

PIVOT

Named
BEST MAGAZINE
by the National
Magazine
Awards: B2B



**AFTER #METOO:
WHAT SHOULD
COMPANIES DO?**

**THE LIFE AND
DEATH OF THE
PLASTIC STRAW**

**THE CPA WHO
SAILED AROUND
THE WORLD**

'Hi, I'm Mike'

With those three words, Deloitte's chief of staff came out as trans and changed Bay Street forever

YOU WANT YOUR BUSINESS TO SUCCEED.

WE'RE HERE TO HELP MAKE THAT HAPPEN.



ADVOCACY

Don't wait for the next election to get governments' attention. We bring your views to them every day, so they understand how their policies affect you.



RESOURCES

Whether it's working with CRA or understanding government rules, there are times when you need extra support. Our business counsellors are here to help.



SAVINGS

We've taken the stress out of choosing providers for your business needs, like payroll and telecom services. Save with our exclusive discounts.

JOIN 110,000 BUSINESSES THAT ARE SET UP FOR SUCCESS

CFIB.CA/ACCOUNTING
1-888-234-2232

CFIB
CANADIAN FEDERATION
OF INDEPENDENT BUSINESS
In business for your business™



PHOTOGRAPH BY GRANT HARDER

FEATURES

24 | Meet Michael

When Deloitte’s chief of staff came out as trans, he became a beacon of diversity on buttoned-down Bay Street.

BY JASON MCBRIDE

30 | Back to the future

Last fall, CPA Canada’s Foresight process developed four possible visions of the coming decades. One year later, how do they stack up?

BY JOHN LORINC

34 | After #MeToo

Two years after the movement began, women’s willingness to report workplace harrasment has changed. Have companies?

BY ADRIENNE TANNER

40 | The fan whisperer

Pro sports teams track every pass, point and play to get an edge on the competition. Now their stats obsession is helping them win fans, too.

BY MICHAEL MCCULLOUGH



ON THE COVER

Michael Cherny, Deloitte Canada’s chief of staff.

PHOTOGRAPH BY KATHERINE HOLLAND

4 | From the CEO

FIRST IN

6 | Why Canada’s entertainment industry is winning the streaming war.

8 | A catalogue of outlandish cons.

10 | Changing the world by building a better bra.

12 | Never have another pointless meeting again.

14 | How the Big Four fare on diversity and inclusion.

15 | A grassroots anti-flying movement wants to keep Canadians grounded.

18 | Plastic straws, from invention to revolution.

COLUMNS

20 | Want more taxpayers to file online? Make the process simpler.

21 | Canadian productivity is dismal. Here’s the solution.

LAST OUT

47 | Would you implant a microchip in your hand?

48 | The real reason retailers let you try before you buy.

52 | Inside the cut-throat meal kit market.

54 | Where to eat, drink and stroll in Calgary.

58 | Around the world in 11 months.

CLARIFICATION

“Seed capital” (September/October 2019) identified Blair Wilson as a “a long-time CPA.” To clarify, Wilson is no longer a CPA.



AN UNCOMMON EXAMINATION

The accounting profession is built on integrity and professionalism. Those high standards are being applied in our review of the problems experienced during the writing of this year's CFE. **BY JOY THOMAS**

Dedicated readers of this column will note that I have often written in the past about the transformative power of technology, with its balance of risks and rewards. Our profession has now experienced this reality firsthand.

As I sit down to write this, in the aftermath of a Common Final Examination that went far from smoothly, my thoughts are first and foremost with those students who endured hours-long delays and frustrations with Wi-Fi or software at certain writing centres across the country.

As a result, across the CPA profession we have heard from hundreds of students about their challenges with the CFE examination in September. I have personally read and responded to many of these emails.

As CPAs, we all remember the incredible stress of preparing for and writing our final examinations.

In the moments between meetings coordinating our response to this year's CFE disruptions, letters from our students have prompted personal reflections on my own final exam-writing experience. When I wrote in Nova Scotia, we were seated at long, wooden communal tables. The young man seated next to me was so nervous and trembling so violently that he knocked over a jug of water and soaked my exam papers.

Today, the technology that we use to administer our exams has changed, yet the high stakes and raw nerves remain the same. Advancements in technology have been key to our ability to grow nationwide, offering thousands of students the opportunity to take complex, standardized examinations in their local communities in a contemporary and convenient manner.

Of course, the September 2019 CFE was anything but convenient.

The examination was disrupted by compounding technological challenges related to software, Wi-Fi and, in some cases, both. Though contingency plans are always in place for our examinations, the compounded problems were challenging. It is clear that more work is needed to mitigate risks of technology failure during examinations, and we are working with service providers as well as our provincial counterparts to do that.

In speaking with members, students, staff and others, one thing is clear: We all desire a fair and equitable solution and we all have a vested interest in upholding the high standards of our profession.

As many of you know, the CFE evaluation process is overseen by an independent Board of Examiners. Over the years, they have developed a robust system for taking into account extenuating circumstances that affect exam writers. Given what occurred this year, the evaluation process will also be supplemented by a third-party review. A leading psychometrician with expertise assessing how a fair outcome can be achieved has been retained.

This information is being augmented by an independent technical review. Now, as I'm writing this in early October, these processes are in their early stages. By the time you read this, my hope is that they will be well advanced. We recognize the desire for more information, and we have committed to continuing to keep students and members up to date. I encourage you to visit our website for the latest information on this matter.

Speaking with one of our stakeholders in recent weeks, I was told, "Don't let this incident dissuade you from embracing technology." I agree. We cannot return to an era of paper-and-pencil examinations. In 2020, we look forward to administering two Common Final Examinations, instead of the customary single sitting, and we know what must be accomplished before then. ♦

PIVOT

VOLUME 2 | ISSUE 6

Named
BEST MAGAZINE
by the National
Magazine
Awards: B2B

EDITOR

Luc Rinaldi

SENIOR EDITOR

Lara Zarum

ART DIRECTOR

Adam Cholewa

FRENCH EDITOR

Mathieu de Lajarte

DIRECTOR OF PHOTOGRAPHY

Daniel Neuhaus

ASSOCIATE EDITOR

Melanie Morassutti

EDITOR, DIGITAL

Stephanie Bomba

SENIOR DESIGNER

Dan Parsons

EDITORIAL ASSISTANTS

Harriet Bruser, Ada Tat

COPY EDITORS

Jen Cutts, Janet Morassutti

CONTRIBUTORS

Ali Amad, Bruce Ball,
Gordon Beal, Brian Bethune,
Steve Brearton, LeeAndra Cianci,
Francis Fong, Gluekit,
Matthew Hague, Grant Harder,
Katherine Holland, Stefania Infante,
Chris Johns, Erin Leydon,
John Lorinc, Levi Mandel,
Jason McBride, Michael McCullough,
Kagan McLeod, Denis Ogrinc,
Martin Patriquin, Ned Pratt,
Courtney Shea, Guillaume Simoneau,
Riley Smith, Adrienne Tanner,
Katie Underwood

PUBLISHER

Heather Whyte, MBA, APR, CDMP

ASSOCIATE PUBLISHER

Tobin Lambie

PRINCIPAL, CONTENT

Douglas Dunlop

SALES DIRECTOR

Laura Cerlon

ADVERTISING SALES, ACCOUNT REPRESENTATIVES

Mary Ruccella (416) 364-3333 x 4051
mary.ruccella@stjoseph.com

Ian McPherson (416) 364-3333 x 4059
ian.mcpherson@stjoseph.com

DIRECTOR, LANGUAGE SERVICES

Jane Finlayson

EDITORIAL ADVISORY BOARD

CHAIR:

Vinetta Peek, FCPA, FCMA

MEMBERS:

Debra J. Feltham, FCPA, FCMA

Andrée Lavigne, CPA, CA

Ashley Lowe, CPA, CA

John Redding, CPA, CMA



Pivot is published six times a year by the Chartered Professional Accountants of Canada in partnership with St. Joseph Media. Opinions expressed are not necessarily endorsed by CPA Canada. Copyright 2019.

TORONTO

277 Wellington St. W., M5V 3H2,
Tel. (416) 977-3222,
Fax (416) 204-3409

MONTREAL

2020 Robert-Bourassa Blvd,
Suite 1900, H3A 2A5,
Tel. (514) 285-5002,
Fax (514) 285-5695

SUBSCRIPTION INQUIRIES

Tel. (416) 977-0748 or 1-800-268-3793
pivot.subscriptions@cpacanada.ca

ONLINE

cpacanada.ca/pivotmagazine

ADVERTISING

advertising.pivotmagazine@cpacanada.ca

Additional annual subscriptions are available at the following rates: members, \$32; students, \$45; non-members, \$55. Single copy, \$5.50. Outside Canada: \$89 for a one-year subscription; \$8.90 for a single copy. GST of 5% applies to all domestic subscriptions. For subscription inquiries, call (416) 977-0748 or 1-800-268-3793 from 9 a.m. to 5 p.m., Monday through Friday; fax: (416) 204-3416. GST registration number 83173 3647 RT0001. Publications Mail Agreement No. 40062437. Printed in Canada. ISSN 2561-6773. Return undeliverable Canadian addresses to the Toronto address above. Pivot is a member of the Canadian Business Press and Magazines Canada. All manuscripts, material and other submissions sent to Pivot become the property of Pivot and the Chartered Professional Accountants of Canada, the publisher. In making submissions, contributors agree to grant and assign to the publisher all copyrights, including, but not limited to, reprints and electronic rights, and all of the contributor's rights, title and interest in and to the work. The publisher reserves the right to utilize the work or portions thereof in connection with the magazine and/or in any other manner it deems appropriate. No part of this publication can be reproduced, stored in retrieval systems or transmitted, in any form or by any means, without the prior written consent of Pivot.

ST. JOSEPH MEDIA

CHAIRMAN

Tony Gagliano

PRESIDENT

Douglas Kelly

SENIOR VICE-PRESIDENT, STRATEGY

Duncan Clark

DIRECTOR, CONSUMER MARKETING

Rui Costa

MANAGING DIRECTOR, CONTENT

Maryam Sanati

MANAGING DIRECTOR, STRATEGIC CONTENT LABS

Jonathan Harris

VICE-PRESIDENT, RESEARCH

Clarence Poirier

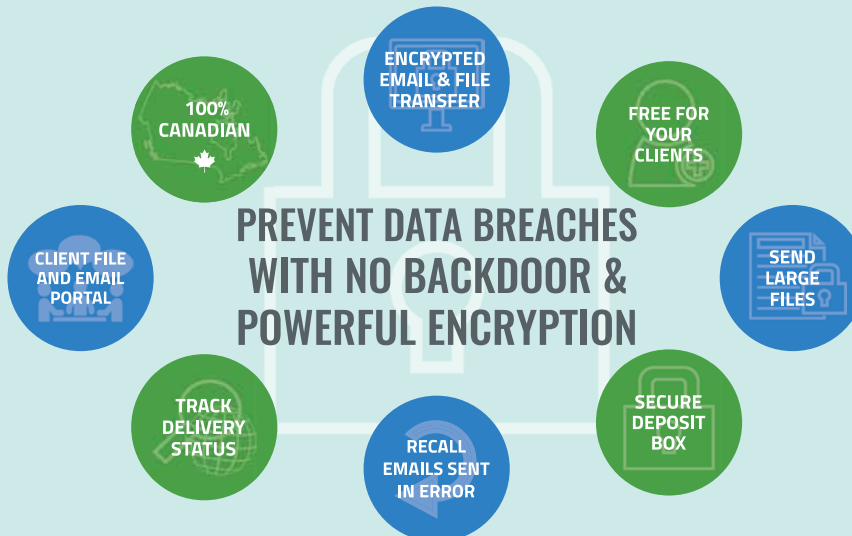
PRODUCTION DIRECTOR

Maria Mendes

PRODUCTION MANAGER

Joycelyn Tran

e-courier.ca[®] SMART, SECURE EMAIL & FILE PORTAL



Introductory Discount Offer 5% / Promo Code: CPA2019 - valid until December 15th, 2019

www.e-Courier.ca | est. 2006 | Toll Free: 1.866.610.4631 | sales@e-courier.ca

FIRST IN



BURNING ISSUE

FULL STREAM AHEAD

Netflix and its rivals are creating more content than ever before—and Canada's entertainment industry is playing a starring role **BY LARA ZARUM**

In 2015, **John Landgraf**, the CEO of cable channel FX, declared that we had reached a state of peak TV. "There is simply too much television," he said, noting that more than 400 original scripted series were slated to air in the U.S. that year. Subsequently, he predicted, that figure would inevitably decline.

Several years later, the balloon hasn't popped; it's expanded. A record 495 original scripted series aired stateside in 2018. For the first time, streaming services such as Netflix and Amazon accounted for the biggest slice of the pie. And the Canadian film and television industry is grabbing a fork.

Canada's screen-based entertainment business is booming, taking in a record \$8.92 billion in production volume in the 2017/2018 season—an increase

of more than 40 per cent over the past decade. For this we can largely thank the Netflix-fuelled rise in streaming TV, otherwise known as "over-the-top" content—film and TV that's made specifically for online providers, bypassing a traditional cable or broadcast subscription. The internet is a ravenous beast: since 2014, the number of original over-the-top scripted series has increased by 385 per cent, from 33 to 160.

All that content has to be made somewhere. Canada has long been an attractive place for U.S. film and TV shoots, the result of federal and provincial tax incentives, a low dollar and the ease of doing business in a politically stable country. Bottom line: it's often cheaper to shoot north of the border.

AND... ACTION!

Here's what's filming in Canada this fall



VANCOUVER
Chilling Adventures of Sabrina
Season 2
Netflix



TORONTO
Star Trek: Discovery
Season 3
CBS All Access



VANCOUVER
Riverdale
Season 4
CW

But the sheer volume of content being produced for streaming services has upped the ante. “Broadcasters program for 24 hours a day, seven days a week,” says Marguerite Pigott, Toronto’s film commissioner. “Over-the-top services have unlimited shelf space, and that simple fact makes it a game-changer.”

The effects of the streaming boom are reverberating across the country. Last year, CBS, which launched its streaming service, CBS All Access, in 2014, rented out 260,000 square feet of dedicated studio space in a former Kraft warehouse in Mississauga, Ont.—the largest such space secured by an American broadcaster in Canada. Just north of Toronto, construction is under way on a \$100-million, 500,000-square-foot studio founded by two veteran Canadian media executives, Frank Sicoli and Dominic Sciuolo. The Ottawa Film Office has teamed up with Toronto-based TriBro Studios to convert a former government research facility in Ottawa’s greenbelt to a massive production complex. In B.C., where Vancouver has long been considered Hollywood North, the industry grew by 40 per cent between the fiscal years 2015/16 and 2016/17. In 2018, according to the Canadian Media Producers Association, the film and TV sector employed 179,000 people (for comparison, there are about 217,000 people with the Canadian CPA designation).

Jennifer Twiner McCarron, CEO of Vancouver-based Thunderbird Entertainment, estimates that 80 per cent of the content that her company’s animation wing, Atomic Cartoons, produces is for streaming platforms. “When you only had traditional broadcast to sell to, you were competing with every other company for coveted Saturday morning spots,” she says. Now, the floodgates have opened. “You can sell to all of the streamers, and it can be on any device, at any time, and it’s instantly in multiple countries in different languages.” Last year, Thunderbird opened a new studio in Ottawa and has already doubled its original staff.

Streaming has not only altered the economy in Canada, says Pete Mitchell, the president and COO of Vancouver Film Studios. “Entertainment is becoming a pillar of the global economy,” he says, thanks to streaming video’s ability to tap into an international market. “It’s almost impossible now to find facilities, equipment and people in Vancouver and in other production centres around the world.”

The growing demand for labour has the industry scrambling to recruit talent, sometimes from unlikely places. In Vancouver, the union that represents technicians and artists has seen an influx of workers from Alberta’s struggling oilpatch industry. Film shoots don’t just employ actors and directors and camera operators; they also require plumbers, electricians, carpenters, painters—and accountants. “Our industry is hungry for production accountants,” says Pigott. “Because tax credits have a lot to do with why a production company or studio chooses a jurisdiction, there’s a benefit to having accountants who are deeply familiar with the local tax credit regime.”

Most of the recent uptick in Canada’s production volume is due to foreign investment—the industry took in a record-breaking \$5.6 billion in foreign investment production this past fiscal year, a year-over-year increase of 18.7 per cent. Twiner McCarron says the appetite for content has allowed her company to sell its own intellectual property rather than just service American clients. And increasingly, producers north of the border have partnered with American counterparts to deliver Canadian stories to a global audience, like the Netflix/CBC co-productions *Anne with an E* and *Alias Grace*.

“OUR INDUSTRY IS HUNGRY FOR PRODUCTION ACCOUNTANTS,” SAYS TORONTO’S FILM COMMISSIONER

The future of streaming entertainment all but guarantees continued industry growth in Canada. Netflix is still the dominant player, but more and more media companies are jumping into the ring. Fear of Netflix was a major factor behind the AT&T and Time Warner merger, and drove Disney and Comcast to bid aggressively for 21st Century Fox. Disney, of course, won the merger, and will roll out its streaming service, Disney+, in the U.S. in November. WarnerMedia is floating plans to do the same. In Canada, Bell’s streaming service, Crave, has seen impressive growth, with 2.7 million subscribers as of August 2019.

“There’s more television now, there are higher budgets, and there are more big companies with deep pockets coming into the marketplace,” Mitchell says. “It’s a really good time to be in the film and television industry.” ♦



VANCOUVER
The Good Doctor
Season 3
ABC



MONTREAL
The Bold Type
Season 4
Freeform



VANCOUVER
Supergirl
Season 5
CW



TORONTO
American Gods
Season 3
Starz

FRAUD

SHAM, WOW

A catalogue of recent cons

3

Number of Toronto-area scammers who posed as pizza delivery drivers in July. The suspects would allegedly trail a real delivery driver, pretend to be the order's recipients outside the address and pay for the pizza in cash. Then, impersonating the driver, they'd knock on the door, record the actual customer's PIN, discretely swap their bankcard with a decoy and use it to withdraw cash at a nearby ATM.



"IT'S IMPORTANT TO ME THAT FANS AND COLLECTORS AREN'T GETTING TAKEN ADVANTAGE OF"

Statement from Edmonton Oiler Connor McDavid after a local man was arrested for selling the star centre's jerseys with forged autographs. One victim lost \$23,000 in the con.

150

Number of workers who quit or were fired from Baycrest, a geriatric health centre in Toronto, after an independent auditor discovered they had cumulatively billed for as much as \$5 million in bogus health benefit claims.

\$470,000

Restitution that a Winnipeg financial adviser must pay after defrauding his clients, including his own girlfriend, to fund a gambling addiction. He was sentenced to 27 months in prison.



"BUT IT ME, YOU ARE SPEAKING TO THE REAL ME"

Message that a swindler posing as Newfoundland and Labrador Premier Dwight Ball sent to a skeptical islander, who responded, "Then why do you have typos?" The recipient was one of a number of people that the impersonator contacted on Facebook this past summer, coaxing them to divulge personal information for undisclosed reasons.

\$291,000

Amount that a 60-year-old woman recently lost in an online romance scam. The suspected culprit, a 24-year-old Vaughan, Ont., woman who now faces six fraud-related charges, posed as a wealthy architect—though, apparently, not wealthy enough.

FRAUD FIGHTERS

#NANASAYS

The Vancouver Police Department's new online-fraud awareness campaign, which features videos of a grandmother texting advice to millennials about shady Craigslist sales and fake CRA calls.



\$20,000

Amount that a scammer asked Calgarian Ben Perrins to invest in a shady Bitcoin scheme, promising huge returns. Perrins, who coincidentally works at a cryptocurrency exchange, feigned ignorance and conned the con man, asking him to send him US\$50 to prove his legitimacy. Perrins then dropped the act, reported the scam and gave the money to charity.

PHOTOGRAPHS: PIZZA BY ISTOCK; CONNOR MCDAVID BY GETTY; DWIGHT BALL BY DOVER1988

“THE 8TH WONDER OF THE WORLD! GO SEE IT TO BELIEVE IT.”

—Joe Heard, former White House photographer



神韻晚會 2020 SHEN YUN



A Journey You've Been Waiting For

With cutting-edge backdrops, a live orchestra, gorgeous costumes, and ingenious choreography, Shen Yun transports you from the present to antiquity, from this physical world to outer dimensions, from the reality of our modern world to the

brilliance of heavenly realms. You will embark on a journey through time and space and travel beyond the boundaries of the imaginable. It's a journey you've waited so long for, and it's starting right now. Don't miss it!

“An extraordinary experience for us and the children... exquisitely beautiful.”
—Cate Blanchett, Academy Award-winning actress

“Inspirational and educational. I encourage everyone to see and all of us to learn from.”
—Donna Karan, creator of DKNY

“A must-see!”
—Broadway World

Ottawa • Dec 26–28
National Arts Centre

Hamilton • Dec 30–31
FirstOntario Concert Hall

Montreal • Jan 2–5
Place Des Arts

Mississauga • Jan 8–12
Living Arts Centre

Winnipeg • Mar 4
Centennial Concert Hall

Edmonton • Mar 6–7
Northern Alberta Jubilee Auditorium

Calgary • Mar 8–10
Southern Alberta Jubilee Auditorium

Vancouver • Mar 13–22
Queen Elizabeth Theatre

Toronto • Mar 24–29
Four Seasons Centre

ShenYun.com
Presented by local Falun Dafa Associations

INNOVATOR

COMFORT OR BUST

A legion of lingerie startups is remaking the market by choosing functionality over sex appeal **BY LARA ZARUM**

For decades, Victoria's Secret was the queen of lingerie. But recently its jewel-encrusted crown has shown signs of wear. Between 2013 and 2018, its market share dropped from 31.7 per cent to 24 per cent. Last year, sales declined 8 per cent, the company's stock fell 41 per cent and CEO Jan Singer stepped down. This year has been no better for the brand: more than 50 of its stores—roughly 4 per cent of its 1,143 locations—shuttered, and its parent company, L Brands, broke a nearly two-decade tradition when it announced that the annual Victoria's Secret fashion show would no longer air on network television. What precipitated the downfall? A consumer study by Wells Fargo offers an answer: 60 per cent of respondents said the brand felt “forced” or “fake.”

WOMEN WANT UNDERGARMENTS THAT FEEL LIKE THEY WERE MADE FOR THEM, NOT FOR THE GAZE OF A RUNWAY AUDIENCE

The appeal of Victoria's Secret push-up bras and bedazzled thongs may be waning, but intimate apparel is booming. According to Zion Market Research, the revenue generated by the global lingerie market is expected to grow from US\$38 billion in 2017 to US\$59 billion in 2024. That growth is driven in part by a younger generation of women and girls who are rejecting the highly sexualized aesthetic of established brands. They want undergarments that feel like they're made for them, not for the gaze of a runway audience.

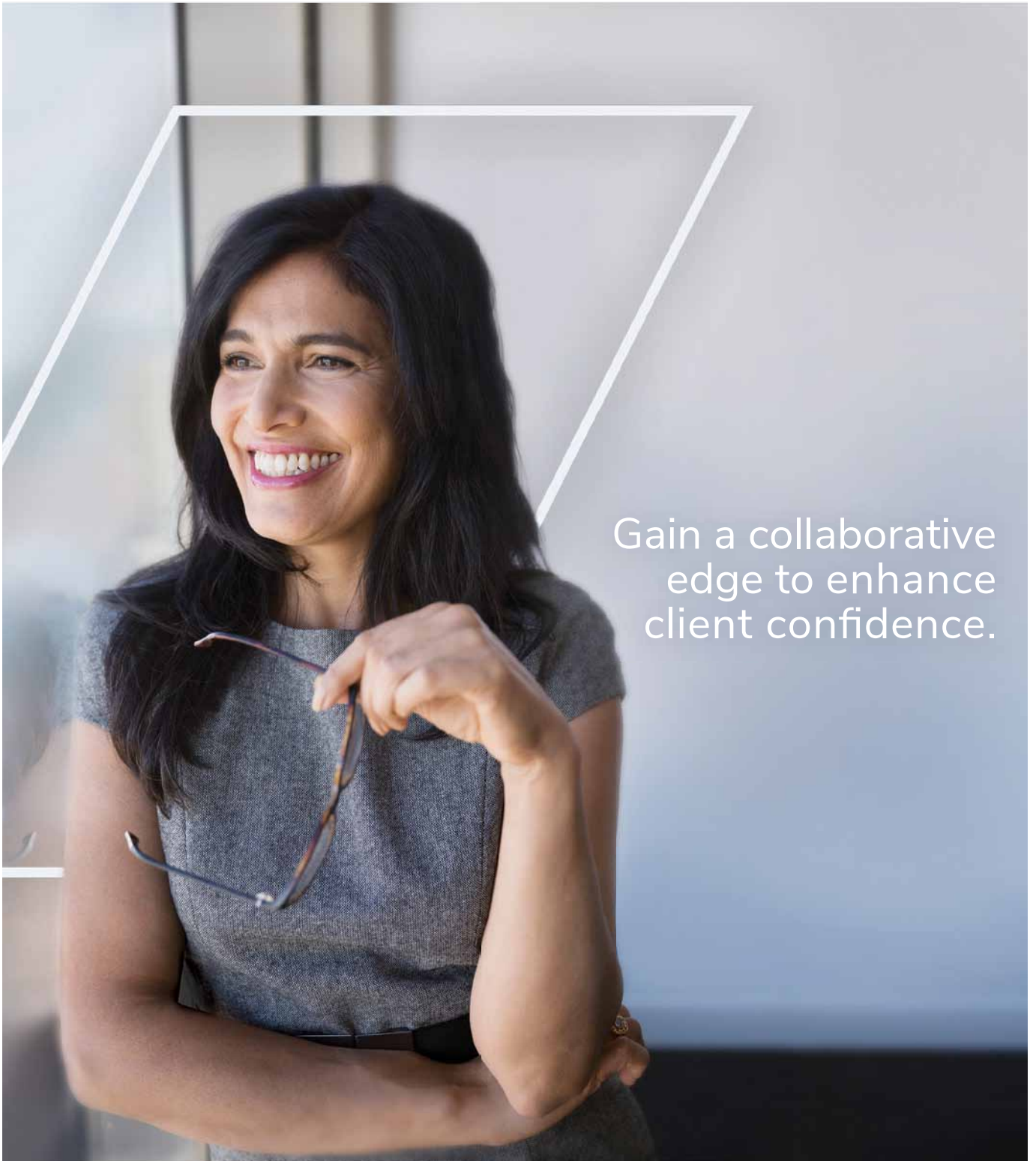
A legion of startups has arrived to fight for the market share left behind by struggling legacy brands. Emerging digital-first undergarment companies like ThirdLove, Lively, Thinx, TomboyX and True&Co. are challenging the received wisdom about what women want. Online, where they sell their products directly to customers, they project a more down-to-earth image that emphasizes comfort and fit. They typically avoid the flamingo-pink, stiletto-heeled look favoured by Victoria's



Knix founder
Joanna Griffiths

Secret's marketing materials in favour of neutral tones and naturalistic photography. You won't find the word “panties” on any of their websites.

Chief among these upstarts is Knix, which sells leak-proof underwear, bras, swimsuits and bodysuits. Former publicist Joanna Griffiths founded the Toronto-based company while at business school in France, inspired by something her mother, a doctor, told her: one in three women experiences



Gain a collaborative
edge to enhance
client confidence.

Everyone benefits from integrated advice, especially clients. When partnering with an IG Private Wealth Management Consultant, our combined efforts are enhanced by the IG Living Plan™ — a comprehensive approach for a client's financial well-being, now and in the future. Contact us to learn more.

igprivatewealthmanagement.com



leaks after giving birth, and their only option is adult diapers. Griffiths spent a year doing research, interviewing women and working on a prototype for leak-proof underwear, using odour-resistant quick-dry fabrics commonly found in outerwear and active wear. She won \$20,000 in startup capital through a business venture competition, briefly partnered with Hudson's Bay and then started selling directly to consumers after a successful crowdfunding campaign: the brand's first bra raised more than \$1.5 million—50 times its goal. Since then, Knix's revenue has grown by 3,000 per cent, the company has expanded its workforce from three people to 60 and it's on track to deliver more than half a million orders in 2019.

Knix and its competitors advocate a broad message of acceptance, body positivity and practicality. For Knix, that message extends to the company's inventive marketing strategy, which echoes the approach of Dove's Real Beauty campaign: actual customers—stretch marks, birthmarks, cellulite and all—model the products. (They're compensated with cash, Knix apparel, or a combination of both.) More than 700 bodily diverse women have participated: "You can almost see women let go and exhale and just feel comfortable," says Griffiths.

This strategy comes with risks. Unlike how it would appear in an airbrushed image featuring a

professional model, a product might not look perfect on a regular person's body. But that's kind of the point. Rather than focus on appearance, these challenger brands want to address common irritations that good underwear can fix: leaks, constantly having to adjust your bra, thigh chafing, under-boob sweat, underwires digging into your skin. Griffiths relies on Knix customers to identify these common pain points, and she uses their feedback when developing products, like the brand's new leak-proof maternity bra.

Through its email lists and social media channels, Knix reaches more than two million people. Griffiths wants to make the brand a vehicle for conversations that have long been taboo. The company's blog, *The Lift*, features interviews, essays and videos on topics ranging from sleep hygiene to periods to mindfulness. Last year, after Griffiths had a miscarriage, she launched a campaign centred around fertility. In a video posted to the brand's Instagram account and website, Griffiths and 50 of her customers share their stories, hopes and dreams about having children—or not.

"It's every single founder's responsibility to not just make money but to do good in the world," Griffiths says. "We have too many problems to tackle. And brands are so much more than just producers of physical products now." ♦

ALL TOGETHER NOW

How to conduct the perfect meeting **BY ALI AMAD**

It's an open secret that employees dread most meetings. They can drag on, take time away from actual work and muddle things more than they clarify.

To figure out why, the scheduling platform Doodle looked at 19 million meetings and interviewed more than 6,500 professionals earlier this year. It found that pointless meetings cost companies US\$541 billion in 2019, and the average professional spent two hours in unnecessary meetings every week. In fact, more than a third of those professionals considered unnecessary meetings to be the biggest cost to their organization. It's no wonder, since the study also estimated 24 billion hours will be lost to them next year.

So what's the solution? First of all, meetings should be a lot shorter. Doodle found that the average meeting in the U.S. and

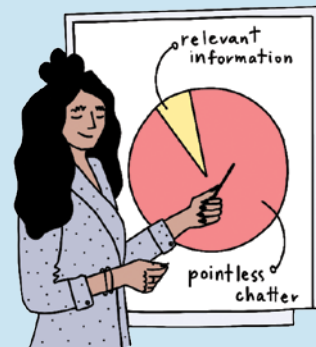
the U.K. is an hour long, but experts suggest limiting them to 15 minutes. Former Yahoo! CEO Marissa Mayer pushes this ethos even further—she's known to cap her meetings at 10 minutes.

Meetings might also have too many participants. As their number increases, quality of conversation erodes, with individuals either jostling to have their voices heard or remaining silent. That's why Robert Sutton, a Stanford University professor of organizational behaviour, determined the optimal number for a productive meeting is between five and eight.

Even in this increasingly digital age, the vast majority of Doodle's respondents also reported preferring face-to-face meetings, ideally in the morning. And researchers at Washington University discovered that stand-up meetings led to greater collaboration than seated ones.

Since it's not as comfortable as sitting down, standing pushes people to speak more efficiently.

The reality is meetings will always be an essential part of the workday. Instead of treating them as a necessary evil, companies should view them as an opportunity to improve productivity.





Rotman School of Management
UNIVERSITY OF TORONTO

R

CFO Leadership

Succeed in a critical leadership role.

Build the skills you need as a future or current CFO.

Rotman
Here's where it changes.

Questions? Talk to us.
416-978-8815
advisor@rotman.utoronto.ca

rotmanexecutive.com



DIVERSITY

STRENGTH IN NUMBERS

How the Big Four are responding to, and reflecting, Canada's changing demographics **BY JOHN LORINC**

Three years after KPMG Canada established an executive diversity council in 2014, the company realized a noticeable change was under way in the partnership ranks.

In 2019, 45 per cent of new partner promotions were women, marking the fifth straight year that number has been more than 40 per cent. Today, the overall ratio of women within the Canadian partnership is just less than 30 per cent—a big jump from 21 per cent in 2014. Over the same period, the firm further strengthened its commitment to inclusion and diversity by establishing the role of chief mental health officer—a first in corporate Canada. Recent internal surveys found nine in 10 employees feel they can “bring their whole selves” to work.

“At KPMG, we’re focusing our efforts on driving both inclusion and diversity,” says Mary Lou Maher, FCPA, FCA, the firm’s global head of inclusion and diversity. “We believe enabling people to bring their whole selves to work is key to delivering on our individual and collective potential.”

KPMG and the other large accounting firms have been developing their so-called “I&D”—inclusion

45%
of KPMG's
new partner
promotions in
2019 were women

and diversity—mandates for many years, often initially by funding affinity groups but now through expanded benefits packages, training and recruiting practices. There’s mounting evidence that these initiatives have not only begun to yield significant dividends, but have also become increasingly critical for large firms as well as their clients, many of whom now face pressure from securities regulators and large investors to increase their diversity.

Since 2014, the Ontario Securities Commission has required gender diversity disclosure for publicly traded companies, with annual tracking of results. Those rules have created something of a domino effect, observes Aida Sijamic Wahid, an associate professor of accounting at the Rotman School of Management at the University of Toronto. Clients, she says, seek out accounting advisers that reflect their own internal diversity. “They want that team to look like what they look like.”

Among junior accountants and new recruits, it’s easier for the large firms to achieve gender, racial and sexual diversity. The senior levels, however, are a work in progress. “There’s a lot of catching up to do there,” says Wahid. “Until the partners become more diverse, it’s hard to send the message to new recruits that they’ll get to become partners.”

Yet I&D executives with each of the Big Four firms in the past few years have clearly stepped up their efforts to make sure that up-and-coming accountants are not just mentored, but coached and actively sponsored so they break into the partnership ranks.

Sadaf Parvaiz, director in the EY Americas Inclusiveness Office, says the firm has made sure that when partners are asked to write a review for a younger accountant, they’re focused on performance. “Am I writing this review out of personal preference or tradition, or is it truly a requirement for the role?” she says, noting that such evaluation has become a leading part of management practice.

Indeed, EY has adopted policies for formally evaluating partners on their sponsorship activity among historically under-represented groups. “It’s an expectation,” says Parvaiz, noting that 45 per cent of EY’s recent partner promotions were women, and 43 per cent were visible minorities. The firm also stresses that sponsorship is a two-way street, offering partners evidence that their careers benefit when they actively advocate on behalf of talented proteges.

Other firms have targeted their I&D efforts on emerging fields, particularly those related to technology. “Artificial intelligence has helped to make our job postings at PwC more gender neutral,” says chief inclusion officer Mona Ghiami, CPA.

“We know based on research that many women opt out of applying for jobs where certain language—like sales ‘ninja’—is used that is not as inclusive. So we use AI to help remove the bias that exists in our posting language.”

Van Zorbas, chief culture and people officer with Deloitte, adds that this year his firm piloted several recruitment initiatives with the goal of eliminating unconscious bias from the process.

Also this year, for the first time, Deloitte’s recruiters identified post-secondary institutions with high Indigenous student cohorts in order to boost their recruitment among those communities. That effort, he adds, has an element of corporate self-interest. “We’re also looking for great people where other firms may not have looked.”

Even as firms accelerate and expand their I&D programs, the ultimate goal remains a bit elusive, and varies greatly from firm to firm. Zorbas says Deloitte has set a target of 2023 to have the leadership team fully reflect Canada’s demographics.

At PwC, Ghiami says the firm has “an aspirational goal” of gender parity for partner admissions. The proportion at the moment is 41 per cent women, which she credits to the success of the company’s Women in Leadership program.

KPMG’s Maher says the firm has set a reachable goal of 30 per cent women and 20 per cent visible minorities at the partner level by 2022. “We believe in being very transparent around our journey,” she adds. “In the last three years, the overall proportion of both our female and visible minority partners has jumped five per cent. And, as of October, the firm’s executive team is 57 per cent women.”

But EY’s Parvaiz cautions that increasing diversity in its leadership ranks often depends on market availability and specialized skill sets. EY’s focus, instead, is to ensure that promotion within individual business units reflects the make-up of the people coming up the ladder.

In fact, Wahid points out that the pace of partner retirement—and therefore turnover at the senior-most ranks—remains an important determinant of all I&D programs, no matter how ambitious. Even if we assume 70 per cent of new partners are women, it will still take over a decade to get to parity for firms with a two per cent attrition. “At some point,” she adds, “it will snowball.”

When it does, the benefits may accrue not only to those women and visible minorities who find themselves admitted into rooms that were once out of reach, but also to the companies themselves. As Wahid says, “There seems to be good evidence that gender diversity improves performance.” ♦

Q & A

FLIGHT RISK

Could you refrain from flying for a whole year? This Quebec woman wants you to try. **BY MARTIN PATRIQUIN**

Nathalie Laplante has made it her job to convince people to stay on the ground. In June, the 34-year-old community organizer, who lives in the village of Val-David in the Laurentian Mountains, began Flight Free Canada 2020, a campaign to keep 100,000 Canadians from flying for one year. The initiative is part of a worldwide movement, launched by Swedish activist Maja Rosén in 2018, targeting the booming (and carbon-heavy) airline industry, which accounts for two per cent of global carbon emissions. Sweden is also home to the teenage climate activist Greta Thunberg, who crossed the Atlantic Ocean in a zero-carbon-emissions sailboat in September to attend a United Nations climate summit in New York City. Similarly, Laplante’s short-term goal is to get people to realize the pollution associated with air travel. Maybe some of those people will follow in her footsteps—she hasn’t flown in 12 years.

“AIRPLANES ARE THE ELEPHANT IN THE ROOM. NO ONE DARES TALK ABOUT THEM BECAUSE THEY PROVIDE AN ESCAPE.”

How did your work with Flight Free 2020 begin?

I was overwhelmed by my job and wanted to get involved with something I believed in. At one point I realized that it had been a long time since I’d taken a plane, and decided I wasn’t going to take one any time soon. I did some research and found the campaign that Maja Rosén had started with the Swedish organization We Stay on the Ground, how it had spread to other countries. I called her and I was inspired by her approach, so I decided to start the campaign in Canada.

There are lots of ways we can all cut down on our carbon footprint. Why focus on air travel? Aviation and airplanes are the elephant in the room. No one dares talk about them because they provide an escape. And yet they have a huge environmental

impact. The politics behind it is difficult because of international airways. It's not like tar sands, where it's very obvious where it's happening because you can see it. In the sky, the pollution doesn't really "belong" to anyone, it's hard to tax and ultimately you can't see the damage you're doing.

What about carbon or methane offsets?

It's a start, in that it sensitizes people to the concept of airline pollution, but it's not a solution. I have trouble with the concept. It's a greenwash-style method of making people feel better about themselves. Flying across the ocean and back and then giving money to an organization to plant a few trees doesn't have an impact. The best way to avoid pollution is to not pollute in the first place.

But is it realistic to get people to stop flying altogether?

It's doesn't seem like it, but it's actually closer than we might think. I'm inspired by what's happening in Sweden. Yes, they have a better rail system. But in the past year there's been a big decline in the number of domestic passengers. People are really trying to change their ways to avoid flying. Of course, it's not feasible for us to think we can stop flying altogether, but the campaign is an opportunity to talk to people, and maybe they'll start by reducing the number of trips they take every year. We see it as impossible to take away flying altogether, but flying a lot is relatively recent behaviour. One or two generations ago, people hardly ever flew.

What about people who have to travel for work?

I see it as an exception. Most flights aren't for work, they're for leisure. If we just took that leisure chunk away or even reduced it by half, that would be a start. We should be using our judgment every time we book a flight. Is this really necessary in the context we are in? Because the planet is in crisis, and we don't really think about it when we book a flight.

What kind of reaction have you had here in Canada to the campaign?

People tend to compare the movement here to the one in Europe. Understandably, they find it less realistic here because our rail system is slower and less developed, and they wonder about their alternatives. I think it's a question of changing your perspective. What are we trying to get from flying abroad on a vacation? Is it something we can do closer to home?



Nathalie Laplante at Quebec's Saint-Jérôme train station

What would those 100,000 Canadians who ground themselves for a year save, carbon dioxide-wise?

If 100,000 people avoided one round-trip, transatlantic flight a year, from Toronto to London, for example, it would be the equivalent of taking 59,496 cars off the road for one year, or more than 82 million litres of gasoline.

I hate to say this, but when I was online researching the flight-free movement, I got advertisements for flights to the Caribbean.

I have to laugh about this. Ever since I started this campaign and have been doing the same kind of research, I've had so many ads for free flights on Facebook. It's exactly what I don't want. ♦

PHOTOGRAPH BY GUILLAUME SIMONEAU

TaxCycle Profile: Cameron Peters

By Sinead Mulhern

To call Cameron Peters the Steve Jobs of Canadian tax preparation is an incredibly niche comparison, but it puts the past decades into context. Peters has been innovating his whole life and has an enormous passion for making great software. When asked why he based his career on tax software, his answer is candid.

“It goes back to my dad,” he says. He’s referring to memories from his youth of late-April tax season. There, in the dining room was his dad, flustered and confused with hundreds of papers and receipts strewn, piled and sitting in disarray all over the table. “He made it look so impossible,” says Peters. “I knew there must be a better solution. If I could computerize it, it would be so much easier. I could solve this problem for my dad.” In many ways, his dad was the original client.

When Peters first started creating software, most high-school students didn’t have their own computer. Peters would sneak into Radio Shack to test his programming skills. He was tinkering with the tech of the era making a streamlined system to simplify his teachers’ report card writing. During his after-school hours, he’d attend teacher conferences. “By showing the software, I understood the perspective of what teachers needed to get their job done,” says Peters, now CEO of Trilogy Software, the company that created TaxCycle. “That’s still the way I do things.”

Thirty-some years later, it’s not hard to believe that the brainy software-creating teenager turned into someone who many would now call the father of modern, Canadian tax software. While his clientele has changed, his philosophy hasn’t. He’s the guy who pushes the limits of computers to make the livelihoods of other Canadians easier.



His dive into tax software really started in 1985, when a friend of a friend was developing tax software and needed a programmer. Peters stepped in and six weeks later, launched CanTax (now part of Wolters Kluwer’s offering). It was the first of his many innovations in the Canadian tax sphere.

By the mid 1990s, as electronic filing of tax returns was beginning, Peters co-founded a new company, Green-Point Software (which eventually sold to Intuit® in 2000). ProFile® tax software was not only the first of its kind built to function on Windows® 95, but it also changed the entire industry’s approach to tax software. Peters still remembers feeling frustrated by a two-part data entry system (one in which you entered your data and then told the auditor to check for errors) at a trade show. The irritation pushed him towards a eureka moment where he went back to his hotel and designed

a function he called the active auditor, which could display errors in real time. “People saw it and thought that was amazing because it saved them a whole extra step,” he says. “That changed the way it was done.”

If you picture Peters’ dad’s dining room table way back when, the TaxCycle Suite is the exact opposite. A sophisticated, comprehensive tool that caters to every province and territory in Canada, with across-the-board benefits. It has a home for all tax-related documents (T4, T5 and T3 slips, expense receipts and scans for example). It’s kind of like your detail-oriented, better half who keeps you organized. If it doesn’t do that job, he wants to know about it.

Taking feedback seriously is something that has been core to Peters’ work ethic since the days when he earnestly took it upon himself to solve his teachers’ report card woes. Now, it’s about helping Canadian industry people do their thing, stress-free.

The entire TaxCycle team shares this goal. Whether it’s responding quickly to legislative tax changes when they are released by the Canada Revenue Agency, or implementing the latest electronic services (like digital signatures), Peters and his team know that talking to customers on a daily basis makes for great tax software.

“We’re giving them tools that allow them to make money to send their kids to school and take care of their parents when they get older,” he says. “You’re building your business around our software and when people trust us with that, I feel very grateful.”

www.taxcycle.com • 1-888-841-3040

 TaxCycle

BY THE NUMBERS

THE FINAL STRAW

Every day, Canadians use 57 million straws. But the days of the plastic sipping stick are numbered. Across the world, governments, environmentalists and celebrities are mounting a swift, sudden attack on single-use plastics. Here, a breakdown of how the straw—with its reputation for stuffing landfills and killing marine life—became public enemy No. 1.

—Steve Brearton

1961

A glassblower's error leads to the invention of the kid-friendly **spiral straw**. Fun-Time International begins manufacturing them out of plastic for safety reasons.

1975

Plastic eclipses paper. "The paper straw had a slow death throughout the 1960s and into the 1970s," David Rhodes of Aardvark Paper Drinking Straws tells *Bon Appétit*. "By the mid-'70s, they were all gone."

1888

American Marvin Stone invents the **paper straw** after a stalk of rye he uses for sipping leaves a gritty residue in his mint julep.

1948

The **first McDonald's** restaurant opens in San Bernardino, Calif. The rise of fast-food chains, milkshake bars and soda companies in the 1950s and '60s speeds the adoption of single-use straws, many of which are made out of plastic.

1978

7-Eleven introduces the **Slurpee straw**—wide and colourful with a small spoon on one end—to battle brain-freeze.

1984

Erik Lipson, a math major at Vassar College, invents **Krazy Glasses**, a wearable drinking straw, in his parents' basement. (Lipson says he has since filed over 100 straw-related patents.)

2015

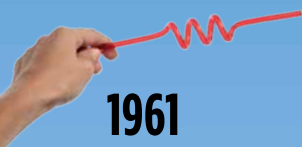
Global plastic production reaches **322 million metric tons** per year, nearly 215 times more than in 1950.

2011

Nine-year-old Burlington, Vt., resident Milo Cress gains celebrity status for starting **Be Straw Free**, a campaign that encourages restaurants to provide straws only when diners ask for them.

AUGUST 2015

Marine biologist Christine Figgener posts an eight-minute YouTube video of her colleagues **removing a plastic straw from a sea turtle's nostril**. The video, which has been viewed more than 37 million times, is often credited with starting the plastic-straw backlash.





APRIL 2018

Australian academics estimate there are as many as **8.3 billion plastic straws** washing up on coastlines around the world.

JANUARY 2019

A&W, which switched to paper straws in 2018, uses 140,000 plastic straws—the last of their stockpile—to create an 11-metre-long sculpture that reads, “Change is good.”



NOVEMBER 2018

Collins Dictionary declares “**single-use**” the word of the year, citing *Blue Planet II* footage of birds unwittingly feeding their chicks plastic.



AUGUST 2019

Donald Trump’s re-election campaign sells US\$670,000 worth of **Trump-branded plastic straws** in a month. “Liberal paper straws don’t work,” the product’s web page reads.



JULY 2019

The **Walt Disney Company** bans plastic straws at their theme parks and resorts, eliminating an estimated 175 million straws annually.



MAY 2018

A Kickstarter project called **FinalStraw** asks for US\$12,500 to fund the “world’s first collapsible, reusable” metal straw. It raises nearly \$1.9 million from more than 38,000 people.

JULY 2018

Starbucks vows to remove plastic straws from its 28,000 outlets by 2020, a move it says will eliminate the need for more than one billion straws annually.



2219

Estimated year that a polypropylene plastic straw discarded in 2019 will begin to **break down in a landfill**.



AUGUST 2017

Lonely Whale Foundation launches the **Strawless Ocean** campaign, an effort to keep 500 million plastic straws out of oceans annually. Actress Ellen Pompeo helps kick off #StopSucking, which challenges celebrities to boycott straws.

JUNE 2019

The Canadian government announces a **ban on straws**, cutlery and other single-use plastics as soon as 2021. A Nanos Research poll finds 81 per cent of Canadians support or somewhat support a ban on single-use plastics.

TAX LAB

DIMINISHING RETURNS

Canadians have the tools to file their own taxes. Now they just need a tax system they can actually understand.



BRUCE BALL

Over the past five years, the proportion of Canadian tax returns submitted in paper form has plunged by more than a third. No surprises there. Yet, even as taxpayers transition to eFile and NetFile, there's little evidence that these online filing portals have reduced

Canadians' reliance on tax preparers. In particular, the proportion of returns filed through the eFile system by tax preparers has levelled off at approximately 60 per cent.

That's not the fault of the software. Electronic filing was supposed to let Canadians file easily and accurately, allow refunds to be issued quickly, reduce administrative overhead and improve compliance. And the technology itself has only gotten better, with additional features like auto-filling fields. The problem, as it turns out, is the increasing complexity of Canada's tax system.

Case in point: medical expenses. Sure, they are easy to enter into tax software—if you know what to enter. But do taxpayers actually understand what expenses are eligible for the credit? Unlikely. After all, the Income Tax Act has approximately 40 paragraphs setting out which medical outlays qualify. With such a complex overlay of rules, there is a significant risk that many Canadians miss out on tax reductions.

Consider the disability credit. Even for beneficiaries who know they qualify, it's difficult to successfully claim the credit. A 2018 study by the Standing Senate Committee on Social Affairs, Science and Technology found that fewer than 40 per cent of the 1.8 million adults who report qualifying disabilities actually claimed the credit in 2012.

Other vulnerable Canadians experience similar shortfalls, as many incentives are based on filing a tax return. More than \$1.2 billion in federal benefits—including the Guaranteed Income Supplement, the Canada Learning Bond and, for Indigenous families, the Canada Child Benefit—go

unclaimed by low-income families each year, according to CPA Canada's report, "Canada's tax system: What's so wrong and why it matters." Further complicating things is the fact that spousal, age and caregiver credits and benefits are subject to limits and clawbacks depending on household net income.

It can be incredibly difficult to determine who does and does not qualify for some credits and other preferential rules, especially when the CRA itself is having difficulty providing interpretations on eligibility. A growing number of practitioners have told us that they're struggling to parse the rules.

This situation poses difficult questions: how can we offer tax credits to certain populations while imposing strict rules on others? If we fail to achieve the appropriate balance, the complicated filing rules designed to limit tax expenditures and prevent abuse create a condition of diminishing returns. When taxpayers are faced with a mystifying set of rules, they may decide it's not worth their time to figure out what credits and benefits they qualify for, or how to claim them. That only undermines the goals that the credits and exemptions are meant to support.

TAXPAYERS MAY DECIDE IT'S NOT WORTH THEIR TIME TO FIGURE OUT THIS MYSTIFYING SET OF RULES

How do we extricate ourselves from this worsening Catch-22? Streamlining and demystifying the tax system should be job No. 1. For example, if we reduce the number of credits and deductions available, this may allow us to reduce tax rates generally. According to a Nanos poll, three in five Canadians would prefer Ottawa to lower personal income tax rates rather than keep special tax credits.

Another idea: make more use of standard deductions and credits, which reduce the need to wade through complicated eligibility rules and stacks of receipts that are anything but uniform. The medical expense credit would be a good candidate for this kind of reform. If the federal government embarks on a tax review, as CPA Canada has urged, CRA officials should study whether standard deductions in fields like medical expenses would produce a beneficial result.

The government should also consult earlier and more thoroughly when considering tax policy changes or additions. We should encourage Ottawa to consider the consultation process used in the U.K., where the government has specific touch

\$1.2B

in federal benefits go unclaimed by low-income families, in part because they don't know whether or not they are eligible

points for consultations. Early in the process, they ask for input on alternatives for dealing with certain tax policy changes as opposed to asking for feedback when draft legislation is released, as is generally done in Canada. Getting feedback earlier may help to identify alternatives and issues that need to be considered before legislation is written. This will also give filers and practitioners a chance to process the changes so they can be ready when the new rule comes into effect, creating a more level playing field for everyone.

We believe the government can achieve a better balance between improving tax integrity and minimizing complexity and burden for tax filers. New rules would benefit from a specific, practical step that examines the cost of compliance. When we fix the root problems, more of the tax filing process can be automated, making tax compliance easier. And, more importantly, the result will be a tax system that delivers on public policy pledges without frustrating the very people those policies are meant to serve. ♦

Bruce Ball, FCPA, FCA, is the vice-president of taxation at CPA Canada.

THE ECONOMIST

ALL WORKED UP

What can solve Canada's plummeting productivity? The fix isn't what you think.



FRANCIS FONG

Economists have been scrutinizing Canada's productivity growth for decades. Let me explain. If a worker produces 10 widgets in an hour today, then 11 widgets in the same amount of time tomorrow, his productivity grows. Apply that logic to all of Canada's workers and their output year over year and, voila, you get national productivity, a stat that economists link to our overall standard of living. Low productivity growth can cause wages after inflation to stagnate and certain segments of the population to fall behind.

Through the 1960s and '70s, new equipment and machinery allowed Canadian workers to produce more with less, and a boom in international trade meant businesses had access to massive overseas

VERY COMPLEX PAYROLL NEEDS?

HRMS SOLUTION FOR
LARGE CORPORATIONS!

VIP

INTEGRATED SYSTEM

HUMAN RESOURCES PAYROLL WORKFORCE SCHEDULING PENSION TALENT MANAGEMENT
LEARNING MANAGEMENT SELF-SERVICE PORTALS BUSINESS INTELLIGENCE PORTAL



Our customers have some of the most complex payroll needs in the country which only a solution like VIP can effectively handle.

Contact Martine Castellani or Zachary Schiller (450) 979-4646

www.dlgl.com

CANADA BEST
MANAGED
COMPANIES

Platinum member

SINCE 1980...
"WE DO NOTHING ELSE..."

DLGL



BABY BOOMERS ARE ABOUT TO RETIRE EN MASSE, AND THERE ARE SIMPLY NOT ENOUGH YOUNG PEOPLE TO TAKE THEIR PLACE

markets to sell that output. Productivity grew roughly two to three per cent every year, contributing to average economic growth of four to six per cent. Over the past 20 years, however, things have slowed considerably. Annual economic growth has averaged about 2.2 per cent, and mean productivity growth is just 0.8 per cent per year.

That structural decline shows no sign of stopping. Baby Boomers, who account for about one-quarter of our labour force today, will retire en masse over the next 15 years, and there are simply not enough young people to take their place. In a previous column (“Time to Get Real,” March/April 2019), I noted that the old-age dependency ratio—the size of the 65-plus population relative to those aged 15 to 64—is projected to fall from four to one today to roughly two to one by 2060. Consider the efficiency of our systems—healthcare, education, public transit—right now. Now consider how well they’ll function when there are two working people for every one retired person. Our systems were not designed for the demographic reality that we now face.

If you’re not worried about this by now, you ought to be. Think of economic growth in its simplest terms: the number of people working and how much they produce. The labour side of that equation isn’t growing, which means that it’s up to productivity

Since 2000, productivity growth in Canada has averaged **0.8%**, less than half the mean rate in the 1960s and '70s

growth to shoulder the expansion of the Canadian economy. But as the numbers show, our recent track record there is abysmal.

What can be done? Technology and innovation may seem like the key to reviving productivity. After all, so much of our collective energy is focused on chasing the next device or app—and who can blame us? A single gadget can net a developer hundreds of millions of dollars, startups are sitting on mountains of cash and billionaires are popping up all over the place. Beyond that, decades of progress and international trade have lifted hundreds of millions out of poverty across the world and allowed advanced economies like Canada to become decidedly richer.

But take a step back for a second. Even with all of our groundbreaking technological advances, we haven’t cracked one per cent productivity growth on average since 2000. And even if what we have in store—driverless cars, artificial intelligence, smart farming or whatever—helps get that number up, the last 30 years have taught us that those gains are not a free lunch.

Many have been left behind in the name of progress and productivity. New innovations may create lots of jobs and huge amounts of wealth, but they often do so at the cost of disrupting entire sectors. Workers in industries like manufacturing, forestry and other traditional goods-producing sectors are at war with obsolescence. As a result, job losses, stagnant wages and rising inequality are now commonplace. It’s two steps forward, one step back.

Those steps backwards have real consequences on the economy and beyond. In my mind, economic disenfranchisement—and the anger that comes with it—is at least partly responsible for the global rise of populism and the leaders who weaponize that anger. That movement—just as much as low productivity growth itself—is now threatening Canada’s standard of living.

Productivity growth must be our collective imperative. Our well-being depends on it. But to blindly chase productivity without considering its potential negative consequences will simply lead to further deterioration of the systems and institutions that underpin our current prosperity. What we need now are sister programs designed to help people transition into the new economy and adapt to an ever-changing labour market: skills training, income supports, affordable childcare, flexible post-secondary education. We must realize that we can’t do things the way we’ve always done them—that simply would not be productive. ♦

Francis Fong is chief economist at CPA Canada.



Luxury. Performance. Style. Just a few of our assets.

Mercedes-Benz Corporate Sales is proud to continue a strong partnership with all Chartered Professional Accountants of Canada members. Save up to \$1,500 in addition to existing special offers on most new Mercedes-Benz and Mercedes-AMG models. This competitive incentive reflects our commitment to providing the best ownership experience to CPA members. See additional incentive details at www.mercedes-benz.ca/cpa

Mercedes-Benz
The best or nothing.







BY
JASON McBRIDE

Meet Michael



**He just wanted to be himself.
He ended up changing
the face of corporate Canada.**

PHOTOGRAPHS BY
KATHERINE HOLLAND

Sitting in a quiet Deloitte conference room on an early August day, Michael Cherny looks much like any other baby-faced Bay Street bro: carefully coiffed hair and perfect tan, dove-grey suit, large watch on one wrist, Fitbit on the other. His socks, a gift from his girlfriend, Caroline, are teal, with an amusing print of top-hat-and-bow-tie-wearing penguins—a sartorial wink that belies his otherwise buttoned-down appearance. Cherny, the chief of staff to the national audit public practice leadership at Deloitte, calls

them “fancy socks.” He has the affable self-assurance and hundred-watt smile of a late-night talk-show host who’s just learned he’s been renewed for five more seasons.

If you’d met Cherny a year ago, he likely would have looked pretty much the same: similar suit, identical watch, comparable fancy socks. His hair would have been cut in more or less the same style. He would have projected the same confidence. But he would have also introduced himself, and been known to his colleagues and family, as someone else—Michelle. On Jan. 8 of

this year, his 28th birthday, Cherny posted a photo of himself standing in the Deloitte lobby to all his social media accounts. In it, he wore a grey suit, a blue tie, a huge smile and a button that said “Birthday Boy.” Accompanying the image was this message: “Hi, I’m Mike. And today is my first day living my truth.”

That truth—that Cherny is transgender—is something he’s known since he was about eight years old. But in the buttoned-down culture of Bay Street, it’s virtually unheard of for a high-level employee of a Big Four firm to come out publicly like Cherny has. His decision to do so marked a milestone for corporate Canada.

Born to refugees from the former Soviet Union who settled in King City, Ont., Cherny was never comfortable being a girl. He just never felt like one. He didn’t yet have the language to articulate these feelings but they manifested themselves in ways that, retrospectively at least, were clear. He cried when he was made to wear dresses. He insisted on cutting his hair and shopping for clothes in the boys’ section. When he played sports video games, he would create player avatars for himself that were male. He always named them Michael.

If gender was somewhat confusing for Cherny, his sexuality was not. When he was eight, up late watching TV one Saturday night, he stumbled across an episode of *The L Word*, the lesbian soap opera. It was revelatory—female characters attracted to other female characters. Cherny realized that he felt the same way. He told his mother, who told him that it was just a phase, that he was too young to know who or what he liked. “It was a very common parent response,” Cherny says now. “But she just wanted to protect me. She came from a place where they would literally kill you if you were gay.” He came out, officially as it were, at age 19.

Lots of kids who question their sexuality and gender end up in the arts, finding careers or avocations that, theoretically anyway, encourage creativity, individuality and originality. Cherny’s inquisitiveness took him in a completely different direction—accounting and auditing. In high school, he took an accounting course and was fascinated by the problem-solving and the professional skepticism it required. “I liked the way it used my brain,” Cherny says. At the University of Toronto, he stuck with it, studying accounting with a minor in economics.

At a Deloitte recruiting event in 2010, Cherny bonded with a partner over their love of golf and the *Big Brother* TV show. The partner was in the mining division and encouraged Cherny to join as an auditor for a summer internship. Cherny was only 19 at the time and knew nothing



about mining, but he was interested in private companies and entrepreneurship. He said yes. And then, ever the enthusiast, he again found himself smitten. “I loved that the work was tangible,” Cherny says. “It’s like, there’s a pile of dirt over there. There’s probably gold in it. You’re telling me there’s actually a million dollars of gold in it. I then have to find a way to prove that as I exercise professional skepticism about your assumptions.”

Cherny joined Deloitte full-time as a staff accountant in 2012 and became a senior accountant in 2014, a year before obtaining his CPA. In 2016, Cherny was promoted to the position he currently holds, where he supports the firm’s leadership on the public side of its audit practice in Canada. “It’s like a wheel-and-spoke model,” Cherny says. “I’m in the middle and I work with my leadership on talent experience, quality—that’s the cornerstone of what we do in the public realm—which clients are we serving, which ones do we want to serve?” Cherny works with the various teams that operate in those particular spaces and ensures that there’s a consistent strategy among them. Ikram Al

Above: The photo Cherny posted on the day he came out as trans
Right: Cherny with his partner, Caroline, at a Deloitte Pride event

Mouaswas, a partner at the firm who has been, at various times, Cherny's mentor, coach and manager, found him, from the beginning, unusually open about his identity, community and culture. "He's passionate and intense, with really strong opinions," says Al Mouaswas. "But he's also good at taking in opinions that contradict his and accepting people asking questions."

Deloitte had quickly proven itself to be a good home for Cherny, career-wise. But it was also, as he soon learned, a good place to be queer. By the time Cherny arrived at the company in 2011, it had a well-established group for its LGBTQ employees, Deloitte Pride Community, as well as separate groups for female, black and

"My biggest fear was that the perception people have of me would change"



Indigenous employees, among others. Cherny became chair of the Pride group and, outside of work, also began to throw himself into non-profit work in the community. He volunteered for and sat on the boards of organizations like Pride Toronto, Start Proud (formerly Out on Bay Street), Toronto's 519 Community Centre and the non-profit youth organization Ten Oaks Project in Ottawa.

Lenore MacAdam, Deloitte's national inclusion leader, started at the firm around the same time as Cherny and, like him, was involved with Deloitte Pride from the beginning. Five years ago, MacAdam says, she

set out to make the "T" in the acronym more of a "reality" and began drafting Deloitte's first set of guidelines for transitioning in the workplace (guidelines that include everything from the difference between gender expression and gender identity to ways colleagues can provide support). To her delight, she encountered no resistance, but there was a distinct and pervasive lack of awareness. She was asked why she was making such an effort when the company had no trans employees. "I would imagine there were lots of people here who had never knowingly met a trans person," she says, adding that some people's only reference

point was pop culture. "When I first started doing this, someone said to me, 'Oh, you mean like that character on *Orange Is the New Black*?'"

Deloitte released those guidelines three years ago, around the same time that the Canadian government was also making efforts at trans inclusion more broadly. In 2017, Public Services and Procurement Canada published "Support for trans employees: A guide for employees and managers" and Bill C-16 became law, updating the Canadian Human Rights Act and Criminal Code to include gender identity and expression. Less than a year after Deloitte published its guidelines, an employee came out as trans, and an inclusion survey the company undertook in


the fall of 2018 revealed that, in fact, one per cent of Deloitte's employees identify as trans. And MacAdam was pleased to see that, as trans employees came out at work, not only were their colleagues treating them respectfully,

they wanted to fully embrace them. "I remember the first time that somebody was transitioning and I said to their leader, 'Here's something you could write to announce it to your team,'" MacAdam recalls. "They said, 'That's nice, but couldn't we make it more celebratory?' I was really impressed with the support and the joy." Further demonstrating the company's commitment, this past spring, it helped sponsor Canada's public hospital transition-surgery program at Women's College Hospital.

Cherny himself, in his role as chair of the Pride group, also helped a couple more junior colleagues transition. Nonetheless, he grappled for years with his own decision to do so. "I was afraid to use the word 'trans' for a long time," Cherny says. Once, about six years ago, an ex-girlfriend asked him if he'd transition if he was on a desert island. A hundred per cent, Cherny replied. It was the impact on friends and family that scared him. And work: "In any company, you build a reputation. My biggest fear was that the perception people have of me would change. That I wouldn't be viewed as someone who was good at their job, I'd be viewed as someone who had challenges or who was distracted."

Cherny's fears weren't unfounded. Corporate Canada is only gradually, and in some cases grudgingly, accepting new ideas around gender and gender expression. A couple of the major banks, such as BMO and TD, are updating application forms so clients don't have to simply choose between two genders. "We do see firms trying to make accommodations and adapting," says






Sarah Kaplan, a professor at the Rotman School of Management and director of the Institute for Gender and the Economy. “However, it’s fair to say it’s very spotty. People are doing a few visible things but not all of the work needed to really include people of all genders.” She points out that only about nine per cent of the workforce is employed by firms as large as Deloitte and that the small- and medium-sized businesses that employ most people simply don’t have the resources to make the necessary changes to their cultures and infrastructure. Most trans people thus don’t have the accommodations they need at work: gender-neutral washrooms, say, or benefits that provide financial support for transition.

In Cherny’s case, though, it helped that he had support at home. Just over a year ago, Cherny started dating his partner, Caroline. A few days into their relationship, Cherny told her about Michael. She was immediately accepting. “If you talk to her now,” Cherny says, “she’ll say, ‘I always saw you as Michael, I only know you as Mike.’” He had already come out to his mother in the summer of 2017; last November, Cherny came out to his father—who, to Cherny’s amazement, was entirely understanding. “He just said ‘congratulations,’” and Cherny and his older sister, who’d come for support, started crying.

A few months later came Cherny’s 28th birthday, which he now refers to as “my first birthday.” The same day that Cherny uploaded his Birthday Boy picture on social media, Deloitte posted a profile of him to its internal website, in a section

You have no idea how many places your name appears until you have to change it



called “People to Be Proud of,” along with a separate notice from the regional service leader for the audit public practice that both advised colleagues on things like pronoun usage (Cherny prefers he/his) and was, like MacAdam had observed, suitably celebratory: “We deeply admire his courage and look forward to his continued leadership.” Over the next month, Cherny says, he received hundreds of emails and about a thousand direct messages, uniformly praising and admiring. His LinkedIn post alone was viewed about 400,000 times, and he received messages from strangers in Dubai, Ireland and South America.

In the notice from the regional service leader, people were also asked to be respectful and were

encouraged to directly ask Cherny any questions they may have. This, as it turns out, was a blessing and a curse. Cherny welcomed the curiosity and was grateful for the dialogue—he calls it an “overwhelmingly positive response”—but it was also a lot to handle: “When I came out to my leadership, they were all like, ‘Great, we want to support you. How can we support you?’ That question is hard because there’s a lot of pressure and onus that’s placed on you as the employee transitioning to say, here’s what I need and here’s how it needs to happen.” To Cherny’s relief, inclusion leaders like MacAdam were able to have some of those conversations on his behalf. But the practical details of the transition also multiplied quickly and were likewise overwhelming: you have no idea how many places your name appears—from your email account to your insurance—until you have to change it.

Then, of course, there’s the bathroom. Because of the design of Deloitte’s Toronto offices, it only has gender-neutral washrooms on the first six floors of the 44-floor building. Cherny works on the 14th floor. The day he came out as trans, he was between meetings and really had to go to the bathroom. He hesitated for a few minutes and then decided to use the men’s room for the first time. Both the stalls were in use. He went back to his meeting. A few minutes later, he went back again. This time, he was in luck, but on his way out, he bumped into a colleague whom he refers to as the most conservative person on his floor. “You do go through a bit of impostor syndrome where you feel like, okay, on Tuesday, I used the women’s washroom and on Wednesday I’m using the men’s washroom and how are the people around me going to respond to that?” But to Cherny’s great relief, his colleague’s response was completely gracious—that is, he treated it like no big deal.

While Cherny might have worried about people thinking he was distracted after he transitioned, the reality, he says, was that, for him, living in a woman’s body was its own distraction. Think about your brain as a computer, he says, with about 20 per cent of its capacity used for basic life functions—eating, sleeping, getting dressed—and 80 per cent for everything else. As a woman, before transitioning, he spent about half of that 80 per cent thinking about what other people thought about him, how he looked, how he felt. Constantly worried about outing himself, constantly focused on his identity. It left very little space for solving business problems. Now, though, especially as the tumult around his transition has quieted somewhat, he can focus entirely on his work: “My brain is quieter now.” ♦

BACK TO THE FUTURE

It was a year of trade wars, climate crises and political tensions. What lies ahead?

BY JOHN LORINC

One year ago, CPA Canada assembled a team of 40 business leaders and big thinkers from across the country for Foresight: Reimagining the Profession, a forum on the future of accounting. In a series of roundtable discussions, the participants—CPAs and non-CPAs from finance, industry, technology, government and academia—asked themselves: what will the profession look like in 2030 and beyond?

To answer that question, they had to ask a bigger one: what will the world be like in a decade or two? Their response took the form of four “scenarios,” disparate visions of the future. In some, the international community bands together; in others, it fractures apart. Some scenarios envision technological change as a force for good; others see it as a threat. “Of course, it’s impossible to predict the future,” says Tashia Batstone, CPA Canada’s senior vice-president of external relations and business development. The coming years are likely to contain elements of all the scenarios, rather than just one. “They’re not what we think or hope the future will be, but simply what’s plausible. The value of the scenarios is that they frame the discussion. They encourage CPAs to think differently and consider the challenges and opportunities that we may face in the future.”

As part of Foresight, more than 1,000 CPAs and business leaders weighed in on the scenarios online, imagining what each future might mean for them. If governments embrace strict environmental regulations, for example, what role can CPAs play to help businesses meet them? If tech titans set the global agenda, should CPAs become the keepers of Big Data? The goal: to ensure the profession remains relevant in all possible futures. “I’m impressed by how carefully and thoughtfully this profession is thinking through its future, given all the technological disruption coming their way,” says Rohinton Medhora, president of the Centre for International Governance Innovation, a Waterloo-based think tank. “This is a good process for all professional associations to pursue.”

In the following pages, we revisit the scenarios with the help of a **team of futurists**, taking into account a year of political dramas, trade wars and data breaches. No matter what happens, CPAs will have an opportunity to shape the coming years, says John Helliwell, professor emeritus at the University of British Columbia. “This requires resilience, adaptability and the capacity to make accounting standards and behaviour a force for increasing both trust and cooperation,” he says. CPAs will have to be “both nimble and nice—advisers who both create and inspire trust.”

THE FUTURISTS



JON LUKOMNIK
Managing partner
of Sinclair Capital



ROHINTON MEDHORA
President of the Centre
for International
Governance Innovation



PHILIP HUNTER
Principal of leadership
and talent at Verity
International

“It’s impossible to predict the future. But the scenarios help frame the discussion.”

TASHIA BATSTONE SVP of external relations and business development at CPA Canada



PHOTOGRAPH BY GETTY

Canada is dragging its heels on open banking

September, Globe and Mail

Canada Proposes Regulatory Framework for Cryptocurrency Exchanges

March, CoinDesk

Canada, European Union close to possible fix in World Trade Organization deadlock: Trudeau

July, Reuters

Feds unveil plan to fight foreign interference in 2019 federal election

January, Global News

1 SLOW AND STEADY

The Scenario

The near- and mid-term future will be characterized by relative stability, social consensus and sustained trust in a range of institutions, from local organizations to global bodies. Both leaders and individuals will need to agree on inclusive, considered solutions to a range of major challenges, including climate change, data security and the unintended impact of emerging technologies. Yet this sluggish future will also be marked by slow growth, limited innovation and entrepreneurial frustration that could drive some economic activity underground. Global institutions will try to push climate mitigation solutions, but progress will be slow as countries miss reduction targets.

The Verdict

Slow and Steady’s allure is right in its name: it’s a series of careful steps into an uncertain future, rather than a leap of faith into the unknown. Over the past year, many countries have adhered to such an approach, fining tech giants and regulating cryptocurrency. “This is what Canada will continue to try to do,” says Hunter. “But I don’t know if the rest of the world will allow it. We’re just beginning to go down the roller coaster of shifting to a radically different world.” Even if Canada hopes for the Slow and Steady scenario, says Lukomnik, it would be wise to prepare for a faster, more disruptive future. “This scenario is probably the one that people would like most,” he says. “But the real world doesn’t work that way. Ironically, it is the future most people plan for.”

Planet has only until 2030 to stem catastrophic climate change, experts warn
 October, CNN

Why Apple and Amazon are pouring investments into solar energy
 August, InvestorPlace

Change the narrative: how a Swiss group is beating rightwing populists April, The Guardian

Windmills and batteries to attract billions in the green energy revolution
 August, Bloomberg

The Verdict


The catastrophes that act as a catalyst for Phoenix Rising may be unwelcome—“one hopes they don’t happen, clearly,” says Lukomnik—but most of the futurists agree that, given economic trends and the pace of climate change, they may be inevitable. “There’s a high possibility that major events in the next five to seven years will reshape the planet,” says Hunter. And, as Medhora adds, “We’re often forced into doing things by crises.” Where the experts diverge is how the world may react to these disasters. “I don’t think the response in the short to medium term will be, ‘We all have to work together,’” says Hunter, who envisions such events sowing discord, not international cooperation. Lukomnik is more optimistic: he says the scenario is an extension of developments such as GDPR, Europe’s data protection rules. “People welcome new behaviour, but they will have concerns about privacy,” he says. “And yet we all want more functionality in our pockets.”

PHOTOGRAPH BY ISTOCK

2 PHOENIX RISING

The Scenario

A series of global calamities—extreme weather, financial collapse, devastating pandemics—forces the international community to work collaboratively toward a better future. Realizing that no one escaped the impact of these events, business, political and social-movement leaders advance an inclusive agenda that goes well beyond economic growth and aims instead to strengthen civil society. Broad objectives—like the United Nations’ Sustainable Development Goals, basic income, climate-change mitigation and accessible education—drive decision-making, and leaders marshal technology to advance these causes. While most people align themselves behind these shared ideas, a few bemoan the loss of individualism and unfettered markets.



3 TECH TITANS

The Scenario

Amid economic volatility, trade wars and anti-immigration sentiment, the world's major political powers pursue wildly different goals, marking the demise of internationalism. Global “tech titans”—Apple, Google, Facebook, et al.—dominate, defying minimal regulation and pushing radically transformative technologies. These companies consolidate their influence over health care, transportation and media through the control of data and the rapid deployment of artificial intelligence. Weak states fail to protect vulnerable jobs from AI, leaving a battered labour force of gig workers on short-term contracts. While technological progress yields life-improving breakthroughs, it also creates mass instability and inequality.

Uh-oh: Silicon Valley is building a Chinese-style social credit system
August, Fast Company

Growth of the gig economy: 46% of Gen Z workers are freelancers
August, Tech Republic

How tech giants are becoming more like governments
October, Techworld

The Verdict

The futurists contend that elements of both Phoenix Rising and Tech Titans will prove true. “It is a mistake to believe that we’ll have one of these scenarios be the dominant paradigm,” says Lukomnik. Escalating tensions are evident in calls—from people like presidential candidate Elizabeth Warren—to break up big tech firms. Medhora argues that it’s counterproductive to frame the clash between governments and tech giants as an either-or battle. Both have a role in a vibrant future, he says. “Whichever scenario you buy into, what’s central is the interplay between technology and society,” he says. “To see it as some kind of battle royale between the two is not helpful.”



4 MY WAY

The Scenario

The near-term future is deeply fragmented and inward-looking, the result of mounting populism and a global breakdown in trade agreements, regulatory systems and financial institutions. As mistrust overwhelms domestic politics and international relations, many people retreat to the safety of their local communities. Even as evidence of climate change accelerates, the prevailing atmosphere militates against cooperation that might mitigate the crisis. With the economy sluggish, older Canadians delay retirement, causing record unemployment among young people who also have little incentive to pursue higher education. Universities and colleges respond with more apprenticeship programs and practical courses that serve expanding cottage industries. In this atmosphere of anemic growth, developing nations leapfrog ahead, finding innovative solutions to replace legacy services in domains like health care, education and infrastructure.

The Verdict

Hunter argues that My Way has already arrived, not just in obvious ways—Brexit, immigration clampdowns, isolationist government—but in the actions of regular people. “In Canada and the United States, people are moving less frequently,” he says, adding that even shifting labour conditions haven’t resulted in significant relocations. “That indicates to me there’s less of a desire to uproot yourself and be bold and adventurous and more of an inclination to stay put. That’s one potential sign of a country and a society that’s turning inward.” The futurists caution that such an insular worldview may allow problems that require global cooperation, such as climate change and geopolitical tensions, to go unchecked or to fester, perhaps causing some of the calamities that kick off the Phoenix Rising scenario. “Just because societies turn inward,” he says, “doesn’t mean nations no longer need each other.” ♦

➔ Visit cpacanada.ca/en/foresight-initiative for the latest information on Foresight

AFTER

#METOO

BY ADRIENNE TANNER

In 2002, Melissa Doyle was flying solo after the breakup of a long-term relationship and in desperate need of work. So, despite trepidations about working in a chemical production plant where women had almost no presence, she accepted a job as a plant supervisor at Zochem in Brampton, Ont. She had 11 years of prior experience as a manager, but nothing prepared her for the torment of relentless sexual harassment from the plant's maintenance manager, Bill Rogers. Rogers would stare at and comment on her breasts—which he called “the girls”—and pretend to photograph them. He often suggested Doyle needed “a little pounding” or to “get laid.” Doyle put up with the abuse for nine interminable years. “I felt like I was in a prison,” she later recalled. “I thought, ‘I don’t know what else to do. I can’t go back to school. I’m by myself.’”

Doyle finally hit her breaking point in 2011. She had already reported the situation a year earlier, when Zochem hired a third-party company to conduct a survey about violence and harassment in the workplace. But nothing changed. So when a meeting with Rogers and Zochem's chief engineer left her in tears, she reported the harassment yet again to the assistant general manager. On her next shift, she was fired.

Doyle fought back with a wrongful dismissal suit, but the psychological damage was done. When the case went to trial in 2016, the court heard she felt “betrayed, abused, sad and upset.” She was taking medication for anxiety and constant shaking. She had migraines and chest pains, and was kept awake by nightmares. She had already been struggling with depression, but after she was fired she was diagnosed with major depressive disorder. The case took seven years to settle,



Two years ago, a movement to end sexual harassment in the workplace took hold across the globe. Now, business leaders are facing a new paradigm.

and ultimately the company was forced to pay for failing to provide Doyle with a safe work environment and to deal properly with her complaint. She was awarded the equivalent of 10 months' salary, plus \$25,000 for sexual harassment, \$60,000 in "moral damages" for the way she was treated and, upon appeal, another \$40,000 to cover her court costs.

Doyle is proud that she stood up for her rights. But she doesn't consider her case a total victory. "I got the equivalent of two years' pay," she says. "He got to keep his job." (Rogers has since left Zochem.) Today the case is referenced in employment law circles as a spectacular HR failure on every level—a corporate how-not-to guide for the Me Too era.



In a 2018 poll, 34 per cent of women and 12 per cent of men reported being sexually harassed at work

Since 2017, when several prominent women came forward with allegations of sexual harassment and assault against film producer Harvey Weinstein, there has been a paradigm shift in the way businesses approach workplace misconduct. A non-threatening and inclusive work environment is now considered so crucial from a reputational point of view that some companies are proactively disclosing how many harassers have been driven out of their operations. Late last year, in the U.K., Deloitte reported around 20 partners had been fired over the previous four years for inappropriate behaviour. That revelation pressured the other Big Four firms to disclose that they, too, had fired several partners for sexual harassment and bullying.

In Canada, harassment allegations forced media star Jian Ghomeshi from his CBC host's chair and Albert Schultz from his position as artistic director of Toronto's Soulpepper Theatre. Former CTV reporter Paul Bliss was fired after an investigation found he had repeatedly engaged in sexual misconduct with

young women at work for more than a decade. But in contrast to the media and entertainment world, in the corporate sphere, most harassment complaints are settled privately and shrouded in confidentiality agreements. Except for the few cases that land in human rights tribunals or court, the public doesn't hear about them. "We saw people in the business world disappear and we didn't know why, but it was all happening at the same time," says Karen Cook, a Vancouver communications consultant who specializes in crisis management.

The greatest change wrought by Me Too is that women feel more comfortable reporting instances of workplace bullying and sexual harassment. According to Ken Fredeen, general counsel for Deloitte Canada, this is causing a major cultural shift. "Before, this type of behaviour was seen as, that's just the way men are, that's the way it has to be," Fredeen says. "Now they are being challenged, and that's a wonderful thing."

Surveys show workplace harassment is still widespread. A Navigator poll of 2,000 Canadians from February 2018 found 34 per cent of women and 12 per cent of men reported being sexually harassed at work at some point. Of those, two out of five say the harassment "stemmed from a person who had direct influence over their career." Only 59 per cent of respondents believe their organization has a culture where sexual harassment is not tolerated; fewer than half believe their workplace provides a safe person to disclose to, and only 49 per cent feel adequately informed about steps to take should harassment occur. A broader study released by Statistics Canada, as part of the 2016 General Social Survey, found 19 per cent of women and 13 per cent of men had experienced some type of workplace harassment over the past year. The most common was verbal abuse, followed by humiliating behaviour and threats. Four per cent of women said they had been sexually harassed at work within the past year. Women with disabilities and LGBTQ women are particularly vulnerable, says Fredeen.

And yet most corporate leaders minimize the problem reflected by these studies. A December 2017 survey of high-level Canadian managers found 94 per cent believe sexual harassment is not an issue within their own workplaces. The survey, sponsored by KPMG and conducted quarterly by the Gandalf Group, canvassed the views of 153 C-suite executives, 95 per cent of whom were men. Although nearly half agreed sexual harassment was rarely reported, they posited it was less of a problem now than years ago. The majority also felt sure their businesses already have appropriate policies and culture in place. In the U.S. this year, after EY partner Karen Ward filed a harassment and discrimination complaint, 67 New York state legislators sent a letter to EY CEO Carmine Di Sibio, denouncing the company's practice of forced arbitration. But the firm has so far refused to revisit the policy.

This disconnect between employee experience and executive attitude suggests that despite the awareness brought on by Me Too, there is much work to be done. Companies that don't rise to the challenge risk being outed by websites like Glassdoor,



CPA Canada negotiates great savings with nationally recognized partners to support your professional and personal life. Take advantage of discounts on everything from new cars and travel to accounting software, phone plans and more.

To receive a quarterly update, sign up for the *CPA Savings and Offers* newsletter.



Save up to 40% off select Dell business tech, plus CPA Canada members **save an extra 5%** with coupon. Dell Small Business Advisors are ready to help you with your technology questions.



Sign up for QuickBooks Online and receive **50% off** for one year. Existing users get **six months free** with Advanced Payroll powered by Wagepoint.



Exclusive incentives available on the purchase, lease or financing of most new Mercedes-Benz, AMG or smart vehicles.



Get special pricing on new Hyundai vehicles, with **up to \$1,800** in savings on top of great retail incentive offers.



Save on rates from Enterprise, Alamo and National.



Receive up to 35% off products on the Lenovo website. Members also qualify for additional deals, including VIP sales.



Sign up and get 10% off a Rogers Infinite™ plan and a \$300 credit.

For more details, visit:
cpacanada.ca/savingsandoffers

which allow past and current employees to anonymously rate their work experiences. Social media has shed light on harassment of all types, says Chris McKinnon, a former manager with the Ontario Human Rights Commission and the Ontario Ministry of Labour who now conducts independent workplace investigations with the consultancy group HR Proactive. He points out that victims who once felt isolated can now easily connect with others. “The generation coming into the workplace thinks a lot differently now,” McKinnon says. “They expect a diverse workplace where they’ll be respected and supported.” Fredeen agrees: “If you are truly interested in attracting and retaining the best talent there is, that requires an inclusive workplace.”

The first step to stamping out sexual harassment is to ensure employees at every level understand exactly what the term means. There are obvious transgressions, like groping, but sexual harassment can be much more subtle and subjective, and the purpose of workplace training is to ensure everyone understands where the line is. Sandra Corelli, a Toronto-based leadership coach and consultant, uses a spectrum developed by Kathleen Reardon, a bestselling author and professor emerita at the University of Southern California Marshall School of Business. It begins with a category labelled “generally not offensive,” which includes remarks made about someone’s hairstyle or dress. In the middle is “offensive,” which includes “gender-insensitive” remarks and being treated with condescension. At the highest end is “egregious sexual misconduct,” defined as coercion, sexual abuse or assault. Corelli finds the scale a valuable educational tool for employees at every level. It gives everyone a common language to categorize different levels of misconduct.

In workplaces where sexual harassment or bullying is a known problem, McKinnon begins his on-site education sessions by “reading the riot act.” You’ve got to try to impress upon people that times have changed, he says. And he points out that bullying can be more challenging to explain than sexual harassment. Also defined as psychological harassment, bullying encompasses behaviour that intimidates, belittles, isolates or humiliates an employee. “I used to have managers in my early days who thought that was effective management 101,” he says.

As organizations move to demonstrate that they take Me Too complaints seriously, there is some fear that innocent people will fall prey to false allegations. Now a CPA and partner at Hogg, Shain & Scheck, Ninette Bishay was an 18-year-old summer student at a different firm when she experienced a formative Me Too moment. A male colleague circulated a grossly inappropriate email about her to others in the office, and someone passed it on to her. She marched into her boss’s office with the offending missive and complained. Retribution was swift: her harasser was fired the next morning. Looking back, Bishay remains gratified her complaint was taken seriously. But today, as someone who occasionally advises clients on the importance of equitable anti-harassment and bullying procedures, she’s certain her harasser would be afforded more due process if the incident occurred now.

“I was harassed, don’t get me wrong,” Bishay says. “But I think a fair and rigorous process of investigation of complaints

is expected in this day and age.” She shared her experience at a client seminar in October and contrasted it with a recent case where forensic accountant Dave Oswald, when faced with similar circumstances, unearthed an entirely different truth. Oswald was called into a workplace where a woman complained one of her male colleagues had harassed her with a barrage of emails, which grew increasingly sexually explicit. “She went to the HR manager with 50 emails, all printed out, and said, ‘I can’t put up with this anymore,’” says Oswald, owner of the investigation firm Forensic Restitution in Toronto. When confronted, her colleague adamantly denied writing them, and his computer showed no incriminating traces. He was placed on administrative leave and the company hired Oswald to examine the electronic trail. Although the woman said she had erased everything, Oswald recovered a few of the emails from her computer. “They had been sent and received from the same machine.”

Oswald’s discovery, though unusual, is nonetheless a cautionary tale for companies striving to create safe working environments. There is a fine balance between taking allegations seriously and maintaining fairness and due process. That is why Gillian Shearer, a Toronto lawyer and workplace investigator, is careful to avoid jumping to conclusions. Of the several harassment investigations she has done post-Me Too, she is positive a few were false. In one case that went public, Shearer says, “I don’t know if his marriage or professional life will survive.”

That’s not to lose sight of the fact that the majority of Me Too charges do check out. Increasingly, firms are turning to outside investigators instead of relying on internal HR staff, who are often perceived as biased. According to Ontario law, Shearer adds, the person investigating a potential harassment case cannot be subordinate to the accused party. Shearer starts her investigations by interviewing both parties—starting with the complainant—and potential witnesses to assess the severity and validity of the complaint. Creative companies don’t immediately yank an alleged harasser from their post, she says, but, depending on the seriousness of the allegations, instead find ways to let the person work from home or out of town while the inquiry is ongoing.

In cases where the harassment allegation goes public, companies often turn to crisis managers like Karen Cook in Vancouver. Cook advises clients to have a communications plan in place long before anything that would warrant media attention happens. These steps are especially challenging for small organizations with tight budgets, like many of the nonprofits Bishay advises. Still, she encourages even the smallest business to include an anti-harassment statement in their core values, design sound policies and procedures, and pay to have them legally reviewed.

Me Too has broadened the conversation around appropriate workplace conduct, Fredeen says, and businesses need to be ready not just for more sexual harassment complaints, but also complaints about general harassment and bullying. The movement has given everyone a voice, and companies should respond by flushing out bad behaviour through education and dismissals. “It’s a very positive development,” Fredeen says. “And we’ve got to keep it moving forward.” ♦



CPA

CHARTERED
PROFESSIONAL
ACCOUNTANTS
CANADA

COMPTABLES
PROFESSIONNELS
AGRÉÉS
CANADA



CPA Canada

Foresight

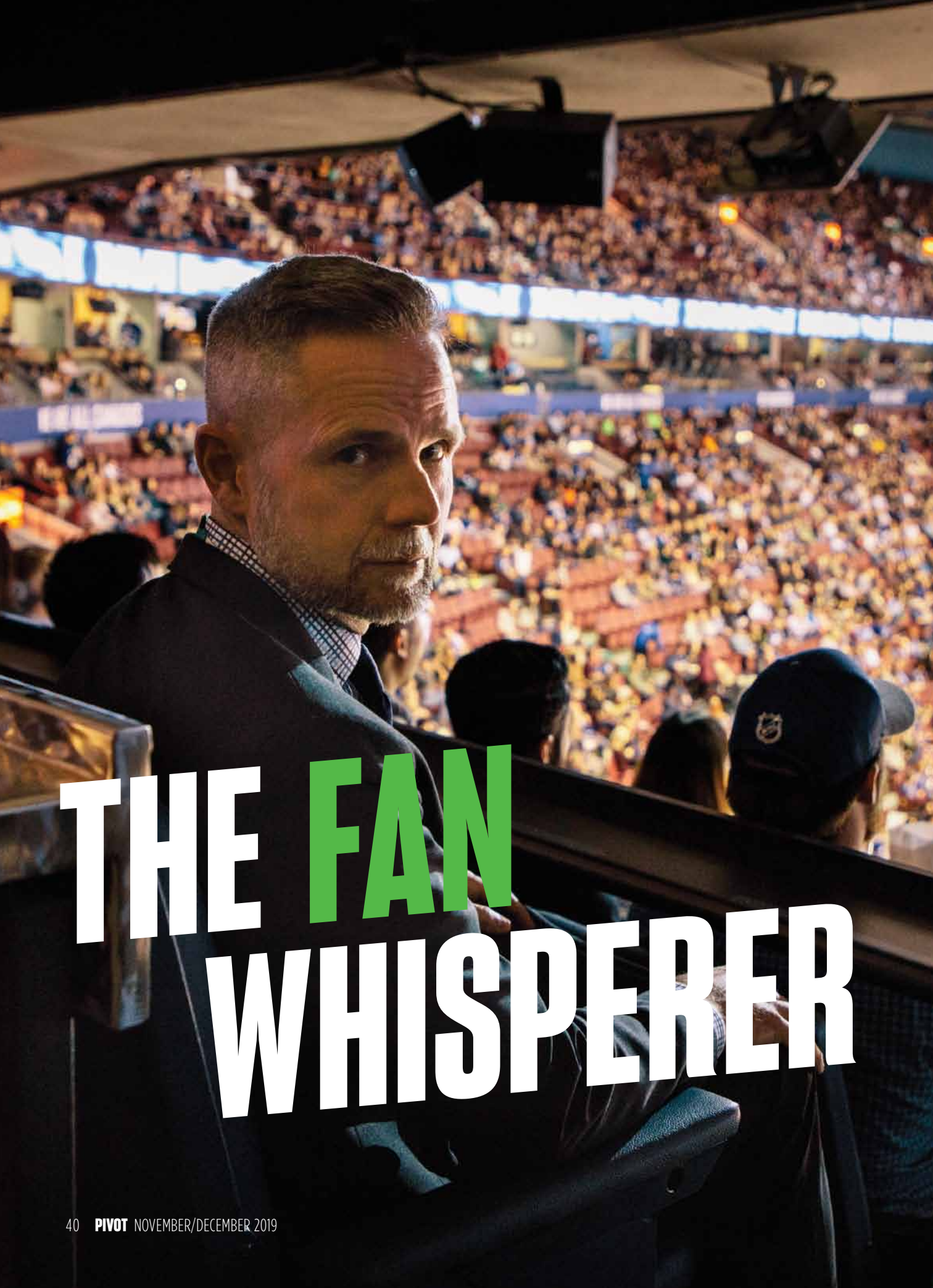
REIMAGINING THE PROFESSION.

You shared.
We listened.


Together, we found *The Way Forward*

How did six months of thoughtful face-to-face discussion and digital exchange pave *The Way Forward* for the accounting profession? Find Out.

VIEW THE REPORT NOW: cpacanada.ca/en/foresight-initiative



THE FAN WHISPERER



Brad Pennefather, head of the Vancouver Canucks' customer analytics team, at Rogers Arena

**BIG DATA HELPS
PRO SPORTS
TEAMS WIN GAMES.
CAN IT HELP THEM WIN
FANS, TOO?**

BY MICHAEL McCULLOUGH

**PHOTOGRAPHY
BY GRANT HARDER**

It's the last home game of the Vancouver Canucks' season, and though the team is already out of playoff contention, the Rogers Arena is full to capacity. Fans are here in part to check out Quinn Hughes, a hot prospect from the U.S. college system—and brother of 2019's No. 1 draft pick, Jack Hughes—playing in just his third National Hockey League tilt, as well as Elias Pettersson, who will go on to win the Calder Trophy as the league's rookie of the year. But when all eyes turn to the opening faceoff, Brad Pennefather is more focused on what's happening off the ice.

Pennefather, a CPA, is a pioneer in the emerging field of fan analytics. As the Canucks' vice-president of membership, sales and business intelligence, he heads up the Canucks' customer analytics team—a six-person unit with expertise in digital media, fan experience and brand research—that shapes how “members,” as the team calls them, experience the Canucks brand, whether they're sitting in luxury boxes or checking scores on their phones.

For now, the analytical practice is mostly descriptive; it tells the franchise exactly who its fans are (age, gender, where they live) and their level of commitment (how many games they attend per season). It's also beginning to tell Pennefather's team what fans like—individual players, game presentation, food and music played at the arena. As the field develops and incorporates more sophisticated artificial intelligence tools, it will likely become more predictive, anticipating how

fans will respond to new offerings, and eventually prescriptive—helping set corporate tactics and strategy.

During the game, though, Pennefather is focused on old-school customer service. He cruises the arena, checking out entry gates, answering questions and making sure guests are enjoying their evening. Sporting a blazer and a close-trimmed salt-and-pepper beard, he is an approachable presence in the concourse crowd, barely raising his voice over the game-night din. He looks like a typical Canucks fan dad—as it happens, tonight he’s accompanied by his teenage daughter—except for the fact that he’s ready to step in at a moment’s notice to help clean up a spill or serve a long concessions queue.


Fan analytics, Pennefather explains, is a combination of in-person interactions and hard data points. “There’s a little bit of art and science to it,” he says. “The numbers point you where to look. The observations and one-on-one engagements with members get you to the why.”

Gathering this kind of information does not require especially invasive means. Because mobile ticketing is connected to customers’ phones and online accounts, says Pennefather, “we know who’s coming in the door,” which helps with security and fraud prevention. With that information, as well as opt-in surveys and other business intelligence, the analytics team studies the fan journey—from parking their car or getting off the SkyTrain to entering the building, finding their seats, watching the action, buying food and drinks, and even heading home. The team looks for points of friction that need to be smoothed out. In recent years, for example, it’s helped the franchise improve fans’ satisfaction with staff as well as the quality and variety of the arena’s food and beverage options.

Pennefather’s team has developed the fan analytics practice in dark days—the Canucks haven’t made the playoffs since 2015. If and when the Canucks return to the top of the standings and sellouts become more common, the club will be counting on his team to make sure fans are satisfied with their experience, no matter the score when the final horn sounds.

Professional sports teams were an early adopter of analytics and big data—think Michael Lewis’s 2003 bestseller *Moneyball* and its 2011 movie adaptation starring Brad Pitt. But the edge that big data bestowed was for many years confined to the field of play: the Presidents’ Trophy-winning Canucks squad that made it to game seven of the Stanley Cup Finals in 2011 was assembled not just on the hunches of scouts and management but with painstaking analysis of then newly tracked performance metrics like shot attempt differential and offensive zone starts.

Only recently have professional sports teams turned their data-gathering and analytical systems around and pointed them in the opposite direction—up into the stands. The widespread adoption of smartphones and mobile social media was key to instantaneously gathering fan feedback. Rich Campbell, a marketing professor at Sonoma State University, highlighted this emergence of a “second screen”—fan engagement on a phone or tablet while watching the



TEAMS ARE TURNING
THEIR DATA-GATHERING
SYSTEMS AROUND
AND POINTING THEM IN
THE OPPOSITE DIRECTION—
UP INTO THE STANDS

game on TV—in a talk he gave to the MIT Sloan Sports Analytics Conference in 2013.

Today’s sports fans, especially younger ones, consider sharing their game-day experience on social media—an Instagram post of the action, a Snap from their seats—just as important as experiencing it first-hand. That presents a two-pronged opportunity for sports businesses: to extend their brand’s reach to the attendee’s social network, and to get fans’ reactions to the experience in real time. This evolution of fans’ relationship with sports teams, Campbell noted, parallels a broader shift between customers and brands: from transactions to relationships to collaboration.

Like a lot of consumer-facing businesses, the Canucks track their Net Promoter Score (NPS), a number comparing the share of very satisfied customers versus those less impressed. Having a high NPS is a marketing boon—the brand’s devotees spread the good word on the organization’s behalf in person and on social media—as well as a good omen for attendance and demand for tickets. A negative NPS, by contrast, is a sign of a sick brand.

According to Pennefather, the Canucks started looking at fan analytics four years ago. The marketing team was already responsible for gathering data points outside Rogers Arena: feedback on social media, elsewhere on the web and through surveys. It uses that information to tailor marketing pitches to individual fans. If a fan shows an attachment to Pettersson,



Pennefather with fans as the Canucks take the ice

for example, content in their social media feed will feature the young Swede; Bo Horvat fans will see Bo. Canucks Sports and Entertainment also gathers data through contests and giveaways run in concert with corporate partners such as Budweiser, Ticketmaster, TD and Rogers.

With the help of market research company Insights West, the Canucks categorize fans into six attitudinal and behavioural segments, including longtime Canucks devotees, sports junkies who might follow the Raptors as closely as they do the Canucks, as well as new and casual fans. The big picture, Pennefather says, is “Are these member segments getting more engaged with the brand or less? All the actions we do are designed to make them more engaged.”

Because customer analytics is such a new field, people come to it from different backgrounds, such as marketing or information technology. Pennefather has years of experience in sales, marketing and operations with organizations including the B.C. Automobile Association, Anheuser-Busch InBev and Coca-Cola. He says his accounting background bolsters his skill set. “That training as a CPA helps you understand how all this data in fan analytics affects the business overall,” he says, adding that his experience helps him draw connections between member analytics, marketing and, ultimately, profit and loss. “I appreciate how all these things contribute to the bottom line.”

When you enter the Rogers Arena, there is free (and surprisingly robust) Wi-Fi—provided you sign up for it, surrendering your email address in the process. So while the Wi-Fi allows users to post rinkside selfies—not a bad brand awareness tool in itself—it also solicits participation in games and surveys. A couple of seasons ago, the Canucks introduced an app that fans can interact with while inside the venue. “For now, the app features mostly content, but has just started offering gamification,” such as predicting which mascot will win an on-ice race, Pennefather explains. “We see it evolving over time into something like the Starbucks app that you can use to purchase food and drinks or merchandise and that tracks those purchases.”

Each game night, some 400 to 500 attendees in the nearly 19,000-seat arena become a focus group the Canucks can interact with in real time. The company is working with Rival Technologies, a startup led by Andrew Reid (founder of Vision Critical Communications Inc. and son of pollster Angus Reid) that specializes in the use of artificial intelligence in market research. Its bots ask fans questions like how they felt about the special food offerings that night, or the selection and volume of the music.

As with any trove of personalized information, there are questions around its use. The Canucks have partnered with data management firm SAP, and according to Pennefather,

the team goes to great lengths to protect the data and adhere to the principles of Canadian privacy law. No data is sold to third parties, he says, and all personalized information is gathered on an opt-in basis. “Two of the values in our brand are trust and integrity, so we’re sensitive to privacy and security.”

Pennefather is coy about the trade secrets he’s gleaned from Canucks fans, but he offers another example of his findings from the Vancouver Warriors, a National Lacrosse League franchise that the Canucks organization bought in 2018 and moved to Rogers Arena from the Fraser Valley. “It was a brand new product, very different from hockey,” Pennefather says. The Net Promoter Score from the first game in September was underwhelming, so his team went to work, adding beer and food discounts. On the advice of the analytics team, management also changed the way it communicated inside the building—with announcements, video clips and printed programs—which had been more or less copied from the successful Calgary Roughnecks lacrosse franchise. “Things they did in Calgary didn’t work here,” Pennefather says. The brand voice had been tongue-in-cheek and poked fun at the visiting team, but lacrosse is not as well-known in Vancouver, so the announcers dialed back some of their statements. It worked. At the next game that was tracked at Rogers Arena, in January, the NPS virtually doubled.

The volume of data that the team’s front office is able to gather is only going to increase. “Big data is exploding,” Pennefather says. “But many companies are still struggling

to simplify how to make their data actionable.” So the analytical side—picking the meaningful information from the noise—is going to become more and more important. One way the feedback from this past season will inform tactical business decisions, he notes, is in the increase in theme nights, such as a Chinese New Year night in February, when the menu offerings were changed in an effort to acknowledge the team’s Chinese-Canadian fan base.

The Canucks’ outreach to new Canadians has not gone unnoticed. “The NHL franchise continues to have a strong fan base because it managed to connect in a meaningful way with British Columbians of all ethnicities,” Mario Canseco, president of polling company Research Co., wrote in a recent blog post. “This cannot be understated. The people in charge of the Vancouver Grizzlies of the National Basketball Association were not as attentive to this growing group of prospective fans. This is one of the reasons the Grizzlies now play their home games in Tennessee.”

As for the Canucks’ last home game of the season, the diehard fans are rewarded: the team comes from behind in the third period to defeat the playoff-bound San Jose Sharks 4-2. Though he doesn’t figure on the score sheet, Hughes shows flashes of brilliance, deking opponents and initiating the odd offensive rush. Pennefather and his daughter join the torrent of fans filing out of the building, satisfied as everyone else. By one of the exits, a security guard bellows a message Pennefather would no doubt endorse: “Good night, folks! Thanks for coming out. We appreciate your support.” ♦

Designed and serviced by accountants for accountants.

Pay anyone, anywhere, anytime

Telpay is Canada’s leading all-in-one electronic payment solution. We consolidate all your payments into one secure, cost-effective, information-rich payment process and your payments are distributed to your creditors overnight.

- ✓ Electronically pay your bills and employees, including source deductions and employer contributions.
- ✓ Make domestic or international payments from your Canadian or Canadian USD bank account from any location at any time.
- ✓ Import payments from a payables system or make direct payments with full accounting distribution.
- ✓ Transmit important details with every payment, including account number, invoice number, and transactional details as required.
- ✓ Manage recurring payments, accounts receivables, and collect regular billings with pre-authorized debits (PADs).

Join the thousands of accounting professionals who use Telpay to streamline their day-to-day payment processes.

Simplify your business + Save Time + Save Money
Visit telpay.ca/apply



Leaders in business payments.

All customer funds are held in a Trust Account.

Processed over \$19.5 billion in payments in 2018.

Telpay for Business™

One payment system that provides a secure, permanent, accountable, record of all your payments - bills, employees, international payments - and collects your accounts receivable too.

Founded in 1985, Telpay is Canada’s largest independent electronic payment processor.

Audit Guide

Standing out from the competition in the digital age

Vancouver's Marwick agency is helping accountancy firms grab top clients by keeping them ahead of the curve in the ever-changing online marketplace.

Last year, the Newport Group, a CPA firm in Port Moody, B.C., was ready to expand into the larger nearby Metro Vancouver market. To achieve this goal, the firm first asked itself a question: how do we make ourselves visible and attractive to high-quality potential clients in 2018? For the answer, it turned to Marwick, a Vancouver-area digital marketing agency.

We live in the age of the attention economy. Tech giants enjoy multi-billion-dollar valuations for that very reason. Amazon, Facebook and Google control the lion's share of people's attention and reap massive ad revenues accordingly. These giants also control the marketplace to find clients and hires for your business. Google alone gets more than nine out of 10 world-wide searches across all platforms, and nearly 95 per cent of mobile searches.

When accountancy firms want to stand out, they're competing with the entirety of the internet for the attention of potential clients and CPA hires. But for all that wealth of information, what people click is determined by something deceptively simple: getting your company on that first page of Google search results. "Sixty-five per cent of all search traffic goes to the top three Google result placements," says Christian Thomson, founder and CEO of Marwick. "If you Google your accounting firm's name plus your city and you have to scroll past five or six top listings, then you're already behind."

Understanding how people search is how Marwick ensures its clients stay up-to-date in the constantly evolving digital marketing landscape. For example, Marwick optimizes all its clients' websites for voice searches (according to Forbes, half of all online searches will be made through voice search by 2020). Thomson's team also provides a broad range of services for their clients, from

video production for social media to building websites from the ground up. But their specialty is search marketing tailored for Bing, Yahoo, and especially Google. Marwick is a Premier Google Partner Agency and Canada's highest-rated marketing agency, according to Google Reviews. So in many ways, optimizing the Newport Group's website for Google was their bread and butter.

In less than 10 months, Newport's organic (unpaid) website traffic increased by 33 per cent and the

independent review of your site's speed, security and customer usability.

"Think of it as going to the doctor for a checkup or taking your car in for a tune-up," he says. From there, Marwick develops an action plan tailored to your needs. "Even if accountancy firms think their websites and digital campaigns are optimized now, there's a good chance they're out of date or will be within in six to 12 months."

It's a hyper-competitive world for accountancy firms—the difference



"If you Google your accounting firm's name plus your city and you have to scroll past five top listings, then you're already behind."

company jumped more than 1,700 spots in Google's placements. Newport's website also secured top placements in surrounding cities like Vancouver, Burnaby and Coquitlam where it had previously been unlisted to potential clients searching from those locations. Business has also been good for Marwick—it was recently named the 18th fastest growing company in B.C. in 2019 by *Business in Vancouver* magazine.

For clients unsure of what they need, Thomson always recommends a "website audit"—an in-depth

between driving traffic and getting close to no traffic is razor thin. Marwick keeps growing by always being ahead of the curve and ensuring its clients follow suit. "There's a gap between complacent firms and the ones willing to stay ahead," says Thomson. "Market share will always go to the ones willing to stay ahead."

marwickmarketing.com • 604-390-0065

MARWICK
THE SEARCH MARKETING AGENCY

Business is built on social and human capital.



Understanding the relationship between success and non-financial factors can help you manage emerging risks, strengthen your license to operate and identify new opportunities.

LEARN MORE: www.cpacanada.ca/A4SCanadaprojects



CPA

CHARTERED
PROFESSIONAL
ACCOUNTANTS
CANADA

LAST OUT

Retail's new trick: try it before you buy it **P. 48**

Survival of the fittest **P. 52**

A crash course on Cowtown **P. 54**

One CPA's 75,000-kilometre journey **P. 58**

EXTRAORDINARY ITEM

I, ROBOT

Want to open doors and start cars with the wave of a hand? You may feel a slight pinch. **BY MATTHEW HAGUE**

Amal Graafstra never carries house keys. Instead, he has a microchip in his hand that automatically unlocks the front door of his Seattle home. It also auto-fills log-in pages on designated websites. All he has to do is get close enough to his house or laptop and the chip—which is embedded with radio frequency identification (RFID) technology, similar to what makes a tap credit card work—does the rest.

Such cyborg-ian body modifications have been around for at least 15 years; Graafstra got his first in 2005. But until recently, they appealed strictly to daring early adopters with the technological know-how. According to the popular tech website *Ars Technica*, an estimated 50,000 to 100,000 people worldwide have implants.

Graafstra is hoping to broaden the market. In 2009, through his company VivoKey Technologies, he started selling chips like his own online. They're the size of two grains of rice and cost between US\$49 and US\$129 each. A willing doctor or piercing specialist can inject them, most often into the soft tissue between the thumb and pointer finger. Since 2014, Graafstra has seen more than 700 per cent growth in sales. "The first couple of years," he says, "I went from zero to selling thousands of implants around the world."

But not everyone is lining up to get chipped. By and large, consumers are still wary of the potential medical, ethical and security risks, like malfunctions or being tracked or hacked. VivoKey implants, at least, can't be tracked by GPS and feature encryption that protects from malware.

Nikolas Badminton, a Toronto-based business consultant who advises executives on the future of technology and innovation, has a VivoKey chip in his hand, and he can imagine a day when getting an implant "will be as normal as getting a tattoo." For now, he says, medical applications—such as a glucose-monitoring implant for people with diabetes—will be more culturally acceptable than non-essential implants. Elon Musk might agree. His recent startup Neuralink is attempting to create implants that allow paralyzed people to control their phones and laptops through brain waves alone.

AS MANY AS 100,000 PEOPLE WORLDWIDE HAVE TECH IMPLANTED IN THEIR BODIES

VivoKey's more immediate competitors include Sweden's Biohax, which has sold more than 4,000 implants in its home country, enough that the national train line installed RFID readers to scan e-tickets stored on subdermal chips. It may be a sign of things to come. "Eyeglasses, wristwatches, headphones—they're all examples" of the ways we use new technologies to change our bodies, says Badminton. "Implants are just a little more permanent." ♦

VivoKey's implantable chips start at US\$49 and are about the size of two grains of rice



INVENTORY

WHAT'S IN STORE FOR BRICKS AND MORTAR?

More and more brands are treating their retail locations as places to experience products, not just purchase them.

And, so far, it's driving sales.

BY COURTNEY SHEA

At first glance, Lululemon's new 20,000-square-foot, three-floor flagship store in Chicago's trendy Lincoln Park neighbourhood looks pretty familiar: racks of rainbow-coloured yoga pants, hoodies and sports bras as far as the eye can see. Up the escalator, though, are a few things you might not expect: the brand's first restaurant, Fuel, a serene eatery that looks like Gwyneth Paltrow's living room; a meditation studio outfitted with beanbag chairs; and two workout spaces—one for yoga, one for high-intensity fitness. Forgot your workout gear? Not a problem. Visitors can borrow a set of Lulus and return them when they're finished. Handing back a pair of sweaty stretch pants seems like a notable transgression of the old "you try it, you buy it" business model. But these days, giving customers the chance to experience a product before purchase has emerged as a strategy for driving sales, both in-store and online, and building all-important brand loyalty.

According to retail analytics firm Brightpearl, up to a quarter of retailers are planning to implement some form of "try before you buy." Many have already started. At the Dyson demo store in Toronto's Yorkdale Mall, you can scatter Cheerios on the floor and then clean up the mess with their vacuums. (You can also book an appointment for a free blowout with their Supersonic—because if you're going to drop \$500 on a hair dryer, you want to be sure it's worth it.) Last



The cold room at Canada Goose's Montreal store

winter, Canada Goose turned change rooms at several of its major retail locations—including Montreal, New York and Beijing—into "cold rooms," winter wonderlands where customers can put the brand's "warmest parka on the planet" claim to the test at -33° C. And Mountain Equipment Co-op's new flagship location in downtown Toronto features an in-store climbing wall where experts and would-be adventurers can experiment with equipment.

Seeing brands invest heavily in physical locations seems, at first glance, out of step with broader industry trends. Thanks to the online retail revolution, experts have long predicted that physical retail would go the way of the rotary phone. For the most part, they were right: last year smashed 2017's previous record for retail closures in the U.S. with brands like The Gap, Victoria's Secret, Payless and Tesla announcing significant closings. "We used to hear all the time, 'physical retail is dead,'" says Craig Patterson, editor in chief of *Retail Insider*. "But what we're seeing now is it's not dead, it's just different."

Experiential retail is the surprising next chapter in the story of bricks and mortar. The millennial desire for instant gratification was easily fulfilled by clicking "buy" on a smartphone, but with Gen Z (between the ages of seven and 22 and making up a quarter of the global population), the pendulum has swung back. "This demographic is looking to form relationships with brands they spend their money on," Patterson says. And if those experiences happen to be Instagrammable—the Canada Goose cold rooms turned into last winter's hottest selfie location—all the better. "With big box retail, it was about getting in and getting out," says Ryan Dostie, CPA and head of the retail and service group at Welch LLP. "Today, younger consumers know they can do that online, so with retail they want an experience."

According to Lululemon's growth plan, the Chicago store is part of the "omni guest experience" strategy—a buzzy retail term that describes how contemporary brands are using e-commerce to leverage in-store visits and vice versa. The company's ultimate goal is to enhance customer

Go from...

...reactive to proactive analysis.

...manual to automated data entry.

...cooperating to collaborating with clients.

...desktop to QuickBooks Online.

Working in a small business?

QuickBooks Online connects you to the rest of the business.

New to QuickBooks Online?

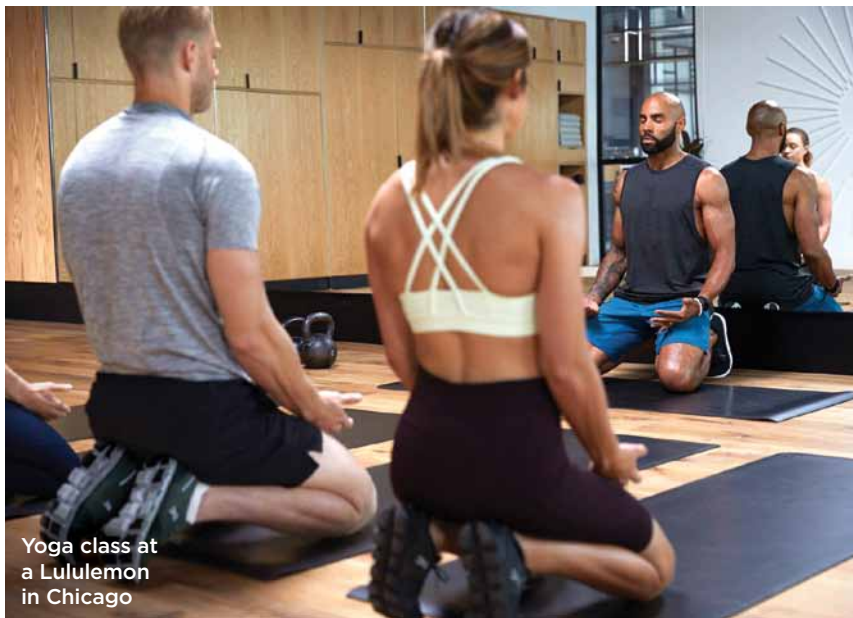
Get 50% off

Working in an accounting firm?

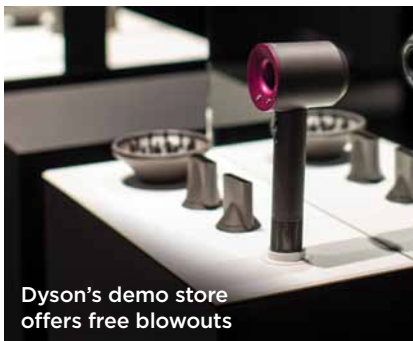
QuickBooks Online Accountant makes it easy to manage all your work with one login.

- Access client files from anywhere
- Enhance productivity with apps
- File corporate returns with Pro Tax **NEW**
- And much more!

Log in to cpacanada.ca/Intuit for more information



Yoga class at a Lululemon in Chicago



Dyson's demo store offers free blowouts

engagement, in part to double digital traffic by 2023. “It’s almost like a hybrid marketing and retail play,” says Patterson. “Yes, they’re happy to sell you a pair of yoga pants, but the larger focus is engaging with core customers and potential new customers.”

It’s a strategy with sound numbers behind it. A 2018 report from the International Council of Shopping Centres, a group that represents malls, reveals that opening a physical location leads to a 27 per cent hike in web traffic for established brands. For digital brands opening their first brick-and-mortar store, the spike (37 per cent) is even more dramatic.

One such venture, the Canadian mattress company Endy, opened the Endy Lodge in Toronto earlier this year after launching as a digital-only brand in 2015. The pop-up location has a cozy Canadiana cabin vibe, and

“WE USED TO HEAR ALL THE TIME, ‘PHYSICAL RETAIL IS DEAD.’ BUT IT’S NOT DEAD. IT’S JUST DIFFERENT.”

customers are encouraged to not just try out the mattresses, but take a nap. That makes sense, given that statistics from NPD Group show 55 per cent of shoppers see the opportunity to touch and try merchandise as the No. 1 reason to visit a retail location. Meanwhile, 65 per cent of Gen Z shoppers say they prefer feeling something before buying it.

These stats also explain why e-commerce sites are getting in on the try-before-you-buy trend. The Canadian clothing brand Frank and Oak offers a subscription service. Customers pay a \$25 “styling fee,” receive a monthly delivery of multiple wardrobe pieces and keep (and pay for) only the items they want. The eyewear company Warby Parker ships multiple frames to customers before they have to make a commitment. “There is a cost associated with the shipping involved,”

says Patterson. “But a lot of companies are finding that it’s worth it.”

At bricks-and-mortar locations, providing an opportunity to test drive means returns are a lot less likely. “If you’re in a Nike store and you’re actually trying running shoes on a basketball court, you’re a lot less likely to want to return them,” says Dostie. “That can lead to a significant cost savings.” Perhaps that’s why another study, conducted in 2018 by CPA Canada, found that despite the December rush, shoppers planned to spend 46 per cent of their holiday shopping budgets in-store.

Kate White, a professor of marketing and behavioural science at the Sauder School of Business at the University of British Columbia, explains that there is an added psychological component to try-before-you-buy. “Whether you’re letting customers try your product in the comfort of their own home or in-store, the point is you’re getting your product in front of them,” says White, who consulted on Lululemon’s Lincoln Park project. It’s the endowment effect at play—a phenomenon wherein we assign greater value to the things we own or have a chance to interact with, compared with identical products that we don’t have that attachment to. Translation: you’ll want that sweaty pair of post-workout yoga pants more than a pair with the tags still on. ♦

Companies With Purpose

SIGHT FOR SORE EYES



Since it was founded in 2010, the American eyewear company Warby Parker has built a reputation for giving back. For every pair of glasses it sells, it ensures another pair finds its way to one of the 2.5 billion people in the world who need glasses but can’t access or afford them. Through partners in more than 50 countries, the business donates pairs directly to schoolchildren and trains social entrepreneurs to conduct basic eye exams and sell glasses to their communities at affordable prices.

PHOTOGRAPHS: YOGA COURTESY OF LULULEMON; BLOWOUT COURTESY OF DYSON



CPA

CHARTERED
PROFESSIONAL
ACCOUNTANTS
CANADA



Find Flexible Online Learning Options That Fit Your Bill

You are always on the go. Your CPD should be, too.

VIRTUAL CLASSROOMS | 3 CPD HOURS

Effective Operational Planning and Budgeting in the Public Sector

November 14, 2019
cpacanada.ca/psplanning

Cross-Functional Collaboration to Deliver Critical Goals

November 19, 2019
cpacanada.ca/crossfunctional

The Inventory Count Process for Auditors

November 28, 2019
cpacanada.ca/inventorycount

Fundraising and Finance: Gift Acceptance, Administration and Growth for Charities

December 5, 2019
cpacanada.ca/fundraising

CERTIFICATE PROGRAMS | UP TO 84 CPD HOURS

Cybersecurity Frameworks Certificate
cpacanada.ca/cyber

Data Management Certificate
cpacanada.ca/datamanagement

NFP Certificate
cpacanada.ca/nfpcertificate

Performance Management & Strategy Certificate
cpacanada.ca/performance

Public Sector Certificate
cpacanada.ca/pscertificate

ONLINE COURSES | UP TO 14 CPD HOURS

Accounting for Income Taxes
cpacanada.ca/afit

GST/HST
cpacanada.ca/gsthst

Overview of Canadian Tax and Law
cpacanada.ca/taxoverview

Pricing and Customer Profitability
cpacanada.ca/pricing

Public Sector Financial Management
cpacanada.ca/psfinancial

Safe Income and Safe Income on Hand
cpacanada.ca/safeincome

U.S. Corporate Tax for the Canadian Tax Practitioner
cpacanada.ca/corporatetax

U.S. Personal Tax for the Canadian Tax Practitioner
cpacanada.ca/personaltax

FOR ALL PD PROGRAMS, VISIT:
cpacanada.ca/PDEvents

Meet your CPD requirements before it's too late.

DELIVERABLES

FOOD FIGHT

Meal-kit companies are fighting for dinner-in-a-box domination. Which ones will hit the spot—and which will get swallowed by the competition? **BY MATTHEW HAGUE**

Chicken Milanese is a popular dinner option offered by HelloFresh, a Berlin-based meal-kit company that mails out recipes and the ingredients needed to make them to more than one million subscribers a week. The meal costs about \$12 per serving and takes 35 minutes to prepare, making it a slower but healthier, homespun alternative to fast food (the chicken Milanese has a quarter fewer calories per serving than a Beyond Burger and fries from A&W, for example). During the daily gauntlet of kid pickups, dropoffs and, you know, having a job, who has time to run out and grab panko?

Meal-kit companies like HelloFresh are popping up everywhere, promising to take the thinking (and shopping) out of meal prep. According to food-industry consultants Baum + Whiteman, more than 150 competitors are vying for a place in the global meal-kit economy. The market is expected to be worth more than US\$8 billion by 2025, representing a compound annual growth rate of 17.5 per cent, according to Hexa Research. That's more than twice the growth rate of the grocery market as a whole.

Belying those tantalizing projections is a fraught, volatile space. According to the American research firm Packaged Facts, the growth of the meal-kit market is expected to slow significantly in 2023, down to single digits. That's because substitute services—such as home delivery direct from grocery stores or via Amazon and Uber Eats—are proliferating. As e-commerce analyst Brittain Ladd predicted in a *Forbes* column, “by 2025, over half of all meal-kit companies operating today will go out of business,” and a winner-takes-all-environment will prevail.

Until 2017, Blue Apron looked set to be that winner. Launched in Long Island City in 2012, it was valued at \$1 billion during its IPO, with a customer base growing by at least 20 per cent year over year. However, its stock price has since tanked—from US\$140 to US\$7.45—and its valuation has fallen by more than half, in part because it was running at a huge loss.

Just to stay afloat, many meal-kit companies are spending millions on marketing, promotions and free meals, says Sylvain Charlebois, director of the Agri-Food Analytics Lab at Dalhousie University. “It's the type of fight for market share more typically seen in a mature, saturated market—say, Coke versus Pepsi,” he says. “Because shoppers have the luxury of so much choice, with little to no reason to be loyal to any particular company, providers are pushed to the limit just to have any customers at all.”

On top of fierce competition with each other, these companies also have to go up against grocery stores, which offer the same ingredients at a much lower cost, and restaurants, which, while more expensive, handle all the cooking and dishwashing.

Adam Ben-Aron, who runs a Toronto-based meal-kit company called Prepd, knows the struggle firsthand. “This is a very tricky business,” he says. “The average meal-kit customer will try

at least three services. Unless someone really likes your services, they'll simply jump ship to the next thing.”

A few small Canadian startups are standing out from the pack by picking a niche. Ben-Aron's approach is to focus solely on his home city, incorporating hyper-local ingredients such as dumplings from Chinatown and meats from farms just north of the city. Kits cost about \$10 per serving, and he says the company earns enough to sustain itself. Montreal's Cook It, which recently expanded to Ontario, is one of the few companies offering dinners with up to six portions, as opposed to the usual two to four, to appeal to families.

A more sustainable strategy is to partner with existing grocery chains. “I don't know how many companies will survive without it,” says Charlebois, adding that the best partnerships drive down shipping and distribution costs for meal-kit companies. The 2018 partnership between San Francisco-based Gobble and Walmart is a good example. Gobble, which has revenues of US\$50 million but has never turned a profit, sells its kits through the big box's e-commerce site, taking advantage of Walmart's massive scale to boost sales by up to 70 per cent and to drive down costs. Walmart, on the other hand, benefits by adding a new, buzzy product to its online grocery sales in hopes of competing with Amazon, which is



PHOTOGRAPHS BY GETTY

rolling out its own meal kits with subsidiary Whole Foods.

It's too soon to say whether the partnership will be successful, but similar ventures have already failed. Blue Apron partnered with Costco to sell meal kits in stores, but the deal tanked after six months when Costco decided to simply offer customers fresh ingredients, rather than bundling those ingredients with pre-set recipes and charging a premium for the convenience and pretty packaging. "Meal kits are still prohibitively expensive for a big chunk of the population," says Charlebois. "And many people are turned off by the unnecessary packaging."

HelloFresh, meanwhile, has partnered with both Giant Food and Stop & Shop to sell in nearly 600 American grocery stores. That's just one wedge of a strategy that appears to be edging out the rivals. The company competes well on both quality and price; it ships for free, a key advantage over Blue Apron. In the U.S., HelloFresh has approximately 36 per cent of the US\$5-billion market, the largest single share. In Canada, it is projected to have a whopping 60 per cent of the US\$200-million market by the end of 2019, largely because the company acquired its largest Canadian challenger, Chefs Plate, in 2018 for between \$50 and \$100 million. (The next-largest player, Montreal's Goodfood Market, has an estimated 30 per cent of the market, with more than 90,000 customers.)

Chefs Plate and HelloFresh are run separately and require separate subscriptions, with Chefs Plate focusing on simpler, lower-cost recipes and HelloFresh offering upmarket options. "For Canada, a dual-brand offering means we can provide customers more recipe options, more flavour profiles, and we can do so at a variety of price points," says HelloFresh spokesperson Jonathan Motha-Pollock.

The formula might work. HelloFresh posted a profit in the second quarter of 2019. It's the first such surplus in its seven-year history—and something that many of its 150 or so left-behinds will never see. ♦

Have you experienced sexual harassment at work?
Do you hold a professional accounting designation?

If so, we want you to participate in our research study:
Visit: <https://accountants-sexual-harassment-study.ca>

A joint-research initiative of York University,
Queen's University, University of Ottawa, and Université Laval



Accused of Professional Misconduct? We can help.

James Lane has represented numerous members of CPA Ontario involved with professional conduct investigations, discipline hearings and appeals. Don't take chances with your professional reputation. Get proper legal advice.

BERSENAS
JACOBSEN
CHOUEST
THOMSON
BLACKBURN
LLP
BARRISTERS, SOLICITORS

416-982-3807 | www.lexcanada.com | jlane@lexcanada.com

TRAVEL

WESTERN STAR

Football fans and business travellers alike flock to **Calgary** this month for the Grey Cup and CPA Canada's Oil and Gas Conference (register at cpacanada.ca). Here's how to make the most of your stay. **BY CHRIS JOHNS**



Studio Bell

WHERE TO GET A CULTURE FIX

Calgary's legendary blues venue, the sprawling **Studio Bell** complex, is home to the **National Music Centre**, which undulates with the curves of an instrument. Equal parts performance venue, interactive museum and working studio, this dynamic space is a joyous celebration of music. Jam out on a spooky theremin and check out the bus that once served as the Rolling Stones' mobile studio.

WHERE TO WORK

The new \$245-million, 240,000-square-foot **Calgary Central Library** is an award-winning architectural wonder of curved glass and wood—and a great place to get some work done. The walls of the building—just a few blocks from the Oil and Gas Conference venue, the Calgary Telus Convention Centre—are covered with a small gallery's worth of art, and there's a variety of public and private spaces.



Leela Eco Spa

WHERE TO RELAX

Leela Eco Spa, which has four locations in the city, claims to be as gentle on the environment as it is on customers' bodies. The carbon-offsetting enterprise is LEED gold-certified, paperless and plastic bottle-free. And its spa services—from couples massages, facials and manicures to cupping, osteopathy and acupuncture—use only organic products.

WHERE TO CAFFEINATE

Look for homegrown mini-chains like **Monogram**, a 20-year-old brewer and roaster with three locations, and **Analog**, which has six cafés where Slayer



Monogram

machines turn out top-notch espresso. **Caffe Beano**, meanwhile, has been in business nearly 30 years; it's known for its excellent home-baked goods (try the Cowboy Cookie) and elaborate coffee concoctions (chocolate espresso milkshake).

WHERE TO WINE AND DINE A CLIENT

As it approaches its 25th anniversary—that's 190 in restaurant years—the **River Café** hasn't lost a step. Focusing on local, seasonal ingredients made it a pioneer in 1995, and the restaurant continues to be a taste leader. Chef Matthias Fong's menu—recent dishes include bison tartare with pickled saskatoon berries, smoked wild sockeye with canola seed crackers, and morel mushrooms with ash potato and Jungle Farms spinach—is well-served by the restaurant's Edenic location in the middle of Prince's Island Park.

WHERE TO GET INTO THE GAME

Leading up to the Grey Cup on Nov. 24, Stampede Park will be full of football-related festivities. The **Titan Street Festival** includes a 169-foot-long Jiffy Lube Tube Slide, along with the ATCO Stratosphere, a giant inflatable dome that provides a cinematic viewing experience seven times larger than an IMAX screen. Pancake breakfasts, concerts, fireworks, galas and even a rodeo round out the schedule.

Neighbourhood Guide

When the city has something to celebrate, it comes to 17th Avenue. The artery's nickname, **The Red Mile**, stems from the celebrations that accompanied the Calgary Flames' 2004 Stanley Cup run. Ahead of the Grey Cup, the avenue's nightclubs, boutiques, bars and restaurants will be in full swing.



↑ The ongoing redevelopment of **East Village**, formerly a derelict industrial neighbourhood, has completely revitalized the area. Converted factory buildings, home to restaurants like local favourite Charbar, exist comfortably alongside modern glass-and-steel structures like the new Alt Hotel.

Just south of downtown, **Beltline** is a frothy blend of contemporary design shops (Maria Toms), second-wave coffee purveyors (Société Coffee Lounge), craft cocktail emporiums (Proof) and restaurants (start with Model Milk and Native Tongues Taqueria).

PHOTOGRAPHS: STUDIO BELL BY BITTERMANN PHOTOGRAPHY; SPA COURTESY OF LEELA ECO SPA; CAFE COURTESY OF MONOGRAM; BIKE COURTESY OF CALGARY MUNICIPAL LAND CORPORATION

CLASSIFIEDS

Accounting Services

External Monitoring - We specialize in providing external Monitoring and FQR services to accounting firms. **Audit/Review Engagements**- We can assist with the execution of your audit/review engagements. We offer competitive rates and flexible timing. Call 416-671-7292 or visit www.srco.ca.

ESTATE MATTERS: includes preparation of Court format documents for Passing of Accounts and estate accounting for estate trustees, guardians and powers of attorney.

BOOKKEEPING: PCLaw for ➔

Lawyers/Law Firms; QuickBooks (to Trial Balance). **CONTACT:** inquiries@bluecricketsolutions.com; call or text 416.704.2830.

Elevate quality in your practice and contribute to the management of professional risk by engaging outsourced professional practice services for: peer reviews to ensure compliance and best practices; expert advice on complex or emerging issues; EQCR needs. Formerly a partner in a large accounting firm with many years of accumulated technical experience, find me at www.rhodespc.ca, paul@rhodespc.ca, or 416-565-5405.

External Monitoring

EXTERNAL MONITORING, CYCLICAL FILE INSPECTIONS ➔

ONGOING MONITORING, EQCR, DETAILED FILE REVIEWS, FINANCIAL STATEMENT PRESENTATION REVIEWS, COMPLEX TRANSACTIONS, AUDIT SUPPORT. Over 25 years of experience, practice inspection committee member, IFRS, ASPE, ASNPO specialist, public company experience. Visit www.jonesoconnell.ca, call 905-688-4842, or email email@jonesoconnell.ca.

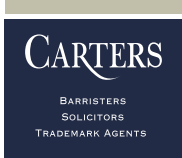
Practice Wanted

Well established Toronto CPA firm (30 team members) is interested in purchase of a practice up to \$750K. The practice should have a good corporate client base consisting of NTR's and Reviews. Located at Yonge & Eglinton, we are a ➔

fully cloud-based environment, offering excellent bonuses and benefits to our team members. Ideal for a practitioner looking to transition to retirement, or needing the resources of a larger firm. Please reply to TorontoCPAs@gmail.com or call 416-488-9278.

Experienced CPA (1993) in Vaughan looking to purchase block of accounts up to \$250K. NTRs preferred. Contact vaughan CPA21@gmail.com.

A small Edmonton CPA firm is looking to buy a small practice in the Edmonton area. Please contact cpaedmonton2007@gmail.com to discuss in confidence. Will consider transition plan up to 5 years.



Proactive Advice®
www.charitylaw.ca

THE 2019 ANNUAL Church & Charity Law Seminar™
Thursday, November 7, 2019
Mississauga, Ont
Updating Churches & Charities on the Law
Eligible for 5 hours CPA PD requirements
Details at www.charitylaw.ca
1-877-942-0001 x230
seminars@carters.ca

CARTERS PROFESSIONAL CORPORATION www.charitylaw.ca
Toronto · Ottawa · Orangeville



Helping Accountants Write Their Next Chapter

Selling your CPA firm?
Check out our
Exit Strategy video at
PoeGroupAdvisors.com/sellvideo

PoeGroupAdvisors.com • 1.888.246.0974
info@poeGroupAdvisors.com

ACCOUNTANTS CAPITAL CORP.
PARTNERING WITH ACCOUNTANTS

Add value to your tax practice while earning a lifelong income stream

Visit our website and learn why more and more accountants are working with Accountants Capital Corp. and their Canadian Investment Services investment platform



Gerry J. Hogenhout, CPA, CGA, CFP, AMP
www.canadianinvestmentservices.com

"BTW accountants - we also buy accounting practices, preferably partial practices with an interested owner to remain involved only to maintain client relationships".
Please contact Gerry @ 416-979-7426 for further information.

READY TO RUN YOUR OWN BUSINESS?

An established Accounting Practice is available for purchase in a busy Nova Scotia community.

A turn key operation with a mix of corporate, business, tax and bookkeeping with **\$350,000 in annual sales.**

Company owner is retiring but may consider partial financing and limited involvement over a two to three year period for a qualified purchaser.

If you are interested please contact
info@accountingopportunity.ca

Business Opportunities

Mississauga CPA practice focused on professionals, looking for a CPA with view of succession in next 3 years. Will also consider sale of practice. NTR, T2 and individual tax practice, grossing \$500,000. Interested parties should email cpaatmississauga@gmail.com

Professional Opportunities

Thinking of Selling your CPA firm? Start by downloading our FREE report on pricing factors by visiting PoeGroupAdvisors.com/value today! To learn more, contact us at 1-888-246-0974 or email info@poe-groupadvisors.com

Established Burlington Practice with extra office space available. Ideal situation for either a sole proprietor looking to transition out over next few years or for new proprietor in need of start up space. Interested parties please contact ontariocpa@hotmail.com

Edmonton - Bright, large, furnished professional window offices for rent inside accounting firm. All utilities, internet, security, parking, boardroom, kitchen, reception areas included. \$700/month plus GST. We refer overflow/new clients to renters. Contact Info@everybeancounts.ca or call 780-758-8776 for more information.

Accounting firm in Barrie looking to form an alliance/ ↻

merger with another accounting firm to share costs, rent space etc. Also open to retiring options and buyouts. Please reply to allianceatbarrie@gmail.com

68 year old sole practitioner seeks associate/successor to share office space at Leslie and Highway 7, Richmond Hill.

Interested individual must be CPA currently in public practice either full or part time and should have strong tax skills and experience in Caseware and QuickBooks. A public accounting license would be an asset. This opportunity would best suit a CPA with a home based part time practice or a professional just starting to build a client base seeking to jump start their current practice. If interested, please contact randall@rjadell.ca.

Sole Practitioner has office for CPA in a new building within the Junction area of Toronto, near Go Station/Subway.

Possibility for future association and/or sharing of staff with additional space available. Flexible terms. Please email sruivo@outlook.com.

2 partner Toronto CPA firm located in the Yonge/Eglinton area is interested in adding or merging with a CPA sole practitioner(s) in public practice to assist with our continued growth. Excellent opportunity for someone who is looking for a career in public accounting. Reply to cpa.eglinton@gmail.com.

Advertising Disclaimer: Paid advertisements appear in Pivot Magazine, including print and digital formats. CPA Canada does not endorse or evaluate the advertised product, service, or company, nor any of the claims made by the advertisement.

Have you received an allegation of

- Accountants' Negligence
- Professional Misconduct

Douglas A. Boufford
CPA, CA, CFE

Prior member and Chair of Professional Conduct Committee (ONT). Litigation support, expert opinion reports and testimony.

Tel: 613-531-5858
Fax: 613-531-5995
www.bouffordca.com
doug@bouffordca.com

Quality Assurance Specialists
A division of David M. Orbst, CPA, Chartered Accountant

Over 36 Years of hands-on experience helping other CPA/CA firms exceed the Quality Assurance, Practice Inspection, Accounting, Auditing and Tax standards.

FREE INITIAL CONSULTATION

SERVICES

- External Quality Control Review
- Practice Inspection Support and Guidance
- External Monitoring & Peer to Peer Review
- In-House Training Seminars

When your firm deserves the best...

www.orbstqualityassurance.com | 416-835-3283

Paul Tyers
FCPA, FCA, CFP, CIM
Managing Director

Together We Can Offer Your Clients Expert Wealth Management

We Provide the Support, You Gain the Credibility

Winner of the Global Financial Planning Awards for Canada in 2017 & 2018

To Participate Contact:

patyers@wealthstewards.ca
905-891-6052 ext. 4
www.wealthstewards.ca

Michèle Follows
CPA, CA, CPA(II), CEA
Director, Estate Services

Are You Leaving a Legacy or a Landmine?

- Professional Executorship
- Professional Attorneys for Property
- Will Review and Optimization

info@estatestewards.com
www.estatestewards.com

CALL TODAY...
Sell By Year End!



DELIVERING RESULTS - ONE PRACTICE AT A TIME

**Sonia Albert
Alan Liverman**
877-606-8622
Sonia@APS.net
Alan@APS.net
www.APS.net

Canada's Leading Accounting & Tax Franchise

BRANCHING OUT ON YOUR OWN?

Since 1966 Padgett offers accountants a fresh yet proven alternative to the challenges of going it alone.

As a Padgett office owner, you will have access to state-of-the-art systems, time-tested marketing techniques, highly qualified professional support team in taxation, technology and marketing as well as ongoing courses and seminars.

It's time you start accounting for yourself.

Call us: 1-888-723-4388, ext. 222
www.padgettfranchises.ca



ACCOUNTS RECEIVABLE INSURANCE SPECIALISTS

Licensed across Canada, GCRM represents all the A/R Insurers including Export Development Canada. Advantages of using GCRM include:

- **Grow** your sales and enhance your financing.
- **Negotiate** policy structure to minimize cost of risk.
- **Support** navigating the new EDC dual policy structure.
- **Advocate** for you in the event of claims.
- **No cost** to your company.



CONTACT
John Middleton, CPA, CA
1 (800) 368-4334 ext 203
jmiddleton@gcrm.ca
www.gcrm.ca

1% TRAINING OBLIGATION (QUEBEC)

PAY EQUITY/L'ÉQUITÉ SALARIALE



Tel: (514) 484-5160
Fax: (514) 484-5453

E-mail: info@liwconsultants.ca
Website: www.liwconsultants.ca

Investment advice for Americans living in Canada with IRAs and Canadians moving to the United States for work.

Caleb Ng, CFA MBA is dually registered in Canada and the United States, offering cross border solutions for Americans and Canadians with retirement accounts. Through Raymond James (USA) Ltd, Caleb can advise clients on cross-border issues such as PFIC rules and handling of 401K rollovers.



Caleb Ng, CFA MBA

Financial Advisor, Arise Capital Management of Raymond James Ltd. Investment Analyst, Raymond James (USA) Ltd.

23160 -96 Ave, Suite 201A, Fort Langley BC V1M 2S2

PH: 778 388 9740

W: www.raymondjames.ca/arisecapitalmanagement/



Raymond James (USA) Ltd., member FINRA/SIPC. Raymond James (USA) Ltd. advisors may only transact business with residents of the states and/or jurisdictions for which they are properly registered. Investors outside the United States are subject to securities and tax regulations within their applicable jurisdiction that are not addressed on this site. www.rjlu.com

COME SAIL AWAY

Simon DuBois, a 32-year-old CPA, spent 11 months racing around the world
 BY MATHIEU DE LAJARTRE

A passion for sailing runs in my family. When I was a kid in Sherbrooke, Que., **my parents bought me my first dinghy** to sail around Lake Memphremagog. At 19, I purchased my first 26-foot keelboat.

In 2017 and 2018, I took part in the Clipper Round the World Yacht Race. We started in Liverpool and squared off in eight legs over the course of 11 months. There were 12 teams and about 700 amateur sailors who rotated in and out each leg. **I was one of the 10 per cent of sailors who made the whole trip around the world**—a journey of almost 75,000 kilometres. Our team came in second.

In leg three, one of the other boats sank, and a sailor on another team was swept overboard and died. In leg six, we came up against winds exceeding 200 kilometres per hour. **My wife and parents were worried sick.**

It felt like I was learning at sea, with people from all over the world, and taking courses in many different fields: finance, human resources, partnerships, marketing, communications, performance and crisis management.

The race was quite an investment: almost \$150,000. I approached my bank to arrange financing. Without my CPA designation and the jobs it helped me land, the bank would never have agreed.

We had unforgettable experiences aboard our ship, the Visit Seattle. With the fatigue and stress, some of the crew had strange dreams. **One night, a teammate screamed, “Man overboard!” in her sleep.** I ran on deck in my boxers before realizing it wasn't real.

My cousin, a CPA, led me to accounting. She convinced me **it was the best business training.** During the race, I realized the knowledge we acquired, like performance management or decision-making, can be put to use in any environment.

I realized a dream doing this. If you believe in something, make the right choices and a few sacrifices—like keeping your old car and apartment, like I did—you can do anything.



Need a hand *managing* your pension plan?

Managing a defined benefit pension plan is no easy task. Plan sponsors face a host of evolving issues and challenges that can strain in-house resources.

But what if there was a better way? Comprehensive plan management with one provider.

Introducing: DB Partners

- Investments
- Administration
- Flexibility
- Efficiency

All in one place



Find out more:

dbpartners.manulife.com

Manulife Group Retirement Solutions' products and services are offered through The Manufacturers Life Insurance Company. Investment advisory services provided by Manulife Investment Management Limited. Manulife, Manulife & Stylized M Design, Stylized M Design, are trademarks of The Manufacturers Life Insurance Company and are used by it, and by its affiliates under license.



If you're not completely happy
with our software and service,
we'll refund your money

plus \$100.

So why don't we look worried?



TaxCycle.com | 1-888-841-3040

*Research conducted by Talifeather, Inc. in July/Aug 2019. †To qualify to receive a \$100 Amazon gift card in addition to a full refund, you must have a valid CRA EFILE number, you must never have purchased TaxCycle in the past, and you must have completed a free, 1-hour online orientation or attended a full-day training seminar this fall. See full details at taxcycle.com/Guarantee

Because we cheated... we already know you'll be happy.

We fielded some independent research* this year, and it revealed that the majority of TaxCycle users and non-users believe it's Canada's best professional tax preparation software. Which makes offering your money back, plus \$100, a very safe bet. Some conditions apply.†

So go ahead, download your trial at TaxCycle.com/TryNow, then sign up for a free 1-hour orientation session, and put us to the test. You really have nothing to lose.

TaxCycle

The evolution
of tax software.

