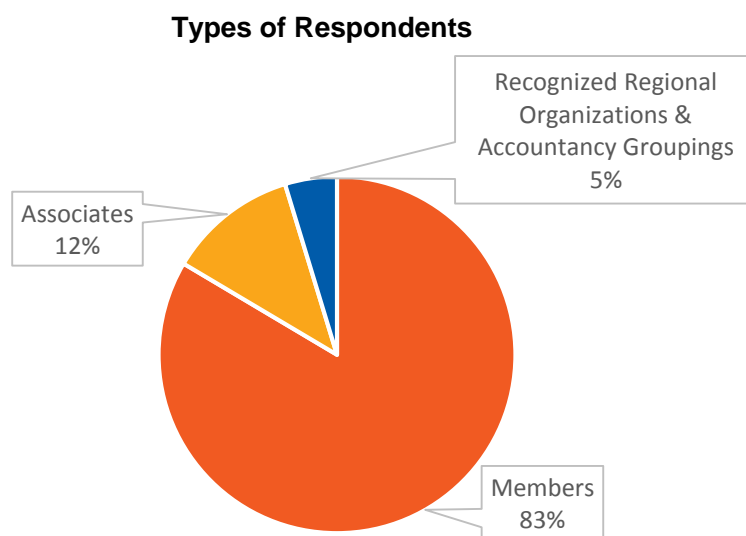


IFAC STRATEGY SURVEY

Introduction

The IFAC Strategy Survey obtained the views of key stakeholders to help inform the development of IFAC's Strategic Plan for 2016 to 2018.

The survey results include data from 85 respondents who took the survey from March 21 to April 30, 2015; these are listed in the Appendix. In addition to members, associates, affiliates, recognized regional organizations (ROs), and acknowledged accountancy groupings (AAGs), input was received from Forum of Firms (FoF) members and other key stakeholders. The main findings in this report pertain only to responses from members, associates, affiliates, ROs, and AAGs; these findings were largely supported by the additional responses obtained from ten Forum of Firms members and three other key stakeholders.



Respondents by Region

Regions	Number of Respondents
Africa	9
East Asia & Pacific	16
Europe & Central Asia	43
Latin America & Caribbean	7
Middle East & North Africa	4
North America	3
South Asia	3
Total	85

Summary and analysis was conducted by Elmar Venter, a South Africa-based accounting academic, who performed the work as part of IFAC's research contract with the University of Dayton.

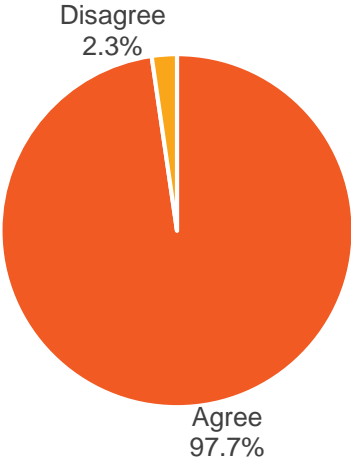
Summary of Survey Findings

Virtually All Respondents Agreed That IFAC’s Vision Is Still Appropriate; A Significant Majority Agreed with the Proposed Wording Changes and Reordering of the Mission

IFAC’s current vision is:

IFAC’s vision is for the global accountancy profession to be recognized as a valued leader in the development of strong and sustainable organizations, financial markets, and economies.

In total, 83 of the respondents (97.7 percent) agreed that IFAC’s Vision—for the global accountancy profession to be recognized as a valued leader in the development of strong and sustainable organizations, financial markets, and economies—is still appropriate. Some comments indicated that the wording could be stronger.



The proposed revised mission in the survey:

IFAC serves the public interest by...

- *Strengthening the accountancy profession and promoting the value of professional accountants worldwide*
- *Speaking out on public interest issues*
- *Contributing to the development of high-quality international standards*
- *Promoting the adoption and supporting the implementation of high-quality international standards*

A large number of the respondents (95.3 percent) agreed with the proposed changes to the mission, which were intended to strengthen and tighten the wording. Several questioned whether the word “contributing” in the third bullet is correct, and suggested “promoting,” “maintaining,” “improving,” or “facilitating.”

Seventy-five of the respondents (88.2 percent) agreed that the revised order for the bullets reflects IFAC’s overarching aim—to strengthen the accountancy profession and promote the value of professional accountants worldwide—and that the other elements of the mission flow from this. The remaining 10

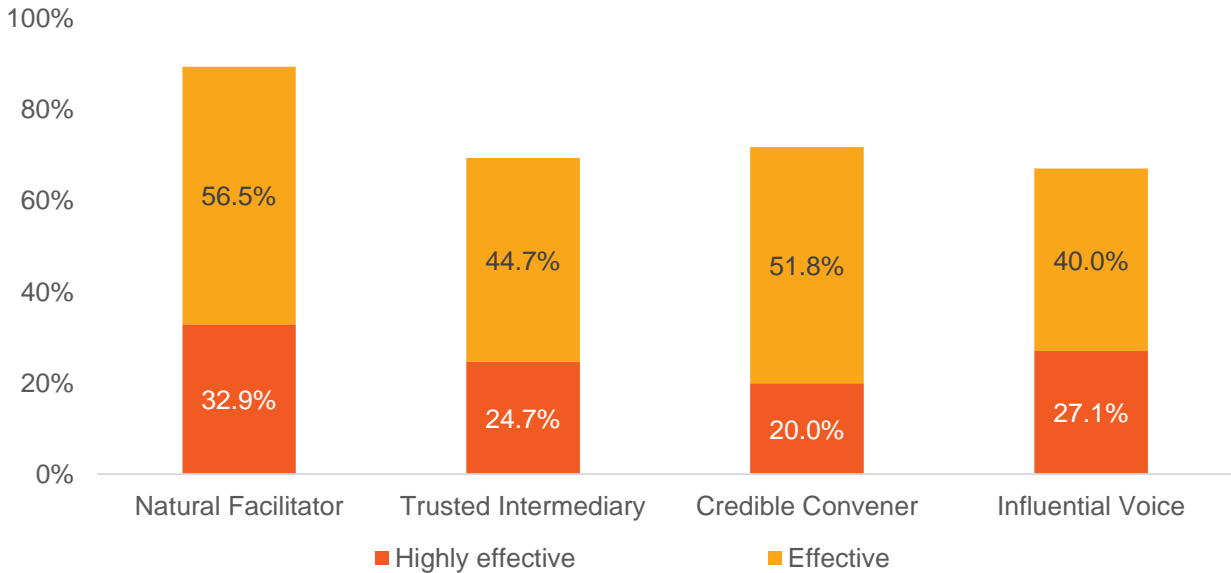
respondents (11.8 percent) did not agree; a number of these respondents argued that standard setting is central to IFAC’s mission and should be mentioned first; some respondents felt the bullets indicated a priority order where none exists; and some respondents questioned whether the reordering of the bullets would signal new priorities.

IFAC Is Effective or Highly Effective At Being the Natural Facilitator, a Trusted Intermediary, a Credible Convener, and an Influential Voice

IFAC defines its comparative advantage as being uniquely positioned to spearhead initiatives that demand a global reach, freedom from commercial interests, and the ability to create dialogue and debate. We believe that the value we provide to our stakeholders is supported by our strong connections with other international organizations, our demonstrated ability to align the needs of the profession and the public, and our track record of raising awareness, advocacy, and engagement. Specifically, we articulate IFAC’s unique role as:

- The Natural Facilitator—Support the development, adoption, and implementation of high-quality standards in the public interest—thus engendering reliable, comparable, consistent, and transparent financial and nonfinancial information.
- A Trusted Intermediary—Develop the accountancy profession—in particular building strong national and regional professional accountancy organizations, which in turn support economic stability and growth.
- A Credible Convener—Support professional accountants worldwide—especially Professional Accountants in Business (PAIBs) and Small and Medium Practices (SMPs)—contributing to high-quality information and improved decision making.
- An Influential Voice—Represent and advocate on behalf of the profession and the public, seeking increased awareness of the importance of the accountancy profession, in support of stronger economic growth and stability.

The survey results indicate that IFAC is effective or highly effective at being the Natural Facilitator (89.4 percent), a Trusted Intermediary (69.4 percent), a Credible Convener (71.8 percent) and an Influential Voice (67.1 percent).



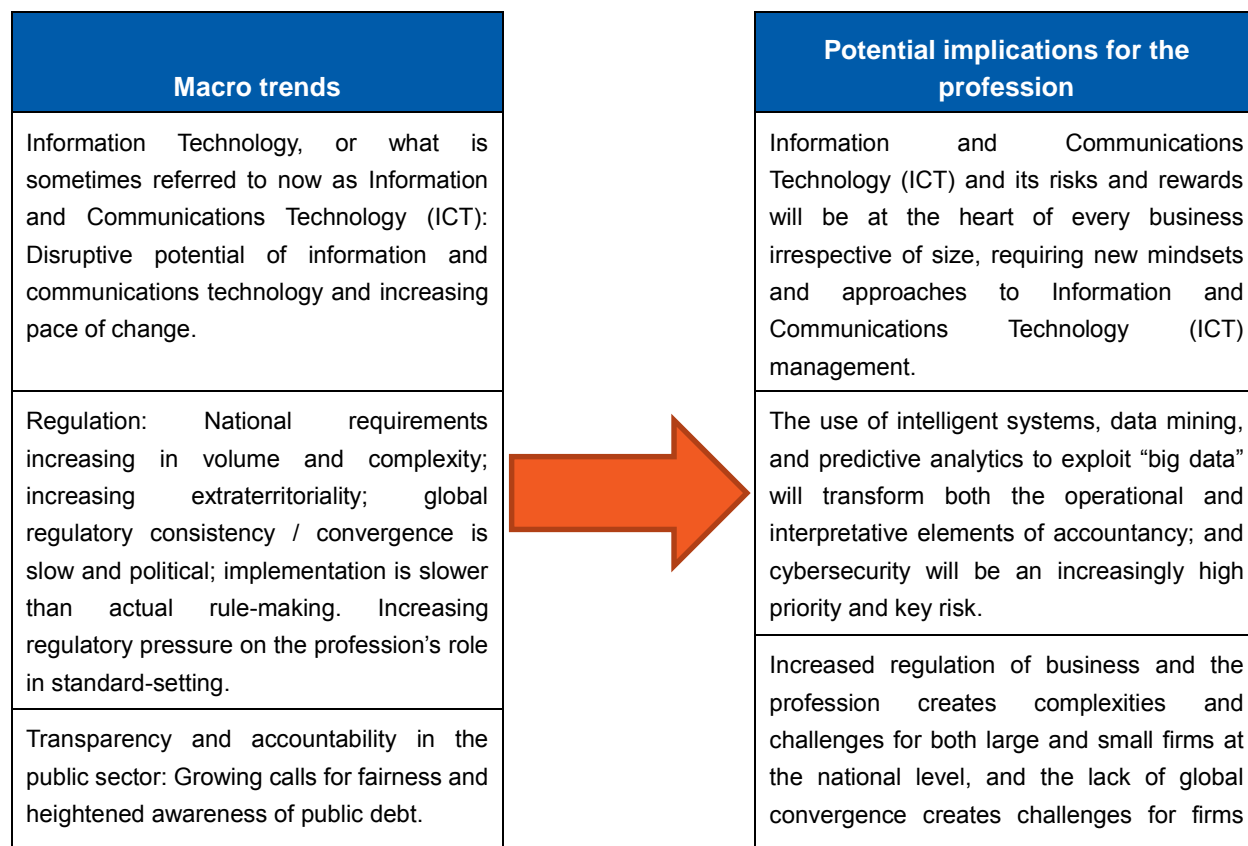
	Natural Facilitator		Trusted Intermediary		Credible Convener		Influential Voice	
	N	%	N	%	N	%	N	%
Highly effective	28	32.9	21	24.7	17	20.0	23	27.1
Effective	48	56.5	38	44.7	44	51.8	34	40.0
Partially effective	8	9.4	24	28.2	18	21.2	22	25.9
Ineffective	1	1.2	2	2.4	6	7.1	6	7.1
Total	85	100.0	85	100.0	85	100.0	85	100.0

IFAC Membership Is Important For a Variety of Reasons

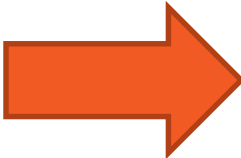
Respondents indicated a wide range of reasons why IFAC membership is important to their organizations. These included enhanced reputation and credibility for their organizations on the local, regional, and global stages; being involved with the global player in the accountancy profession; and access to tools, resources, and global best practices.

Respondents Identified Additional Macro Trends

In the survey, IFAC presented the following macro trends as ones with significant implications for the profession and the organization:



Shrinking tolerance for and need to address corruption and other unethical practices.
Education and training: Changing structure, techniques, distribution channels and costs.
Labor: Intensifying competition for talent; increasing gap between available skills and employers' needs; workforce diversity; unemployed youth crisis.
Economic power / growth: for example, recent shifts from West to East, developed to emerging, with the likelihood of further shifts in the future and constant uncertainty.
Changing demographics: Aging population in some regions; growth in young in other regions.
Globalization: Economic interconnectedness; increasing levels of international trade and capital flows.
Taxation: Issues increasingly in the public eye; desire for international harmonization of rules; pressures towards national simplification; jurisdictions competing on tax regimes.
Organization reporting and management: Move from focusing on the short term and quick returns towards more holistic long-term organizational sustainability.
Natural resources: Increasing stress as a result of population growth, economic growth, and climate change.
Changing marketplace: Innovation-driven; complex; always on; hyper-competitive; mobile; global. To be successful in the future, enterprises will need to be strategically agile, future ready, and adopt a culture of innovation.



providing services to businesses in a globalized world. The increase in the volume and complexity of regulation may also have an impact on attracting and retaining the best and the brightest in the profession.
Governments will need a greater focus on transparency and accountability; sound financial and non-financial reporting is increasingly seen as essential for transparency and accountability in the public interest.
Increased emphasis on attracting and retaining the right talent will demand a fundamental rethink of everything from training and development through to the type of people being recruited; future professional accountants will need to possess entrepreneurial spirit, curiosity, creativity, and strategic thinking skills.
The pace of global expansion of organizations from developed and emerging markets will place the spotlight on the profession's ability to master the technical, language, and cultural challenges of cross-border operations.
Increased demand for help with basic financial literacy from micro-entities and the informal sector in emerging markets.
Increasing scrutiny of the profession's reputation and credibility in light of certain developments, for example, questions around tax planning.
Reporting will provide an organization-wide view of health, performance and prospects; such holistic perspective will have to acknowledge the complexity of modern business and encompass financial and non-financial indicators of an organization's status and potential; the value of professional accountants will rest on their ability to provide this holistic perspective.

The Chief Financial Officer (CFO) and accountancy function will assume a far greater organizational remit; the capabilities of the professional accountant will be leveraged across all aspects of organizational decision making, from strategy formulation to defining new business models.

Professional accountants needing to equip themselves in order to remain relevant and help their clients and their employers to cope with rapid change and innovation.

In addition to the “macro trends” presented, respondents indicated that there are four additional trends with potential implications for the profession that should be addressed by IFAC. They include talent management; small and medium-sized practices (SMPs) and small- and medium-sized entities (SMEs); governance and ethics; and big data.

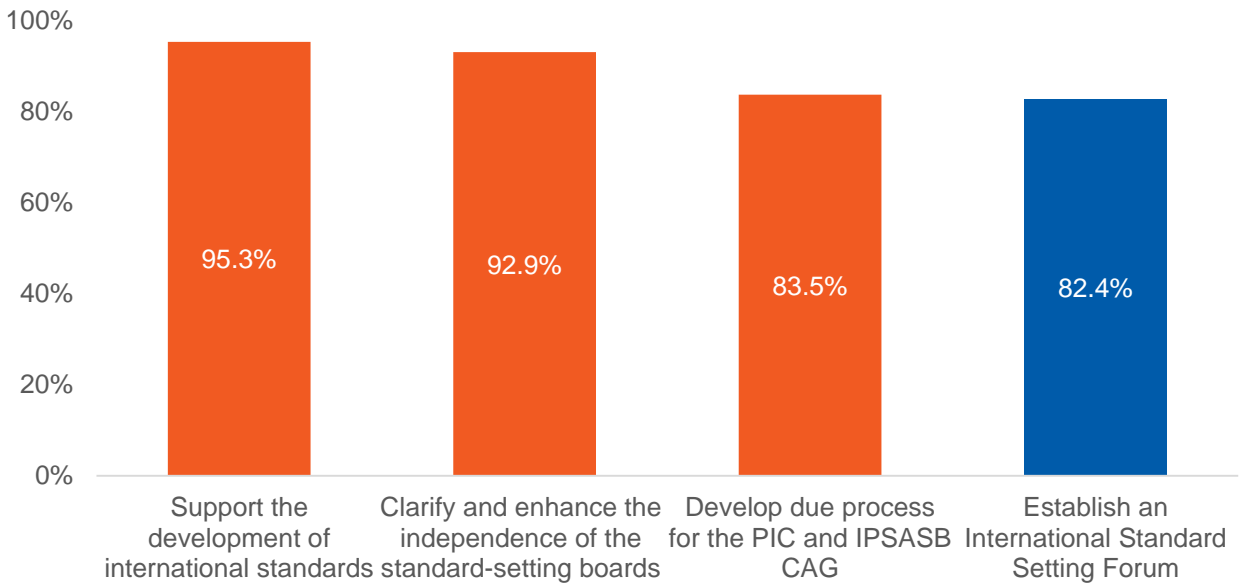
Strong Support for Current and Proposed Activities to Achieve IFAC’s Strategic Objectives

IFAC’s proposed strategic objectives for 2016-2018 are broad and ambitious; affected by the macro trends and their implications for the profession; and could be achieved through a variety of actions. In the survey, IFAC listed actions from *IFAC’s 2015 Plan: Delivering on Our Global Advantage* as well as additional potential actions and asked respondents to identify those actions most likely to contribute to the effective and efficient achievement of IFAC’s strategic objectives.

International Standards

There was a high level of agreement among the respondents that the actions in the area of international standards are important or very important. The actions receiving the following rankings: support the development of international standards (95.3 percent); clarify and enhance the independence of the standard-setting boards (92.9 percent); and develop due process for the Public Interest Committee (PIC) and International Public Sector Accounting Standards Board (IPSASB) Consultative Advisory Group (CAG) (83.5 percent).

Seventy respondents (82.4 percent) agreed that the potential action of establishing an International Standard Setting Forum was important or very important; a number of comments requested clarity as to its purpose, role, and operation.



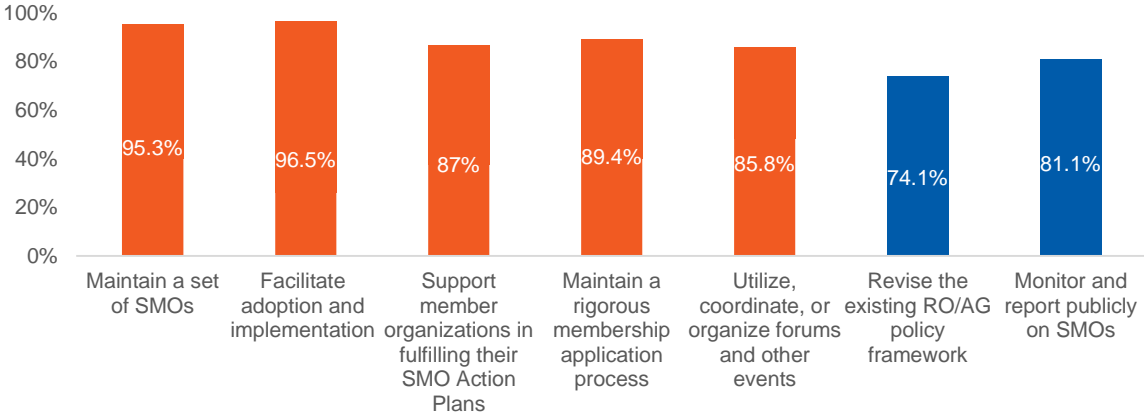
	Not important %	Somewhat important %	Important %	Very important %
Current Actions				
Support the development of international standards through the independent standard setting boards, including resourcing them to be proactive and respond to issues in a timely manner, and actively promote the adoption and implementation of these standards in the public interest.	1.2	3.5	28.2	67.1
Clarify and continually enhance the independence of the standard setting boards—including implementing service-level agreements, undertaking necessary communications or outreach, and other activities—to increase the confidence of regulatory community and the marketplace in the standard-setting process.	1.2	5.9	37.6	55.3
Develop due process for working with the newly-established Public Interest Committee and establish an International Public Sector Accounting Standards Board (IPSASB) Consultative Advisory Group.	2.4	14.1	40.0	43.5
Potential Actions				
Establish an International Standard Setting Forum for international standard setters and those affected by the international standards to discuss critical	4.7	12.9	47.1	35.3

	Not important %	Somewhat important %	Important %	Very important %
issues requiring action and intervention, including governance, adoption, and implementation.				

Quality and Membership

Respondents expressed strong support for IFAC’s current actions in the area of quality and membership, with the following actions receiving very important and important rankings: facilitate adoption and implementation of international standards (96.5 percent); maintain a set of [Statement of Membership Obligations \(SMOs\)](#) (95.3 percent); support member organizations in fulfilling their SMO Action Plan (87.0 percent); and utilize, coordinate, or organize forums or other events (85.8 percent).

There was also a high level of support for the potential actions listed, with monitor and report publicly on SMO findings and revise the existing regional organization / accountancy grouping policy framework receiving 81.1 percent and 74.1 percent important or very important rankings, respectively.

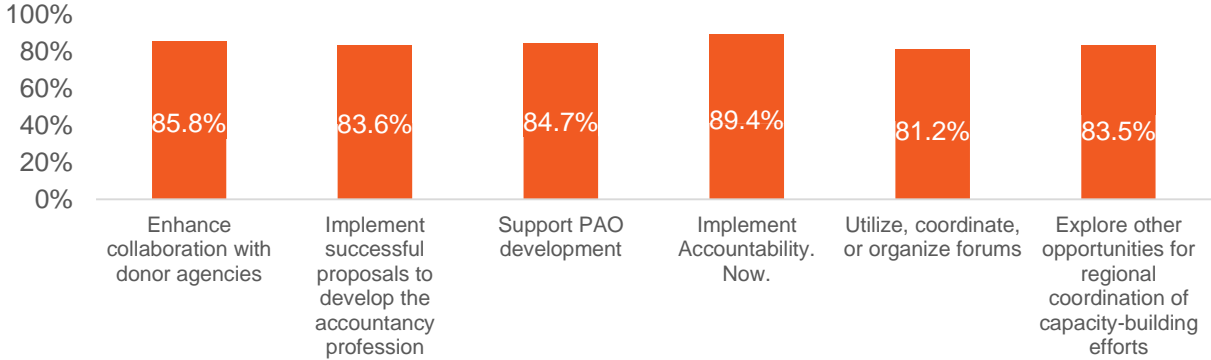


	Not important %	Somewhat important %	Important %	Very important %
Current Actions				
Maintain a set of Statements of Membership Obligations which recognizes the role of professional accountancy organizations in adoption and implementation of international standards and other best practices.	0.0	4.7	40.0	55.3
Facilitate adoption and implementation of the international standards including facilitating the sharing of implementation tools, guidance, etc.	0.0	3.5	25.9	70.6
Support member organizations in fulfilling their Statements of Membership Obligations Action Plan through technical advice and guidance where possible, on-the-ground engagement with relevant	1.2	11.8	37.6	49.4

	Not important %	Somewhat important %	Important %	Very important %
national stakeholders on legal and regulatory reform developments.				
Maintain a rigorous membership application process that incorporates financial, governance, organizational and Statements of Membership Obligations responsibility considerations.	1.2	9.4	40.0	49.4
Utilize, coordinate, or organize forums and other events at the international and regional level as an important tool to support adoption and implementation of standards.	3.5	10.6	48.2	37.6
Potential Actions				
Revise the existing regional organization/accountancy grouping policy framework to focus regional partnerships on strategic outcomes and reduce administrative burden.	8.2	17.6	41.2	32.9
Monitor and report publicly on Statements of Membership Obligations findings to demonstrate progress on the adoption of international standards and to collaborate with member bodies, standard setters, and other national stakeholders to influence and drive change where barriers and challenges associated with adoption have been identified.	7.1	11.8	48.2	32.9

Global Accountancy Profession Development

Respondents considered all the listed actions to be important or very important: implement “[Accountability Now.](#)” (89.4 percent); enhance collaboration with donor agencies (85.8 percent); support professional accountancy organization development (84.7 percent); implement successful proposals to develop the accountancy profession (83.6 percent); explore other opportunities for regional coordination of capacity-building efforts (83.5 percent); and utilize, coordinate, or organize forums (81.2 percent).

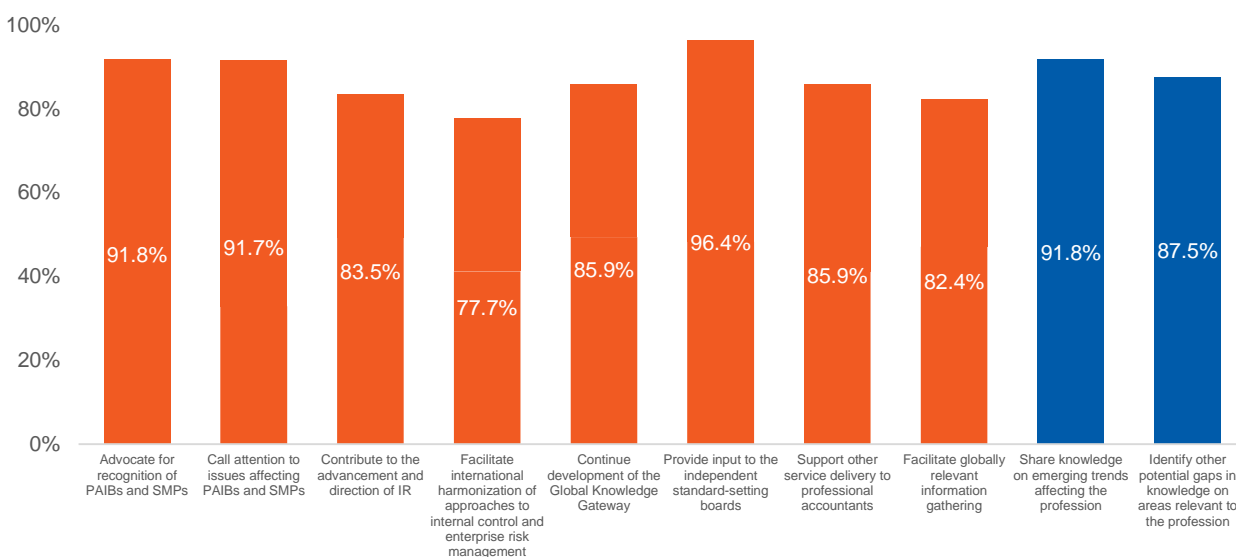


	Not important %	Somewhat important %	Important %	Very important %
Current Actions				
Continue to advance efforts to enhance collaboration with donor agencies through the Memorandum of Understanding to Strengthen Accountancy and Improve Collaboration (MOSAIC), and to secure additional funding for the development of the accountancy profession in emerging economies.	1.2	12.9	32.9	52.9
Implement successful proposals to develop the accountancy profession, for example, the program with the UK Department for International Development (DFID).	2.4	14.1	41.2	42.4
Support professional accountancy organization development through the Professional Accountancy Organization Development Committee.	3.5	11.8	34.1	50.6
Implement "Accountability. Now." in collaboration with partner organizations to raise awareness of the importance of transparency and accountability in the public sector and, in particular, adopting high-quality public sector accruals-based accounting standards (i.e., International Public Sector Accounting Standards (IPSASs)).	0.0	10.6	41.2	48.2
Utilize, coordinate, or organize forums and other events at the international and regional level as an important tool for building capacity.	3.5	15.3	42.4	38.8
Explore other opportunities for regional coordination of capacity-building efforts.	3.5	12.9	45.9	37.6

Global Accountancy Profession Support

Respondents assigned a high level of importance (“important” or “very important”) to all of IFAC’s current actions in the area of global accountancy profession support. The three actions that appear to be the most important are: provide input to the independent standard-setting boards (96.4 percent); call attention to issues affecting professional accountants in business and small and medium practices (91.7 percent); and advocate for the recognition of professional accountants in business and small and medium practices (91.8 percent). Both potential actions—share knowledge on emerging trends affecting the profession and identify other potential gaps in knowledge on areas relevant to the profession—also received high rankings (91.8 percent and 87.5 percent, respectively). In the comment

section, some respondents suggested that IFAC needs a stronger focus on non-audit services to support the achievement of this strategic objective.

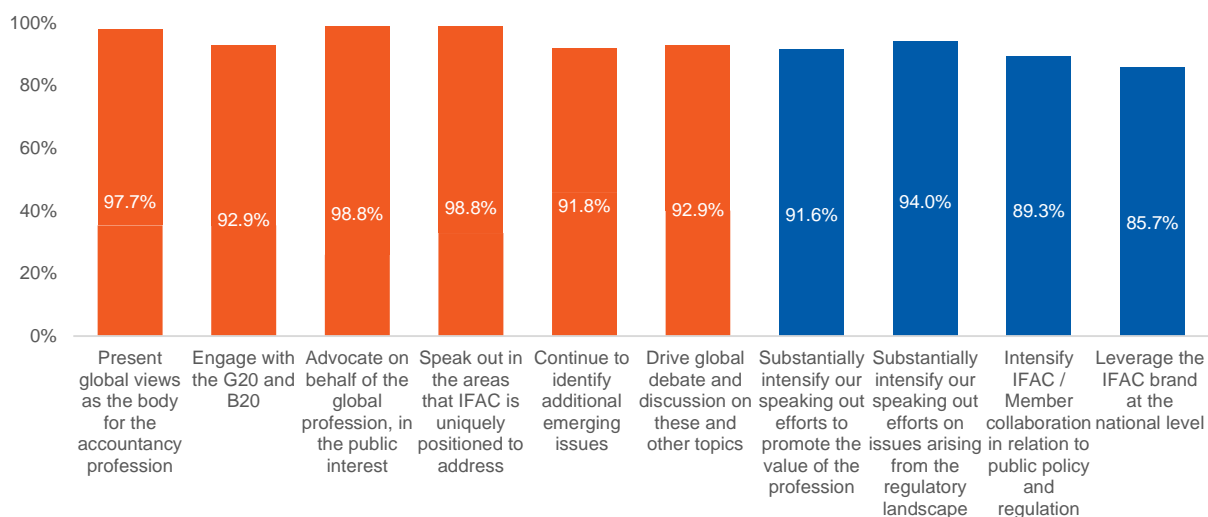


	Not important %	Somewhat important %	Important %	Very important %
Current Actions				
Advocate for recognition of professional accountants in business and small and medium practices as valuable business partners and advisors, and for awareness of their important roles in national and global economies.	2.4	5.9	25.9	65.9
Call attention to issues affecting Professional Accountants in Business (PAIBs) and Small and Medium Practices (SMPs), and convene key stakeholders to deliver solutions.	3.5	4.7	32.9	58.8
Contribute to the advancement and direction of integrated reporting by helping Professional Accounting Organizations (PAOs) in priority jurisdictions facilitate the implementation phase of integrated reporting and support the International Integrated Reporting Council (IIRC)'s work program in areas where IFAC can leverage its convening power.	1.2	15.3	49.4	34.1
Facilitate international harmonization of approaches to internal control and enterprise risk management by further developing relationships	3.5	18.8	41.2	36.5

	Not important %	Somewhat important %	Important %	Very important %
with national and international issuers of standards, frameworks, and guidelines.				
Continue development of the Global Knowledge Gateway, including enriching users' experiences through expanded content and enhanced functionality.	0.0	14.1	49.4	36.5
Provide input to the independent standard-setting boards on behalf of the PAIBs and SMPs constituencies via comment letters, representation on the Consultative Advisory Groups, and other liaisons and relationships.	0.0	3.5	48.2	48.2
Support other service delivery to professional accountants, including Professional Accountants in Business (PAIBs) and Small and Medium Practices (SMPs) through the work of the Professional Accountants in Business Committee and the Small and Medium Practices Committee.	4.7	9.4	41.2	44.7
Facilitate globally relevant information gathering and—in particular—literature reviews to provide an evidence base for proposals, and inform priorities.	4.7	12.9	47.1	35.3
Potential Actions				
Share knowledge on emerging trends affecting the profession, such as the attractiveness of the profession, ways to retain accountants, the impact of new trends in education and training, preparing for a new generation of accountants, and issues relating to competition with other professions for top talent.	1.2	7.1	30.6	61.2
Identify other potential gaps in knowledge on areas relevant to the profession, and collaborate with members or others to address the gaps through the sharing / co-development of resources.	2.4	10.6	40.4	47.1

Global Representation and Advocacy

More than 90 percent of respondents rated all of the actions in the area of global representation and advocacy as either “important” or “very important.” The potential actions also received a high level of support, with the greatest support for speaking out on issues arising from the regulatory landscape (94.0 percent of respondents rated this action as “important” or “very important”) and promoting the profession and professional accountants (91.6 percent). Comments in this area encouraged IFAC to speak out more robustly and visibly where appropriate.



	Not important %	Somewhat important %	Important %	Very important %
Current Actions				
Present global views as the body for the accountancy profession in current debates, including those related to the changing regulatory environment.	0.0	2.4	35.3	62.4
Engage with the G20 and B20, including promoting initiatives to enhance global economic stability and sustainability.	1.2	5.9	35.3	57.6
Advocate on behalf of the global profession, in the public interest.	0.0	1.2	25.9	72.9
Speak out in the areas that IFAC is uniquely positioned to address (including the four current platforms: promoting government transparency and accountability, improving the credibility and usability of financial reporting, enhancing organizational reporting, and raising awareness of the value of accountants in society).	0.0	1.2	32.9	65.9
Continue to identify, in consultation with major stakeholders, additional emerging issues that IFAC is best qualified to address.	1.2	7.1	45.9	45.9
Drive global debate and discussion on these and other topics via recommendations to global bodies; op-eds, letters to the editor, and thought leadership articles; media relations; and speeches and presentations.	0.0	7.1	40.0	52.9

	Not important %	Somewhat important %	Important %	Very important %
Potential Actions				
Substantially intensify our speaking out efforts to promote the value of the profession and professional accountants to key stakeholders at the global level and selectively at the national / regional level in collaboration with member bodies or regional partners.	2.4	6.0	32.1	59.5
Substantially intensify our speaking out efforts on issues arising from the regulatory landscape, including fragmentation, overload, extraterritoriality, impact on the profession, and impact on business.	2.4	3.6	45.2	48.8
Intensify IFAC / Member collaboration in relation to public policy and regulation.	2.4	8.3	42.9	46.4
Leverage the IFAC brand at the national level and utilize IFAC Officers, staff and volunteers (including Board members) to support professional accountancy organizations in opening doors; act as a relationship catalyst; and assist in promoting Professional Accountancy Organizations to key stakeholders such as governments and firms for this purpose.	1.2	13.1	40.5	45.2

IFAC's Actions Adequately Mitigate Its Top Strategic Risks

IFAC has identified its top six risks as:

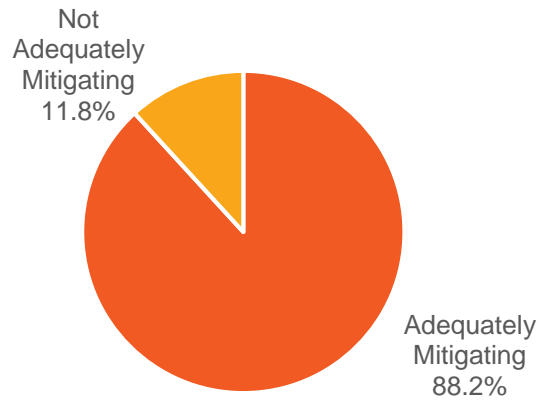
Strategic Risks

- Loss of stakeholder confidence in standard setting
- Failure to identify, prioritize or render services to meet competing demands of member organizations and other stakeholders
- Loss of effectiveness as the representative voice of the global profession

Operational Risks with Strategic Implications

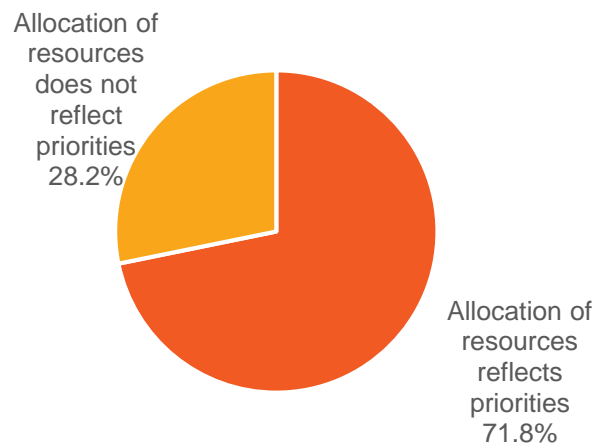
- Insufficient funding for financial sustainability
- Inability to attract / retain a diverse and highly qualified staff
- Failure of critical IT systems and capabilities

Seventy-five respondents (88.2 percent) said that IFAC is adequately mitigating its top three strategic risks. The respondents who answered “no” did not offer any concrete actions in their comments.



Respondents Largely Agree with Allocation of Resources

Of the total respondents, 61 (71.8 percent) said that the current allocation of resources to IFAC's activities broadly reflects their views on priorities. The respondents who answered “no” suggested how the allocation of resources should be changed in 2016-2018, but there was no consensus on an alternative budget allocation.



IFAC Strategy Survey Participants

Albanian Institute of Chartered Accountant
American Institute of Certified Public Accountants
Association of Accountants and Auditors of Armenia
Association of Accountants and Auditors of Republic of Srpska, BiH
Association of Accounting Technicians
Association of Chartered Certified Accountants
Association of National Accountant of Nigeria
Botswana Institute of Chartered Accountants
Certified Practising Accountants Papua New Guinea
Chamber of Auditors of the Czech Republic
Chamber of Auditors of the Republic of Azerbaijan
Chamber of Financial Auditors of Romania
Chamber of Professional Accountants of the Republic of Kazakhstan
Chartered Institute of Management Accountants
Chinese Institute of Certified Public Accountants
Colegio de Auditores y/o Contadores Públicos de Bolivia
Colegio De Contadores Economistas Y Administradores Del Uruguay
Colegio De Contadores Publicos Autorizados De Panama
Colegio de Contadores Públicos de Costa Rica
Compagnie Nationale des Commissaires aux Comptes / Conseil Supérieur de l'Ordre des Experts-Comptables
Confederation of Asian and Pacific Accountants
Conselho Federal de Contabilidade
Consiglio Nazionale Die Dottori Commercialisti E Degli Esperti Contabili
CPA Australia
CPA Canada
Den Norske Revisorforening
Eurasian Council of Certified Accountants and Auditors
Expert Accountants Association of Turkey
Fédération des Experts Comptables Méditerranéens
Foreningen for Auktoriserade Revisorer
Georgian Federation of Professional Accountants and Auditors
Gulf Cooperation Council Accounting and Auditing Organization
Hong Kong Institute of Certified Public Accountants
Ikatan Akuntan Indonesia

IFAC Strategy Survey Participants

Institut der Wirtschaftsprüfer e.V.

Institut des Experts-Comptables et des Conseils Fiscaux

Institut österreichischer Wirtschaftsprüfer

Institute of Certified Accountants of Montenegro

Institute of Certified Auditors of the Republic of Macedonia

Institute of Certified Public Accountants in Ireland

Institute Of Certified Public Accountants of Cyprus

Institute of Certified Public Accountants of Kenya

Institute of Chartered Accountants in England and Wales

Institute of Management Accountants

Institute of Public Accountants

Institute of Singapore Chartered Accountants

Instituti i Ekspertëve Kontabël të Autorizuar

Instituto de censores Jurados de Cuentas de España

Instituto Mexicano De Contadores Publicos A.C.

Instituto Nacional de Contadores Públicos de Colombia

Instituut van de Bedrijfsrevisoren / Institut des Réviseurs d'Entreprises

Kampuchea Institute of Certified Public Accountants and Auditors

Korean Institute of Certified Public Accountants

Kuwait Accountants and Auditors Association

Lesotho Institute of Accountants

Lithuanian Chamber of Auditors

Malaysia Institute of Accountants

Malta Institute of Accountants

Mongolian Institute of Certified Public accountants

Moscow Audit Chamber

National Association of Accountants and Auditors of Uzbekistan

Ordem dos Tecnicos Oficiais de Contas

Ordre des Experts Comptables de Tunisie

Ordre des Experts Comptables et Financiers de Madagascar

Philippine Institute of Certified Public Accountants

Polish Chamber of Auditors KIBR

Russian Audit Chamber

Russian Collegium of auditors

IFAC Strategy Survey Participants

Slovenská Komora Audítorov

South African Institute of Chartered Accountants

South African Institute of Professional Accountants

Suomen Tilintarkastajat ry (Finnish Association of Auditors), former KHT

Thailand Federation of Accounting Professions

The Association of Accountants of the Republic of Latvia

The Body of Expert and Licensed Accountants of Romania

The Institute of Certified Management Accountants

The Institute Of Certified Public Accountants of Greece

The Institute of Chartered Accountants of Bangladesh

The Institute of Chartered Accountants of India

The Japanese Institute of CPAs

The Malaysian Institute of Certified Public Accountants

The Slovenian Institute of Auditors

Vereniging van Registercontrollers

Wirtschaftsprueferkammer (WPK)

Zambia Institute of Chartered Accountants