

Uncertainty and disruption

In 2016, two trends stood out: increasing geopolitical uncertainty, and the increasing impact of technology on the world of work. The first has the potential to affect our members and organisation in the short term; the second has the potential to create fundamental changes for decades to come. Put together, they amount to an extraordinary operating environment for CIMA and its members.



▶ Watch Irene at 2016.cimaglobal.com

“These shifts have huge implications for CIMA and the accountants who hold and study for our qualifications.”

Irene Teng
Managing Director – Europe, Africa and Asia

Uncertainty

As “Thinking the Unthinkable”, a recent CIMA-sponsored report, stated: “at the start of 2016, the uncertainty created by ‘unthinkables’ reached ever-greater depths.”

As the year went on, that uncertainty only deepened. The UK voted to become the first major nation to leave the European Union, while political uncertainty, cyber threats and protectionist movements increased across the globe. Bloodshed continued in Syria, contributing to a refugee crisis which caused political tensions across the world. A failed coup d’état took place in Turkey, and Venezuela’s economy crashed. The danger of conflict resulting from territorial disputes in the South China Sea increased.

Many of these were unprecedented events, and together they created a backdrop of increasing global uncertainty which had implications for CIMA and for the world’s management accountants.

The trend towards protectionism has ramifications for an organisation that has offices and members around the world. The ability to move talent and goods across borders has implications for management accountants working in international organisations. The growth in number of unexpected geopolitical crises increases the likelihood of complications for any global body.

This creates greater pressure for CIMA to have the size, influence and agility to deal with the unforeseen. This is why CIMA, while consolidating its business in its traditional territories such as the UK, has been working to expand in relatively new territories such as China, India and Indonesia. It also contributes to the decision to join forces with the AICPA and create the world’s most influential professional accounting body.

Disruption

One longer-term challenge is the threat that advances in computing pose to traditional ways of working. A range of technologies, variously described as “robotics”, “automation” and “artificial intelligence”, have the potential to undertake work which would previously have fallen to management accountants.

This shift has huge implications for CIMA and the accountants who hold and study for our qualifications. If nothing is done, the danger is that some of our members’ skillsets become redundant – this corresponds to the “loss of relevance” aspect of our risk and opportunities section. If this were to happen it would also pose a risk to the future of CIMA.

However, disruption also brings opportunities. So long as we keep our syllabus and continuous professional development content relevant for members and students, equipping them to take advantage of new technologies, CIMA members will solidify their position as a key provider of strategic advice to organisations.

It is for this reason that in 2017 CIMA and the Association will begin a new review of the future of finance, designed to inform a refresh of our competency framework and syllabus. The aim is to ensure we guarantee the relevance and employability of our members and students now and in the future.

What aspects of the management accountant role will become automated?

The gathering of management information	86%
Interpretation of data	51%
Decision-making support and advice	20%
Consulting	10%
Process-based aspects of financial accounting, such as auditing	55%
No aspects will become automated	3%

Source: 2016 survey of 1,628 of CIMA’s global members

Do you support the idea of more automation in your business?

Yes, if it helps with indecision	12%
Yes, if it saves time and money	71%
No, I worry about job losses	3%
No, the human factor cannot be replaced	13%

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