

The Future of the Accountant in Business

The race for relevance in a digital world



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Today's presenter

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About IMA®

IMA, the association of accountants and financial professionals in business, is one of the largest and most respected associations focused exclusively on advancing the management accounting profession.

Globally, IMA supports the profession through research, the CMA® (Certified Management Accountant) program, continuing education, networking, and advocacy of the highest ethical business practices. IMA has a global network of more than 140,000 members in 140 countries and 300 professional and student chapters.

Headquartered in Montvale, N.J., USA, IMA provides localized services through its four global regions: The Americas, Asia/Pacific, Europe, and Middle East/India. For more information about IMA, please visit www.imanet.org.



The Association of
Accountants and
Financial Professionals
in Business

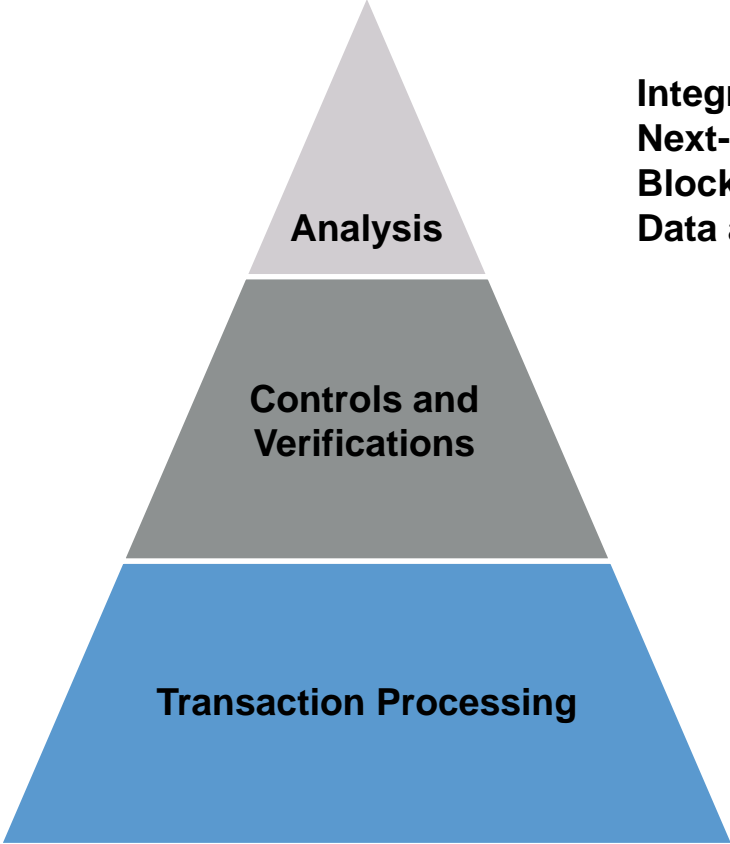
Key Messages

- “New” technologies like RPA, process mining, blockchain, and AI are advancing very rapidly.
- New competencies in our profession like data science are advancing, but not as rapidly as technology.
- We must speed up the pace of upskilling in data science, analytics, visualization, and strategy to leverage the new technologies.
- It is indeed a race for relevance!



Evolving Role of Finance and Accounting

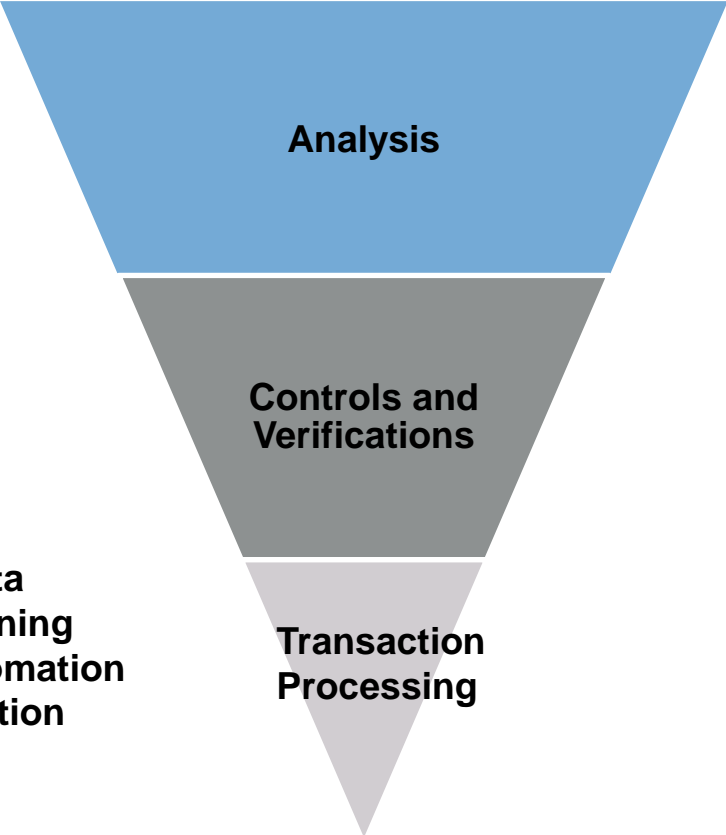
Current State
Focus on efficiency
and compliance



Integrated value chain
Next-gen ERP
Blockchain
Data and analytics



Future State
Focus on being agile,
adaptive and anticipatory



Real-time data
Machine learning
Process automation
Skills innovation



Source: "Finance 4.0 and key digital enablers," E&Y, February 10, 2020

Crisis Manager with a Long-Term View

CFOs should take three types of actions to emerge from the crisis strongly.

Lead from the front



Resolve

- Reformulate the stakeholder-communications strategy
- Size the company's liquidity position and set up a cash war room
- Model multiple COVID-19 scenarios

Steady the business in the next normal



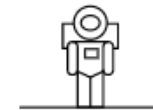
Resilience



Return

- Take a through-cycle view of operational moves to support performance
- Reevaluate the investment portfolio and strengthen the balance sheet
- Turbocharge the financial-planning and -analysis role and upskill finance talent

Make bold moves



Reimagination



Reform

- Launch a plan-ahead team
- Go on offense with portfolio moves (eg, M&A, divestitures)
- Accelerate digital transformation to support the next normal

McKinsey
& Company



Source: <https://www.mckinsey.com/business-functions/strategy-and-corporate-finance/our-insights/cfo-leadership-in-the-covid-19-crisis>

From Governance as Table Stakes to Guidance as Business Partner

Governance		Guidance	
Policy Enforcer	Service Provider	Operations Decision Support	Enterprise Decision Support
<ul style="list-style-type: none"> Accounting Auditing Statutory reporting Cash management Policy formulation and documentation 	<ul style="list-style-type: none"> Management reporting Budgeting Forecasting Enterprise planning 	<ul style="list-style-type: none"> Capital budgeting Risk management P&L analysis Customer profitability analysis planning 	<ul style="list-style-type: none"> Business development Competitor analysis M&A support Pricing strategy Product development

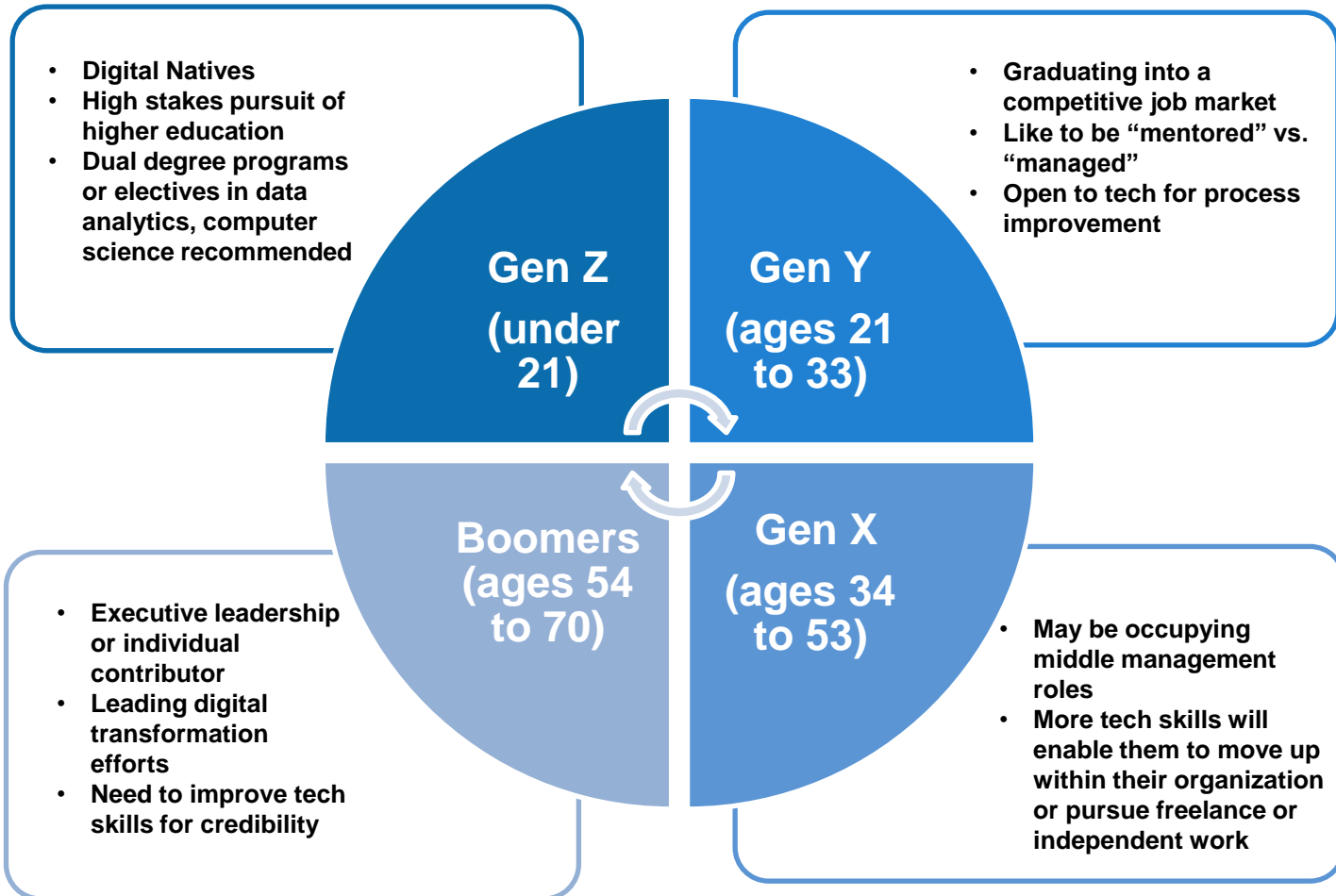
Logical growth of finance budget

Actual growth of finance budget

Finance Function Maturity



Everyone Must Pivot to Technology



Everyone Must Work Cross-Functionally with a New Set of Collaborators



Data scientists



Statisticians



Data security professionals



IT delivery specialists
in areas such as agile development



Systems specialists
in areas such as cloud computing



Behavioral scientists



Roboticists
for example, experience developing software for robotic process automation

The changing role of the CFO

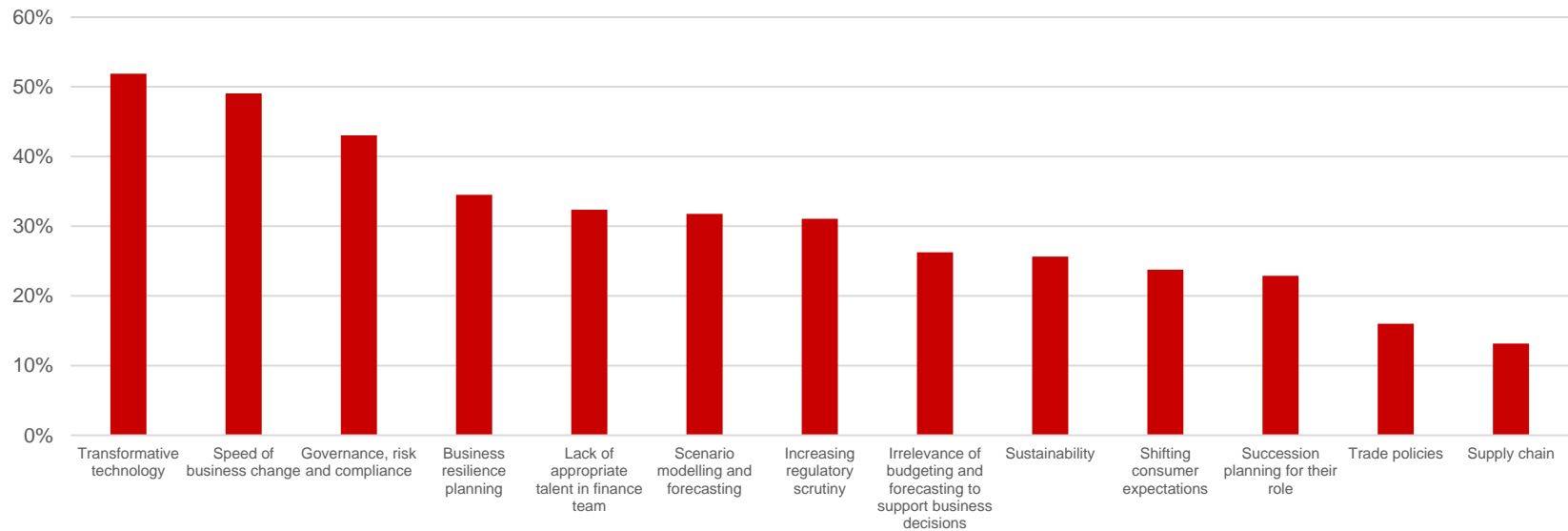
‘The CFO role is becoming more of an umbrella role. One significant area that keeps cropping up is the digital roadmap and the CFO needs to engage more on that. As a leader of change you need to embrace areas such as artificial intelligence and automation and how these will impact your finance department and then lead that change. You also need to be critical friend of the chief executive officer (CEO) and to be able to challenge on the strategy and business solutions’



10

The CFO's challenges

Which of these do you think represent the greatest challenges to today's CFOs in developing a strategy for their finance function?



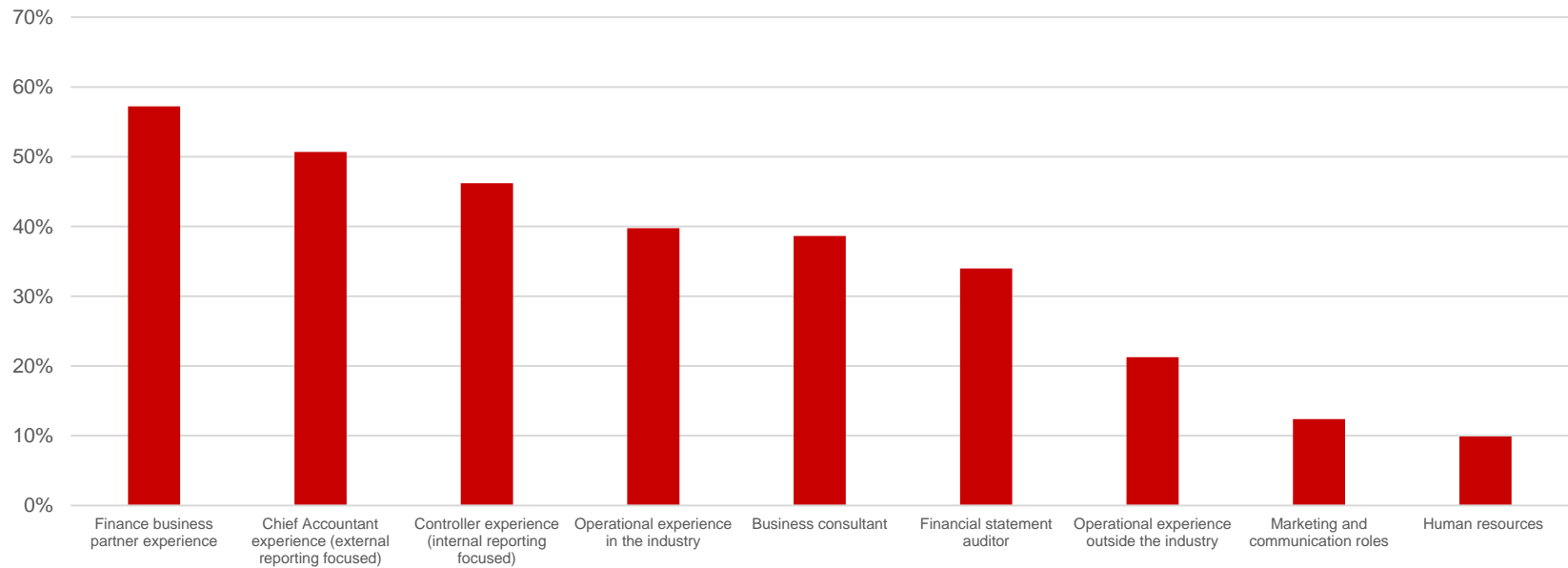
CFO of today

- More than just financial
- Strategic
- Transformative
- Right hand to the CEO



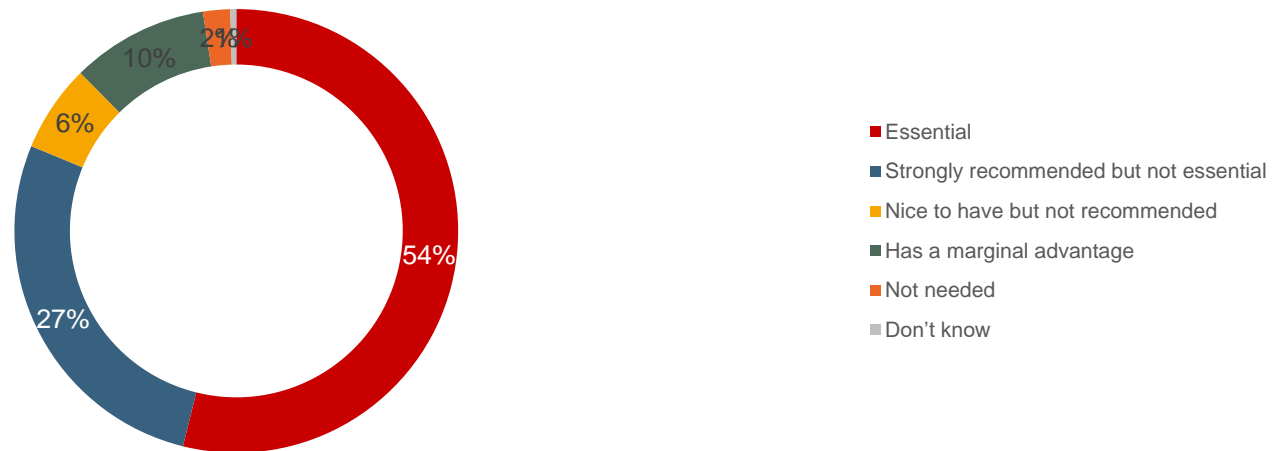
Relevant experience

Where do you think the next generation of CFOs will be coming from?



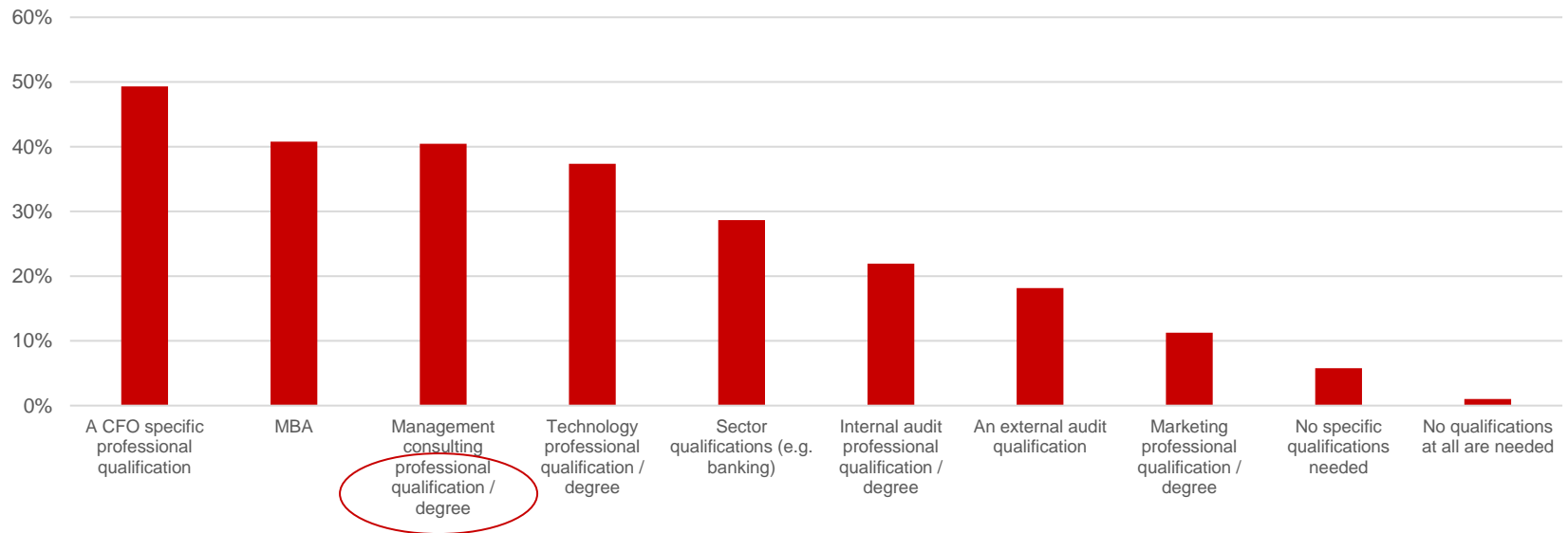
Accountancy qualification

How necessary do you think an accountancy qualification/degree/masters will be for a CFO in your industry in three to five years' time?

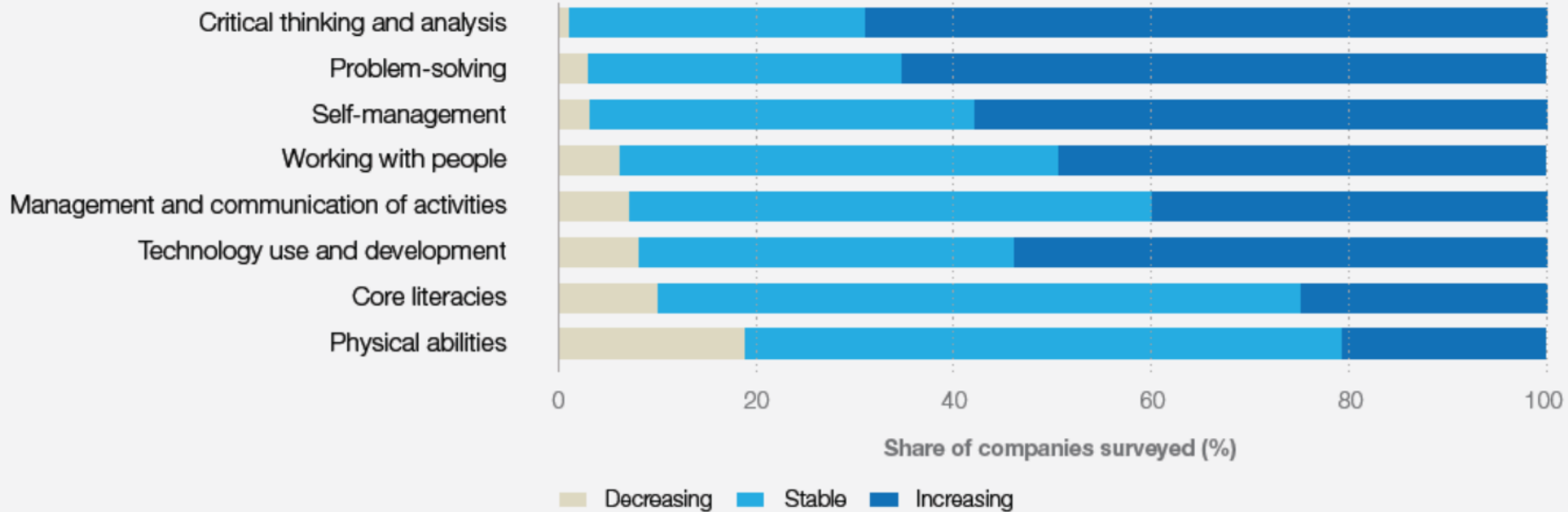


Other qualifications

Which of these other qualifications do you believe is important for a CFO in your organisation to hold in three to five years' time?



Skills Employers See As Increasing in Importance Through 2025



A newly emerging skill this year is “Self-Management,” defined as the ability to actively learn, demonstrate resilience, tolerate stress, and remain flexible.

AI Addresses Healthcare CFO's Greatest Pain Point

SITUATION: A healthcare CFO seeks a solution for her greatest pain point, prior authorizations (the process by which insurance companies and payers determine if they will cover a prescribed procedure or medication, which are meant to help patients avoid surprise bills and unexpected out-of-network costs). The largely manual process is time consuming and error prone.



Source: "AI, Applied: Opening the Black Box, Accounting Today, January 11, 2021

<https://www.accountingtoday.com/news/opening-the-black-box-ai-applied>

"Waystar Acquires Digitize.AI to automate prior authorizations," Waystar Press Release, July 10, 2019 <https://www.waystar.com/news/waystar-acquires-digitize-ai-to-automate-prior-authorization/>

AI-Enabled System Automates Entire Prior Authorization Process

STRATEGY: The CFO consults with Digitize.AI, an AI technology firm. Their solution is an AI-enabled system which automatically checks for new cases, submits them directly to payers via secure integrations, continually monitors payers for responses, and, once authorization is received, automatically submits to providers' electronic health record systems.



Source: "AI, Applied: Opening the Black Box, Accounting Today, January 11, 2021

<https://www.accountingtoday.com/news/opening-the-black-box-ai-applied>

"Waystar Acquires Digitize.AI to automate prior authorizations," Waystar Press Release, July 10, 2019

<https://www.waystar.com/news/waystar-acquires-digitize-ai-to-automate-prior-authorization/>

CFO and Finance Team Can Focus on Improving Patient Care

OUTCOME: The CFO realizes significant cost savings from eliminating wrongful denials, inefficiencies and clerical errors. The AI-enabled system also includes real-time analytics and machine learning models that create valuable intelligence, allowing the CFO and the finance team to focus on patient care instead of administrative burdens. Patients appreciate the greater accuracy and transparency of the healthcare financial process.



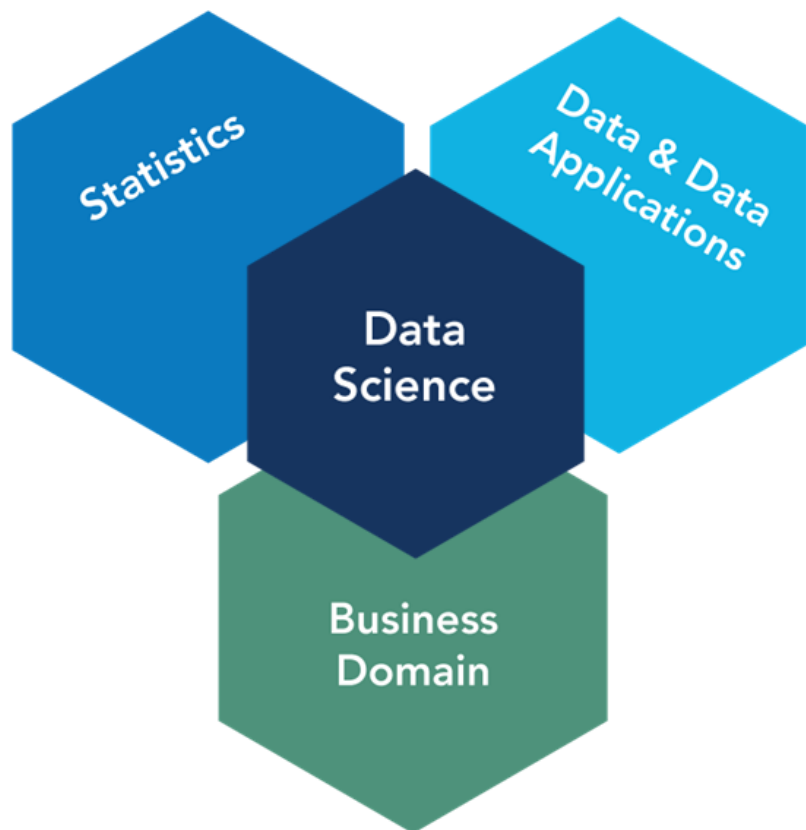
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Data Science – Critical for Accountants to Deliver Insight and Foresight



Statistics

- Ascending levels to describe, diagnose, predict and prescribe.
- Linear and multiple regression, correlation analysis, hypothesis testing, goal seeking, and more.
- No, accountants don't need PhDs in stats. BUT, we need much more statistics to probe and ask the right questions to discover answers in the data.

Data & Data Applications

- “Life beyond Excel” (R, Python, Tableau, BI)
- Data governance, data lifecycle, and data architecture

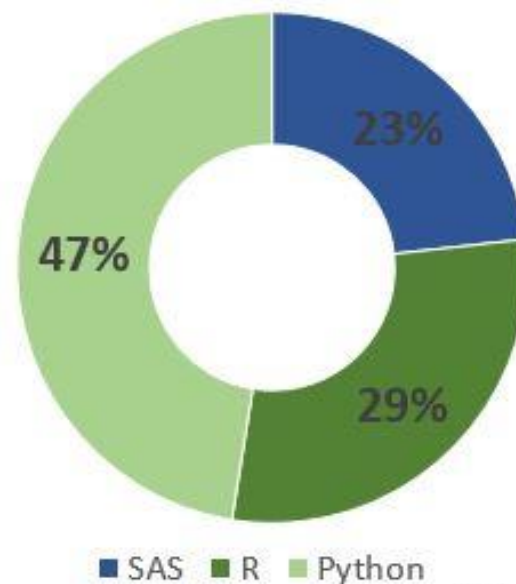
Business Domain

- Understand the business to know what problem to solve
- Able to develop programs for intelligent solutions

What Tool Do Data Scientists Prefer?

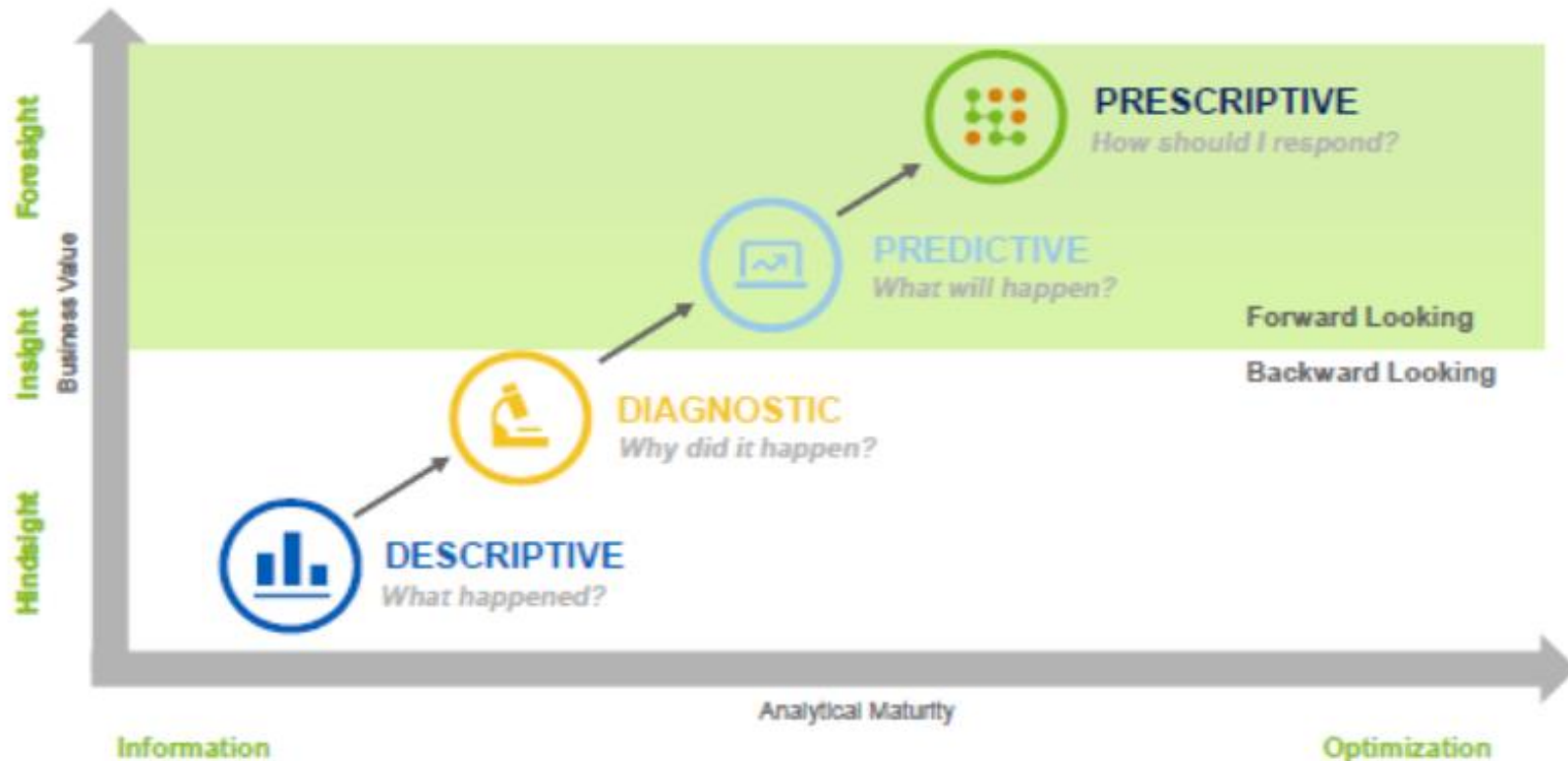
- Excel is not a choice in the survey; it simply may not cut it in the world of “big” data.
- Excel has a limit of 1 million rows of data, but as the amount of data increases, the speed reduces drastically.
- Python, R, or SAS can process billions or trillions of data records within a few seconds, but there are drawbacks (SAS can be costly, R has a steeper learning curve, and Python lacks somewhat in its visualization capabilities).

SAS, R, or Python 2020 Overall Results



Data ©2020 Burtch Works LLC

Analytical Maturity in Finance Drives Foresight for Business



The CMA



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Watch on [YouTube](#)

CMA overview

- For nearly **50 years**, the CMA has been the global benchmark for management accountants and financial professionals.
- The CMA demonstrates a **mastery of 12 core practice areas** in management accounting. It assures employers of on the job **competency** to improve organizational performance.
- The CMA is earned through passing **2 rigorous exams**, and satisfying work and education requirements.
- CMAs bring **strategic thinking**, applied work experience, and the ability to convert data into dialogue. They drive value creation for their businesses.
- Currently over 60,000 CMA Candidates in the program globally.



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Higher salary CMA's - Europe

BASE SALARY AND TOTAL COMPENSATION IN EUROPE



Key Insights:

- Globally, the median total compensation is 67% higher for CMAs over non-CMAs.*
- CMAs of all ages earn more than non-CMAs. Those aged 30-39 receive a median salary 71-74% greater than their non-CMA peers.*
- CMAs believe their certification creates career opportunities and strengthens their ability to move across business areas.

*IMA's 2018 Global Salary Survey









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CMA Exam Structure

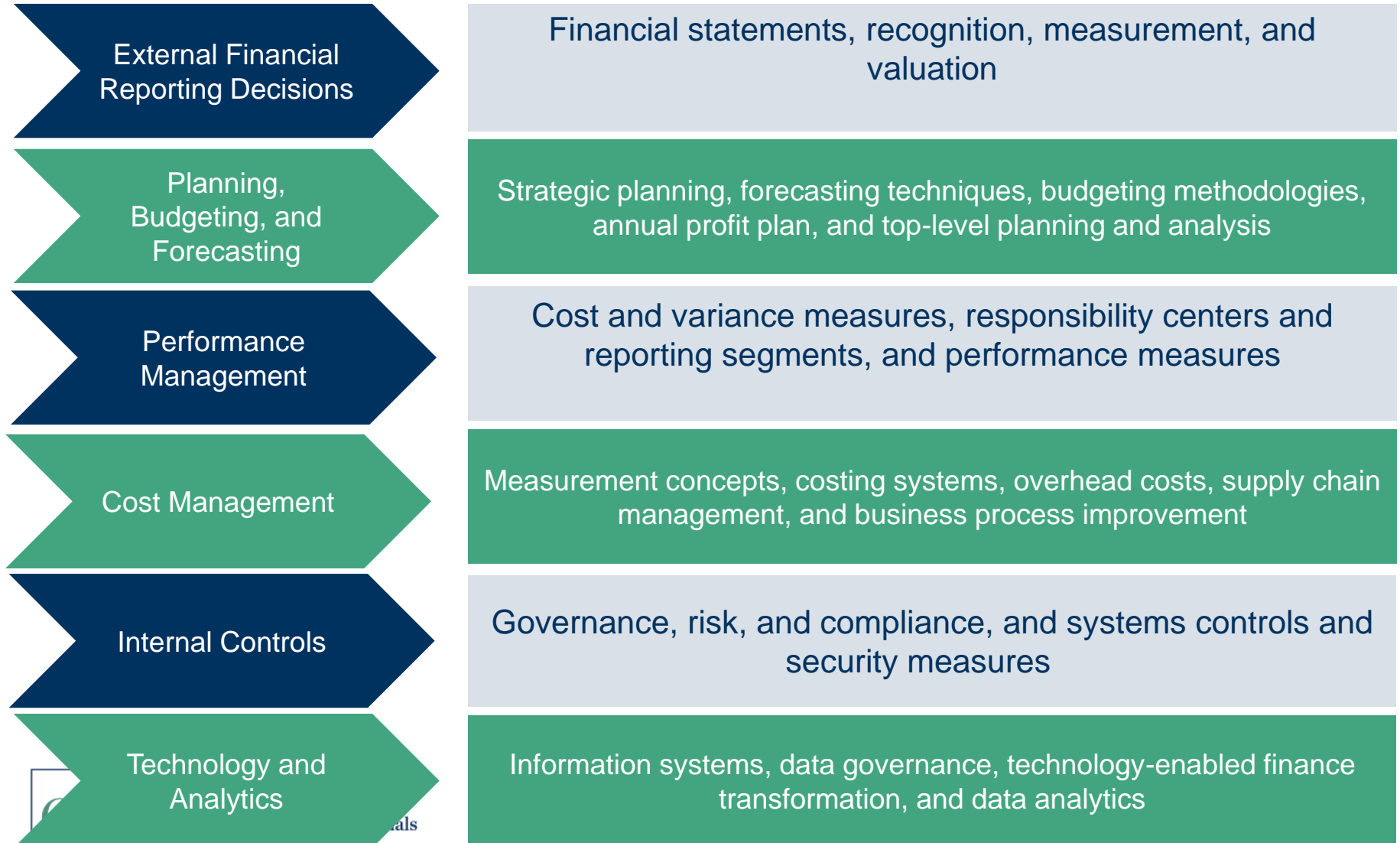
Part 1: Financial Planning, Performance, and Analytics

-  External financial reporting decisions
-  Planning, budgeting, and forecasting
-  Performance management
-  Cost management
-  Internal controls
-  Technology and analytics

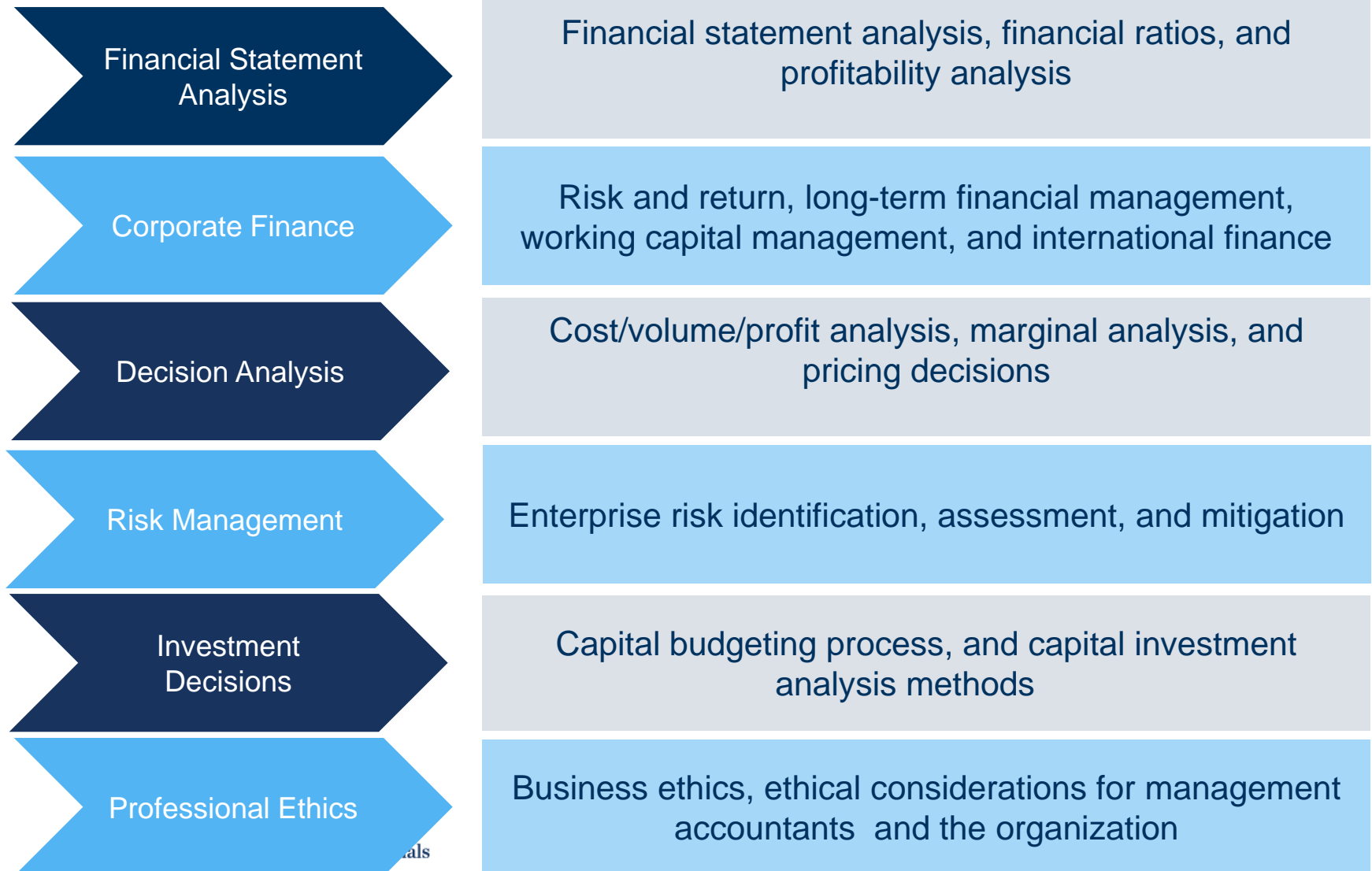
Part 2: Strategic Financial Management

-  Financial statement analysis
-  Corporate finance
-  Decision analysis
-  Risk management
-  Investment decisions
-  Professional ethics

Part 1 – Financial Planning, Performance, and Analytics



Part 2 – Strategic Financial Management



CMAAs ensure your business stays current



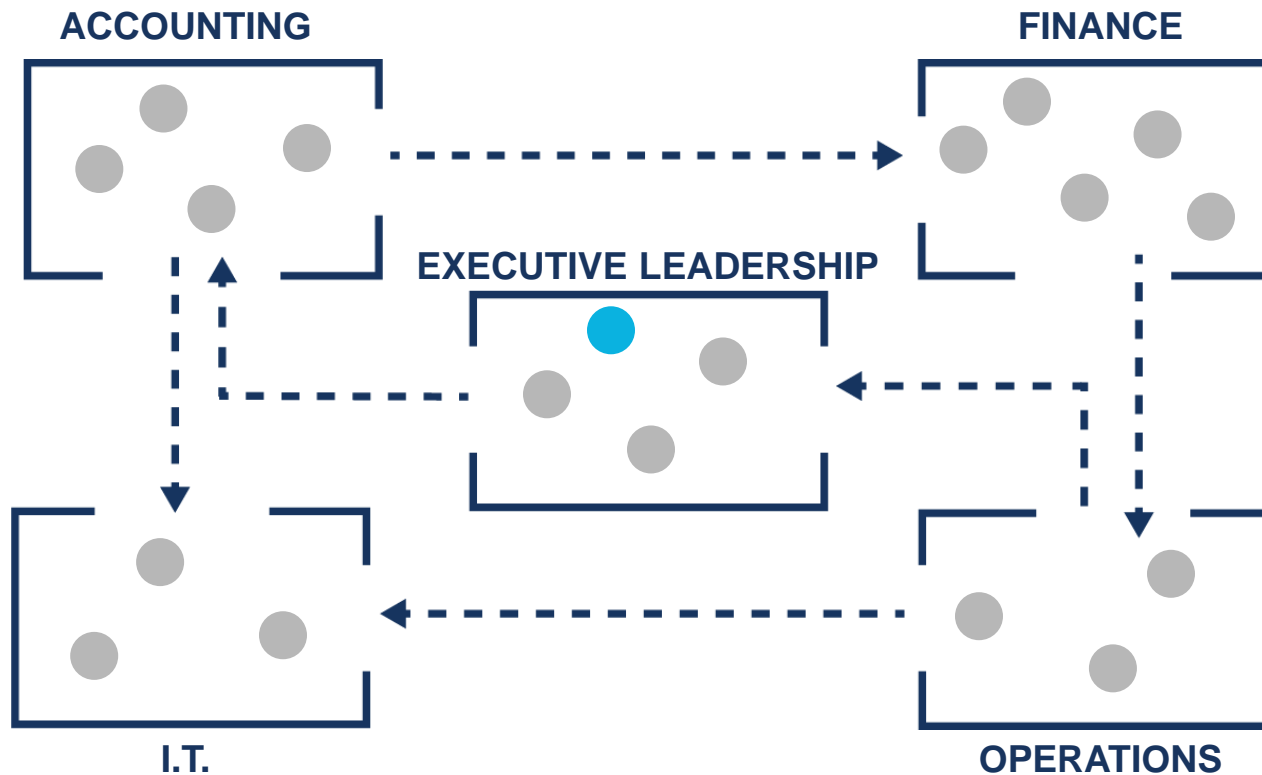
- CMAAs complete **30 hours of Continuing Education** every year to maintain their CMA status and stay current with the industry trends
- IMA conducts **ongoing job analysis** research of active CFOs and CMAAs to evolve the CMA program with the industry and make sure it answers the needs of the workplace



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Mobility & transferable skills

87% of CMAs globally feel that their certification enhances their ability to move across areas of the business.*



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**IMA's 2018 Global Survey*

It's a global passport

The CMA is a global certification. There are active CMAs in more than 130 countries. They're all fluent in the language of business.



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Steps to becoming a CMA



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Requirements for becoming certified



Completion of 2 exams



Bachelor's degree from an accredited college or university (in any major). You can do the exams before graduating.



Two years of relevant work experience. You can take both exam parts and submit your work experience later (within 7 years)



Active membership in IMA



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What does it take?

- — ● 150-170 recommended hours of study per part
- — — — — ● 12-18 months to complete both parts, on average
- — — — — — — — — — — ● Up to 3 years allowed to complete both parts

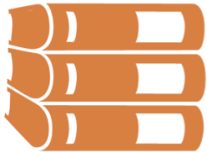


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Exam testing



Exam administered at hundreds of computer testing facilities worldwide



Three exam testing windows offered each year

January and February

May and June

September and October



Candidates schedule exams at their own pace

Part 1 and Part 2 can be taken in any order

On average, candidates complete the program within 12-18 months



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How to Get Started

1) Become an IMA member

- Professional members: \$230/year + \$15 one-time processing fee
- **Students members: \$39/year***

2) Pay the CMA program entrance fee

- Regular members: \$250 one-time fee
- **Student members: \$188 one-time fee**

3) Register to sit for an exam part

- Regular members: \$415 per part
- **Student members: \$311 per part**

***SPECIAL STUDENT OFFER: Join IMA for just \$25 per year!**



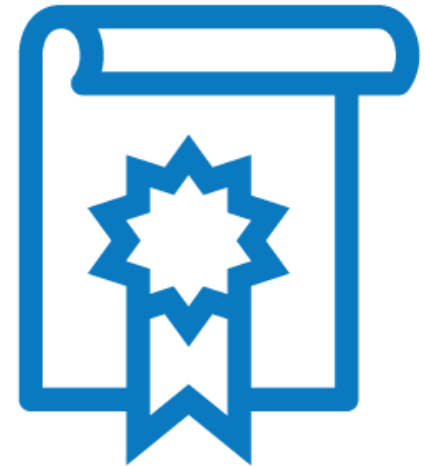
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CMA Scholarship Program

IMA offers **10 scholarships to students of this university!**, which cover **all costs** related to the CMA program.

- Available to all accounting/finance students (undergrad and graduate)
- Faculty must nominate students
- Open during the academic year (Sept. – June)

More than \$1,000 USD in value



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How do I Kick-Start My Future Career?

My CMA To-Do List

- Join IMA - \$25
- Talk to prof re: **CMA Scholarship**
- Study and pass the CMA exam
- Graduate and get relevant work experience
- Add “CMA” to my business card!



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[www.imanet.org/
cmaeurope](http://www.imanet.org/cmaeurope)

What CMA's are saying



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“The CMA program gives you critical capabilities to become a well-rounded controlling and management accounting professional. It’s one of the most valuable investments I’ve made in my professional growth and development.”

- Anna Brueva, CMA, FP&A Director,
Integrated Cost Management,
Philips HealthTech, Amsterdam, The Netherlands



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"The CMA program was an important step on my path to becoming a CFO and Managing Director. It provided a very concentrated and practical view on what is really important for a healthy business focused on efficiency, control, compliance, and results."

Andrey Kislitsyn, CMA – Director and CFO of Rosneft Deutschland GMBH



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Thank you!



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More information

Information for [students](#)

Information about the [CMA scholarship](#)

Information about the [CMA program](#)



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