

IAPA: MEET THE NEW CEO



Jonathan Minter speaks to IAPA chair Martin Clapson and newly appointed CEO H.Özgür Demirdöven about what comes next for the association, and the importance of adding a personal touch to its operations

International Accounting Bulletin: Martin, when you spoke to the IAB last year, you said you were looking to recruit the new CEO once you had gone through a transitional phase. Now you have recruited a CEO, does this mean you are through that phase, and how are you different if so?

Martin Clapson: We are through the phase of members of IAPA being uncertain about its future and uncertain about the failed merger with Allinial. That is now history.

Post our conference in Dubai in March 2017, the association started looking forward. But there was still a bit of overhang from before. Now, mid-2018, we have had another fantastic international conference in Barcelona in October 2017 and EMEA conference this year in May 2018, and that stage of our history is gone.

Now we are just looking forward. Is that transitional again? You probably could call it transitional, but we're speeding up the growth of new members. The amount of new members who have joined IAPA in the last six months has been unbelievable, and that is because we have gone past what has happened before, and now people realise the association is strong, it is robust and is a values-driven organisation.

IAB: Martin mentioned some impressive growth. How have you tried to integrate the new members into IAPA?

H Özgür Demirdöven: I love the cultural integration. The country I live in [Turkey] is a combination of Europe and Asia. As you

know I am a Turkish native, but English is my second language as I was educated in English – part of that was in the UK – and a major part of my career was an expat experience working with US companies.

I also worked with a lot of UK companies, European companies, US companies and more. I like these different cultures. At IAPA we're in six continents, with four regions, 66 countries and with nearly 8,000 people.

I know both sides of the table – the member side and the organisation side; that is a valuable asset for our organisation.

IAB: What are your immediate plans in the role?

HOD: The immediate plan has been to make some high-impact digital changes – for example our website and upgrading the member user interface – to simplify the organisation and get more connected with our members.

Over the last six months I have visited one or two members every month; I'm going to increase that. We have a lot of pipelines through our connections and network. So we're going to visit our pipelines and get connected with them.

We want to cover the areas we do not exist in: that is our target.

IAB: Do you mean geographically?

HOD: Yes. In Europe we are strong, but have gaps in some critical cities. We have to be very careful on the selection of our members. We need to keep the balance in our organisation.

In addition, we have a lot going on in terms of current member activities all around the

world such as events, conferences and general member firm visits, so I will be focused on realising existing plans to meet the members' needs.

I'm going to visit the US members and do a US mission to hear and understand who they are, what they are looking for, and what they are looking for us to do. Do they want us to grow in the US?

Then I'll go to Canada and then Asia. I'm also spending a lot of time in Africa because we want to grow there. There is a lot of richness in the resources there, and US, Chinese and European companies are looking for support in accountancy, tax, business and legal advisory in Africa.

IAB: And then in the medium and long term?

HOD: We are number one in the UK – we want to keep that as a UK-based organisation. We are number eight in Europe – we want to increase this; we should always be within the top five.

Globally we are number 11, and we should be looking to get to between number five and seven: that is our target in global terms, since within that level you can balance the rhythm of the organisation and are able to provide support to your clients globally in good coverage. Number 1? That would be a very aggressive target at the moment, and I'm not quite sure that an aggressive growth target is healthy for the association, or something we should aim for.

We need to keep the quality and the balance, and grow steadily in quality in a true perspective. The important thing is we keep

walking. If you become too aggressive, then your character changes and our values are important to us. We are not a network, we are an association, and as an association we need to keep the balance of quality, loyalty and coverage.

MC: It is trying to get the balance right. For us, the member firms of an association like IAPA are independent firms. They have their own way of doing things and they value their independence.

Our job is to make sure every member in IAPA understands the values and ethos of looking after clients and of being part of an independent association of advisors. Every member, every year, has the choice of whether they renew or not. It is very easy to leave an association. So we have to work very hard to

make sure we create value for our members.

HOD: If they aren't pleased, they can leave to other options immediately. So, it is important to please the members and keep the member loyalty.

MC: I've said many times that what IAPA wanted as CEO was someone who lived the values, understood the association, the members and someone who was going to go out and meet the members. I don't want a person sitting in Farnham, in an office doing administration work. I want the person out there talking to the members, meeting potential members and being very visible. Because he is Turkish, Özgür might also bring a different perspective, which will be good.

IAB: So when you look to recruit new member firms, are you trying to meet as many as possible?

HOD: In the EMEA board as chair, I travelled the region extensively. I visited every potential member firm's office – every single one. If I didn't approve any of them, they didn't get in.

MC: Visiting every single one is so powerful. When we interviewed certain CEOs, I didn't get that confidence or commitment that they would do that amount of travelling. That personal face-to-face contact is really important to us.

It would be a bit harsh for Özgür to say he will meet every member face to face before they join, because there will be one or two where this won't be feasible. But for the vast majority, he will do.

HOD: In those cases, we will delegate to a member nearest to them. But someone from IAPA should be there and see, and check if they need improvements, and agree improvement plans.

IAB: Has the Allinial merger taught you lessons that you will bring to this role?

HOD: That was an extensive course we

took, like an executive MBA course! Honesty and transparency are crucial parts of any deal. I have done mergers and acquisitions in the past in my career, and over 60-70% of them failed. This is because the two parties are not understanding each other well – in terms of characters, demands, targets and roadmap; they don't set the goals together well. As a result, each organisation's goal is different.

Then you get hidden agendas and dishonesty on the table. These should be discussed from day one, so you have to make sure everybody is going for the same goal.

That was the main point: neither organisation was heading for the same goal, and that was not clearly discussed from the beginning. Furthermore, IAPA members were not involved enough with the discussions properly.

MC: IAPA has always been a member-led association. Every member has one vote; it does not matter if you are big or small.

There were many members in IAPA who felt they were not kept informed of what was happening, and they believed there was a lack of transparency. From my perspective, the lesson from 2016 – with my IAPA hat on, and without breaking confidentiality – is to always be open and transparent with members.

IAB: Are there any regions you are especially looking to target?

HOD: In the US and Asia, we would like to cover a few new areas, and Africa is also growing. In Africa we have a lot of potential prospective members, but we have to keep to a certain quality, so we have to be selective.

IAB: Are there any immediate challenges for you?

HOD: There are so many associations in the global environment, and each of them wants to either keep or improve their positions. So you have to do something differently to attract good members. That is a challenge: quality members can make their decision based on small facts. I think if you meet them personally and please them personally, that could divert them to your side. We have to create this personal touch and create something they cannot get from the others.

IAB: What other plans are there?

MC: One change is that we are opening up IAPA to law firms. This is about adding value.

Many professional firms have approached us saying they are interested in joining. There is a lot of mutual business that can be generated between law and accounting firms. ■



H. Özgür Demirdöven, IAPA