

Chartered Business Valuator

Prem Lobo is a Chartered Business Valuator (CBV), a specialized financial professional *CA Magazine* has called “One of Sexiest Careers in Finance.” At the age of 32, Prem is an Associate Director at Navigant Consulting in Toronto. Recently, Prem talked to *InSight Magazine* about the rewards of becoming a CBV and Member of The Canadian Institute of Chartered Business Valuators (CICBV).

You're a Chartered Accountant and a Chartered Business Valuator (CBV). Many people haven't heard of the CBV designation. How would you describe the CBV designation?

Well, the CBV designation is a “specialty” designation that trains and accredits those who hold the designation to provide business valuation and related services. Quite simply, the term “valuation” refers to the determination of the potential market value of a business interest, asset or liability. A CBV is qualified to provide an “opinion” with respect to the value of a business interest, asset or liability. I call the CBV designation a “specialty” designation because many who hold it have earned an accounting designation (CA, CGA etc.) or some other designation, or have some prior business, finance or economics training, and then choose to “specialize” in the valuations field.

Some students struggle to find the “perfect” job straight out of their undergraduate degree. Tell us about your first job out of university.

While I was still an undergraduate I was lucky enough to get a summer job in accounting, at the now sadly defunct firm called Arthur Andersen. I say “sadly” because despite the Enron debacle that is most usually associated with Andersen and with its demise, Andersen was widely regarded as the premier public accounting firm in its day, and it was a tremendous place to work. When I finished my BBA in 1999 I was asked to come back full time by Arthur Andersen, and I worked there from 1999 until 2001. I was initially making the lofty sum of \$30,000 a year, but I was learning a lot. Sometimes, the hours were long. Accounting hours fluctuate. In the busy season it wasn't uncommon for me to work six days a week for over 10 hours a day. But in the summertime, I sometimes had a much lighter schedule. The hours even out eventually. “Work hard, play hard” was the Andersen motto, and we had fun living by those words.

You earned your CA while working at Arthur Andersen and continued working in accounting. When and how to did you decide to pursue the Chartered Business Valuator (CBV) designation?

A colleague recommended the CBV designation to me, and I looked into it myself and thought it sounded very interesting. The courses were very cutting-edge and built on some aspects of my training as CA, while extending my knowledge into much more specialized areas. The CBV Programme of Studies encouraged me to think in a more holistic, integrated way. In finance, it's like, “Here's how you do the math,” and in the CBV program, it was “Here's the big picture.”

Following successful completion of the CBV Programme of Studies, students need to pass a Membership Entrance Examination (MEE) before becoming Members of the Canadian Institute of Chartered Business Valuators. What was the MEE like?

The MEE is a challenging examination that requires you to integrate knowledge from a wide range of business valuation courses. You can't pass the MEE based on memory work. You are provided with a case based exam that tests professional judgment as well as core business valuation knowledge, all packed into a time-pressured 4 hour exam.

You have worked as a CBV at Navigant Consulting since 2001 and are now an Associate Director. What kinds of work are you involved with?

At Navigant Consulting I have three general areas that I focus on – business valuations, damages quantification and forensic investigations. With business valuations, I



Prem Lobo, CA, CBV

am involved in the valuation of businesses - shares, assets and liabilities - in various contexts such as shareholder oppression litigations, tax transactions, or purchase and sale transactions. In terms of damages quantification, I quantify how much money one party has lost due to the alleged improper actions of another party in commercial disputes such as breaches of contract, or patent violation cases.

What is the most rewarding aspect of being a CBV?

For me there are many rewarding aspects of being a CBV. Being part of an “elite” professional designation specialized in valuations / damages / investigations is certainly attractive. The various “doors that open” and opportunities present themselves to CBVs in terms of interesting types of work – whether as a valuator for the Government, or an investigator for the Ontario Securities Commission, or as a professional in the valuation group of a specialty CBV firm – that is rewarding. ☞

Tips for New Accounting Grads on the Job Hunt

1. With honesty and hard work, you will achieve what you set out to achieve. Even in a tough economy like ours, it is possible to advance and achieve your goals. It just takes more focus and perseverance.
2. Consider pursuing a designation such as Chartered Business Valuator (CBV). If you enjoy communicating and using technical skills, the CBV designation might be for you.
3. At job interviews, never exaggerate your experience. Be earnest, but never desperate, and present your best foot forward.
4. Don't ask about salary at the interview. What's more important than salary when you're starting out is getting into a place that gives you long-term career development.
5. If you are interested in pursuing a designation, talk to professionals in that field. Consider going to an information session, or get in touch with the CICBV for information on the designation and Programme of Studies. For more information, visit: www.cicbv.ca.