



January 2013

**To: IFAC Professional Accountants in Business Committee (PAIB)**  
**Re: ACCA Response on PAIB Strategy and Work Plan for 2013 – 2016**

- 1. Do the proposed PAIB vision and objectives continue to reflect the best focus for IFAC to help its member organisations support their professional accountants in business and facilitate the professions contribution to the development of sustainable organisations and financial markets and strong international economies**

#### **ACCA Response**

The PAIB vision is focused on two key areas:

- Increasing awareness of the important roles professional accountants play in creating, enabling, preserving and reporting value for organisations and their stakeholders; and
- Supporting member organisations in enhancing the competence of their members through development and sharing of good practice and ideas

The focus of the vision on the role professional accountants play in supporting sustainable success remains highly relevant. ACCA continues to promote its global Accountants for Business programme which champions the role of finance professionals in all sectors supporting their businesses to create value, and we recognise the large proportion of our global membership who undertake a wide variety of roles and responsibilities as professional accountants in business. It is also a key part of our public interest remit.

Professional accountants continue to help organisations to identify the opportunities to create value, as well as ensuring the business is well controlled, the asset base protected and appropriately reported on. ACCA believes the vision as articulated remains relevant. The vision successfully captures how accountants support organisations across a wide range of finance activities to achieve consistent outcomes and how they help create, enable, preserve and report value.

We note that professional accountants continue to play a particularly vital role in ensuring appropriate control of the organisation, fiscal constraint and supporting the organisation to take the right decisions in an on-going challenging business environment. These activities continue to remain highly relevant to professional accountants in business though we may expect to see even more responsibility placed on many accountants in the future to bring analytical insight to support business decision making, aiding longer term growth and value, and a rebalancing of the provision of historical financial information versus forward looking financial information. This does not detract however away from the vision as articulated. Merely the suggestion here is that the balance of focus continues to evolve as to what may be the priority. It is also perhaps worth recognising that professional accountants continue to operate in a rapidly changing external and business landscape. In this environment, their

professional competence remains critically important, needing to be adaptive and responsive to the changes taking place, for example, keeping pace with technological developments. In this respect the ongoing development and sharing of good practice remains, in our view, a highly relevant component of the vision.

## **2. Do the six areas of focus continue to reflect the significant issues of importance to professional accountants in business**

### **ACCA Response**

The six areas of strategic importance to the PAIB constituency are

- Roles, domain, and competency of professional accountants
- Governance and ethics
- Risk management and control
- Sustainability and corporate responsibility
- Financial and performance management; and
- Business reporting

The critical role that professional accountants in business undertake across many sectors is broadly consistent in the objectives sought. Whilst nuances may exist in the specific finance activities undertaken within businesses of different size and type, there is a high degree of commonality in the outcomes these activities seek to achieve, namely creating or facilitating the business to drive value, or of course helping the organisation control and protect its assets and preserve value, as well as reporting the value created for both statutory and management purposes.

There are a few issues worth noting however. The specific focus of the professional accountant in business may be dependant on a number of factors. The lifecycle of the business will impact to some extent where key resources overall are focused. The breadth of the nature of the role professional accountants in business perform may also be dependant on the size of the organisation or the seniority of the role. Perhaps most importantly the economic environment is likely to influence and shape the priorities of the business and what is needed from the finance function and the professional accountants it employs at any given time.

Whilst we would suggest that these six areas of focus have a dynamic dimension, it is ACCA's view that they continue to represent a comprehensive overview of the areas of most significance to professional accountants in business, and are likely to do so to 2016. Within the roles, domain and competency of professional accountants section we would also stress the growing interest and importance on talent and career development for professional accountants in business. As global finance functions evolve, and with the continued adoption of finance shared service and outsourcing arrangements for the larger corporations, it is also worth recognising the growing need for finance professionals to demonstrate new management capabilities to ensure these finance models work effectively. For example, developing skills in governance of the finance model, ensuring effective relationship management between the shared service or outsourced delivery arm and the rest of the finance function, developing more of a customer service focused approach, and managing teams remotely. These are important management capabilities that will be increasingly needed across larger finance functions in the future, and we encourage IFAC's strategy and work plan to influence developments in this area where necessary.

- 3. Do you agree with the proposed activities and projects on the work plan? Are there any gaps that would benefit from consideration at an international level? Are any important new developments missing?**

**ACCA Response**

Broadly the work plan as identified in Appendix 2 makes sense. One observation perhaps worthy of comment relates to the provision of high quality performance information and the proposed project activities. With continued interest in both the integrated reporting arena and the growing relevance of professional accountants in business in providing commercial insight and understanding in supporting business decision making, there may be relevance in drawing on practical examples from leading organisations to reflect this. This will help share good practice and demonstrate the value being brought. We may also want to consider in more depth the impact that technology may have on the role of the PAIB moving forward.

- 4. Are there proposed projects on the work plan that you or your organisation would be interested in being involved in at the task force level? In addition to the organisations listed on pages 15 and 16, IFAC would be interested in receiving feedback regarding other organisations that IFAC could possibly build relationships with in its future?**

**ACCA Response**

Given the profile and breadth of ACCA's membership, ACCA's research agenda is reflective of the areas of interest to PAIB. Through our existing representation across the various task forces we will continue to ensure that where opportunities exist in the work plan for more in depth contribution this will be taken up. ACCA sees significant benefits from these arrangements.

- 5. How useful have the PAIB publications since 2010 been? What could the PAIB Committee do differently to increase the usefulness of its output and activities for member organisations?**

**ACCA Response**

The publications broadly provide a wide range of useful and relevant information on the role of professional accountants in business. They give the appropriate context and content guidance on the topical issues. There are, however, a number of developments that could be considered to increase the usefulness of these outputs further:

**1. Use of different media formats**

How stakeholders wish to engage with content is changing. The advent of social media and new channels to market is driving a need for more succinct summarised content, presented across different media. Increasingly ACCA uses a broader range of digital content to engage our stakeholders and we recognise the importance of this in reaching out to the different audiences we wish to engage. Some consideration should be taken of the relevance and value of different media formats to promote the outputs of the PAIB, particularly as member bodies themselves seek to adopt a broader digital content approach.

**2. Practical recommendations and case studies**

A principal aim of the PAIB committee is to "promote and contribute to the value of professional accountants in business by increasing awareness of the important roles professional accountants play in creating, enabling, preserving and reporting value for organisations and their stakeholders". It is our view that this aim could be further supported by

seeking to introduce case studies and practical insights undertaken from the business community that showcases approaches and solutions adopted. Practical solutions that illuminate and show the role professional accountants play would be immensely valuable and engaging.