

The Race for Relevance in an Age of Disruption: Enabling Technology to **Manage Risk and Uncertainty**



Rich Brady, CMA, CDFM, CGFM **CEO**, American Society of Military Comptrollers IMA Chair-Elect 2022-2023 Copyright© 2022 by IMA® Institute of Management **Accountants (All rights reserved)**

Key Theme: The Race for Relevance



Are we up to the challenge?

"New" technologies like RPA, Blockchain, Quantum Computing and AI are advancing hyperexponentially.

In our profession competencies like Data Science and Strategy Management are advancing, but not as rapidly.

To win the Race for Relevance and leverage these technologies in the face of on-going disruptions, our profession must move faster and smarter.



What We Will Talk about Today

Working in a Volatile, Uncertain, Complex, and Ambiguous (VUCA) World

What It Takes to Succeed (Resiliency, Agility, and Anticipatory Mindset)

Opportunities and Challenges for Our Profession: Competency Building

IMA's Role in Winning the Race for Relevance Your Questions & Thoughts



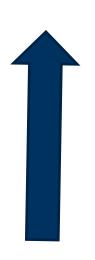
The Future of Technology and Learning

The VUCA World

Volatility because expected conditions have changed



Uncertainty because I don't know what to do in response







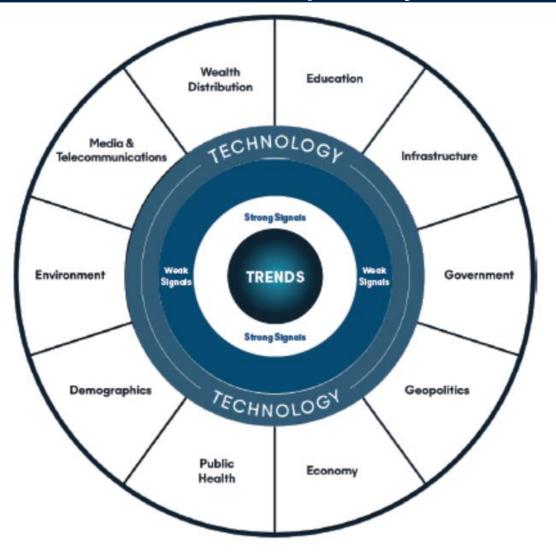
Ambiguity because I don't know if what I see is true



Complexity because I don't recognize the way forward



Eleven Forces of Macro Disruption - We Must Be More Anticipatory





Internal Risks Keeping CFOs Up at Night





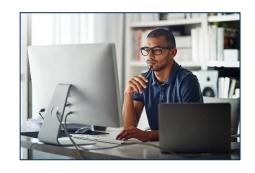
External Risks Keeping CFOs Up at Night





Mitigating Risk: Six Mega-Trends for Our Profession

 Remote work will become the norm for finance teams and will serve as a recruitment and talent retention strategy



2. Environmental, Social, and Governance (ESG) decision support will become more important and a critical factor in maintaining support from investors, employees and society





Mitigating Risk: Six Mega-Trends for Our Profession

3. Finance professionals will become responsible for Enterprise Risk Management (ERM) since they have a more holistic view of both internal and external risks



4. Diversity, equity, and inclusion (DE&I) will become more of a competitive differentiator and an important recruitment and retention tool





Mitigating Risk: Six Mega-Trends for Our Profession continued

5. Automation will accelerate as a new generation of workers expect more from technology and express strong interest in working on strategic, valueadded tasks



6. Greater demand for upskilling and continuing education for professionals for talent retention and for enabling technological transformation





Skill Building in The New World of Work

2022 LinkedIn Workplace Learning Report Finds Learning and Development Are Strategic Drivers of Change

- 62% of organizations will use learning and development to rebuild their organizations in 2022
- 72% of organizations agree learning and development is a strategic function influencing how well they will be able to adapt to change





Accounting Programs with STEM Designation

Designation gives them greater access to funding because they build in – vs. bolt on – analytics into their accounting curriculum



"The STEM designation is essential to serve a global student population of future leaders in the accounting profession. This designation will allow us to attract and serve the top students in the world." -Brooke Elliott, Gies College of Business



CFOs' Will Need to Leverage Technology to Cope with New Challenges

With Economic Headwinds All Around

Now is the Time to Realize Digital
 Ambition

Gartner blog, May 2022

TECHNOLOGY

Using Automation to Supercharge FP&A Teams

For teams that still heavily rely on Excel, it's time to look at tools and solutions to help streamline finance operations.

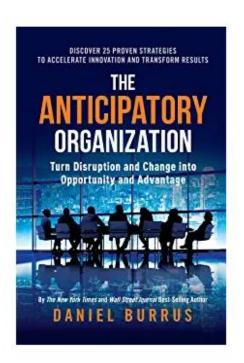
CFO.com, March 2022

CFO NETWORK

The CFO As Catalyst For Digital Transformation



Digital Transformation Acceleration



PANDEMIC ACCE	ELERATION
TeleMedicine & Virtual Office Visits	5 Years in 5 Months
TeleEducation & Remote Instruction	8 Years In 5 Months
Business Process Automation	4 Years in 5 Months
Virtual Reality Applications	2 Years in 5 Months
Internet of Things (IoT)	4 Years in 5 Months
Smart Virtual Assistance & Chatbots	5 Years in 5 Months
Blockchain Applications	2 Years in 5 Months
Adaptive & Predictive Cybersecurity	5 Years in 5 Months



The CFO of 2030: Mastering Data Management

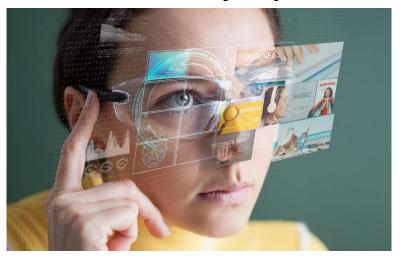
- Most critical role for CFOs moving forward is "driving tech transformation"
- This encompasses a whole host of tech-centric concerns and tech-enabling insights, most of which start and end with data
- CFO should be the entity governing data interactions



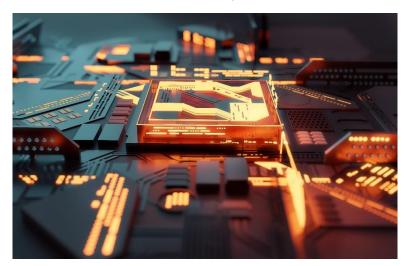


Consider What These Tech Trends Could Mean for Finance

Smart Glasses with Additive and Diminished Reality Capabilities



Mesh Networks with Quantum Computing Capabilities, Powered by Personal Devices



Digital Native Workforce





Implications for Competency Building in Our Profession

Finance Must Work Cross-Functionally with a "New" Set of Collaborators







Statisticians



Data security professionals



in areas such as agile development



in areas such as cloud computing



Behavioral scientists

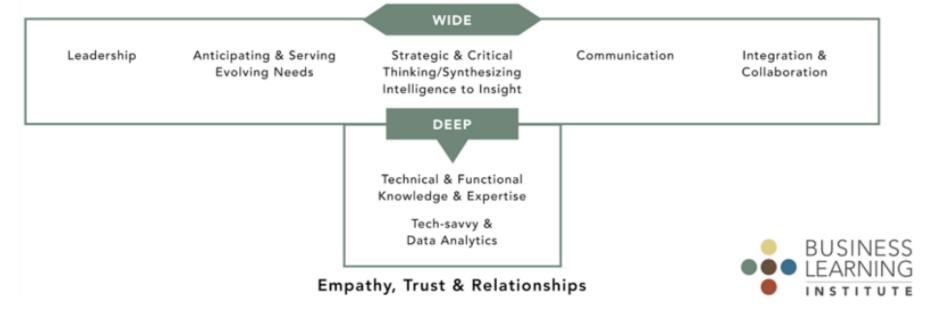


Roboticists for example, experience developing software for robotic process automation



"Rather Than Wondering If Your Job Will Disappear, Ask Yourself, 'What Is The New Job Inside My Old One?'" – Mike Walsh, Futurist

BOUNDARY CROSSING COMPETENCIES





Analytical Maturity in Finance Drives Foresight for Business

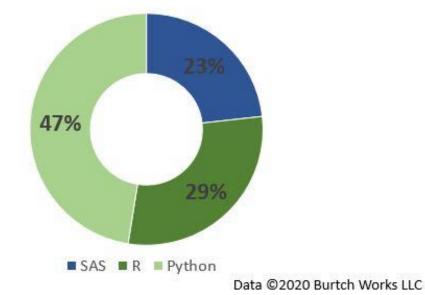


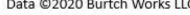


Exploratory Data Analysis ... and, Exploring Tools

- Excel is not a choice in this tools survey; it simply may not cut it in the world of truly "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







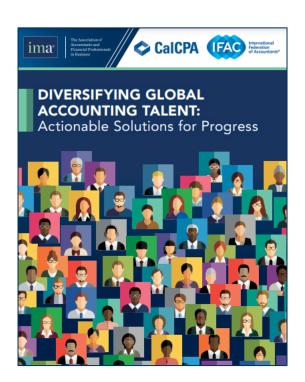
IMA's Role in Winning the Race for Relevance

IMA's Management Accounting Competency Framework





IMA Educational Resources and Thought Leadership



May 2022

IMA eLearning Courses

- IMA FP&A Certificate Series
- Basic Excel Skills for the Management Accountant
- Driving Strategic Management with the Profitability Analytics Framework
- Predicting the Future: Anything Can Be Modeled
- Successfully Managing Workplace Conflict

IMA Reports

- Thriving Amidst Challenges: A Guide to Small Business Resilience" (May 2022)
- "IMA's Statement on Management Accounting Guides Professionals on Reducing A Business's Carbon Footprint" (February 2022)



IMA Technology & Analytics Learning Opportunities



IMA Data Analytics
& Visualization
Fundamentals
Certificate®



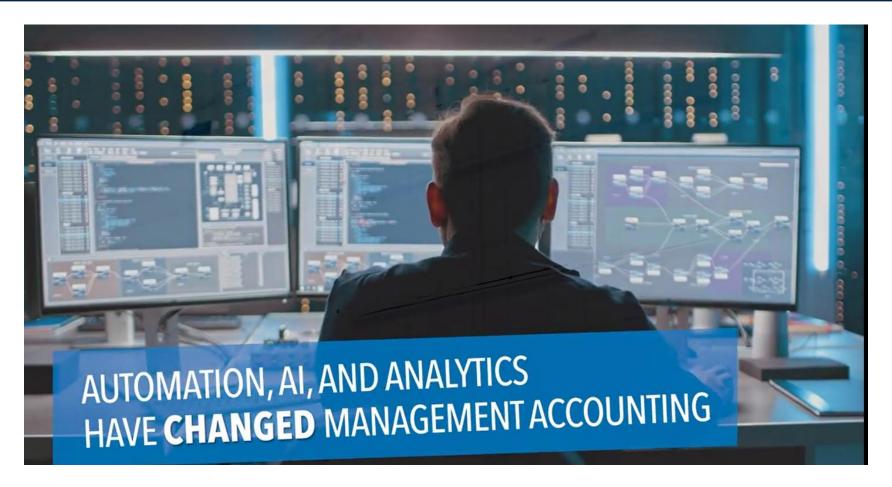
Beyond the Basics:
Data Analytics and
Visualization for
Accounting Professionals



Courses on Blockchain, RPA, Cybersecurity, and many webinars on technology topics

Access these courses and other resources at imanet.org/technology

IMA Data Analytics & Visualization Fundamentals Certificate®





CMA® Exam Structure

Part 1: Financial Planning, Performance, and Analytics

Part 2: Strategic Financial Management



External financial reporting decisions



Planning, budgeting, and forecasting



Performance management



Cost management



Internal controls



Technology and analytics



Financial statement analysis



Corporate finance



Decision analysis



Risk management



Investment decisions



Professional ethics



Each exam part is four hours long:

100 multiple-choice questions, followed by two 30-minute essay scenarios.

CMAs Are Well-Positioned To Make a Difference



- Globally recognized certification
- CMAs earn median total compensation that is 58% higher than non-CMAs
- Certification gives CMAs more confidence to perform their jobs at a high level
- CMAs believe their job impacts the strategic direction of the company



Competency in Strategy Management Is Key for Accountants in a Digital Age

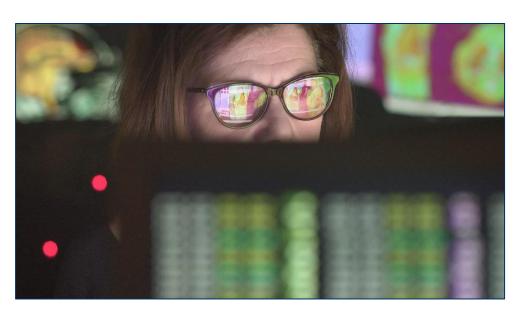


- The CSCA® (Certified in Strategy and Competitive Analysis) equips you with a forward thinking, strategic perspective to drive critical decision-making.
- CSCAs are comfortable directing the strategic planning process, analyzing the environment, creating a competitive advantage for their organizations, and recommending, implementing, and evaluating strategies.
- CSCAs demonstrate the creativity and strategic vision necessary for organization-wide transformation.



The Call to Action

The Call to Action: Our Profession CAN Win the Race for Relevance!



- For individuals Adopt and adapt to skills in strategy management, data science, data analytics, and technology applications in finance and accounting.
- For academia Raise the stakes in better aligning what is taught vs. what today's "accountants" actually do.
- For corporations Tone at the top in embracing data analytics as the new science of winning in a competitive age full of disruption.
- For accounting associations Be part of the solution by advancing competency with training and education.





The Association of Accountants and Financial Professionals in Business







