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8

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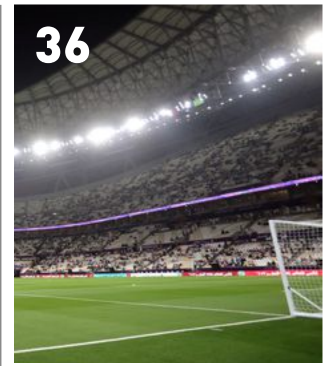

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MELANIE JANINE KANAKA, FCMA, CGMA

Developing others — and yourself

'Every successful person has received help somewhere along the way.'

Building a career as an accounting and finance professional can be intensely satisfying. All the time invested in the hours of study and hard work means that eventually we are vested with significant responsibilities and the chance to make a real difference. And that gives us a sense of value.

Every successful person has received help somewhere along the way and has stood on the shoulders of giants. It could have been from the nurturing parent or the inspirational teacher; or from that first manager who saw potential, or the committed mentor who took the time to offer advice and guidance. Sometimes it was simply from a colleague who was there when some emotional support was needed.

There is absolutely nothing wrong with receiving support in your career, and it doesn't in any way devalue our hard work to accept that we were guided by those who came before us. What this must do is spur us on to help those who follow us.

Growing through mentoring

I met some of our newly qualified members on a recent visit to the UK and was impressed by their talent and enthusiasm. I want us all to play a part in helping them and others like them across the globe to have the most fulfilling careers possible.

One of the best ways to do that is through one of AICPA & CIMA's mentoring schemes. In January we launched a new UK mentoring scheme for CIMA members, candidates who have completed their exams, and strategic-level students. Similar schemes are running in markets around the world including Poland, Canada, and Sri Lanka. The LEAP (Leadership Engagement for Aspiring Professionals) programme in Sri Lanka aims to develop aspiring students' capabilities to ensure readiness in the corporate world. The programme connects exam completes and strategic-level students with corporate leaders, industry professionals, and successful entrepreneurs.

Another way we help our members and students enhance their personal and professional growth is through the CGMA Leadership Academy. This four-day intensive training programme is designed to help participants build the digital finance and leadership skills needed to succeed in the modern business world. I look forward to seeing what this year's cohort will achieve in the future.

The power of volunteering

We also have many opportunities to volunteer to help others to grow the profession. At CIMA and the Association, we place volunteers at the heart of our organisations to influence the future of the profession. We currently have more than 2,000 volunteers working at various levels, from our local area committees right up to CIMA Council and the Association's board of directors. If you would like to get involved, start with finding details of your local branch.

I have always been a passionate advocate for volunteering and have been actively involved with CIMA for more than three decades and the Association and many other organisations over the years — in Sri Lanka, the region, and internationally. I find it has not only been rewarding but also very enriching as I have built numerous and diverse networks both professionally and personally. I would greatly encourage you to step forward and do the same.

Finding practical career support

If you feel that you could use some practical support in your professional life, I strongly recommend visiting AICPA & CIMA's Global Career Hub, which has a great many resources to support your employability and career progression.

AICPA & CIMA are here to help you grow at every stage of your career to become a successful finance professional. As you do, please continue to help others chart their own professional journey. It is our collective responsibility to encourage those who come after us to facilitate their professional development and growth — and build our profession's future.

KEEP IN TOUCH
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Technology: Seizing the future

By Andrew Harding, FCMA, CGMA

Think about how technology has helped improve our lives in recent years. For example, look at how Apple became one of the most successful companies on earth and transformed accounting.

Back in the 1970s, it made home computers for hobbyists, the type of people who programmed their own games. Clever, but niche. Then one day, Dan Bricklin was watching his accounting lecturer filling in a handwritten ledger. Changing one number meant redoing all the other calculations. Bricklin realised he could program his Apple computer to do this automatically. The result was VisiCalc, the first commercially available spreadsheet.

The birth of a revolution

In an instant, computers became an obligatory professional tool, and the accountancy profession was revolutionised. It gave us the power to use and analyse data in ways that were previously unimaginable.

Today, the possibilities offered by the latest technology are still at the very early stages of being understood. But it won't be long before the next "killer app" arrives. Making the most of this opportunity will mean reimagining the finance function.

That starts with data. We need to be gathering more of it, and not using just traditional financial metrics. Data will be required by a wider variety of stakeholders, whose needs are not met by traditional accounting alone.

Changing the profession

Exploiting this data will require well-developed communication and commercial skills to tell the story of the business, generate new insights, and find new solutions to old problems.

Finance professionals who are proficient in data analytics, risk management, and cybersecurity will be well placed to capitalise on these opportunities.

They will be guiding strategic choices, managing risks, implementing projects, and providing reliable management information. This is how the profession will add new value, just like it did after the invention of Bricklin's spreadsheet.

AICPA & CIMA remain by your side with the resources you need to stay ahead:

- Our Future of Finance 2.0 research programme explores the future state of our profession and its broader ecosystem and defines the essential skills, competencies, and knowledge that finance professionals need.
- The CGMA Cybersecurity Tool helps finance professionals understand issues including malware, maladvertising, and botnets. Updated to include resources for small businesses and on governance, there is also information about recent cybersecurity trends, implementing controls, and responding to ransomware requests. Cybersecurity risk management and building cyber resilience are key parts of doing business in the digital age.
- The Agile Finance Transformation Certificate Series (available in the CGMA Store and the AICPA Store) has been created in partnership with Oracle. It explores how finance professionals can leverage technology to deliver better reporting, deeper business insights, and a superior strategic direction for their organisation.

Technology is changing the way we work, giving the profession a tremendous opportunity to reimagine its role in business. To be successful, we must develop a digital mindset that will help us tackle the challenges — and the opportunities — of the digital era. ■

Andrew Harding, FCMA, CGMA, is chief executive–Management Accounting at the Association of International Certified Professional Accountants, representing AICPA & CIMA.

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The entrepreneurial CFO: Scaling finance capabilities for growth

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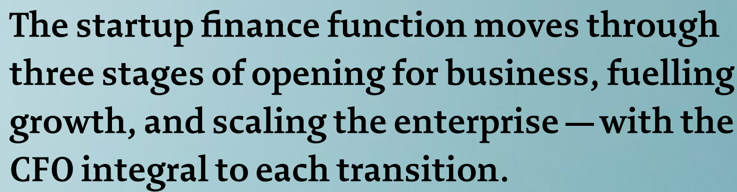

The startup finance function moves through three stages of opening for business, fuelling growth, and scaling the enterprise — with the CFO integral to each transition.

By David A. J. Axson

In 2021, approximately 5.4 million new businesses were registered in the US and more than 800,000 in the UK. Based upon historical trends, by the end of 2022, almost 20% (1.2 million) will have ceased operation; by the end of 2025 over half will probably have disappeared. Starting and growing a successful business is hard. For many, the reason for failure is not a bad idea or a bad product, but a failure to be able to manage the financial side of the business: raising capital, managing cash flow, accurately accounting for business activity, or forecasting future performance.

Entrepreneurs rarely have strong finance backgrounds. They are usually smart engineers who have designed an innovative new product or creative marketing types who have spotted an underserved customer constituency or need. However, no business can succeed

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Articles

"On-demand Career Paths for Current or Aspiring CFOs", *FM* magazine, 1 April 2019

"Effective Financial Projections for a Startup", *Journal of Accountancy*, 1 March 2019

Podcast episode

"Starting Up: 3 Metrics Entrepreneurial CFOs Need to Watch", *FM* magazine, 13 October 2021

without effective finance and accounting support. Typically, a startup cannot afford to establish a full-service finance organisation replete with accountants, controllers, planners, and tax specialists from day one. Finance capabilities need to grow with the business, often starting with part-time bookkeeping and then progressively incorporating additional skills.

The evolution of an entrepreneurial finance function has three stages. An entrepreneurial CFO understands the requirements at each stage and identifies when the business is transitioning from one stage to the next. They will prepare in advance to ensure that finance is never seen as an impediment to growth. Here is a summary of the capabilities an entrepreneurial CFO needs to deliver at each stage.

Stage 1: Opening for business

Stage 1 is about being ready to support the business from day one. The CFO needs to:

Establish a trusted adviser relationship with the CEO

Trust is the basis for an effective CEO-CFO relationship, requiring a blend of strong and relevant financial acumen with an understanding of and commitment to the goals, objectives, and strategy of the business. CFOs often need to deliver bad news, hopefully accompanied by sound advice. They can only do this effectively if the CFO's goals and motivations are aligned with those of the rest of the leadership team.

Melanie Payne, CFO of Syniti, a fast-growing, enterprise data management company, described the entrepreneurial CFO in a 2021 interview as requiring both speed and agility: "The need to move faster in how we make decisions [and] change course quickly." In the early growth stages this may not be a full-time job, but it does require discipline, focus, and commitment.

Implement foundational finance processes

Getting the basics right is job number one. Being able to process basic transactions such as collecting cash from customers, paying suppliers and employees, and reconciling accounts in a timely and accurate manner is essential from day one. Kunwar Chadha, FCMA, CGMA, described this succinctly in the December 2019 *FM* magazine article, "What I Learned Being the CFO of a Tech Startup": "The first task was to … report numbers accurately and make timely payments to employees and suppliers."

Many small businesses look profitable on paper but have no cash in the bank due to poor basic accounting discipline. An effective CFO will ensure cash flows smoothly through the business from day one. The good news is that there are well-defined best practices and tools available that even the smallest company can implement to ensure control of a business's finances from day one.

Stage 2: Fuelling growth

Stage 2 focuses on adding the capabilities necessary to enable, not just support, growth. Here, the CFO's role is to:

Develop a compelling financial story for investors

Raising capital to fuel growth is often the area where a CFO can add the most value. CEOs are usually able to articulate what makes a business special, but investors are looking for a return on investment, not just a cool idea. The ability to tell the financial story that complements a business's vision, strategy, and product offerings is essential to securing and retaining investors. Entrepreneurial CFOs can readily answer questions such as: How much capital is needed? How will it be used? What returns can be expected? How will financial risks be managed?

Build credible forecast capabilities

No business has the luxury of unlimited resources. Successful management of growth is about optimising the allocation of scarce resources, be it money, time, talent, or materials. Efficient resource allocation is predicated upon being able to develop accurate forecasts, anticipate potential positive and negative variances, and take corrective action in a timely fashion. The CFO must be able to identify the right data, select the most appropriate tools and technologies, and build forecasts that support timely decision-making.

Establish a cost-effective and scalable control and compliance framework

As a business grows, volume and complexity increase. This in turn increases risk and adds new compliance requirements. An entrepreneurial CFO ensures that increased risk and compliance do not impede growth.

Updating control processes, adjusting materiality levels, and meeting new compliance needs are all part of a scalable finance capability. In recent years, this has become an even more important focus as CFOs are asked to address much broader issues such as data security, corporate governance, and sustainability.

Stage 3: Scaling the business

Stage 3 sees finance scale to sustainably support an increasingly large and complex organisation. The CFO needs to:

Build a talented finance team

A CFO is only as good as the team they build. In the early days, the CFO may be able to handle everything, but that will not last long. Knowing when to add capacity and delegate are hallmarks of a forward-looking finance leader. Hire too early and precious capital may be wasted; too late and finance can become a barrier to growth. The first two additions a CFO is likely to make are a controller or chief accountant and a planning analyst.

A CFO cannot afford to be too inwardly focused and backward looking. A chief accountant can relieve that burden by bringing strong accounting skills to bear and ensuring accurate accounting and reporting. A planning analyst can be a powerful aid to the CFO in supporting the leadership team and board with insightful forward-looking information upon which to base decisions. Blending internal hires with external partners can help balance capability and affordability as the business scales.

Establish a scalable finance ecosystem — advisers, partners, and service providers

The options for creating a scalable finance capability are increasingly rich. Traditionally, many startups would handle basic bookkeeping in-house and rely on part-time support from a professional accountant, increasing the time commitment of each as the business grew.

Today, there are many more options. Self-service accounting and finance software can automate much of the basic bookkeeping including payment, receipt, and account reconciliation functions. The advent of cloud-based, software-as-a-service solutions has made best practice software available to any size business. No longer do you need to spend capital on computers, data centres, and software. Qualified accountants have expanded their offerings to provide full-service, outsourced finance capabilities.

Many startups are also tapping into fractional CFO networks whereby they pay for access to experienced CFOs who can guide them through the growth process without the expense of a full-time hire.

An effective CFO will ensure cash flows smoothly through the business from day one.

Know when to transition

An entrepreneurial CFO brings a unique set of skills to the table. One of the most important is having enough self-awareness to understand when the time is right for a new person to take on the role. One common inflection point is when a business is planning a stock market listing. The requirements of being a public company are very different from those of a private company, and many choose to switch CFOs in the run-up to a stock offering.

This is not a condemnation of the startup CFO, but more a recognition that the business has evolved to a point where new skills and experience are needed. There is a recurring pattern of CFO transitions at companies such as Google, Netflix, and Spotify as they moved from startup to initial public offering to ongoing operation.

Building a strong finance foundation helps entrepreneurs monetise their ideas. An entrepreneurial CFO balances creativity with discipline. They are able to confront multiple disparate challenges and help shape the growth of an organisation while ensuring the basics are done right. It is a demanding but immensely satisfying role for any finance professional. ■

David A. J. Axson is a former partner with Accenture, co-founder of The Hackett Group, and former head of corporate planning at Bank of America. He currently serves as part-time CFO of Shrap.co.uk. To comment on this article or to suggest an idea for another article, contact Oliver Rowe at Oliver.Rowe@aicpa-cima.com.

IMAGE BY MARCUS BUTT/
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3 ways finance can aid intrapreneurial teams

Finance has crucial roles in developing intrapreneurial ventures — from setting guidelines to helping manage expectations and defining success.

By Anita Dennis

Intrapreneurship — or the organised effort to develop creative initiatives within a company — offers many advantages. While companies generally focus on following established procedures, intrapreneurship is about generating and experimenting with new and potentially valuable ideas.

The finance team can play a critical role in ensuring that these efforts begin with a sound foundation and that they have clear goals and milestones. To be successful, these creative projects need to play out within traditional financial guardrails. "An ad hoc approach is what really kills these projects," said Andrew Goldstein, partner, Deloitte Digital GmbH in Munich.

Many intrapreneurial teams might have expertise in specific technical areas but not in finance. Unfortunately, though, once a prospective intrapreneurial team presents an idea to executives and it is accepted, they are often left to figure out financial considerations on their own.

That's why the involvement of finance is essential. "In addition to equipping an intrapreneurship team with the financial guidance and support it needs to thrive, a valuable finance team imposes discipline into the effort without crippling it," said Sihle Ndlovu, ACMA, CGMA, Ph.D., executive chairman, Inzalo Utility Systems, in New Germany, Durban, South Africa.

Taking the lead

Finance can make a difference by taking three key actions:

Set guidelines

At the beginning of the process, finance can help calculate potential overall costs for the project, including offering insights on how many people can or should be involved, said Paul Gardner, ACMA, CGMA, the CEO of Fresh Accounting in Hong Kong. To gauge potential profitability, finance can also help estimate proper pricing for the products or services the intrapreneurial team produces, he said.

As part of that process, finance teams can help intrapreneurs develop a budget, perform a risk assessment, and do a return-on-investment (ROI) analysis, said Donny Shimamoto, CPA/CITP, CGMA, founder and managing director of IntrapriseTechKnowlogies LLC in Honolulu, Hawaii, in the US (see the sidebar, "Experimentation Risk"). Finance may need to challenge intrapreneurs and help them brainstorm what might go wrong or to evaluate the likelihood that the initiative will produce the expected return, he said.

As the intrapreneurial team's plans come into better focus, finance can also provide it with business plan templates to show what the organisation will expect from it. Finance teams can also coach and mentor intrapreneurs who have never created a business case or KPIs before.

Finance can also clearly explain how the organisation will fund the effort, not only in terms of cash but also any internal and external support and other resources it will provide, Goldstein said. "Finance has a real opportunity to a make huge contribution to intrapreneurship," he said. Instead of taking the role of gatekeepers, who set limits, they can become guideline setters, who help intrapreneurs create a viable road map for their efforts, he said.

Experimentation risk

While companies focus a great deal of energy on risk management, successful intrapreneurship requires the freedom to experiment — and potentially fail.

"Intrapreneurial projects by their nature are riskier," said Donny Shimamoto, CPA/CITP, CGMA, founder and managing director of IntapriseTechKnowlogies LLC in Honolulu, Hawaii, in the US. For intrapreneurship to work, businesses need to realise that it can't be held to the same standards and expectations as other projects or operations because doing so may hinder its success. Instead, finance teams can counsel businesses on how best to ensure that any failures don't have an inordinate impact on the overall organisation, he said.

Too much emphasis on minimising risk or conformity can be damaging. As one example of what can go wrong, Shimamoto pointed to a US CPA firm that started a bookkeeping practice as a separate intrapreneurial entity within the larger firm. In a positive step, the bookkeeping practice was given its own separate brand, operating procedures, and technology stack. However, some of the firm's partners insisted that the bookkeeping business should have the same margins and some of the same operating policies as the larger firm. That became a problem because the bookkeeping business was more forward-thinking, used a digital-first approach, and wanted to take more reasonable risks than the parent firm might have done, he said. Feeling stifled and unable to innovate, the managers of the bookkeeping business finally left the firm and started their own successful practice.

The finance team can help educate intrapreneurs on compliance and risk concerns at the outset. The project will have a better chance of success if intrapreneurs are aware of these issues. "Intrapreneurship is not an excuse for circumventing risk guidelines," suggested Andrew Goldstein, partner, Deloitte Digital GmbH in Munich.

Businesses should be aware of the risk if they don't have an intrapreneurship programme, because it can mean losing proactive, creative people. Even worse, because these "dreamers" may prefer working within a large corporate environment, they may jump over to the competition if their current employer doesn't allow for creativity, Goldstein said.

"Not every idea will be a success, or there may not be an immediate payback on the investment," said Paul Gardner, ACMA, CGMA, the CEO of Fresh Accounting in Hong Kong. "But in order for companies to continually develop, they have to keep investing in new ideas."

Manage expectations

To help manage and set realistic expectations, finance can educate management and the intrapreneurial team on how these efforts differ from typical corporate initiatives. For example, intrapreneurial projects typically see their best returns in the medium term or long term, Shimamoto said, while the organisation may be focused instead on getting a short-term return on its investment. The finance team can provide forecasts on the return horizon and identify nonfinancial metrics that can be used to show progress or continued potential for return.

When it comes to funding an intrapreneurial project, Goldstein recommended that organisations follow a stage gate approach, in which the project is divided into funding milestones. The phases should mirror the organisation's fiscal year, he advised.

Proper milestones and monitoring may be forgotten in some companies. "Too often organisations fund these projects and just let them go on their own without checking on their progress to see if continued investment is warranted or if a project should be cancelled," Shimamoto said.

Determine what success looks like

From the beginning, businesses should decide how and when a project will be considered successful or when is the time to shut it down. It's important to remember that "success" may not necessarily be tangible or financial. It may, of course, mean meeting a set ROI; creating a new product, service line, or division; or developing a new prototype. On the other hand, a project may be considered a win if it simply instils an entrepreneurial mindset within the team or throughout the culture. In either case, finance can help companies gain more from a project by quantifying what it was meant to achieve and how well it did.

Even when a project has not been successful, those involved can be celebrated and made into coaches who train others on intrapreneurship, Goldstein suggested. The aim should be to underscore the importance of creative thinking and to leverage the experience the intrapreneurs have gained.

Staying on course

Of the 2,200 companies that have been in the *Fortune* 500 since its inception in 1955, only 49 have remained on the list every year since then, according to the magazine. Innovation and new revenue streams are critical to ongoing corporate success. The contributions that finance can make are crucial to the success of intrapreneurial efforts as well as the company's overall health.

According to Ndlovu, finance can help with maintaining solid and consistent records that give the intrapreneurship team a solid foundation for budgeting and planning, as well as identifying and communicating cash flow projections. Finance is also well positioned to help intrapreneurs track financial performance against planned objectives, manage tax considerations, and provide guidance on making smart budgetary adjustments.

"Finance experts pave the road to financial stability," Ndlovu said. They can help intrapreneurship teams develop a road map, overcome unexpected challenges, and make smart decisions that benefit the business. ■

Anita Dennis is a freelance financial writer based in the US. To comment on this article or to suggest an idea for another article, contact Oliver Rowe at Oliver.Rowe@aicpa-cima.com.

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People risk: How to mitigate the adverse effects of employee behaviour

The biggest risk to your business could be your organisational culture, but there are ways to change it.

By Helen Tuddenham

PHOTO BY ANDRII YALANSKYI/GETTY IMAGES

People risk is mitigated when employees know what they are supposed to do and have the skills to do it. Simple, you might be thinking — all I need to do is have clear job descriptions, recruit well, give employees high-quality training, and everything will be fine.

However, many organisations have invested tens of thousands of dollars in training, and employees have still opened them up to substantial reputational and financial risk. Think Société Générale, Enron, and Volkswagen — cases where the actions of intelligent, well-trained employees led to regulatory penalties, actual or near corporate collapse, and personal tragedies. This article looks at behavioural risk — the risk that employee behaviour will cause adverse impacts.

The link between behaviour and culture

Observable behaviours reflect the invisible culture in an organisation.

Culture has been defined as "the way we do things around here". It is the sum of all the beliefs, values, and behaviours that determine how your employees act, both individually and corporately.

When it comes to culture, there is no "one size fits all" approach, and organisations need to determine the right culture for them based on their industry, purpose, and strategy. For example, a low-cost, no-frills supermarket will have a very different culture from a high-end retail store that prides itself on personal service to its wealthy customers.

If the culture of your organisation is linked to behavioural risk, what steps can you take to mitigate the risk?

Understand your culture

The first step to see whether your culture is exposing your organisation to risk is to try and understand it. What drives behaviour in the organisation? Why do people do what they do? Why are tasks not done on time and to the required quality standards? Your existing risk management framework should include mechanisms to capture where employee behaviour is a contributing risk factor. Using the CGMA Risk Management Tool can help you in this.

Several elements drive employee behaviour — the "tone at the top", systems and processes, what is communicated to employees (and how frequently and consistently), the

Editor's note: *This is the final article in a three-part series on identifying, understanding, and mitigating people risk — a factor that can keep organisations from achieving their strategic aims and objectives. This article looks at employee behaviour risks. Part one looked at why it's important that employees fully understand their role. Part two examined skills risk.*

How Culture Affects Risks

Core values are foundational elements in culture. Learn the steps to build a healthy culture within your organisation and embed risk management into your organisation's culture.

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Learn about a practical, actionable programme designed to give participants the tools to leverage their corporate culture as a distinct competitive advantage.

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CGMA Risk Management Tool

training they receive, the structure and hierarchy of the organisation, and how they are rewarded, financially or otherwise. In addition to these hard measures, culture can also just as powerfully be driven by softer measures — for example, unwritten "codes of behaviour", such as "we are nice to each other" and "we don't upset people", leads to an avoidance of difficult conversations and problems being "swept under the carpet".

To get an insight into your culture, you can use proprietary tools and surveys or perform a more bespoke cultural review. If doing the latter, you may want to get your internal audit team involved. Internal audits of culture are becoming more commonplace, though still relatively rare outside of regulated industries. Whatever you do, you must ensure you have a tight grasp of the review's scope. By definition, culture is vast and amorphous. Narrow your reviews down to where the risk of a behavioural issue would cause the most damage. This may be around health and safety, customer service, or taking on new business — it will depend on your strategic objectives, industry, and regulatory environment.

When you have understood your industry and culture, you can pinpoint the areas that could cause you the most exposure and also have a discussion to determine whether the culture you have is the one that you actually want. The focus of many cultural reviews is to determine whether your culture exposes you to operational, regulatory, financial, or reputational risk. However, the wrong culture can be just as damaging if it's preventing you from increasing your market share, improving efficiencies, or driving innovation.

Use your culture to its best advantage

Culture change takes many years, so on an ongoing basis you will need to incentivise your employees to behave in a less risky manner, using the key features of the culture you have.

Consider how you can change processes and procedures that suit the culture but also have the impact that you want on people's behaviour. For example, you may want to keep a supportive culture but also change organisational structures and processes to obtain more of a culture where people are held accountable for their mistakes. If you have a competitive, performance-driven culture, then KPIs and balanced scorecards will work well, so ensure that behavioural measures are included. If your culture rewards efficiency, automate as much as possible and streamline processes.

Train staff and leverage role models

Include the importance of behaviours (the "why" and the "how" as well as the "what") in training programmes — particularly for new hires and for those at higher levels of leadership. Examples or stories of the desired behaviours in action can work well here. Create champions in your organisation who exhibit the behaviours you want to see and have strong networks and use them to get your message across. These are not necessarily the most senior people or even your highest performers, but they embody the good parts of your culture and informally will have a lot of influence in the organisation.

In the longer term, there is more that you can do to ensure that all aspects of your business are aligned to encourage those behaviours you want to see more of and discourage those you would like to leave behind. Changes to organisational structure, recruitment processes, and systems would be appropriate here. Keep track of how your culture and behaviours change over time to see which measures are working and where you may need further work.

Remember, though, that culture is enormous — so think about which specific culture metrics would make the most sense for you to track. Examples may be key questions in employee surveys, observations of behaviours at key decision-making points, and the speed and diligence of how internal audit findings are addressed.

Moulding your business's culture over time

Your culture influences your employees' behaviours. Changing culture can take time, but once you understand the existing culture, you can create a plan with short-, medium-, and long-term actions. Piloting this with one team or division gives you a place to try things out and a group of people to share their experiences and advocate for change when you're ready to launch across the whole business.

Your people are your biggest asset but can also be your greatest risk. By ensuring employees know what they should be doing, have the knowledge and tools to execute, and are motivated to do it in the right way through your culture, you can leverage this asset whilst reducing the risk. ■

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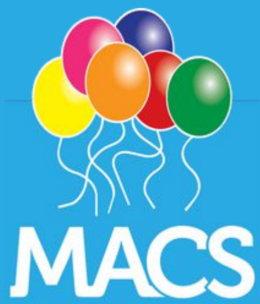

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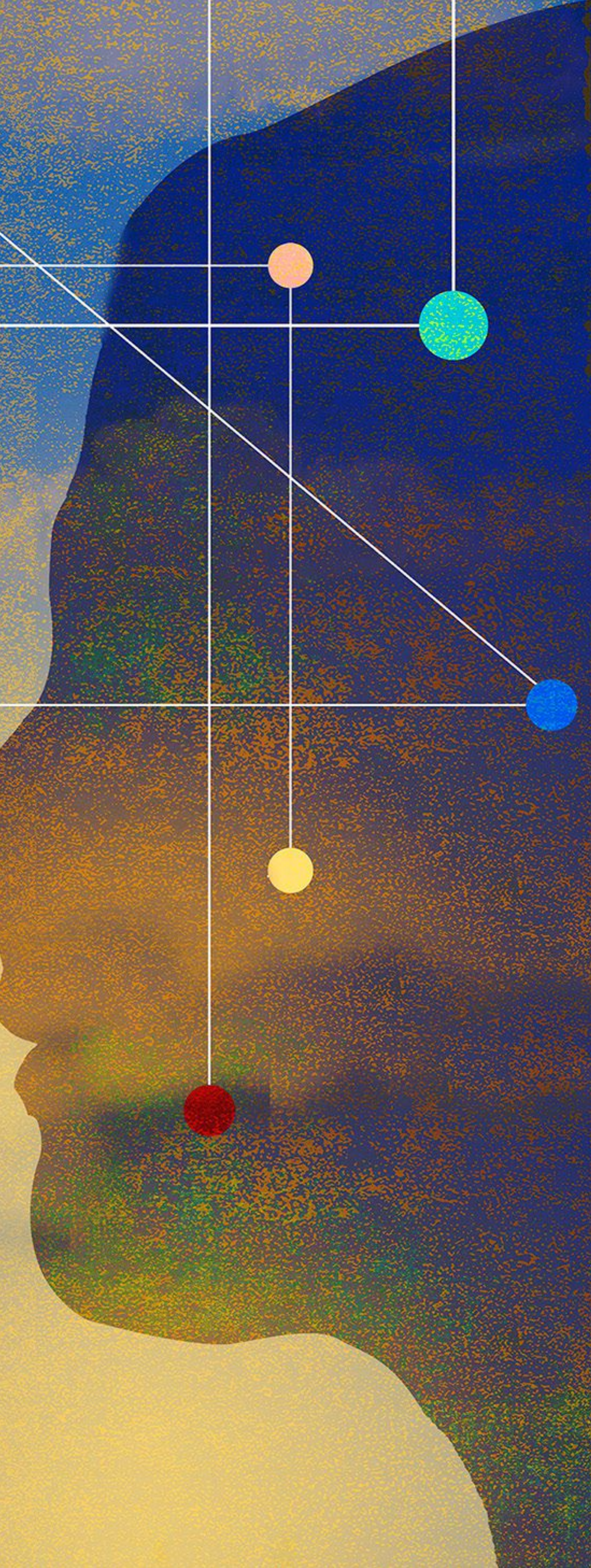
How to improve your strategic thinking skills

IMAGE BY ROY SCOTT/IKON IMAGES



Strategic thinking requires knowledge of the business and sector, asking the right questions, and effective communication to achieve buy-in from stakeholders.

By Raju Venkataraman, FCMA, CGMA

"Learn to step back and look at the big picture" is a common refrain in the feedback many mid-level and some senior-level finance executives receive. They may be told they need to be more strategic.

Such feedback rarely comes with instructions. So what exactly can you do to be a more strategic, big-picture professional?

Think about "being strategic" as having two broad and distinct aspects:

- Strategic thinking and planning.
- Strategy implementation.

Business leaders need a good strategy to produce results but can't get anywhere without an execution plan and successful implementation. Finance executives who effectively use strategic thinking can affect strategy development. And because the finance team typically tracks the metrics and understands the value of data integrity, the finance team has an advantage in helping ensure completion of critical initiatives along planned timelines.

Strategic thinking: A key skill in the finance leader's tool box

The strategic CFO has been spoken about for some time now, but with the proliferation of matrix organisations, even mid-level finance managers find themselves reporting to a local business unit leader and a finance leader. In addition to

***Editor's note**: This is the first article in a two-part* FM *series looking at strategic thinking and implementation. Part one looks at how to become a better strategic thinker and planner. Part two will address skills needed to execute on strategic plans.*

Understanding and appreciating multiple points of view strengthens your strategic thinking skills by engaging the whole picture.

providing past financial information, these finance managers (by whatever title they hold) now participate in discussions on growth opportunities, risk management, etc. To confidently command a place in the discussion, finance professionals need to think more strategically and be proactive, trusted business advisers.

This first of two articles looks at how to become a better strategic thinker.

Here are three tips to enable that:

1. Know your organisation and your industry/market sector well

Lay the foundation for being more strategic by educating yourself and your team on your organisation — going beyond how it operates, its vision/mission, and its strategic goals.

This means you need to:

- Understand the context in which your organisation operates — the industry, other organisations and the competition, the business drivers/levers, regulatory and legal landscapes, and customers and their buying behaviour.
- Stay updated on market trends, innovations, and technology relevant to your industry. And broaden your perspective — maintain awareness of the shifting macroeconomic environment. It's useful to be able to answer questions such as: How is your organisation positioned in relation to competitors within your industry? If they are generating faster growth, what are they doing new, different, or better than you?

Here's how to do this:

Develop yourself and your team

Spend a half-hour a day (say, three hours a week) doing or learning something new in the macroeconomic environment or your specific industry. Read a book, article, or trade publication/newsletter or listen to a podcast that's outside your core area of expertise. Seek first-hand experience, ie, walk the factory floor, make market visits, spend time at retail outlets, and participate in road shows or consumer focus groups. Go for coffee with peers, within and outside your organisation, to swap views and information informally.

Analyse new information and determine how it affects strategic choice

As you solicit new information and ideas, take time to reflect and connect the information and ideas with your experience to spot patterns and draw inferences. For instance, once finance understands the value proposition a certain line of products provides, you can contribute to go-to-market strategy by presenting analysis including profitability comparisons of alternate go-to-market options (say building an internal direct sales force vs. deploying distributor channels).

For better analysis, represent what you learn using tools such as a SWOT (strengths, weaknesses, opportunities, and threats) analysis, a PESTEL (political, economic, social, technological, environmental, and legal) analysis, and a Blue-Ocean Strategy (moving beyond existing markets to create demand).

Be aware of the regulatory and compliance environment

A strategically minded finance professional should be aware of the macroenvironment and regulatory opportunities and be able to leverage such knowledge to help business leaders make good decisions. For example, if you work for a content producer, the company might benefit from producing films or TV shows in territories offering generous tax breaks. A finance manager aware of territories offering such incentives can present the information and benefits for decision-making on production locations.

2. Schedule time for strategic thinking and ask questions

Accounting and finance executives tend to focus on their to-do list and putting out fires. In the process, they may be missing the big picture. Set aside and dedicate time specifically for thinking about the organisation's goals and the macroenvironment.

Do you have a hypothesis for how a current trend could impact demand for your company's products? Share it with your network and ask them what you might be missing. Asking questions of others (especially those outside your normal sphere of decision-making) helps you discover different perspectives. Reflecting on the questions yourself forces you to dig below the surface and uncover new opportunities, sharpening your strategic thinking skills.

The challenge is to build up your interdisciplinary thinking and gain a breadth of diverse experience that will complement your finance knowledge. It's also about recognising what you don't know and having the curiosity to explore unknowns.

Here's how to do this:

Set aside time to think

Pencil in some uninterrupted thinking time on your schedule. Examine the picture from all angles, trying to link a choice (eg, a new product, new markets, meeting a customer trend, exploiting opportunity based on macroeconomic factors) with the big-picture goals (company mission and vision, sales goals, desired market share, etc.).

Determine a trend in the organisation's financial data, then ask, "How do I broaden what I consider?" or "Is there more I should be aware of?" Review opposing ideas, opinions, arguments, or positions. Understanding and appreciating multiple points of view strengthens your strategic thinking skills by engaging the whole picture.

Question assumptions
It is always good to question long-held assumptions and legacy business logic. For example, "Is it really viable to do this activity in-house instead of outsourcing it?"

Learn from colleagues
Engage with colleagues to learn how they do what they do, their best practice, their mistakes, and lessons learned. Discuss how a particular development could impact your business or customers.

A mistake some eager finance executives make is assuming that the onus of strategic thinking lies entirely on them. That is not true. Engage your team and colleagues in the process to bring in diverse ideas and thoughts.

Seek opportunities to participate in strategy meetings with management, and then get involved in target-setting to see both the big picture and the details. Ultimately, the best way to learn something is by doing it. Be bold and have foresight into how things would likely turn out if a certain choice is made. Develop your modelling abilities to do scenario analysis and predict multiple outcomes, strive for clarity on assumptions, and deliver your recommendation.

Take breaks
It's impossible to find time to think about the big picture when you're constantly task-switching or if your day is packed with meetings. Strategic thinking skills generally flourish during downtime, when the brain has a chance to decompress, wander, and envisage different (from usual) outcomes. So, take short breaks during the workday, and yes, have holidays from time to time to recharge.

3. Communicate effectively to influence and get buy-in for your proposals
Many finance executives need to improve their communication skills. When you have the opportunity to attend a business meeting with senior management, be prepared to talk about what is important to them. From time to time, take a step back and ask yourself: Why is this important to the company? Why should your stakeholders care about this? Discuss your work through that lens.

If finance has deep understanding of the business strategy, it can connect the strategy to the numbers and communicate it in a language that makes sense to key stakeholders, including investors, thus ensuring their support for the strategy.

Here's how to do this:

Inspire confidence in key stakeholders
Communicating effectively is certainly not about using fancy jargon to sound smart; it's about inspiring confidence in key stakeholders that you can think broader, bolder, and longer term. To do this, directly link challenges and opportunities discussed to the strategic goals and use language that demonstrates and links how the recommended action will affect the longer-term picture.

Prioritise and sequence your thoughts and messages
Prioritising and organising your thoughts help the audience focus on the core message. While making a business case to senior stakeholders, practise giving the answer first instead of building up to your main point.

Rely on numbers and data
Don't rely on how you "feel" or what you "think" — instead back up your observations and recommendations with numbers and data.

Speak up in meetings
Don't hesitate to ask questions and seek clarifications, and be willing to offer your opinion, albeit respectfully. For instance, if you believe that a changed business circumstance means that existing strategy needs to be re-evaluated, do not hesitate to raise the matter for discussion.

Seek buy-in for a strategic idea
Achieving buy-in means that you will need to invite criticism with questions like: "What am I missing from your perspective?" You'll thus learn how the proposed strategy connects with and impacts the stakeholders. You also need to put in the work to get alignment beforehand so that at the big meeting, you come across as having thought things through.

Get involved with strategy drafting
Depending on whether your role allows it, offer to participate in the discussions and in drafting the organisation's strategy and, as needed, its revision from time to time. As you articulate an idea or recommendation, clearly express how this might have a connection to "winning with our customers", "improving employee engagement", or where the organisation "should play" and how the organisation will win.

Strive for clarity in your presentations
Clarity in your presentations fosters communication and alignment. Two-way communication also involves listening to and reading the reactions of your partners.

Building a competitive advantage
Making the effort today to steep yourself in strategic thinking is a competitive advantage that can pay major dividends for you, your team, and your organisation. ■

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LEARNING RESOURCE

The Strategic Ecosystem

Designed for the busy finance leader, this course provides you with guidance to determine the strategic vision of your organisation, monitor changes in the general business environment, and identify the impact on your industry and organisation.

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Steps to consider when a colleague gets paid more than you

Ascertain if there are genuine reasons a work colleague is receiving more pay before taking action — and then hone your arguments to discuss with your employer.

By Rhymer Rigby

PHOTO BY KENNY WILLIAMSON/GETTY IMAGES

Few things are more infuriating than discovering the person who sits next to you and does the same job is being paid more than you are. But there is often more to this situation than meets the eye, and you need to tread carefully.

Here are eight steps you can consider:

First things first

Start by asking yourself if the person who is being paid more really is in exactly the same role as you. Are they, for example, more experienced than you? And is their job identical to yours, or do they have other responsibilities that you don't? Are there extra elements of their pay for which you may not be eligible? All can be legitimate grounds to pay you less.

Next, are you a different gender or race, or do you differ in another protected characteristic? If this is the case, then your employer may be violating equality legislation. If it is, this makes your case much easier to fight.

However, employees' rights vary enormously by jurisdiction, and some of the advice here is more relevant in jurisdictions where employees' rights tend to be stronger (such as European countries).

Do your homework

Depending on the country you're in and the size of your company, your employer may publish its gender pay gap. It is also likely to have a policy on pay. You should get hold of this information. You should also look at the legislation around equal pay in your country and, finally, look at the pay rates for jobs at your level in your industry. You can ask colleagues what they are paid, but you need to be careful here, both in terms of trust and what you do with the information; this is doubly true of any particular colleague who is being paid more. Finally, think about your more recent appraisals and how good they were. All of these can help to make your case.

Next, approach your boss

Approaching your boss requires a bit of tact on your part. The first thing to ascertain is whether your co-worker really is being paid more. So go in gently. Say, "I've heard my co-workers are being paid 15% more than I am for the same role. I wanted to know if this was true." It's important here not to use names or mention exact figures — as this helps you avoid getting into an inquisition about where the information came from.

If it is true, be reasonable but assertive

Pay inequality might feel like an injustice — and you may feel angry. But you need to stay calm and measured, not least because anger will not get you what you want. Do not accuse or threaten or make demands. Instead, you might say, "I'd like to understand why my salary is lower." Bear in mind that it might be an error or it might be a situation your boss has inherited, so be reasonable.

Here, if there is an applicable legally protected difference between you and the other person, you should mention this, too. For example, say that you are concerned that this may violate equal rights legislation, which could be a problem for the business.

Move towards solutions

Ask what needs to be done to equalise your pay. Again, take a collaborative approach. Rather than demanding "What are you going to do about this?", you might say, "What can we do to sort this out?" or "How can we best address this?" or "Is there anything I can do?" Here, it helps if you think about what you want beforehand, the points you are willing to concede, and what your red lines are.

Don't let them fob you off

The easiest thing for a boss to do in this situation is to say they'll look at it at your next pay review — or at the end of a period that may be years in the future. But this is not really an acceptable response if your case is strong. Explain that you appreciate the mechanics of this may take time, but you need to get a road map in place. If they can't take action now, make a date to review the situation. Then ask about what can be done in the interim. Think about solutions that could deal with the issue creatively in the short to medium term. Would you, for instance, be willing to accept a one-off bonus or two weeks' extra holiday? Would a better job title improve things? The message you are giving your boss here is that you expect progress and this cannot be endlessly put off.

What if my boss refuses to engage?

If your boss refuses to engage, talk to your HR department. Colleagues there will be able to advise you.

And if this doesn't work?

If all else fails, you may be able to seek recourse via the courts or another legal mechanism, such as an employment tribunal. The way you do this (particularly in cases involving a gender- or race-based claim) will depend on the jurisdiction you are in. Moreover, in some jurisdictions, you can even make a claim for a period after you have left the company. However, if matters have escalated to this point, you may also wish to consider leaving the company. Although this may seem like giving in, it's an entirely pragmatic response. A long legal battle could be exhausting and dispiriting, and it could damage your own reputation, whereas a move could deliver better pay, a better company, and even a promotion — all while still sending a very clear message to your employer. ■

Visit the Global Career Hub from AICPA & CIMA for help with finding a job or recruiting.

Rhymer Rigby is an FM *magazine contributor and author of* The Careerist: Over 100 Ways to Get Ahead at Work. *To comment on this article or to suggest an idea for another article, contact Oliver Rowe at Oliver.Rowe@aicpa-cima.com.*

IMAGE BY ZHIHAO/GETTY IMAGES

How to mitigate the risk of retirement brain drain

Retiring professionals can take decades of experience with them when they leave, but finance leaders can take steps to prevent the loss of corporate knowledge.

By Anita Dennis

In 2021, 37% of UK retirees accelerated retirement because of COVID-19, according to UK-based global investment company abrdn Plc. In the US, the number of retirees aged 55 and older grew by 3.5 million in 2020 and 2021, nearly twice as fast per year than between 2008 and 2019, according to the Pew Research Center in the US.

This loss of experienced workers can be a significant threat to a finance team for multiple reasons. Not only can turnover be costly and disruptive, but retiring professionals also take with them decades of experience. This ranges from knowledge about the organisation's inner workings to first-hand involvement in dealing with re-emerging threats such as higher inflation and the potential for a domestic or global recession, which may be an unfamiliar challenge to younger employees. It can leave finance teams less equipped to respond to both risks and opportunities.

> **'You never want to learn what could have made someone happy in an exit interview.'**
>
> Alyssa May, finance business partner at H.B. Fuller in the US

Succession Planning

This session will provide insights into the business case for succession management and how to build a plan that is simple, comprehensive, and serves as a talent retention tool.

VIDEO

How to Develop Tomorrow's Leaders Today: Succession Planning That Works

When a critical leader takes another position, who can step in? Succession planning is a highly orchestrated process to train and develop tomorrow's leaders today.

COURSE

Actions to deal with the risk of departures

However, organisations can take a number of steps to prevent or mitigate the problem.

Plan for transitions before they happen

Succession planning should be part of the corporate culture, said Amy West, CPA, CGMA, executive vice-president and CFO of AHRC New York City, an agency that works with people with developmental and intellectual disabilities. West, who is also chair of the AICPA & CIMA not-for-profit conference, suggested that succession planning, which is often undertaken for the CEO or board chair, should be done for any critical staff function throughout an organisation.

Before key players leave, "ideally, you have already been investing in the professional development of your employees," said Jason Flanders, global executive director of management resources practice at Robert Half, a global recruitment firm.

Succession planning includes allowing emerging leaders, when possible, to take on new roles and skills while their predecessors are still on the job. Jeffrey Parkison, CPA, CGMA, became director of treasury and financial planning and analysis at City Utilities, in the US city of Springfield, Missouri, three months before the outgoing director retired. During those three months, Parkison regularly met with the outgoing director to learn about his experiences, to ask questions, and to share ideas. As the organisation was undertaking a debt financing, the retiring director was able to walk Parkison through how it had been handled in the past.

People may feel threatened when their organisation plans for their departure, West said. But companies can reassure workers about important contributions they have made and explain that succession planning ensures they can share their experience and leadership abilities with following generations.

Reconsider the hierarchy

Following World War II, organisations were traditionally structured in chronological hierarchies — with young people coming in at a designated entry level and retiring after they had moved up the pyramid. Organisations should try to break out of that mid-20th-century pattern, advised Kim Chaplain, associate director for work at the Centre for Ageing Better in London. In fact, those entry-level jobs may be perfect for more experienced workers who are seeking to downsize their responsibilities as they head toward retirement.

To better match workers' preferences and abilities, an organisation might also consider mixing job content rather than having everyone at the same level in the hierarchy doing the same thing. "There should be more consideration of how work is packaged and how retiring workers want to work," Chaplain said. This can lead to a more agile hierarchy and greater retention of institutional knowledge.

Similarly, while the person next in line on the organisational chart usually fills an open slot, Flanders advised organisations not to overlook other promising employees. "Look for people who display the skills necessary to thrive in higher positions, regardless of their current title," he said. In addition, when a talented person moves up into a critical role, be aware of the talent gap that they leave behind and what it will take to fill it.

Rethink the value-add

Rather than focusing on an employee's departure, organisations can consider the chance to rethink their teams.

"While there is a loss of specialised expertise in the short term, some companies have taken the opportunity to restructure functions to more closely reflect what their customers want," said Chand Panditharatne, FCMA, CGMA, finance director at pharmaceutical company A. Menarini Australia Pty Ltd. in Sydney. "When a vacancy does occur, we must take a step back and evaluate rationally where the value-add is required," he said. "Organisations can look at the quiet heroes who may not have got a look-in before in a crowded field."

Document and share knowledge

At Volvo Financial Services in North Carolina in the US, finance team members kept a record of how projects are handled so that information was available to incoming team members or new leaders, said Alyssa May, formerly a finance manager at the company and now a finance business partner at H.B. Fuller, an adhesives producer in the US. "If someone has been involved, for example, in building a KPI dashboard or

advising on an IT project, they are strongly encouraged to document how it was done," she said. That includes describing the goal, explaining whose work was affected, detailing how the project progressed, and listing any underlying assumptions, nuances, or exceptions to be aware of. That documentation is saved on a shared system, not on an individual employee's computer, and updated as needed.

Volvo Financial Services also cross-trains employees. "[We] made it part of the culture that we all [knew] how to do each other's tasks," May said. "The goal is that individual knowledge becomes business knowledge. Employees work as a team to mitigate losses."

Critical areas are emphasised. In the accounting and finance department, a new team member or someone taking over a job may shadow someone through the entire process of monthly close, for example.

Job rotation can also help workers expand their knowledge and experience, while mentoring can help them enhance soft skills, Flanders said.

Employing cross-functional teams is another way to retain knowledge about important tasks or projects. Parkison, for example, has led strategic planning efforts with City Utilities' director of information technology and chief legal counsel. He also serves on a health plan committee that includes representatives from human resources, legal, IT, and operations. Such teamwork can ensure that knowledge of a project's purpose and history does not reside solely in one department. In addition, his organisation reviews its cash balance target every three years. Disaster-and-contingency reserves are reviewed every five years. Cash balances are monitored monthly, but to maintain a more holistic, long-term view on a recurrent basis, the three- and five-year periods have been right for his organisation. Leaving too much time between reviews could mean that people with long-term knowledge of the organisation would not be involved.

Including a range of experience levels in such critical projects ensures the team will have some historical perspective as well as new ideas from more recent hires.

When faced with the retirement of a key person, organisations might consider offering them contract assignments or part-time work to hold on to their knowledge.

Ask for feedback

May recommended that if a finance team's leadership is not certain what options experienced workers are considering, it is a good idea to start a conversation to gauge their engagement and satisfaction. Reviewing compensation for valuable, experienced people is another smart step to ensure their pay remains competitive.

"You never want to learn what could have made someone happy in an exit interview," May said.

Focus on flexibility

Chaplain's organisation has found that experienced workers often leave because of a lack of flexibility, possibly driven by health issues, the need to care for relatives, or a desire for a less demanding schedule. When job postings mention flexibility and examples of what that means, they are more likely to appeal to both newer and more experienced people, she said.

Organisations should consider new ways to hold on to the talent they have. When faced with the retirement of a key person, they might consider offering them contract assignments or part-time work to hold on to their knowledge. And both new and veteran employees might respond to the chance to do something new and different. "I have seen opportunities being given to individuals to develop in areas they would otherwise have had no exposure to," Panditharatne said.

Address age bias

As workers grow older, their access to opportunities in the labour market can diminish because of age bias, Chaplain said. This can motivate people to retire early. At the same time, individuals may not seek out jobs or promotions because they assume they will not be chosen because of their age.

Organisations should review their employment data to see if they are losing older workers and use surveys or exit interviews to find out why. They can also review their recruitment and retention data to understand age demographics at different levels or teams. It's in their best interest to address bias if they find it, Chaplain said. "When organisations try to make hiring processes more age-friendly, they broaden their entire talent pool," she said.

Chaplain suggested that employers simply describe the job and what it involves. "By scrutinising their job adverts and removing age bias from the language they use, they improve recruiting across the board."

Set the right tone

The tone at the top is also an important element in holding on to people. If leaders of the organisation and the finance team can articulate a clear vision and strategy, it will be easier for employees to understand how best to work together to fill any gaps, May said. ■

Anita Dennis is a freelance financial writer based in the US. To comment on this article or to suggest an idea for another article, contact Oliver Rowe at Oliver.Rowe@aicpa-cima.com.

Ask the Expert • SOX MODERNIZATION

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Lindsay Rosenfeld is a managing director with Deloitte & Touche LLP and leads Deloitte's Governance, Risk & Controls service offerings. She helps public and private companies with SOX readiness and modernizing SOX and internal controls programs, with a focus on technology solutions and program enhancements.

Modernizing your internal controls programs

Q How can companies modernize their internal controls programs?

A SOX modernization includes various activities associated with operating model optimization, program enhancements, and technology and automation. Different activities within each of these pillars may be implemented to drive a modernized approach that is tailored and most suitable to the company. A first step when considering opportunities for modernization is to revisit the regulatory requirements compared to any preconceived beliefs of what is required. Sometimes these beliefs don't align with the actual requirements, and over time, they can begin to be accepted as facts and become roadblocks. Challenging some of these beliefs may lead to refreshed ideas and provide opportunities to develop new ways of working and drive higher-quality outcomes.

Q How are companies using technology to optimize their internal controls programs?

A Companies with the most innovative internal controls programs are leveraging technology by digitizing manual processes through the implementation of automated controls and digitized monitoring controls. They may also automate the controls testing process itself, which is accomplished through utilizing the full capabilities of existing IT systems and leveraging new systems or tools where there are gaps in existing IT infrastructure. The benefit may be a more reliable and efficient internal controls program, as well as the potential to extract valuable insights for the business. Additionally, companies can implement a governance, risk, and control (GRC) tool, which has the ability to enhance visibility and increase accountability by serving as the single source of information in all aspects of the management of their internal controls program.

Q What are the risks to an organization that adopts a "check the box" compliance mentality toward its internal controls program?

A Without a thoughtful and risk-focused internal controls program in place, companies can be lulled into a false sense of assurance. The resulting complacency can lead to inefficiencies, including the maintenance of obsolete controls. Inefficiencies can be a drain on resources and can divert efforts away from the areas that companies would rather prioritize. This may result in unexpected deficiencies, which suggests the ultimate breakdown of a control program — one that neglects to achieve reasonable assurance over the operating effectiveness of internal controls over financial reporting. SOX modernization drives higher-quality outcomes and provides a refreshed perspective.

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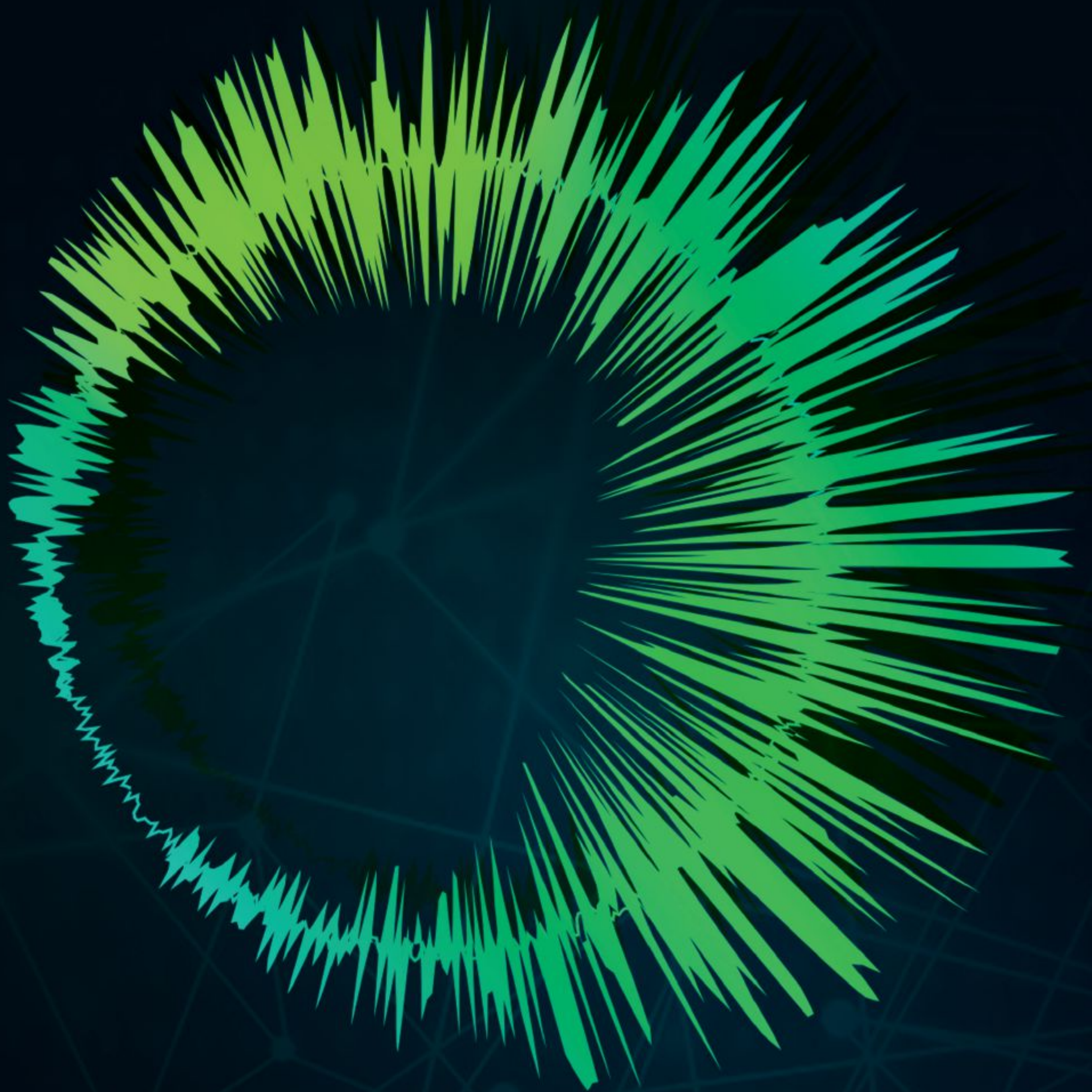

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INSTITUTE NEWS

CIMA CPD: Noncompliant members

All CIMA members are required to undertake CPD, which is an important part of the guarantee of professionalism that CIMA membership imparts. To ensure that the Institute's CPD monitoring remains robust, fair, and targeted, Regulations Part 1 13–18, which govern CIMA's CPD monitoring requirements, were updated in March 2020. The changes were communicated to members at the time.

Regulation 18A introduced fixed financial penalties for noncompliance (the Fixed Penalty Scheme). Nonsubmission of an adequate CPD record to CIMA by a specified date is considered noncompliance and a breach of the regulations.

Over the past monitoring periods there have been a small number of members who have not complied with CIMA's CPD requirements. Regulatory action has been taken against those members, which has included removal from membership or referral to CIMA's Professional Conduct department.

Undertaking CPD and being monitored for compliance is what sets professional accountants apart from the unqualified or unregulated. In an increasingly complex business landscape, a robust CPD monitoring programme ensures CIMA members are seen as professional, relevant, and properly equipped for the demands of business now and in the future. CPD is therefore a fundamental part of membership and protecting the value and reputation of the profession, the wider membership, and CIMA. CIMA will therefore take robust action on the small number of members who fail to comply with the requirements.

If selected for CPD monitoring, please ensure you comply with the requirements of that request. CIMA has a dedicated team that can help you through the CPD monitoring process and answer any queries you may have. It is also important that all your contact details are up to date with CIMA so that we can contact you easily should you be selected for monitoring.

More information on how to meet CIMA's CPD requirements can be found in the CPD monitoring area of the CIMAglobal website.

IMAGE BY BLACKRED/GETTY IMAGES

AICPA & CIMA partner with African institutions

AICPA & CIMA have partnered with African learning institutions to offer the CGMA Finance Leadership Program (FLP), which will allow candidates to access online learning towards achieving the CGMA designation. Agreements are with:

- University of Johannesburg (UJ) in South Africa, which is the first university in South Africa to offer the CGMA Finance Leadership Program; and
- University of Cape Coast and KNUST School of Business in Ghana, which enables more than 35 affiliate business schools throughout the country to offer the CGMA FLP to their students.

Also, a two-year agreement has been signed with Ghana's Internal Audit Agency (IAA) to improve the skills of the country's public sector professionals, with a particular focus on enterprise risk management and internal auditing. Public sector professionals in Ghana will be able to access AICPA & CIMA resources including thought leadership reports, online courses, webinars, and conferences.

AICPA & CIMA award CPAs for their government service

AICPA & CIMA have recognised three CPA members in the US for their outstanding government work.

Elaine M. Howle, CPA, of El Dorado Hills, California, has been awarded the 2022 Outstanding CPA in Government Career Contribution Award.

This award recognises an AICPA member's significant contributions to the CPA profession through government service at the local, state, or federal level over a candidate's career. Award winners must have demonstrated exceptional leadership, high ethical standards, and a track record of professional excellence.

Howle, who retired in 2021, began her career with the California State Auditor's office more than 35 years ago. She advanced through the office's leadership roles and was appointed California State Auditor in 2000, a position she held for 21 years.

In addition, AICPA & CIMA have presented their 2022 Outstanding CPA in Government Impact Awards to:

- At the state level — Joseph R. Morrissette, CPA, of Bismarck, North Dakota.
- At the local level — Charles W. Warren, CPA, CGMA, of Fort Smith, Arkansas.

The Outstanding CPA in Government Impact Awards recognise the impact of recent significant contributions of CPAs to the efficiency, effectiveness, or innovative service delivery of their respective local, state, or federal employer organisations.

CIMA's global management accounting research programme

Three reports from CIMA's global call for proposals from early career and experienced researchers are nearing completion with their release expected by early 2023.

- "Purpose to Impact: How Accounting and Reporting Practices Pave the Path to Sustainable Value Creation", University of Roehampton, UK, and Luiss Business School, Italy — led by Professor Cristiano Busco, Ph.D. (feasibility study grant).
- "Management Accounting for Climate-Related Financial Disclosures", RMIT University, Australia — led by Jayanthi Kumarasiri, Ph.D., lecturer (feasibility study grant).
- "Measuring Organisational Resilience: Before and After COVID-19", University of Roehampton, UK — led by Rodrigo Silva de Souza, Ph.D., senior lecturer (early career grant).

More information on the global academic research funding programme is on the CIMAglobal website.

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Nominations to the 2023–2024 Association Regional Engagement Groups and Management Accounting committees

The Association of International Certified Professional Accountants Nominations Committee, composed of CIMA and AICPA members, will convene in December 2022 and will next meet in February 2023 to nominate members for the Association's board of directors and its chair and co-chair and select committees with terms from June 2023 to May 2024.

These committees include the Management Accounting (MA) committees (Lifelong Learning Committee, CGMA Exam Board, Thought Leadership and Business Ethics Committee, and Membership Committee) and the eight Regional Engagement Groups (REGs).

In July 2019, the Association's Management Accounting board of directors voted to have all seats for the Lifelong Learning, CGMA Exam Board, and Thought Leadership and Business Ethics Committee determined by the Nominations Management Accounting subcommittee. CIMA Council approved this resolution in October 2019 with the objective of building a strong pipeline of volunteer talent, providing opportunities for rotation of a broad and diverse membership, and ensuring candidates are fit for purpose.

All individuals interested in serving on the REGs, Lifelong Learning Committee, CGMA Exam Board, the Thought Leadership and Business Ethics Committee, Membership Committee, and/or Professional Standards Committee should complete and submit an online form to ensure a common set of information on each candidate is received.

More information is available on the Association website on the composition and objectives for the MA committees and REGs, along with nomination forms. Nominations must be sent via the Association website and received by 5pm GMT on 1 January 2023. If interested members do not receive a prompt email confirmation of their form, they should contact VolunteerServices@aicpa-cima.com before the closing date to actively seek confirmation.

For questions and inquiries regarding submitting a nomination, please contact the Association's Governance team at VolunteerServices@aicpa-cima.com or one of the following Association staff liaisons:

REGs:

- Africa — Tariro Mutizwa, ACMA, CGMA, Tariro.Mutizwa@aicpa-cima.com.
- The Americas — Tom Hood, CPA/CITP, CGMA, Tom.Hood@aicpa-cima.com.
- Australasia — Venkkat Ramanan, FCMA, CGMA, Venkkat.Ramanan@aicpa-cima.com.
- Mainland Europe — Jakub Bejnarowicz, Jakub.Bejnarowicz@aicpa-cima.com.
- MESANA — Venkkat Ramanan, FCMA, CGMA, Venkkat.Ramanan@aicpa-cima.com.
- North Asia — Vicky Li, FCMA, CGMA, Vicky.Li@aicpa-cima.com.
- South East Asia — Venkkat Ramanan, FCMA, CGMA, Venkkat.Ramanan@aicpa-cima.com.
- United Kingdom & Ireland — Paul Greenaway, Paul.Greenaway@aipca-cima.com.

MA committees:

- Lifelong Learning — Stephen Flatman, Stephen.Flatman@aicpa-cima.com.
- CGMA Exam Board — Tracey Fabiyi, Tracey.Fabiyi@aicpa-cima.com.
- Thought Leadership and Business Ethics — Ash Noah, CPA, FCMA, CGMA, Ash.Noah@aicpa-cima.com.
- Membership Committee — Peter Steel, Peter.Steel@aicpa-cima.com.
- Professional Standards Committee — Peter Steel, Peter.Steel@aicpa-cima.com.

Candidates will be notified of their status in March 2023. ■

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Development driver

Qatar hosts the 2022 FIFA World Cup, which kicked off 20 November and is planned to end with the final on 18 December in the Lusail Iconic Stadium in the coastal city of Lusail on the Persian Gulf.

The estimated 1.5 million visitors to Qatar and the projected 5 billion people around the world watching the tournament will be focused on the remaining teams in the competition. But the World Cup is also about business and how football can be a catalyst for global growth.

FIFA has budgeted total revenue of $4.666 billion for 2022 and invests significantly back into the sport. It signed, at the end of September, a memorandum of understanding with the World Trade Organization. This includes working to include the African "Cotton Four" countries of Benin, Burkina Faso, Chad, and Mali and other least developed countries' cotton producers in global football apparel value chains.

Before kickoff at the Al Hilal SFC vs. Zamalek SC match on 9 September 2022 at the newly built Lusail Iconic Stadium in Lusail, Qatar, which is the venue for the 2022 FIFA World Cup final.

PHOTO BY IBRAHEEM AL OMARI/REUTERS

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