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Catherine Elizabeth Middleton?

During the past several weeks, as royal wedding fever spread across the globe, if someone had been asked the question: "What does CEM stand for?" "Catherine Elizabeth Middleton" would have been a very likely guess.

And that is certainly understandable. In the days leading to the wedding, I myself read daily accounts of the pre-nuptial activities, watched television specials with titles like "William, Kate and 8 Royal Weddings" and "Untold Stories of a Royal Bridesmaid", and wondered along with everyone else what type of dress Kate would wear. And of course I rose before 5:00 am to watch all the ceremony and excitement as Catherine Elizabeth Middleton married Prince William in grand style.

So, yes, CEM **could** stand for Catherine Elizabeth Middleton. But for me, and for many people involved in finance, management, or client relationship roles in PwC, the first thing that would come to mind would be: Client Engagement Margin. But I began to wonder - Could Catherine Elizabeth Middleton and Client Engagement Margin have anything in common?

Well, for one thing, both Kate Middleton and CEM were relatively unknown for a period of time and have gradually come into greater prominence. Kate was born into an "ordinary" family (which became a very wealthy family) and grew up in a world without fame. Of course when she and Prince William became a couple, the world took notice and the number of people following her life grew. As for CEM - CEM started in 2004 with only a small number of territories (38) participating in the metric. Over the years, territories have been adopting the metric, and today that number has grown to 93.

Interest in both "CEM"s has grown dramatically over the past year. And many questions are being asked about both. For Kate, this was because she and Prince William had become engaged. People everywhere (and journalists in particular) have been trying to find out as much as they can about Kate. (How did Kate and Prince William meet? What **really** happened when they split up? How will Kate adjust to all the royal duties and scrutiny?) Prince William and Kate held a press conference to try to answer some of the questions. For CEM, the metric is being used more widely in PwC. GRPs and others throughout the network have been trying to find out as much as they can about CEM. This year I have received a significant increase in inquiries about CEM (How is CEM computed? How does it relate to other metrics used in PwC? Why are there such differences between territories?). To answer these questions, GI is creating a document that we can distribute to GRPs and other interested partners and staff members. This document will provide information about how CEM is calculated, how CEM can be used to assess relative performance, how CEM is included in Global reporting, and how various factors can affect CEM (resulting in the necessity to exercise a bit of caution in the interpretation).

Both Kate and CEM are now at a time of transition. Kate and Prince William's relationship seems to have stayed pretty much the same over the past few years (except for the notorious breakup!). And Kate was even sometimes referred to as "Waity Katie" as the years went by without the big question being popped by Prince William. But now her life will go in a different direction - as a member of the royal family with the titles, duties and high expectations associated with her new position. Similarly, since CEM was developed in 2004, the methodology and guidance has remained relatively unchanged. Over the years we have been observing how the metric was being derived and used, noting the strengths and identifying any potential weaknesses. It became evident that some of the flexibility that was built into the CEM methodology was allowing significant inconsistency across territories, leading to confusion and limiting the usefulness of the metric. So we will be seeking input

from the territories and other interested parties by sending a survey and creating a working group. We will review the current status and develop some recommendations for improvements. So after years of being static, CEM may be moving in a different direction as well.

Kate's big day is now part of history, but CEM's big day is still to come. The CEM annual webconference will be held on June 9 The wedding included traditions (something old, something new, etc), some "firsts" (**two** balcony kisses!), and diverse guests from around the world. The CEM webconference will also include some traditional content (reminder about setting cost rates for upcoming fiscal year), some new topics (confusion about how to use the metric) and presenters and participants from around the globe (including guest presenters from CEE).

So please plan to join us on June 9 for the annual CEM webconference. Attire for the royal wedding was: "uniform, morning coat or lounge suit." Attire for the webconference is not quite so formal, (But I think I will wear a hat!)

Sharon