



## **The Art of Controllershhip**

By Laura Patterson

Most marketers today are responsible for planning, directing, and controlling something -- at the very least a program or project. Part of our job is to enable our companies to make better, more informed decisions. Like many marketers, I didn't spend much time taking accounting or finance classes. Yet today's marketers need to approach running the marketing organization as if they were managing a strategic business unit. As a result, we need more analytical and more business skills -- including accounting.

In the current data-driven "show me the money" environment, marketers need to at least understand the basics of managerial accounting. The Institute of Managerial Accountants (IMA) defines managerial accounting as: "The process of identification, measurement, accumulation, analysis preparation, interpretation, and communication of financial information used by management to plan, evaluate, and control within an organization to assure appropriate use of and accountability for its resources." The key difference between managerial and financial accounting is that managerial accounting provides information for managers inside an organization who direct and control its operations. It is aimed at helping managers within the organization make decisions. Managerial accounting emphasizes planning, control and timeliness and is forward-looking. In contrast, financial accounting is aimed at providing information to parties outside the organization. Financial accounting provides a historical perspective with an emphasis on verifiability and precision.

Okay -- so your cup runneth over and your "to-do" list is longer than a toilet paper roll. Even so, this isn't one of those things you can keep putting off. Why? Because it is essential if you want to:

- Build trust and a productive relationship with the management team.
- Prepare complete and clear reports about your "business."
- Formulate long- and short-term plans.
- Compare actual to planned performance.
- Measure performance.

- Gain more control over your own ship.

While it may not be in your best interest to drop what you're doing and grab another bachelor's degree, your skills can be polished almost anywhere, at any time thanks to today's technology. As marketers, we should be striving to reach that "Aha!" moment on a deeper level, like we did when we first realized the interconnectedness of divisions within a business.

The more we understand about the various parts of a business, the more we know about the sum of these parts combined and how our actions affect our peers. By brushing up -- and keeping up -- with accounting, finance, and management, you can transform your marketing organization into the thought leader of the company within a remarkably short period of time.

Disclaimer: Any VEM information or reference to VEM that is to be used in advertising, press releases or promotional materials requires prior written approval from VEM. For permission requests, contact VEM at 512-681-8800 or [info@visionedgemarketing.com](mailto:info@visionedgemarketing.com). Translation and/or localization of this document requires an additional license from VEM. For more information on VEM, visit [www.visionedgemarketing.com](http://www.visionedgemarketing.com).