

# CFA Society Japan

## Three-Year Strategic Plan

November 2021-October 2024



CFA Society  
Japan

# Three-Year Strategic Plan

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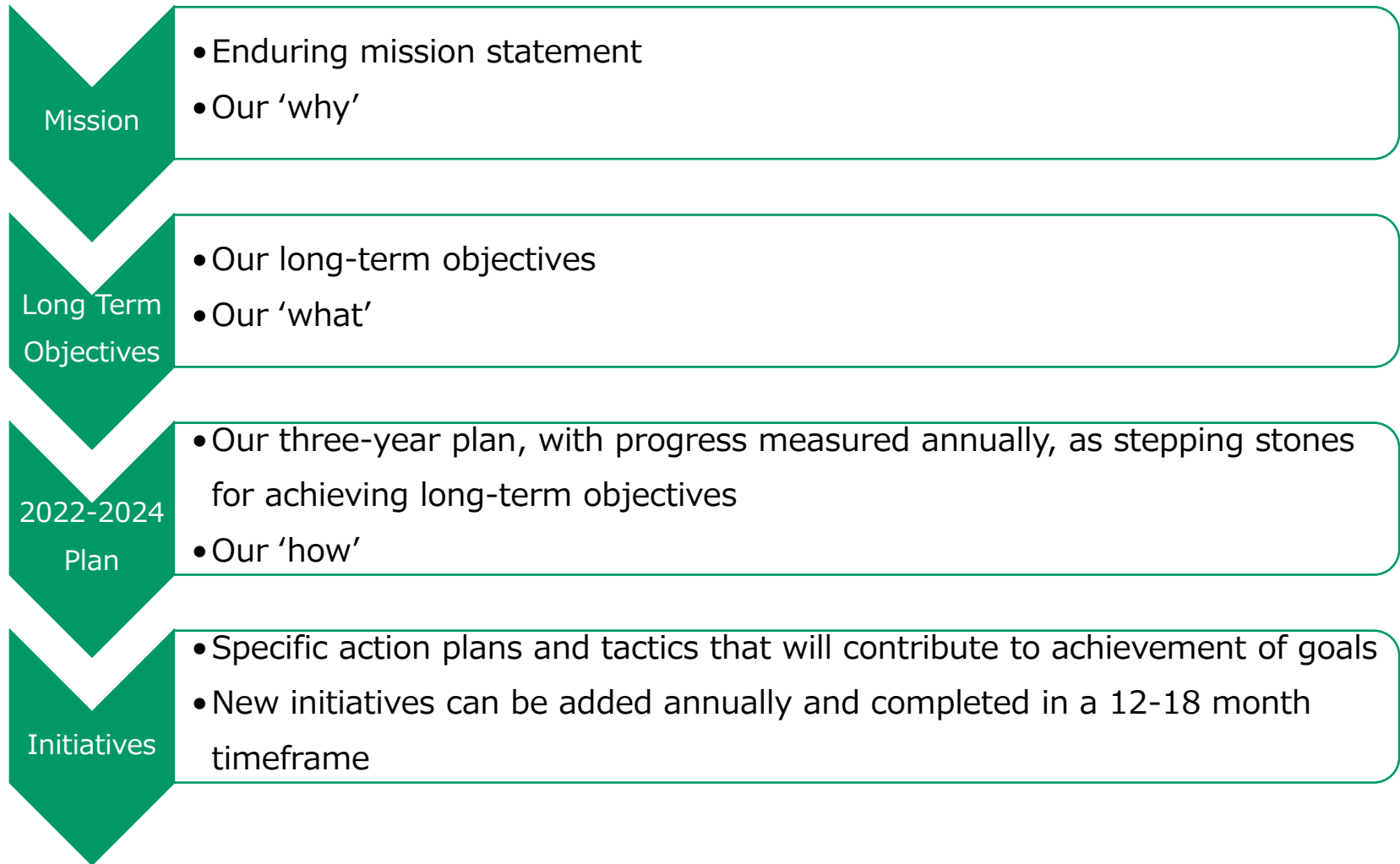
# Executive Summary

The Three-Year Strategic Plan for CFA Society Japan focuses on the long term objectives and goals while aligning itself to the direction of CFA Institute. The following pages are the list of what we hope to achieve over the next three years.

The environment which surrounds CFA Society Japan changed dramatically over the past couple of years. The board members observed rapid globalization and subsequent necessity to produce financial talents in Japan. The 4 goals in this plan cover the committee structure, enhancement of executive office, better branding effort and core projects in an effort to contribute to the globalization of Japan's financial market.

Progress will be assessed and plans are reviewed every year. Adjustments may be made to make our activity more useful and impactful to our members, financial industry and the society at large. We look forward to the next three years at the CFA Society Japan.

# Developing CFA Japan Strategic Plan



# Mission of CFA Society Japan

CFA Society Japan's goal is to contribute to the mission of the CFA Institute. CFA Society Japan represents the CFA Institute in Japan.

'To lead the investment profession in Japan by promoting the highest standards of ethics, education, and professional excellence to the ultimate benefit of society.'

CFA Society Japan was established to build the brand and influence of CFA Institute, grow member and candidate numbers, deepen engagement with members and stakeholders, and contribute to the investment management industry and the integrity of financial markets.

In line with CFA Institute's Societies 2.0 strategy, CFA Societies Japan continues to support the journey to professionalism, and be the conduit to build the foundational and strategic capabilities for CFA in Japan.

# Long Term Objectives of CFA Society Japan

1. To lead investment profession in Japan by promoting “globalization” of the Japanese market.
2. Make CFA the standard qualification for financial industry professionals in Japan.
3. Produce globally needed talent in Japan and encourage sharing of resources and experience with other societies around the globe.

# Review of the current plan(2018-2021)

The current 3 year plan for 2018-2021 period highlighted **three strategic goals**;

1. Develop future professionals
2. Enhance member value
3. Build market integrity

Also, it clarified **four challenges**;

1. Limited presences of the Society in Japan investment society
  2. Inadequate resource/administrative capability of the executive office
  3. Fragile succession plan
  4. Insufficient diversity of volunteers
- CFAJ's activities focused on three strategic goals and we recognise some progress through committee's programs.
  - However, we have not officially monitored nor reviewed KPIs at the Board level. Therefore, **we think concrete KPIs need to be set and implement the process to track progress for the coming 3 year plan.**
  - In addition, the challenges presented 3 years ago have not yet been fully dealt and we also need to address how we resolve each of them again in next 3-year plan.

# Review of the current plan(2018-2021)

## 3-Year Strategic Plan Annual KPIs

Item	FY2019		FY2020		FY2021	
	KPI	Result	KPI	Result	KPI	Result
【Membership】						
- Retention rate of existing regular members	92%	91.6%	93%	90.7%	90%	91.9%
- Increase the number of CFAJ members (% to current members)	10%	3.5%	10%	3.3%	10%	4.3%
- Organize studying events for candidates	3	10	3	17	10	8
- Organize career events	-	n/a	-	n/a	1	2
- Participation ratio of members who attend at least one society program a year	30%	34.0%	30%	27.3%	30%	28.8%
- Frequency of the networking events in various forms a year (times)	10	8	10	6	10	2
- LinkedIn postings	-	n/a	-	n/a	12	154
【Employer Outreach】						
- Meetings with existing and prospective employers to update the recent activities of the society	10	12	10	21	15	5
【University】						
- Ratio of Research Challenge students who become candidates of the exams	20%	n/a	20%	n/a	20%	36.1%
【Advocacy】						
- Conduct advocacy and ethics events	6	1	6	2	10	12
meetings with authorities	3	2	3	8	3	6
【Program】						
- Continue to provide seminars, etc. bi-weekly as an average	24	37	24	30	24	22



# Challenges and Priorities Today

Board members assess SWOT of CFA Society Japan in June 2021

## Strengths

- ✓ **Dedicated volunteers**
- ✓ **CFA Institute network**
- ✓ Industry network
- ✓ Financial strength
- ✓ **Research Challenge**
- ✓ Thought leadership

## Weakness

- ✓ **Office resources/ED**
- ✓ Limited number of active volunteers
- ✓ **Brand recognition**
- ✓ **Silos between committees**
- ✓ Lack of continuity in leadership
- ✓ Competition with SAAJ(CMA)

## Opportunities

- ✓ **Global Financial Hub (by the Japanese Government)**
- ✓ Globalization
- ✓ ESG/Climate changes/  
Corporate Governance reforms
- ✓ Increasing memberships
- ✓ Needs from employers

## Threats

- ✓ Losing momentum of CFA brand
- ✓ Difficulties to attract members
- ✓ **Losing members satisfaction**
- ✓ Limited growth in financial industry

# CFAJ Strategic Plan 2021-2024

- ❖ **Goal 1** – Create **Board Committees** and realign **Management Committee structures** for more efficient and coherent activities.
- ❖ **Goal 2** – Enhance **operational excellence** of the executive office and financial sustainability
- ❖ **Goal 3** – Engage further with financial industry to increase recognition of CFA charters (**Branding** and prospecting effort)
- ❖ **Goal 4** – Align with the “**Global Financial Hub (GFH)**” Project to shape the future of industry and profession in Japan.

# Goal 1: Redesigning Committees

We look into a potential restructuring of management committees so that duplication or misalignment can be avoided.

One idea is to focus on our stakeholders, such as;

1. Members/Candidates -> **Membership**
2. Society/Government -> **Public Relationship**
3. Investment management community/Regulator -> **Advocacy**
4. Universities -> **University**

For governance of CFAJ Board, we also consider to create Board Committees;

1. Executive Committee  
(President, Vice President, Treasurer, Secretary)
2. Audit and Risk Committee
3. Nomination Committee

# Goal 1: Redesigning Committees

New Committees	Stakeholders	Sub-committees*	Objectives	Current Committees
Membership	Member/Candidate	Membership	Member education, Networking	Membership
		Candidate	Preparation of Exams, Networking	
Public Relationship	Society/Government	GFH	Align with the government initiatives on globalization	
		Branding	Media coverage, Sponsors coverage	Membership
		JIC		JIC
Advocacy	Investment Management Community/Regulator	Industry Relation	IM community education, Seminars, Webinars, Thought leadership	Program, Advocacy
		Policy and Engagement	Consultation response	
University	Universities	Research Challenge		Research Challenge
		Ethics Challenge		Advocacy
		Universities Relation	UAP, FIN, Develop the relationship with Universities, Sending lecturers	

\* optional

# Goal 1: Redesigning Committees

## Actions

- Committee chairs/vice chairs and sub-committee leaders are appointed by the Board. One Board member is assigned to each committee for oversight responsibility. Close communication among Board members and committee leaders is vital.
- We need to establish regular dialogue amongst management committee chairs and leaders (i.e. **Steering Group**) so that more cross sectional coordination can be achieved. It would also be important that they monitor volunteer resource availability amongst themselves. Record of Steering Group meeting to be submitted to the board.

## KPIs/Measures

- *Define the responsibility of each committee and document them, including sub-committees. At the beginning of the fiscal year, the documentation should be shared with Corporate Officers/Board.*
- *Committee chair/vice chairs list with gender diversity and inclusion*

# Goal 1: Redesigning Committees

## Actions

- Such Steering Group should be aware of priorities for the entire CFA Society Japan in planning events. Board members will be involved in high level planning.
- Executive office should remain involved to make smooth execution of events and activities to optimize resource and budget use.

## KPIs/Measures

- *Priority lists by committee and its implication to the goals of CFAJ*

# Goal 2: Operational Efficiencies and Financial Sustainability

## Actions

- Due to limited participation and availability of volunteers, CFAJ must rely on resources and assistance of the executive office (EO) to carry out day-to-day work and events. Yet the coordination among management committees and with EO has not been sufficient. We therefore need to establish a clear “Operational Model” for CFAJ EO.
- Clearly defined operation model for EO Office
- Determine allocation details of resources such as volunteers, EO office staff by events and activities

## KPIs/Measures

- *Corporate officers to receive proper feedback on EO from board members and volunteer leaders. The consolidated feedback to EO should be positive and constructive for improvement.*
- *Size of volunteer pools and increase. Do the feedback surveys from the volunteers and improve their satisfaction.*

# Goal 2: Operational Efficiencies and Financial Sustainability

## Actions

- Once the operation model and coverage/responsibilities are clarified, we need to allocate adequate resources/budget for the EO. This will include adding extra head count and reassess skill set of existing staff. It is preferable that we hire an external consultant to conduct an objective assessment and search of experts in administration, marketing and technology.
- The expected work-load will depend on 3-year activity plans of CFAJ and we need to secure financial resources to cover the cost including upgraded EO, while continuing our endeavour to recruit volunteers and corporate sponsors.
- Business plans beyond FY2022 with projected financial position of CFAJ in 2023 and 2024 need to be structured.



# Goal 3: Industry Engagement for Branding and Prospect Generation

## Actions

- Be more proactive in raising the recognition of CFA charter by employers and the society at large.
- We need to appeal not only to employers but also to media and related parties by leverage themes and opportunities.

## KPIs/Measures

- *Better scores in “satisfaction survey” amongst CFAJ members.*
- *Higher recognition by employers*

## **Themes:**

Global Financial Hubs

ESG/SDG

Gender Diversity and Inclusion

# Goal 3: Industry Engagement for Branding and Prospect Generation

## ***Actions***

- **Seminars** – are the seminars open to wider public for mass dissemination? Is it good to charge fees on seminars and webinar while we, as volunteers, try to contribute to society at large? Are the topics timely and gather enough audience?
- **Conferences** – e.g. JIC. How well are the event recognized? Are the topic appropriate to make impact to participants and sponsors. Do the sponsors feel it is worth spending their money?

## **KPIs/Measures**

- *Satisfactory survey results after each seminar.*
- *Number of registration, participation and survey results on the event.*

# Goal 3: Industry Engagement for Branding and Prospect Generation

## ***Actions***

- **Events** – e.g. Research Challenge. Are these known outside universities? What is the percentage of participating students entering financial industry? Are the participating students/universities increasing?
- **Media/PR** - Is CFAJ making enough effort to publicize activities and publications?

## **KPIs/Measures**

- *Number of registration, participation and survey results on the event.*
- *List of public appearances of CFAJ/CFAI Institute members on major publications and other medias.*

## Goal 4: Align with the “Global Financial Hub (GFH)” Project to shape the future of industry and profession in Japan

- CFA Society Japan and CFA Institute are most uniquely qualified and positioned to offer collaboration to FSA to expedite the project by the Japanese Government. The project focuses on Investment Management industry and involves various parts of the government ranging from Ministries such as Finance, Justice and Education.
- Japanese government aims to make Japan Green financial hub as well. CFA Society Japan and CFA Institute will be able to collaborate with FSA and the other ministries, like METI and Ministry of Environment etc..
- The project will eventually have impacts to municipal and local governments. In that sense, we will keep good relationship with FinCity Tokyo etc, with which we started relation as a supporter of Ethics Challenge.

# Goal 4A: Financial Talent development initiatives

## ***Actions***

- Offer educational opportunities to university students who will become globally needed talents in finance, especially in asset management industry.
- We can leverage ongoing events such as Research Challenge, Ethics Challenge, FIN to more universities and students.
- CFAJ can also promote University Affiliation Program to Japanese universities.
- CFAJ will offer CFA courses to university students. CFAJ volunteers can offer teaching in classes.
- CFAI can also provide the self-learning tool, like Investment Foundation Program.

## **KPIs/Measures**

- *Number of participating institution, universities, teams and volunteers as well as survey of their satisfaction.*
- *Number of supporter/sponsor for the universities events*

# Goal 4B: Leverage CFA Network

## ***Actions***

- CFA network will enable FSA and other ministries to be connected to existing financial hubs, through Global CFA Societies.
- Depending on the government's objectives, we can connect asset managers, investment bankers, lawyers etc, who may be able to provide examples and lessons as to what have worked well to create global financial hub status.
- CFAJ can host open/closed webinars and seminars to facilitate discussions and collaboration. This will be not only for mutual exchange of thoughts between the government and the audience, but also for helping them promote Japanese market.

## **KPIs/Measures**

- *Quality of projects conducted together with the government and its ministries/agencies.*
- *Number of sessions arranged together with CFA Institute.*

# Goal 4C: Support the Government to appeal Japan to young talents in APAC

## ***Actions***

- GFH survey results indicated that younger generation in Asia/Pacific were most positive on GFH effort by Japan. CFAJ together with other CFA societies in the region can facilitate opportunities for the Government to reach out to university students and young financial professionals to appeal the merit of Japan as a working place.

## **KPIs/Measures**

- *Number of events, participants by region + results of satisfaction survey.*

# Goal 4D: Promote Green Financial hub initiative

## ***Actions***

- We can leverage CFA Institute insights and research on ESG and sustainable finance to support the Government to lead Green Financial hub initiative. We can promote ***ESG certificate*** and ESG standards of Investment products.
- We can organize webinars and seminars on the topics in line with the Government's interest.

## **KPIs/Measures**

- *Number of ESG Certification issued.*



# Timeline

