



TO: Members of AWSCPA and The Accounting Profession
FROM: AWSCPA National Board
RE: International Institute of Strategic Business Professionals (IISBP)
DATE: November 26, 2001

Issue

The National Board of the American Woman's Society of Certified Public Accountants (AWSCPA) has been asked to comment on the pending vote by members of the American Institute of Certified Public Accountants (AICPA) regarding the establishment of a global business credential.

Conclusion

The National Board of AWSCPA believes this designation is not in the best interest of the future of our profession. The National Board has discussed both pro and con issues, with particular emphasis given to how the new IISBP would affect women CPAs. The positions of various national CPA societies were reviewed, as well as numerous comments and opinions found in accounting literature and on relevant web sites. The arguments for "changing with the times" are interesting, and many points given by proponents of IISBP are valid ones. However, the National Board feels the more compelling argument has been made by those opposed to the creation of a new credential.

In the words of the AICPA Vision Project, "CPAs are the trusted professional advisors who enable people and organizations to shape their future." The accounting profession is certainly at a crossroads with respect to the future value of the brand. CPAs know they must change to remain competitive in today's diverse global marketplace. The National Board of AWSCPA feels the CPA profession and the AICPA are more than capable to meet this challenge without establishing the global business credential.

We encourage those who are eligible to vote on this important issue to make their opinions count and cast their ballot.

For more information about the proposed global credential, visit www.globalcredential.aicpa.org, www.xyztalk.com, or various places on AccountingWeb at www.accountingweb.com.

Facts

The leadership of the AICPA embarked on an intensive Visioning Process several years ago, in order to determine the future of the CPA designation in today's highly competitive and global marketplace. The new CPA Vision Statement states that the Core Purpose of the CPA profession is "CPAs...Making sense of a changing and complex world." The AICPA and several international professional organizations have proposed a standard global designation, encompassing a wide array of competencies, in order to help CPAs meet the needs of the new global economy. These multidisciplinary areas of expertise would include information technology, management consulting, financial and non-financial measurement, business law, modeling, systems design, quantitative analysis and change management techniques.

The chosen name for this credential is Strategic Business Professional. The organization that will sponsor the credential will be the International Institute of Strategic Business Professionals with an organization acronym of IISBP that would follow the name of those who choose to pursue the credential. The new name is designed to communicate the essence of the credential and has broad appeal, while being both simple and descriptive. It is also available for use with respect to trademark and domain searches, and will translate into other languages in the major markets where it will be used.

Key components of the proposed credential are:

- **Portability** – It would be recognized and accepted equally in all participating countries worldwide.
- **Cross Disciplinary** – It would further accredit the holders' capacities to solve business problems by applying knowledge from various disciplines.
- **Ethics** – It would signify that all members would be held to the same high standards through an international code of ethics and enforcement.
- **Experience and Competency Based** – It would require knowledge acquired from relevant work experience and from continued learning, as measured by periodic assessments.
- **Global Knowledge Resource** – It would provide access to a worldwide network of similarly qualified, multi-disciplinary professionals, and an unprecedented online knowledge resource.

The IISBP credential admission requirements would include the following:

- A degree from an institution of higher learning
- A rigorous examination
- Five years of experience (if applicant already holds a recognized professional credential such as the CPA)
- Eight years of experience, plus attestation by two credential holders (if applicant does not hold a recognized professional credential)
- Commitment to uphold ethical standards, as set forth by the new international credential governing body

- Commitment to continuous learning, as required by the new international credential governing body

A ballot was sent to members of the AICPA on October 29, 2001 with voting to close on December 28, 2001. To be effective, two-thirds of the voting membership must approve the initiative. If this happens, the AICPA will be able to establish a separate, self-funded affiliated entity to issue the new credential within the United States.

Pros

The dimensions of the accounting profession are changing rapidly. Accounting is no longer based strictly on attest and taxation services, although many in the marketplace continue to see the CPA brand as just that. Consumers in the complex and global business environment expect more from their financial professionals but may not realize that CPAs are capable of meeting these expanding needs. Resources for the profession are decreasing as students move away from traditional accounting into other areas of business education that will help them compete in the global economy. Research shows the proposed credential is appealing to both students and the marketplace. The new Strategic Business Professional credential will allow CPAs to be on the forefront of change, setting the standards by which new credential holders must abide and being the first to market this globally recognized designation, along with accounting professionals in Canada, Australia, New Zealand, Italy, France and South Africa.

Cons

A recent article found on XYZTalk.com stated that, of the eighteen state societies expressing opinions regarding IISBP, twelve are opposed including the societies in California, the District of Columbia, Florida, Illinois, Massachusetts, New Jersey, New York and Pennsylvania. Their arguments contain many recurring themes.

The creation of a new designation for both CPAs and non-CPA professionals will not only bring in new competition for the CPA, it will confuse the marketplace and ultimately diminish the CPA brand as “trusted advisor.” The IISBP is not truly “global” in scope as only a few countries are currently supporting the proposal while other initial proponents, such as Great Britain, have dropped their support. While there is to be a consistent international code of ethics for the IISBP, there is currently no regulatory system planned. There may be strict requirements to obtain the designation, but once received, there will be no regulatory agencies to protect both the public interest and the standards of the IISBP.

Many CPAs already offer a variety of consultative and strategic business advisory services to their clients, both domestically and internationally. It has been proven that the CPA brand is expandable. If the AICPA is concerned about its members competing in a global economy, it should pursue a specialty designation of the global business credential within the AICPA for CPAs only. If proponents for the global designation feel the CPA brand is “tired and washed up,” perhaps the membership would be better served if the AICPA devoted their resources to a more creative, effective promotional campaign, designed to enhance the image of the CPA as encompassing the qualities found in the IISBP.

***The American Woman's Society of Certified Public Accountants (AWSCPA)
provides a supportive environment that promotes equity and provides
opportunities for the achievement of career goals in a competitive and rapidly
changing profession.***

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