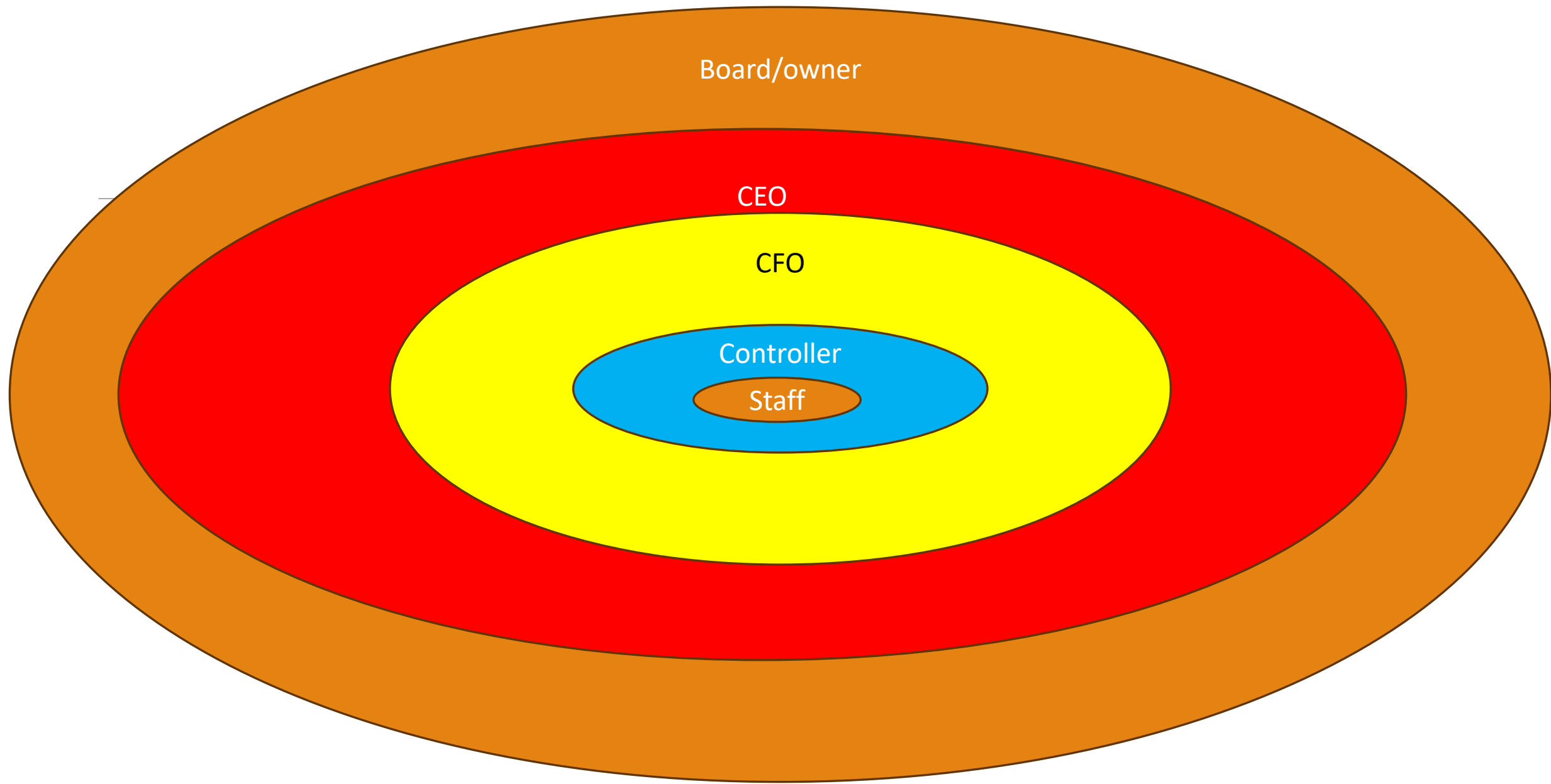
Sharp CEOs may also think this

# There are layers of thinking

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Hopefully getting bigger as you get more senior





Board/owner

CEO

CFO

Controller

Staff

# Note

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This doesn't mean the larger circles include the thoughts of the lower circles, they are just bigger picture

After creating this, it reminds me of

---



You may prefer the onion illustration...

---



# Questions? Comments?

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# Question

---

Have you ever been on a cruise? Type cruise in the Chat

We once went on a 4 day, Florida-Bahamas last minute cruise, a very good price

I authored the famous CMA Cruise ship case



# Scenario

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**Titanic Inc.**, a smaller cruise ship line is still struggling from debt accumulated during COVID, although business has picked up quite a bit, the public still has some reservations about being on a ship in close quarters with a lot of people.



# What do you think?

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You could put in Chats for high-level thinking or low-level thinking



# Levels

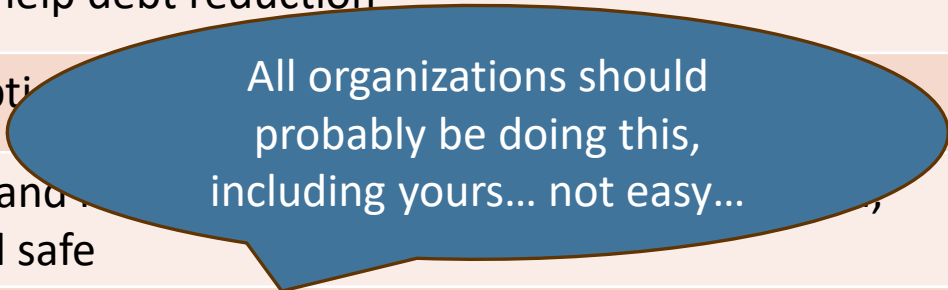
---

Staff	Just keep doing my job
Controller	Working to improve cash flow to help debt reduction
CFO	Looking at various re-financing options and debt reduction options
CEO	Looking to optimize the business and including tapping pent up travel demand, while ensuring customers will feel safe
Board	What is the next COVID-like event that could impact the business and how do survive or even thrive during it?

# Levels

---

Staff	Just keep doing my job
Controller	Working to improve cash flow to help debt reduction
CFO	Looking at various re-financing options
CEO	Looking to optimize the business and ensure customer safety while ensuring customers will feel safe
Board	What is the next COVID-like event that could impact the business and how do we survive or even thrive during it?



All organizations should probably be doing this, including yours... not easy...

# Poll - Boards

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Questions:

Your employer has a functioning Board

Your employer does not really have a functioning Board, or has no Board

You are a board member, any context

You have sat in quite a few Board meetings

# Scenario

---

The company has not been able to find a key hire with a certain skill set, through the normal channels (Job ads, LinkedIn, Indeed site and the regular headhunter)

# Levels

---

Staff	Lots of Indeed and other bills to pay, and we still have not found them
Controller	I guess they should spend even more money advertising
Executive	Try some more headhunters? Have we called out to all staff, to see if they know someone? We could even offer a financial reward
CEO	Do we need really, really need the position? Do we need different people in HR? Should we use a contractor or a firm for the skill? Have we looked internationally?
Board	Why can't the right person be found, is there a real shortage, or this company as a whole, doesn't know how to procure talent? Is this showing a major strategic weakness?

# Levels

---

Staff	Lots of Indeed and other bills to pay, and we still have not found them
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Board	Why can't the right person be found, is there a real shortage, or this company as a whole, doesn't know how to procure talent? Is this showing a major strategic weakness?

You may say that is not how I think as an executive...that is OK, I am making illustrative assumptions...

# There is an unchangeable law in the world

---

You only have one chance to make a good first impression

Rich or poor, smart or dumb, whatever the context

I hope I have made a good impression most of the time

But here is a bad one

My first day at the KPMG Toronto office (North York), after transferring from Ottawa

I showed up looking like this...

My biggest shaving cut ever....

This probably stuck in their minds

# Scenario

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**Cark Inc.** is owned by a number of unrelated private investors. It has been a builder of large residential apartment buildings, since 1979. It functions as a general contractor on all projects. Recently a large customer has asked the company to be the co-owner of the next two complexes it was to build for them. The executive team finds this a very attractive opportunity.





# What do you think?

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# What do you think?

---

17:37:53 From Ben To Everyone: different insurance coverage will be needed

17:37:54 From Jorden To Everyone: yes

17:37:54 From Suli To Everyone: good to get income from something else

# Levels

---

Staff	I may need to help the Controller on the accounting for the properties
Controller	What is the ROI? Who will do the accounting for this kind of joint venture? This is different from construction accounting? Will it be a joint venture for accounting purposes? How will the sale to the joint venture be accounted for?
CFO	Why do they want us to share the risk and reward? I need to see the Controller's ROI analysis. Is this a good partner? Will a new entity be incorporated? How will the agreement be documented? Will it be a co-tenancy? Will we make our normal building general contractor margin? Do we have the financing for this?
CEO	Hold on, this is a change in strategy, a different mandate. I must de-risk myself by getting Board approval, instead of doing something this different from the company's historic business, but I need ROI and specifics first
Board	Our strategy is to be a general contractor. Property management is not our core competence. We might consider this, it is diversification, but it needs quite a lot of scrutiny. If it flies, it might be a growth area. It will ease construction recession

# A reminder about this topic

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COMPANY WITH A STRATEGY



# The link

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[: The Importance of Strategies Video \(youtube.com\)](#)

# Big picture thinking

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My son's CPA neighbour becomes Chief Operating Officer of a medium-sized regional law firm

(He had worked for all of the Big Four and his father is a retired Big Four accountant)

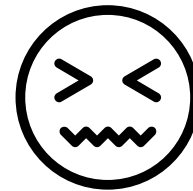
His first big question was on the job was a big strategic one:

“What is our market and how big is it?”

All he got was blank stares from the lawyers

Do you know your market?

I know it is harder for law firms/accounting firms....



# Scenario

---

One of the company's two regional A/P units seem to function quite a bit better than the other, it is more efficient

(A smaller topic, for a change)



# What do you think?

---

# Levels

---

Staff	I would like to work with the better one. The worse one needs more training.
Controller	Is the one really more efficient? I need to create and examine all the KPIs. Can the manager of the more efficient one train the other one? This is probably more of a management issue, than a staff issue. Should the manager of the weak one be replaced?
CFO	Should we shut one down, and expand the other, regional doesn't really matter in an electronic world
CEO	Why are we even doing A/P in-house? Should we out-source the function? Should we even offshore the function?
Board	Management details

# More insight

---

For a finance dashboard, that could help monitor the performance of various finance functions including A/P, with KPIs, take my course **Ten Practical Topics For Financial Leaders** (Quebec title: **Practical Brainstorming; Top Ten Trouble Spots and Other Useful Topics For Financial Leaders**), it also covers lots of other topics

For offshoring and out-sourcing discussions, see my course **Practical Tips for Controllers & CFOs**

# Asking the right, big picture questions?

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Why are we doing this?

What is the 5 year perspective

Are they dealing with the symptom only?

What is the impact on shareholder value?

Does this tie into our objectives and strategy?

Is this our competitive advantage?

Do we have the right people in place?

Have risks been assessed properly and mitigated?

Is there another way of doing this?

**Can you think of more?**



PRIZE for my  
favourite

# Note

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Some organizations never ask input on strategic things from finance (CFO/Controller, etc.), unless it is directly financial

I am always volunteer strategic thoughts, especially in the last 22 years, even if not asked...

# The strategic solution

---

The top commodity tax specialist in Canada, working for a Big Four firm has solved a complicated provincial sales tax problem for a famous audit client of mine, which will save a lot of cash and the books need to be corrected

The journal entry to solve the problem was faxed over from the partner

Not the real entry, something like:

DR Sale tax liability    \$14,343,744

CR Equipment – cost                      \$9,843,029

CR Supplies expense                      \$1,339,293

The client was shocked, because it didn't balance!

They missed the big picture, or maybe it was the little picture!

FAX COVER SHEET	
RECIPIENT:	
TO:	_____
FAX NUMBER:	_____
SENDER:	
FROM:	_____
PHONE:	_____
TOTAL PAGES:	_____ (including cover sheet)
DATE:	_____
MESSAGE:	
_____	
_____	

# Scenario

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**UniCollegeSystems Corporation** is a five year old startup. Its product is a special enrollment system for large universities and colleges. The company raised \$20 million of venture capital in its first year, and now has market saturation with virtually all customers in the target market signed up. This was accomplished by diligent sales work, particularly by the VP Sales, Dod, to break into these customers, after Harvard and University of Toronto, became the launch customers. There is some more potential revenue in terms of upgrades, features and customization. The management team is the same as day one, it consists of Dod, veteran startup CEO Caily, experienced CFO Clancy, Systems Development VP, Fistriu and Customer support VP Akim.

# What do you think?

---

The issue is a little below the surface...



# Levels

Staff	Great, the business is stable
Controller	Make sure all software contracts are accounted for properly
CFO	After this growth period, put in place more permanent accounting procedures
CEO	We now need a farmer to head sales, not a hunter. Getting money from existing accounts, not breaking into new ones, these are different skills. Now that we have raised the funds and spent it, we may need to hire a CFO who doesn't have a startup perspective, raising financing, etc, to a long-term operational one that is cheaper. Will we lose other executives, if their stock options have vested?
Board	Do we have the right CEO for the next stages of the company? The VC firms probably want to exit, the issue is no longer fund-raising and growth....

# Comment

---

I have worked for startups, management team change is a real issue

# Scenario – more micro and on compensation

---

Company Policy is to put 5% of employees' base salary in a group RRSP. An employee asks if they can take it in cash.

# What do you think?

---

There is still higher level thinking on something like this, it came from me at work

# Levels

---

Staff	I am the one who asked, due to inflation, I need the money now
Controller	I think that would be fine, there is no cash impact to the company, and I have checked, no tax difference to the company, the employee will have to be reminded that is taxable, without the RRSP deduction
CFO	If we let one person elect cash, we really need to let everybody elect cash, and we should officially change the Policy. If we change the Policy, we need to announce it, and amend our standard employment offer letter.
CEO	Do we really want to do this, the RRSP plan is strong encouragement for employees to have retirement savings and think ahead, this needs more executive discussion
Board	Not a Board matter

# What is this?

---



The coal mine  
beside my  
Dad's house

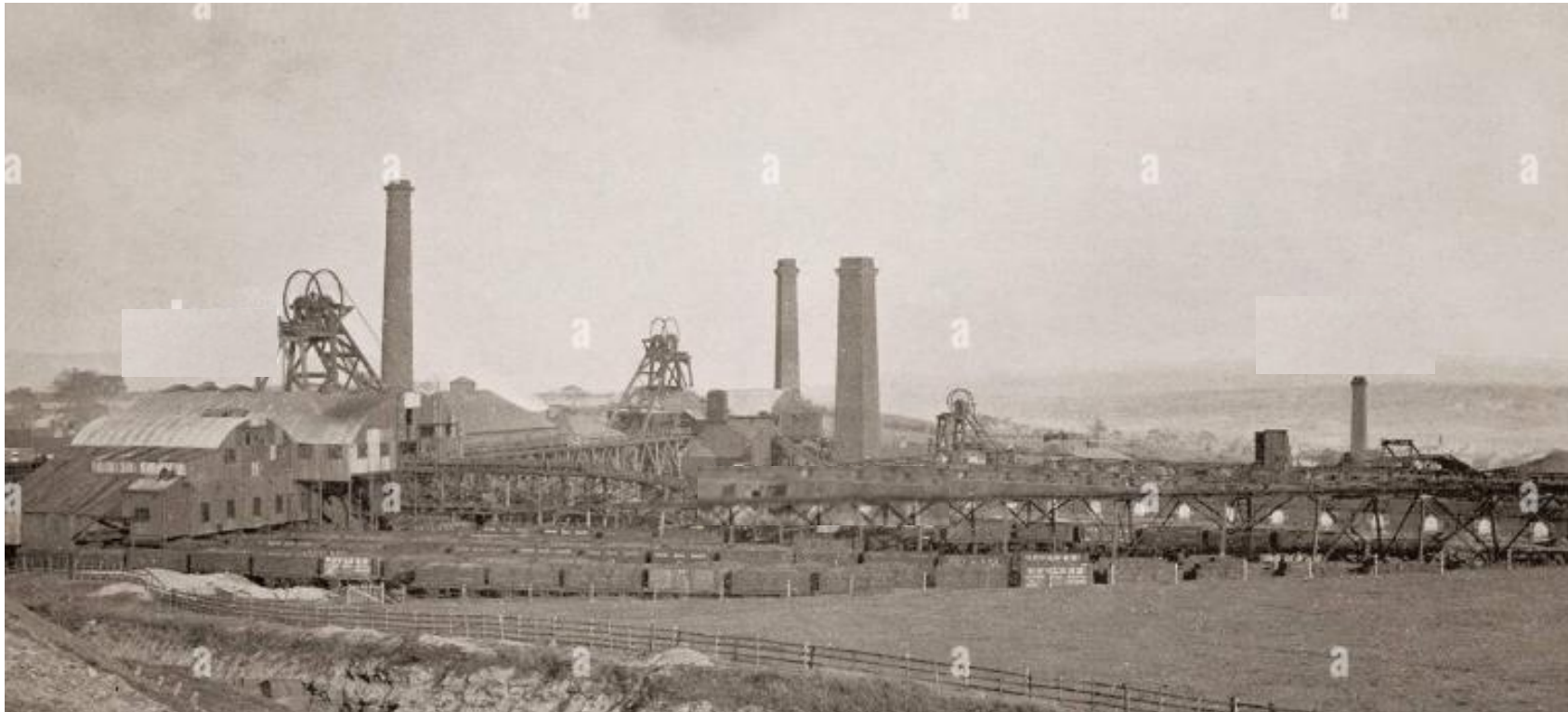
# What is this?

---



Everything smell of coal, when I used to visit the town, men squatted when waiting for buses....

# What is this?



Everything smell of coal, when I used to visit the town, men squatted when waiting for buses....



# Scenario

---

Walin Inc. is a major farm equipment reseller. The company is owned by one individual, who is not involved in the business. An important customer in a significant industry segment, just called a finance team member and wants 40 more days to pay the current invoice past term. The annual credit check one month earlier, was very positive.

# What do you think?

---

# Levels

---

Staff	What should I do, I can't make this decision myself
Controller	Tell collections clerk to note this in the collection file and adjust the cashflow forecast. I need to find out why the credit check did not pick this up
CFO	I should call their CFO and ask more questions. There is a big risk to our company if this important customer is in financial trouble. Need to investigate appropriately and talk to the CEO. Should we do more than annual credit checks? Should we get outside help in monitoring credit?
CEO	Why is this customer having cash flow problems? Is there an industry issue? Let's get on top of all industry business sales and receivables?
Owner	Are we doing a major part of our business in a weak industry, where there will always be a lot of credit problems? Might we want to strategically reduce our dependence on this industry?

# Levels

---

Staff	What should I do, I can't make this decision myself
Controller	Tell collections clerk to note this in the collection file and adjust the cashflow forecast. I need to find out why the credit check did not pick this up
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CEO	Why is this customer having cash flow problems? Is there an industry issue? Let's look on top of all industry business sales and receivables?
Owner	Are we doing a major part of our business in a weak industry, where there will always be a lot of credit problems? Might we want to strategically reduce our dependence on this industry?
Board needs to be informed. Perhaps the Board would need to hear about 2-3 such problems to raise this	

# Scenario


---

Small oil company **Taroil Inc.** earns 30% of its profit from selling oil to a medium-size country via a subsidiary in that nation. This country has just elected a new interventionist government, which has put in place draconian currency restrictions, making it impossible to repatriate any profits any more.

# What do you think?

---

# Levels

Staff		The subsidiary still holds the cash.
Controller		Are there are accounting implications to this, write down or???
CFO		When is the next election, this will hopefully be temporary. What is the political direction of the company, is this government popular? Or do we sell the subsidiary and cut our losses?
CEO		We need to find out who to bribe in the government, to take care of this problem, probably the President. There is \$14M left in the bribe budget for the year. Need to do this without the CFO knowing, they are honest and would stop it.
Board		Let's use barter, that country must produce things for the world market, we can then take it as barter and turn it into cash. For example, if it produces a lot of rice, we will take payment in rice, this should be perfectly legal, but we might want an opinion on this

Joke and ethics reminder!

# Side note

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This scenario contributed by my Dad to this course

He is still working, 91 years old in December, 100% there mentally

I am only 96% there, for example, I left the freezer open overnight...

This is from a real Shell Oil company scenario

Dad worked for Shell 1956-1965 and then consulted for them recently about 2017





# One of my uncles

---

Worked 40 years at a Lloyds of London insurance broker selling shipping insurance to Asian billionaire shipping magnates

He made an interesting statement once

“The billionaire’s kids had all earned their MBAs and were taking over the business”

“But they were never as sharp as their Dads, who had no business education”

I believe this, the Dads learned from the school of “hard knocks” and were more experienced

(For funny MBA jokes, see my course **Practical Works Smarts For All**

Don’t take me too seriously if you have an MBA)



# An illustration – the mountain

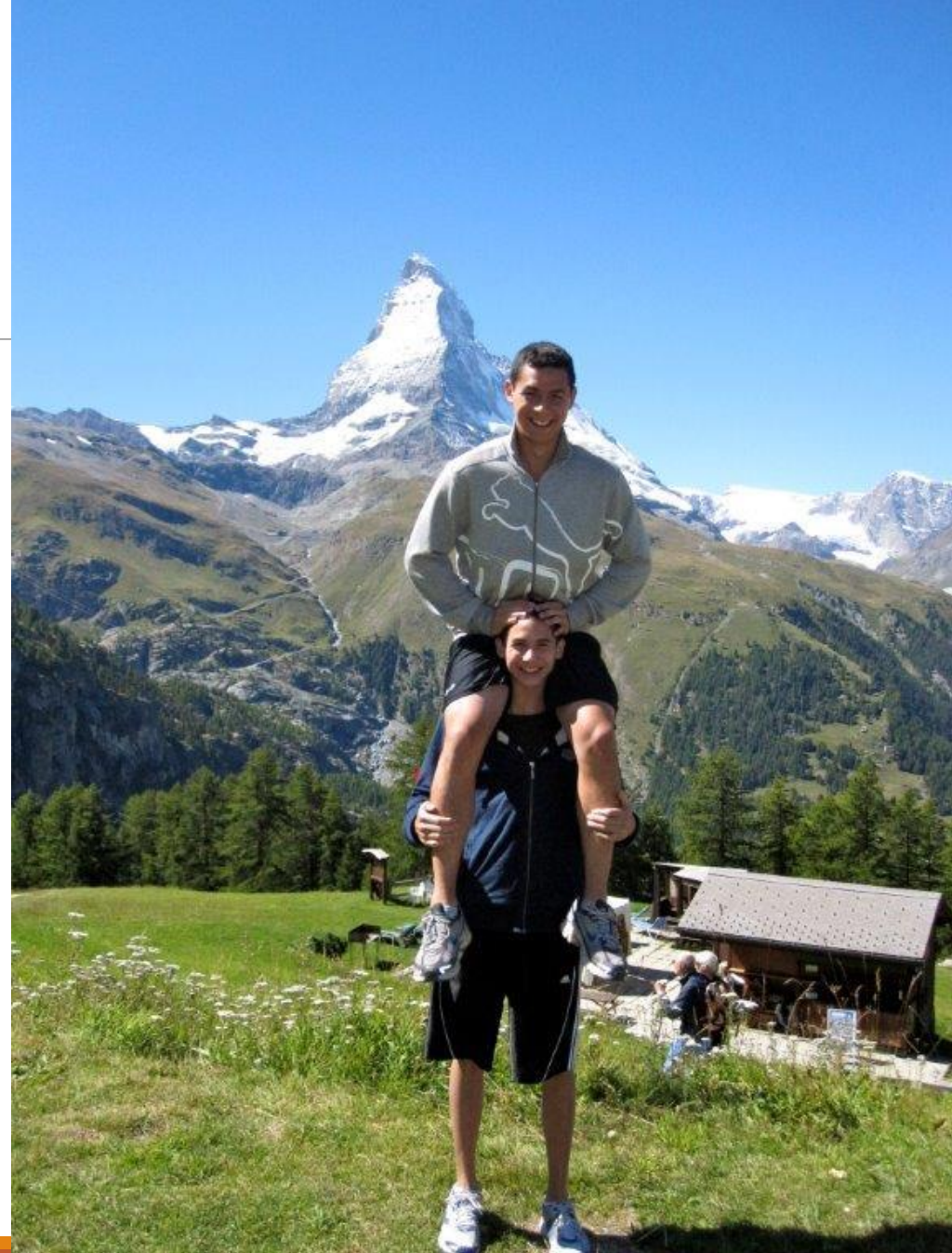
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The more senior people should always have a higher, bigger view of issues, direction, etc.

# A few years ago...

---

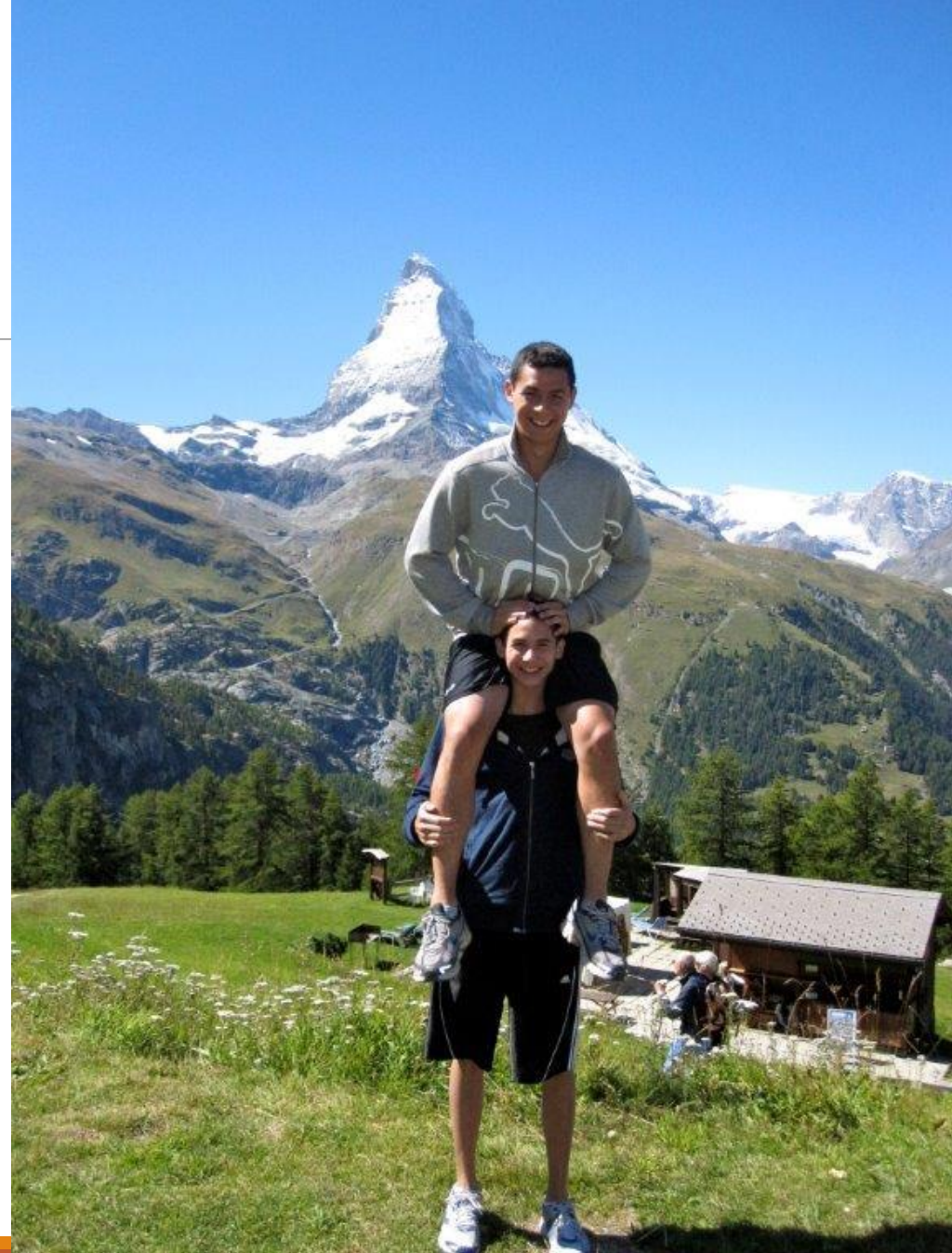
What mountain  
is this?



# A few years ago...

---

The Matterhorn,  
I am one quarter  
Swiss







We only got to  
12,739 feet, top is  
14,692, on  
equipment, no guide



Board

CEO

CFO & VPs

Controller

Staff

Since we mentioned chocolate earlier

---



# Did you know the connection?

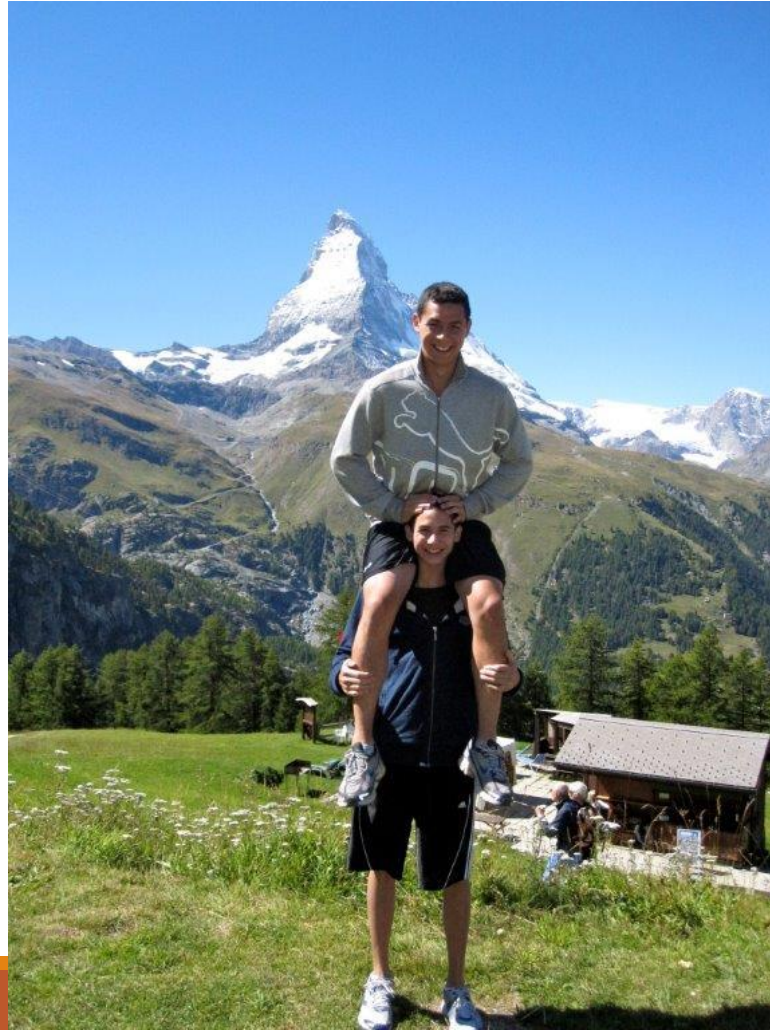
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And this?

---



# And this?

---

Sometimes, I tell a winner in an in-person course, you won a chocolate bar

And I pull out a giant Toblerone bar as the prize!

Too expensive to mail today, but a later prize in the course is chocolate...



# Scenario

---

Management of Matthias Inc. (MI) hears that a Canadian company is being sued for automating certain requirements in a particular industry. The litigant claims they have a Canadian patent for automating any all requirements in that industry by software. MI business is automating a different part of the same industry requirements

(Based on a very true story)

# What do you think?

---

# Levels

---

Staff	That's their problem
Controller	Make sure any IP lawyer bills are accrued for at month end, if not received, if we have to contact the lawyer
CFO	We better discuss this with our IP lawyer
CEO	All the publicly available documents need to be reviewed. We need to contact the Canadian company and talk to them discretely because of mutual benefit, in addition to discussing with our IP lawyer, and possibly theirs, with permission. Is their lawyer strong? If they can't afford a good one, we may even want to help them pay for a better lawyer. We may want someone to attend the court hearings.
Board	Big picture, we must determine if this threatens our entire business and what can be done about it

# Can you share a scenario, which results in a good illustration of thinking levels?

---

My favourite gets a **prize!**

# What would you like for your snack?

---

Email [ypriddle@bell.net](mailto:ypriddle@bell.net) and tell her what you want her to order from Uber Eats or SkipTheDishes, need your address and preferred time, or



# Missing the big picture as a teen

---

My three brothers and I, young teen, hand shovel most of the seniors' driveways on our city block, our own small businesses

Killer work in the great snow falls of the 1970s in Ottawa (40% more snow than Calgary/Edmonton)

Big picture thought yesterday, we should have together bought a **snowblower!**

But it helped our work ethic!...





# Lesson

---

Sometimes, it takes us quite a while to see the big picture

# Our kids also did a lot of shovelling intentionally (giant backyard rink)

---



They are  
really hard  
workers as  
adults

# Our backyard hockey rink in action



# Scenario

---

The Board of **Blake Corp** proposes buying a small competitor for a fairly high price, due diligence must start soon. The Board is composed of four individuals.

# What do you think?

---



# Levels

---

Staff	Not involved
Controller	Let me know if you want help with the due diligence
CFO	Ask to see the Board's full rationale, is it something strategic that has not been disclosed, other than reducing competition Must determine if the high price is justified. Do a quickie valuation myself. Get at least one independent valuation.
CEO	I should meet with the two most influential board members individually, and find out where this is coming from, and if they can be dissuaded, paying too much for a small competitor could be negative for the company. Also check if government will be concerned due to <b>Competition Act</b>
Board	Hurry up and get it done

# Real life

---

I have heard of Boards almost unilaterally decided to go ahead with acquisitions, with little executive input

Including in the case of a famous software company, 100% of you use the software...I was told this by management of the company, when I taught them an in-house course

# Scenario

---

**Subpar Inc.** is a well-known fast-food chain with 4,000 outlets. Last week, a cashier took a rude and discriminatory approach that is indefensible, when serving a customer, who was the sibling of a famous Canadian. **The Internet has lit up about this.**



# What do you think?


---

# Levels

---

Staff	That was not very nice
Controller	There will be a termination cost to account for the employee's dismissal, I am sure.
CFO	My Controller will likely have to look into contingent liability accounting/note disclosure, a legal action will likely result
CEO	We need a full damage control approach. We need to engage the best lawyer and a PR firm, and put out a press release. We must announce the person is no longer with us, as soon as they can be shown the door. All the staff need training, we need better policies. I will try to avoid media interviews, but if this is not possible, I will stick to the lines in the press release
Board	Agree with CEO, but are there any culture issues to look into, or was this an <b><u>outlier</u></b> ?

# Levels

Staff	That was not very nice	
Controller	Then	
CFO	My C discl	
CEO	We need a full damage control approach. We need to hire a PR firm, and put out a press release. We must announce the person is no longer with us, as soon as they can be shown the door. All the staff need training, we need better policies. I will try to avoid media interviews, but if this is not possible, I will stick to the lines in the press release	
Board	Agree with CEO, but are there any culture issues to look into, or was this an <b><u>outlier</u></b> ?	

# Big picture thinking illustrated w/ job opportunity for me

---

The company appears to be leading in a hot space, the early days of GPS, commercial fleet tracking, the year 2000

What are the big picture issues?

How long does the space stay hot?

How soon before GPS is commoditized? Can we make money as an early player first?

I drill the CFO with dozens of questions on the market, the prospects, over several weeks

The Big Four partner who referred the job to me, says: “hurry up, you must decide, the CFO is losing patience with your questions”

I took the job

I remember the excitement of “we are tracking this vehicle on the map with GPS”

My caution turned out to be right, the market was turning....



# Scenario

---

Canada Post

What are the big picture, strategic questions?



I was talking to senior finance employee about this the other day, she had a no idea....

# Some background

---

Canada Post said Friday its financial situation is so grim it could run out of operating funds in less than a year, after the Crown corporation posted another whopping pre-tax loss of \$748 million in 2023.

[In its annual report](#) released late Friday afternoon, the company predicts "larger, unsustainable losses in future years" without major changes to its operating model.

"Even with Canada Post's recently proposed stamp price increase, the Corporation projects that, without additional borrowing and refinancing, it will fall below its required operating and reserve cash requirements by early 2025," the report says.

Canada Post has been losing money since 2018. In the last six years, its losses have totalled \$3 billion.

# Questions

---

Should Canada Post even exist in a world of email/Internet, no personal letters, and so many other delivery options?

Should a post office be funded by user fees, or tax subsidies, or both?

Should UPS and Amazon carriers replace the post office directly or under contract?

The same could be asked about another federal crown corporation, the Mint

Our daughter used to work there

(I know this is a bit of politics/economics)



# Other threatened businesses/trades

---

Locksmiths?

Gasoline/diesel car mechanics?

Travel agents?

Editors?

Do they realize it, or are they missing the strategic big picture?

Can you suggest others?





The prize – a giant chocolate twoonie

---

# The prize

---



# Scenario

---

Kassian Inc. is trying to open up business in a certain large Asian country. A local representative, who is a national of the country, has been hired and has been trying to get contacts and contracts without success.

# What do you think?

---

# Levels

Staff	I have been paying the contractor's bill
Controller	The costs to date have been a shocking \$710,443 over three years in the system, I will alert the executive, they may not be clear on this
CFO	Is it time to give up the idea?
CEO	Do we need to partner with an existing local business?
Board	Should we acquire a business in the country as the avenue?

# Once upon a time

---

I decided to become a CA, which involved passing the 4 day, 4 hour per day **Uniform Final Examination**

Day 1 was one very difficult 4 hour case, about 25 pages long

I sat down to read and write my first practice case

I was completely discouraged

I will never pass this, too much information, too many decisions, multi-subject, so long, hidden issues, so different from B. Comm

I did get through the first try and did well, but it was a lot of work

I have now authored dozens of such cases, and the CPA equivalent

Some for six months of group work, some the 5 hour case



# My cases

---

Always have higher level strategic issues to find out who sees them and who doesn't, to rank candidates in examination and other situations

There was once a famous CA four hour case

Assignment: help this company with an acquisition

Underlying strategic issue: they are having so many problems, they shouldn't even do the acquisition

A large number of candidates in Canada, missed this higher level thinking

Lesson: Think bigger, when you are told to do something...

# Scenario

---

An announced change in income tax legislation will impact the business negatively next year

**Income Tax Act (R.S.C., 1985, c. 1 (5th Supp.))**

Full Document: [HTML](#) (Accessibility Buttons available)



# What do you think?

---

# Levels

---

Staff	I will leave it to the Controller
Controller	I will ensure we comply, and budget the tax cash flows that result
CFO	Does the Controller need some outside tax expert help on this? Let's carefully consider taking a position that triggers a court case, which might have a favourable outcome
CEO	This must impact everyone in the industry, let me take this to the industry association/peer businesses to possibly lobby CRA and/or politicians, for a reprieve. Ask the CFO to quantify the admin burden and the impact on the company.
Board	Leave this one to management

# In-person sessions

---

Anyone want to hear me in-person?

I am told I am dynamic, I am walk all around the room...

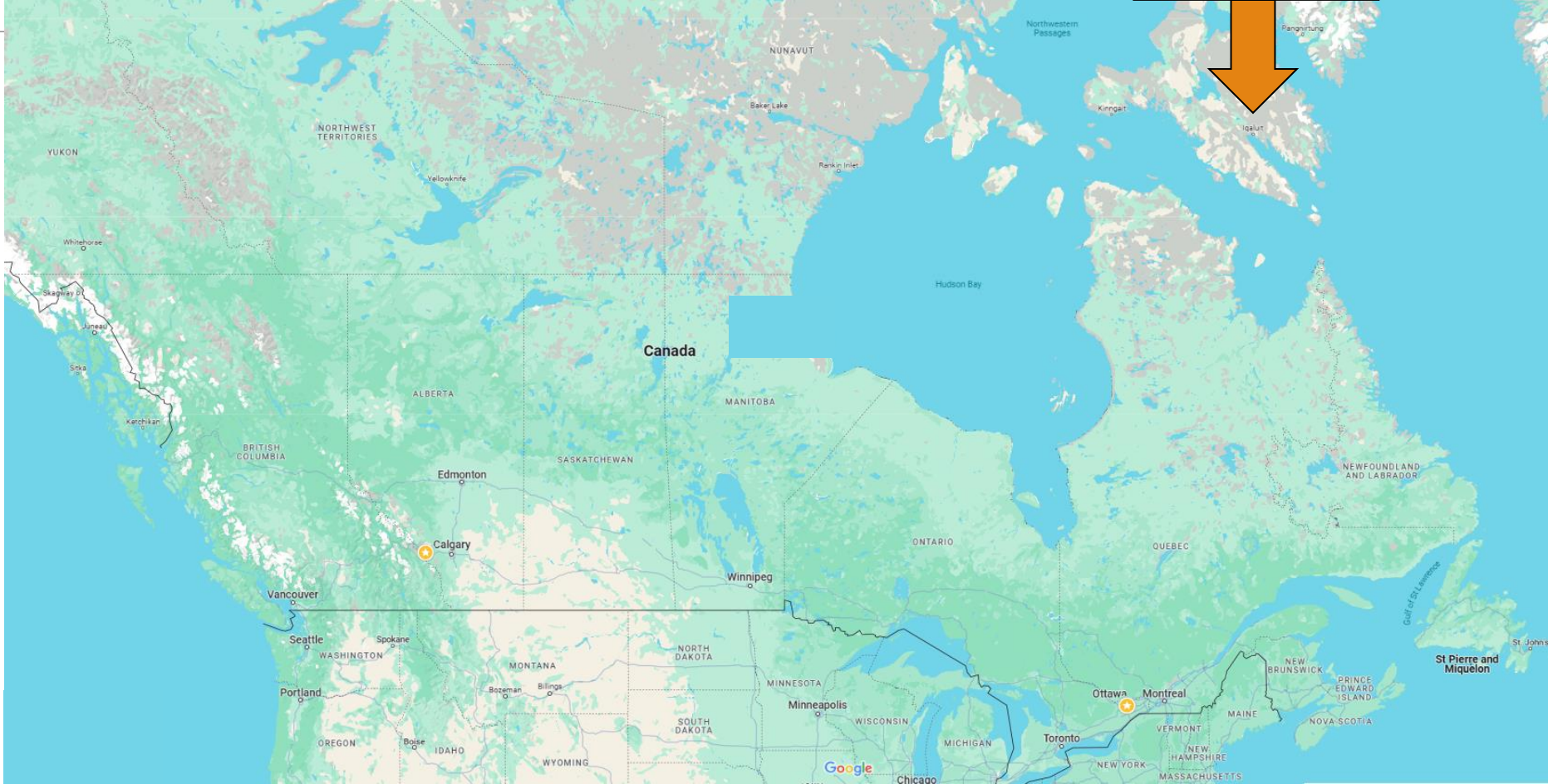
However, no events scheduled anywhere in the world

But one is being discussed for May 2025

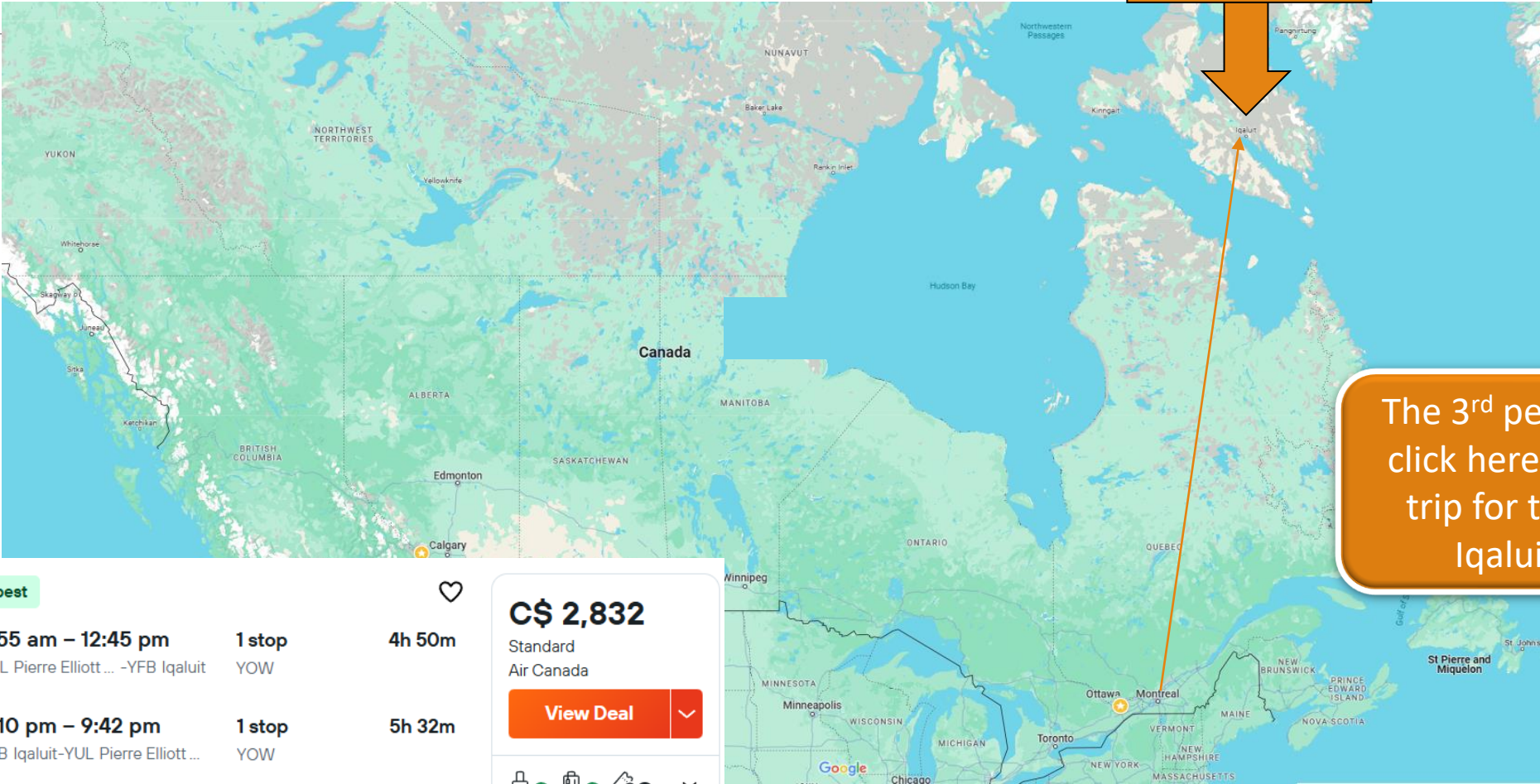
I hope to see some of you there

You just need to travel to...

Iqaluit NU



Iqaluit NU




The 3<sup>rd</sup> person to click here wins a trip for two to Iqaluit...

Best

Cheapest

☐




7:55 am – 12:45 pm

1 stop

4h 50m


☐



YUL Pierre Elliott ... -YFB Iqaluit

YOW

☐



4:10 pm – 9:42 pm

1 stop

5h 32m

☐



YFB Iqaluit-YUL Pierre Elliott ...


YOW

C\$ 2,832

Standard


Air Canada

View Deal









Air Canada, Canadian North • Operated by Air Canada Express - Jazz

Let's turn to family life...

---

# Scenario

---

Young parents' six year old refuses to sit in the assigned seat in the car

# Input?

---



# Levels

---

One parent	Yikes, they won't obey
The other parent	This is embarrassing, people in the parking lot are watching. Give them a count to five to try to get them to obey
Grandpa	<p>Big picture, you need to think strategically, the longer run, beyond today's issue, especially to the teen years ahead. They need to learn to obey immediately, not after a delay, otherwise you will have an unmanageable house, with a teen absolutely refusing all orders. Parenting is training your kids.</p> <p>They need discipline/consequences, which are a teaching mechanism, the actual methods are not the big issue</p> <p>Don't bribe them!</p> <p>Occasionally reward them*</p>

\* I used to get home from work and say, "Mum, who was really good today, they get a twoonie?"

# Big picture and strategy

---

I like to share about these things in staff meetings

This helps them see the forest, not just the trees

This helps prepare them to be promoted

Most appreciate it

# Missing the big picture

---

After the great Nortel layoffs in the 2004 era in Ottawa, a guy I know worked helping laid off scientists and technical people who were starting businesses

They would present their new product/system idea to him for feedback

He was surprised how often this would happen:

He would say after reading their proposal



# Missing the big picture

---

“This is pretty neat product, would you like to buy one, it would save you work”

They would say, “what?!!”

He would say by simple google search, the product/system was already on the market

They missed the big picture, they didn’t even google to see if it had been done before...

But I have been involved in worse...



# Scenario

---

I was working for a software startup, many years ago, which was very short of money

A star developer once developed the software to manage DVDs and his employer sold it for \$10M US without a huge amount of effort

He has an idea for an analogous software to convert all sound files into the brand new MP3 format, but we need some funding to do this

# What do you think?

---

# Levels

---

Staff	Sounds good
Controller	Sounds good
CFO me	Let's raise the funds and make this happen
CEO	This could be an easy \$10M US plus like the previous time
Board	We are on board as well
Venture capitalist who we presented the idea to	I notice this is available as <b>freeware</b> !

# Scenario - politicians

---

A Canadian political party in power is making decisions about spending. A party thinker has come up with a new spending idea.



# What do you think?

---

# Levels

The party spin doctor's line	Canadian want _____, and we are investing in this now to deliver this for Canadians
The MP	This could help me win the next election
The Minister	I can take credit for this, because it is under my Department
The bad Prime Minister	Sounds good to me, I can memorize the spin doctor line and repeat it over and over
The good Prime Minister	Does this make economic sense? What are the debt and deficit impacts? What are the provinces doing or not doing? Can we afford it? Should we cut something else to pay for it? What have other well-run countries done in this area? Will it have any negative side effects?
Unthinking Canadian voters	What is in it for me and my family?
Thoughtful Canadian voters like CPAs..	Is this really good for the country? In the long run? Is it fair to all? Can the country afford it? Will it result in new taxes?

# Big picture

---

Shall I give you the big picture on Canadian politics and economics?

Actually, I better not, although this audience might generally agree

# The big picture and a firm partner

---

There was one KPMG partner who used to walk around the office, and then aggressively ask staff what they were doing

Most answered:

"I am completing the audit of \_\_\_\_\_"

"I am doing the tax work for \_\_\_\_\_"

I would always answer "I am making you money \$\$\$\$",

\$

He liked the answer!

I focused on the big picture

It reminds me that as a CFO in industry, I am more like overhead, not making the business money....

# Scenario

---

The CEO of **UstinJ Corporation** is bent on making a dumb business move, albeit not one that needs Board approval

But first a CEO joke

---







# What do you think?

---

# Levels

---

Staff	Not involved
Controller	This is dumb, but none of my business. (Likely not involved, but could if really sharp)
CFO	I must protect the CEO from themselves, a strategic meeting where I can constructively voice my concerns and suggest an alternate course of actions is needed, OR let the CEO go ahead, I will protest, but there is no way they will listen, and the CEO could get fired, and we could get a better one, or I could get the job!
CEO	I think my idea is great
Board	May not be aware of it, unless brought to their attention

# A Proverb says

---

*The plans of the diligent lead surely to abundance,  
but everyone who is hasty comes only to poverty.*

Think and plan ahead in personal life and business

# Have you ever had a

---

Bungee CEO....? hired, fired, then hired, fired...



I have had two!

# Questions? Comments?

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# Scenario

---

The company has gone through five suppliers of a key input over the past 4 years, trying to find the lowest bidder that meets requirements. The company has not been happy with any of them. If the suppliers did some R&D they could probably produce cheaper and with better quality but none of them want to. Zagon is the most promising supplier, but a short dance with them, and then another change would not be good.

# What do you think?

---

# Levels

---

Staff	This changes in suppliers in the system is painful
Controller	I have all the cost data for executives to analyze this, if they need to. But I don't have the qualitative factors, which are not in the accounting system. I can do more investigation of Zagon, for example, check their credit
CFO	Could we pay them an NRE fee, to do the R&D, with restrictions?
CEO	Let's do a long-term supply partnership with Zagon. We will commit to only buy from them long-term, but there will be various price mechanisms, that will fund the applicable R&D.
Board	We have to be careful, if we are dependent on one critical supplier, but shall we just buy Zagon, vertical integration?



# Interesting

---

I have been asked to join the Board of a Charity that I have supported for a long-time

The US charity with the same name, which is completely separate, has had some management and spending scandals recently

# Higher level questions I will be asking are

---

Can I talk to some past Board members?

Is the organization like I had perceived from the outside as a donor?

Convince me that no such scandals are brewing here, and put in place processes so they will never happen

Why don't you change the name, for at least perception reasons?

# Scenario

---

You have just been hired as the Controller for a federal government crown corporation in finance. You have been put in charge of insurance, in addition to core Controllershship functions, due to a personnel change. The company has over eight different policies with millions of \$ in premiums

What do you think, not a levels by job discussion?

---

# Rising levels of thoughts/questions

---

I should be taking some courses on insurance and risk management

What about risk management, as the first protective lawyer, before insurance?

Can I ask a dumb question. Why are we insuring?

The federal government is huge, better off to self-insure most or all risks, which they probably do?

If no insurance was purchased, the federal government would perhaps need to indemnify, so the results of this reporting entity are not skewed

My 25 minutes of insurance tips are in my course **Ten Practical Topics For Financial Leaders** (Quebec title: **Practical Brainstorming; Top Ten Trouble Spots and Other Useful Topics For Financial Leaders**)

# Comment

---

This exact thing happened to me, although I was not the Controller, and I inherited the function, after being there a while.... I had these discussions

# Scenario

---

**Aria Corp** is a corporation in the business of providing contract help lines and customer support to all kinds of businesses, but primarily banks. Artificial intelligence and machine learning are being used quite extensively now in this field. Revenues and profits are declining slightly. The CEO Micah Melson, an excellent business generalist. Board members are Frank Ronak, 32 years in customer support leadership, Agnes Metski, parent company finance representative, and J Johanson, nearly 40 years in the banking industry

# What do you think?

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# Levels

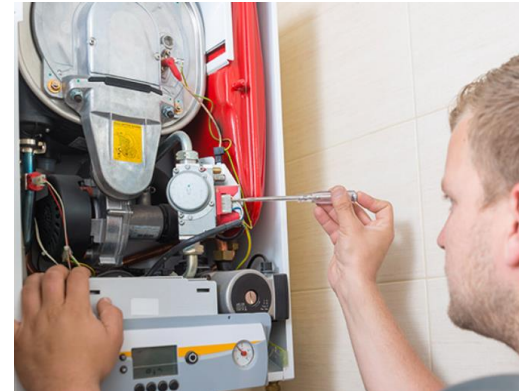
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Staff	No comment
Controller	Assisting the CFO in ensuring there is no financial decline
CFO	Working hard to ensure no financial decline
CEO	Taking courses on the application of AI
Board	Actually, the company needs a new Board, we are not the right people, in the age of AI, we have no experience or expertise, we may mostly too old, when this is now critical... we will tender our resignation when you have replacements

# Scenario

---

Fixheatcool Inc. is a 300 employee private company making money with long-term contracts for HVAC (Heating, ventilation and air conditioning), repair and installation and upgrade work, with thousands of industrial and institutional customers. It employs about 240 HVAC technicians who drive company trucks with tools and equipment. The company is doing well, but there are concerns over employee theft of tools which are expensed for accounting purposes and many employees “padding” their day with up to one hour of down time, spread between jobs.



# What do you think?

---

# Levels

---

Staff	I am tired of not believing their timesheets
Controller	Maybe we need to put tags on all the tools, and count and reconcile regularly, but this will be a lot of work
CFO	Let's put GPS on all trucks and get a system that will track movement.
CEO	GPS on trucks won't tell us when jobs really end. Shall we pay them more and make them buy their own tools, which they will be more responsible for
Board	Why don't we sell the trucks and tools to the employees, they all become self-employed, we will only pay for the work they do, and no more stolen tools. We will make them sign a non-compete as long as legally allowed, so they won't steal clients, although they will be too small to steal large institutional commercial contracts from us. They can do more work on the side, so we can pay them less.

I was had a job in a commercial truck, and the driver wanted to cheat on time...

# Scenario

---

**Aila Inc.** is selling a subsidiary that is losing \$1.4M per month, but now one has purchased it in 7 months, since it was put up for sale. Aila makes annual profits over of \$60M

# What do you think?

---

# Levels

---

Staff	These losses are mounting
Controller	Has the subsidiary been written down?
CFO	How long can we keep losing the money?
CEO	We need to reorganize ourselves for a better effort to sell it, including lowering the price. Maybe we need to give it away, that would cover liabilities.
Board	Could we sweeten it for a sale? What could we throw in? Should we just shut it down? Can the liabilities on shut down be quantified? Do we cover all liabilities, or bankrupt it, including employee liabilities? (See discussion in my course, <b>Ethics – More Than Just The Code of Conduct</b> )

# Scenario

---

I am advising a family member who is more operational, who is thinking of buying a business

It was very profitable only the last two years

Big picture; why was it profitable for only the last two years?

Should a market study be done?

Should he pay for those profits?

How to de-risk the acquisition if results revert to the historic norm?



# Have you ever noticed this?

---

Many self-employed small businesses, are probably missing the big picture

What do you think I mean?

Hint: return

They are probably making way less than minimum wage, when you look at all their hours

Their ROI is probably terrible as well

Many don't realize it

Many don't have an option, lack of skills, new in Canada, language limitations etc

I am not looking down on these folks

Sometimes, I do repairs around the house, etc, and my wife reminds me that it is a terrible return, versus what I can make in the market, but...

# Opportunity

---

We sell our regulated systems product to every airline who is interested

We want to enter the market of our certain large country, where we have no existing business

First issue, get regulatory approval

One of the best bigger picture guys I have ever worked with is in charge of this

I get a report on the meeting with the regulator from him, where all ten airlines are present, saying they want our system

I say, “why don’t we sell directly to all ten as a consortium, that would be less work?”

He says “wow”, I didn’t think of that

(Airlines in Canada buy fuel cheaply through a consortium)

# Sports scenario

---

Star player \_\_, who the team really needs, has been injured for nearly half the season

# What do you think?

---

# Levels

---

Trainer	We must work on rehabbing them as quick as possible, with the team doctors and therapists.
Assistant coach	I must work with the star's understudy to improve their play.
Head coach	Does the star's style of play need to be changed to reduce the risk of injury? Is the injury prevention of our medical/therapy team up to snuff?
General manager	We must look at trading for, or developing a similar talent, considering the possibility of future injuries
CEO	Do we have the right team coach and GM in place, who will build a team, not so dependent on one star?

# Scenario

---

AirBnB

People I know are making a lot of money from them

I have stayed in them, have you?

What is the big picture?

Will government law changes, change the situation so dramatically, that the business model won't work as well (eg no short-term rentals...)

# Scenario

---

A bill is received from a software company to develop a new tool to help in the manufacturing process

# What do you think?

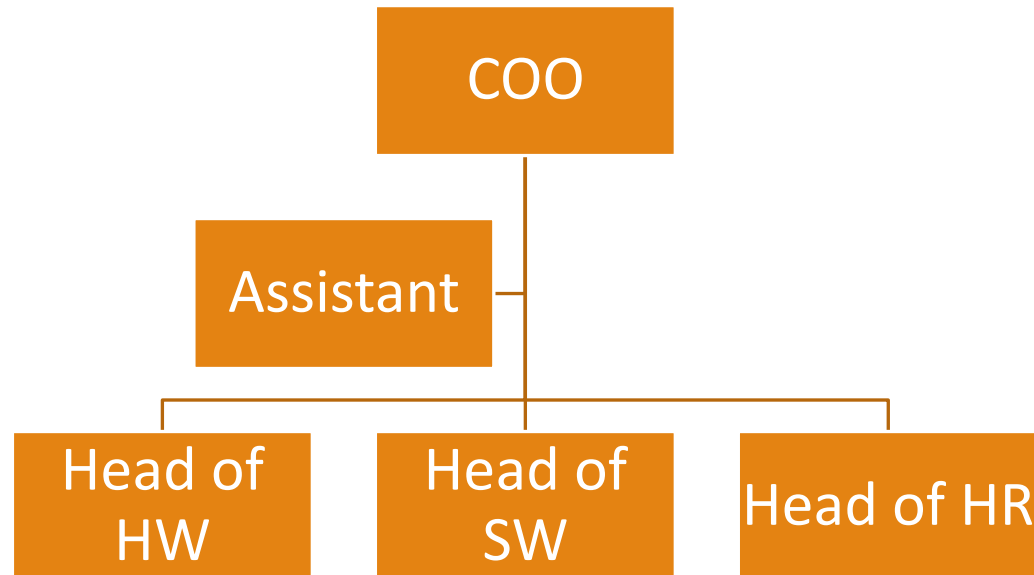
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# Scenario

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Splittech Co. builds electronic hardware, with embedded and control software. Organizationally, the head of hardware and software, both report to the Chief Operating Officer, a good seasoned general management person. These heads of department conflict continuously.



# What do you think?

---

# Levels

---

Staff	Really?
Controller	It doesn't look good, but doesn't impact my work
CFO	I must find a way to help my boss deal with this conflict, as much of the company's success rides on our hardware and software working properly. Perhaps a joint bonus would eliminate a lot of conflict
CEO	A non-technology person, the COO, has two direct technology reports, whose areas always conflict in businesses. I think we should hire a head of all technology, with both a hardware and software background, to whom both will report to
Board	CEO has hid this from the Board, but two smart Board members, recognize the possibility due to the structure, and have asked the CEO about it, without offering ideas

# Notes

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This is very much from real life

For bonus plan design, see a section of my new course **More Practical Works Smarts For All**

# CONCLUSIONS

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# Email minutes ago from our very strategic son, CPA, CA

---

He had just scanned parts of the draft course

“None of this matters though if you don't know how to present your questions and thinking with the right rhetoric to get buy in”

I agree

# Note

---

It is easy to go to a pure strategic meeting or course, and talk strategy

It is much harder to think about strategic factors and implications regularly as you go about your busy day to day work, often in the trenches...

I remind myself in writing to take a step back and think big picture and strategic, periodically

# Conclusions

---

This has been a graphic reminder to keep thinking higher and bigger

Best wishes in your own strategic, bigger picture thinking, I hope it improves and helps your career



# Top participant prize

---



May not be  
exactly as  
illustrated....

I have over 25 other courses

---

# I have a course called

---

## **Practical Work Solutions from Case Discussions**

This 2 hour course gets into this topic a tiny bit, I decided I needed to expand on it

Check out this course, I think you will like the rest of it...

## **Also Practical Work Smarts For All**

A grab bag of management and work smarts from my career, including some big picture stuff

# There is higher level thinking in all my courses

---

It is not labelled as such, but it is there, I didn't really think about this until I developed this course

# Some new courses, to be released soon

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**How To Manage Lawyers & Legal Fees, 1.5 hours**

**More Practical Work Smarts For All, 2 hours**

**Outside The Box Thinking, 1.5 hours**

**A Different Take on KPIs and Dashboards, 1 hour**



# Remember \$100 cash if you can help me with a better course title

---

This is no joke

# Closing comments

---

Was the course boring?

We can chat after

Send me an e-mail [spriddle@bell.net](mailto:spriddle@bell.net), to pick my brain or for questions

Do LinkedIn with me



Please complete course evaluations

Thanks for attending