

# The Changing Role and Mandate for Finance and Accounting

Prepared for NCACPA Fall Business & Industry  
Conference

Tom Hood, CPA, CGMA, CITP - EVP Business Engagement & Growth  
September 12, 2022

# Always evolving.



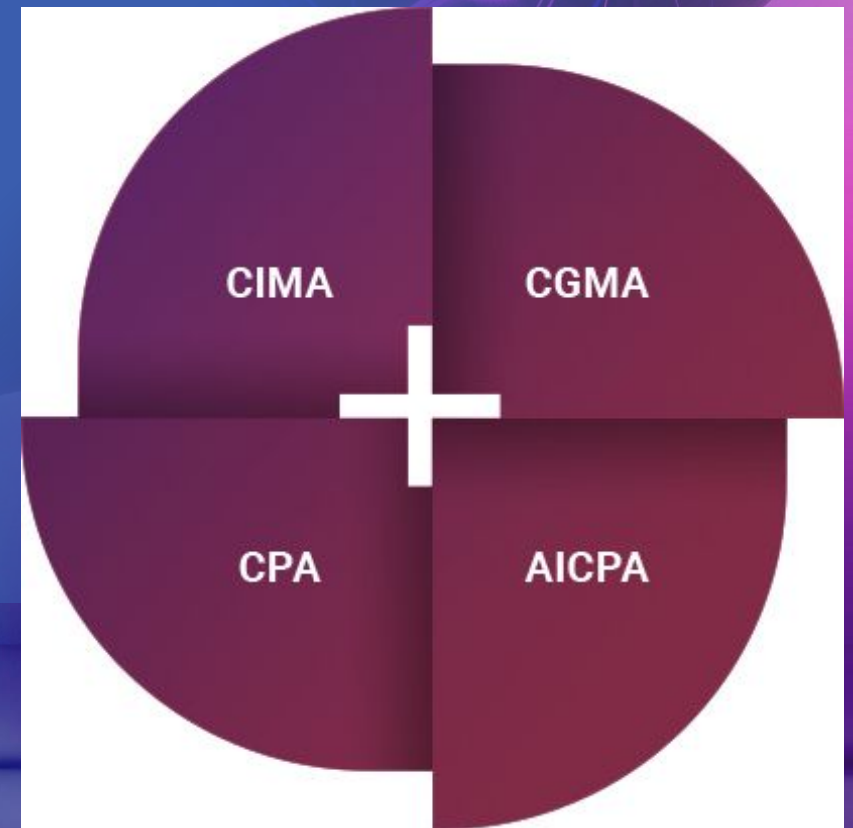
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and engaged  
professionals

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Countries  
and territories





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# Global Finance Leaders convene to Co-Create the Future of Finance



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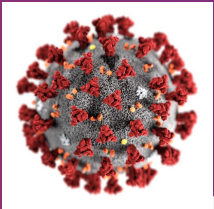


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# The Next Normal: Now The Future Ready CFO

March 13, 2020 Federal  
States shut down in  
following week



Resolve



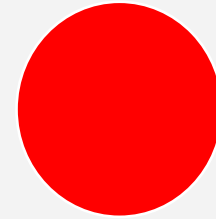
Relief &  
Resilience



Reopening



Reimagination



Redefine  
& Reinvent

@tomhood

**Anticipation, Agility,  
and Adaptation**

New skills and competencies are key.



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# Context – Day One

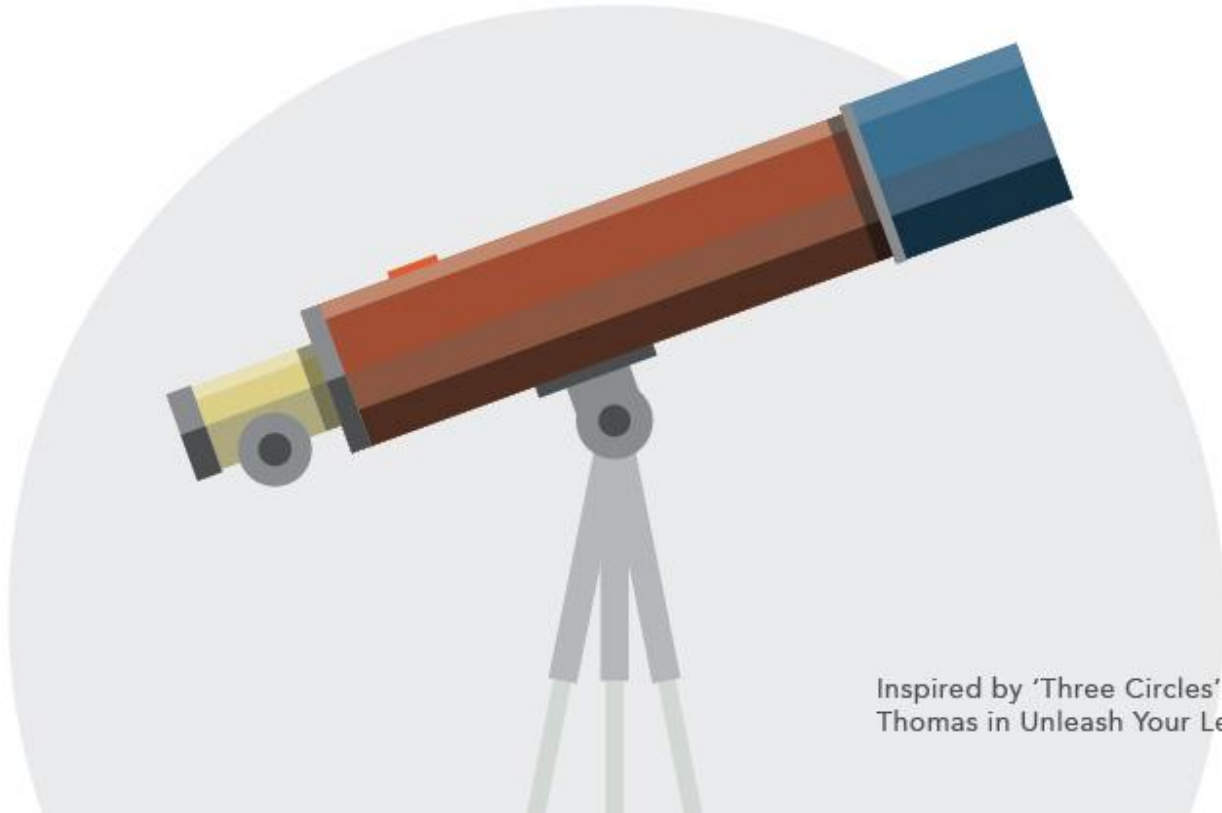
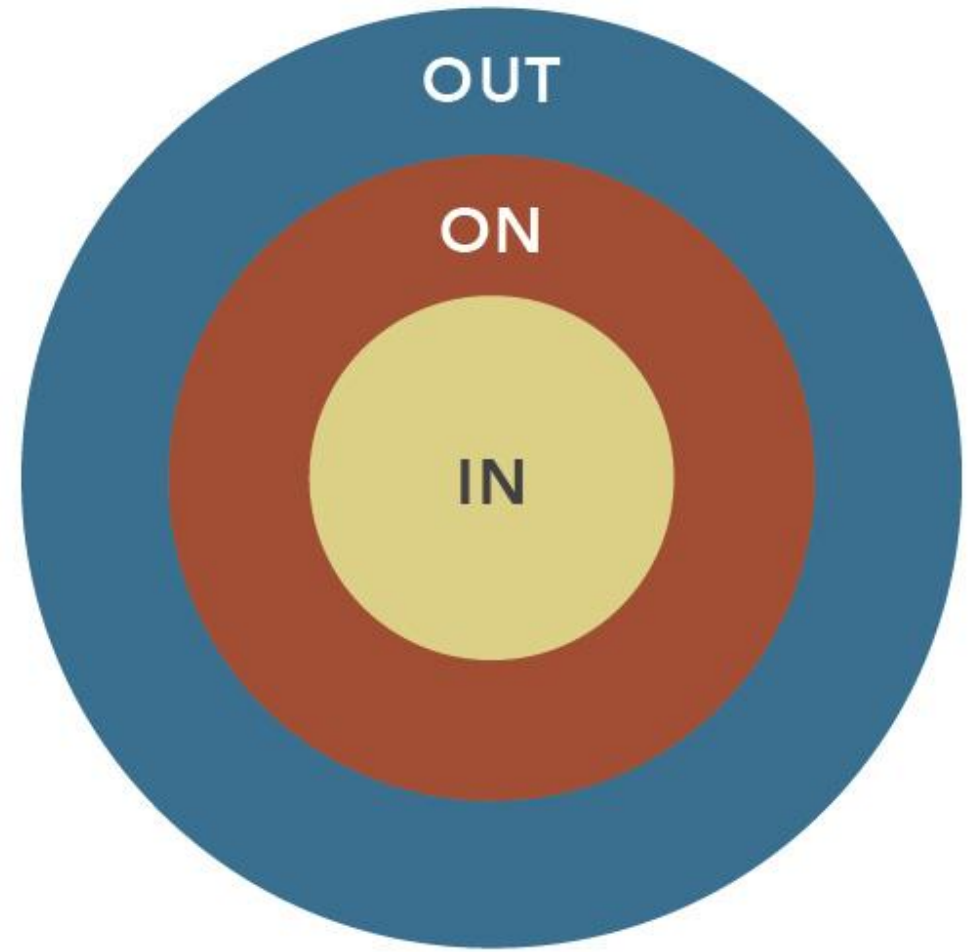
## Trends & Issues Facing Corporate Finance Changing Role & Mandate

“It is always Day One at Amazon.”

The outside world can push you into Day Two if you won't or can't embrace powerful trends quickly. If you fight them, you're probably fighting the future. Embrace them and you have a tailwind". - Jeff Bezos -Amazon

# THREE CIRCLES

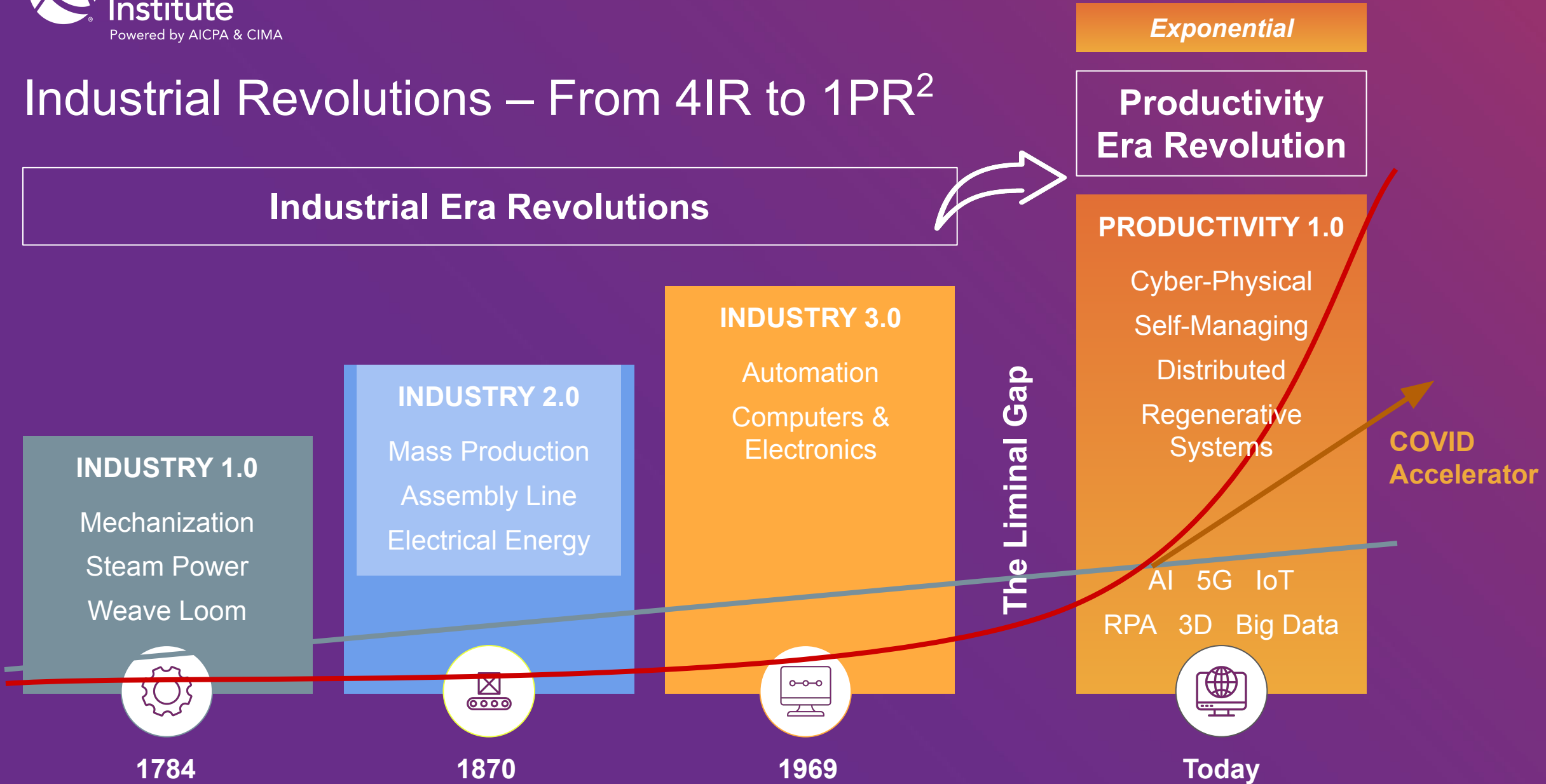
## Opportunity Scout



Inspired by 'Three Circles' by Emmanuel Gobillot and Katherine Thomas in *Unleash Your Leader - How to Win In Business*

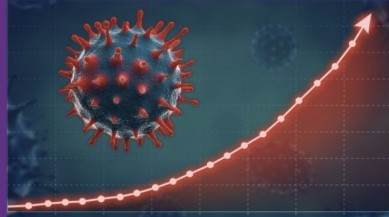
# Industrial Revolutions – From 4IR to 1PR<sup>2</sup>

## Industrial Era Revolutions





# The Great Acceleration



**2020 = 2025**

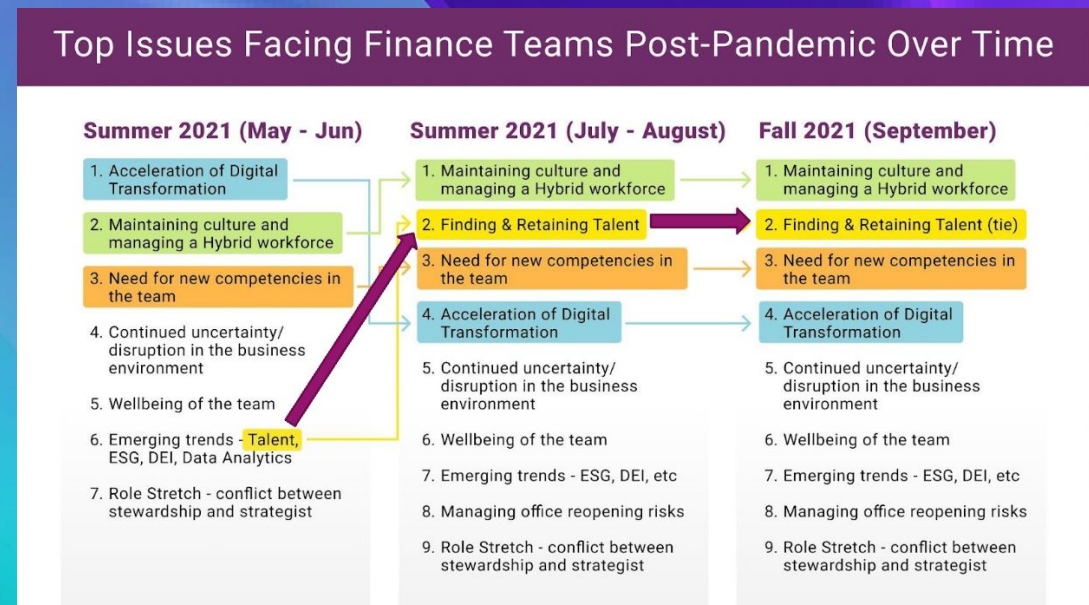
E-Commerce	10 yrs in 1 year
AI/ML	5 yrs in 1 year
Data Analytics	5 yrs in 1 year
Cloud computing	4 yrs in 1 year
RPA / BPA	4 yrs in 1 year
Adaptive & Predictive Cyber	5 yrs in 1 year
Visual Communication	5 yrs in 1 year
Blockchain	2 yrs in 1 year

Source: Daniel Burrus @ Burrus Research



# Top Issues Facing Finance Teams Post-Pandemic Spring 2022

- Finding & Retaining Talent
- Maintain Culture in a Hybrid Work Environment
- Need for New Competencies
- Acceleration of Digital Transformation
- Inflation
- ESG, DEI
- Need for More Data Analytics



# Reimagine & Reinvent

*Transformation*

~~Change: doing things differently~~



**Business Learning  
Institute**

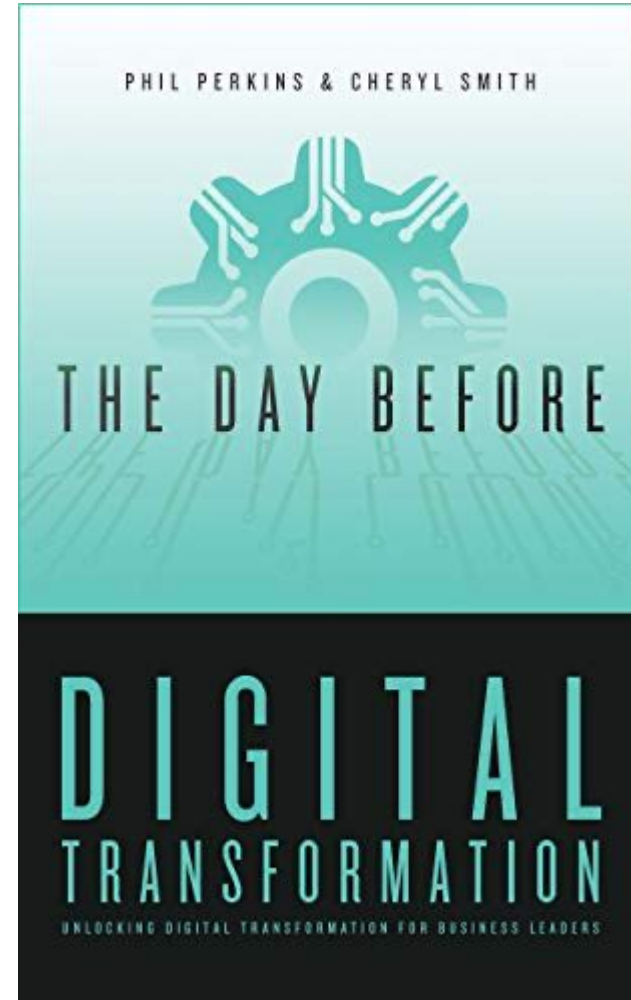
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# Digital Transformation

Digital transformation is key to navigating the current shocks.

*Digital transformation is the integration of digital technologies into your products, services, and ways of doing business, fundamentally changing how you operate and deliver value to your customers, clients, suppliers—everyone you interact with.*

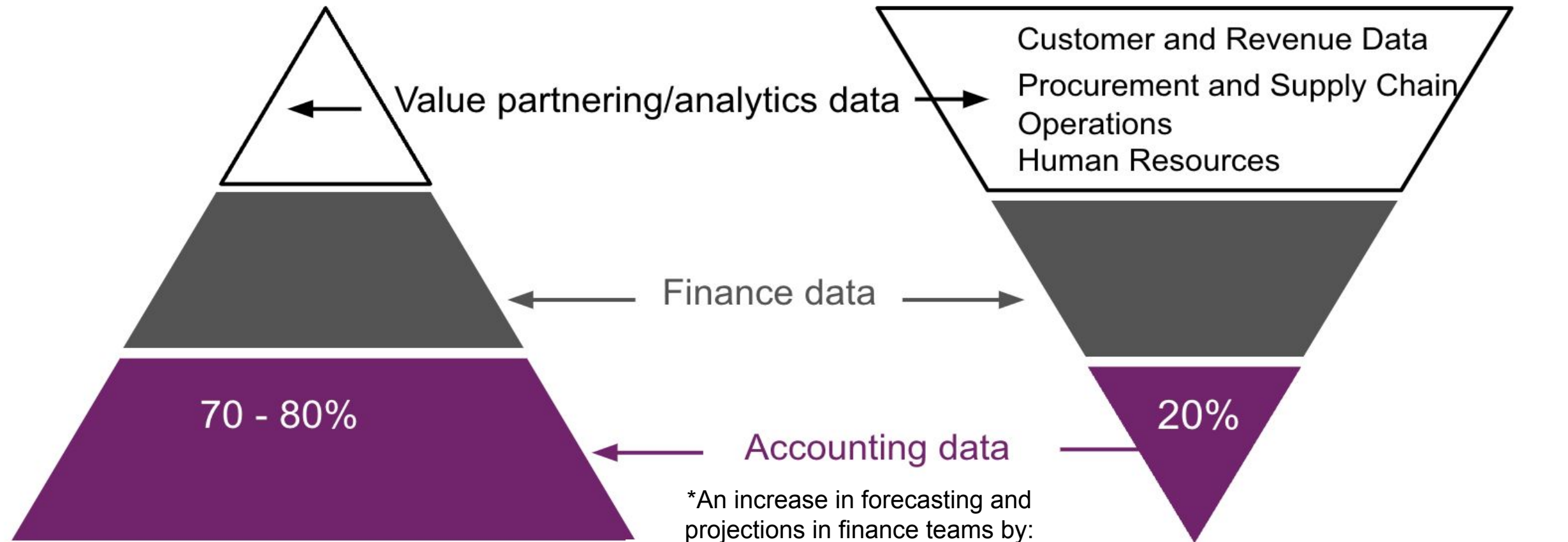
Your organization will most likely not survive the next 10 years without incorporating digital technologies into your product and service offerings.



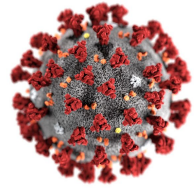
1. Eliminate 'waste' in processes
2. Standardize
3. Automate processes for efficiency (RPA)
4. Upskill Team
5. Invest freed up time in Transformation

From panel at  
#ENGAGE22

# Future of Finance - Flipping the Pyramid



\*An increase in forecasting and projections in finance teams by:



# 30X

In March of 2020 alone!

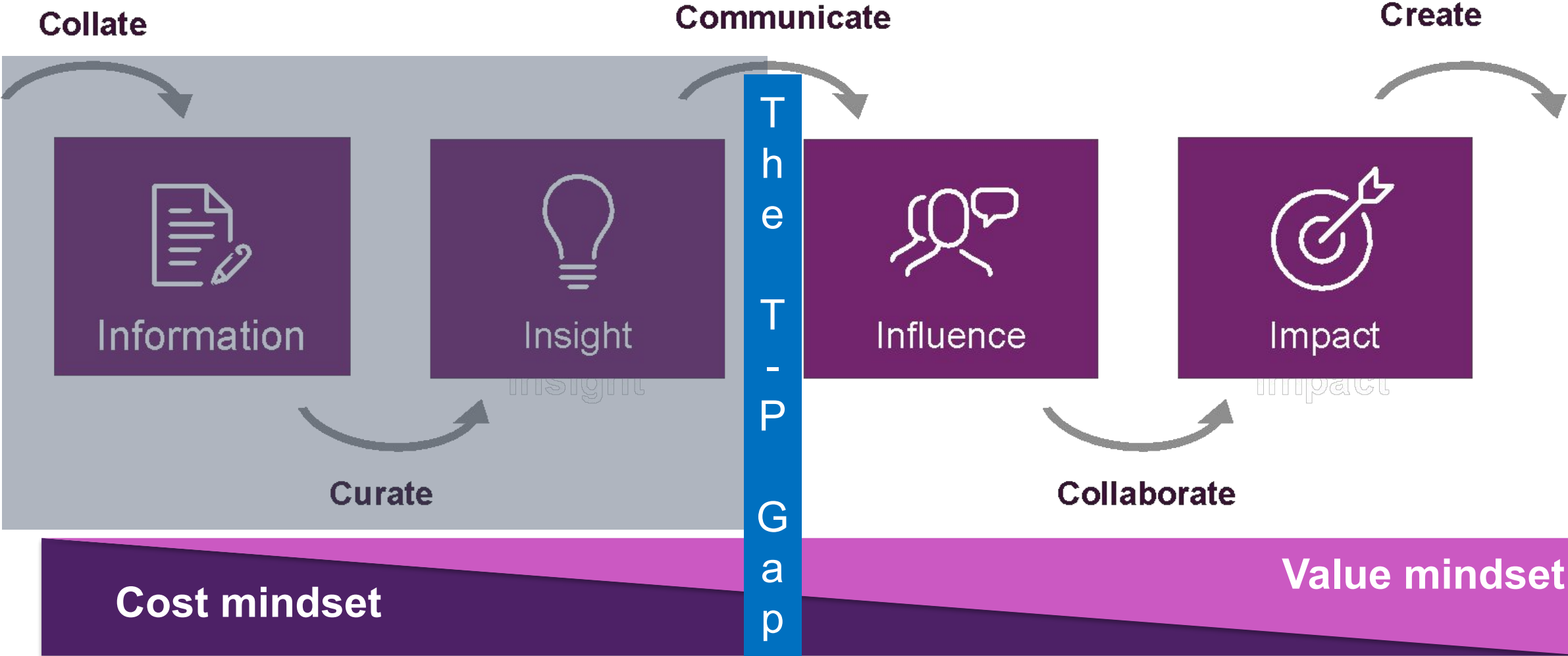


This trend is continuing beyond the pandemic with inflation, interest rate increases, and recession risk

# The New Mandate & the talent performance / skills gap



## Tech & Automation CGMA Competencies

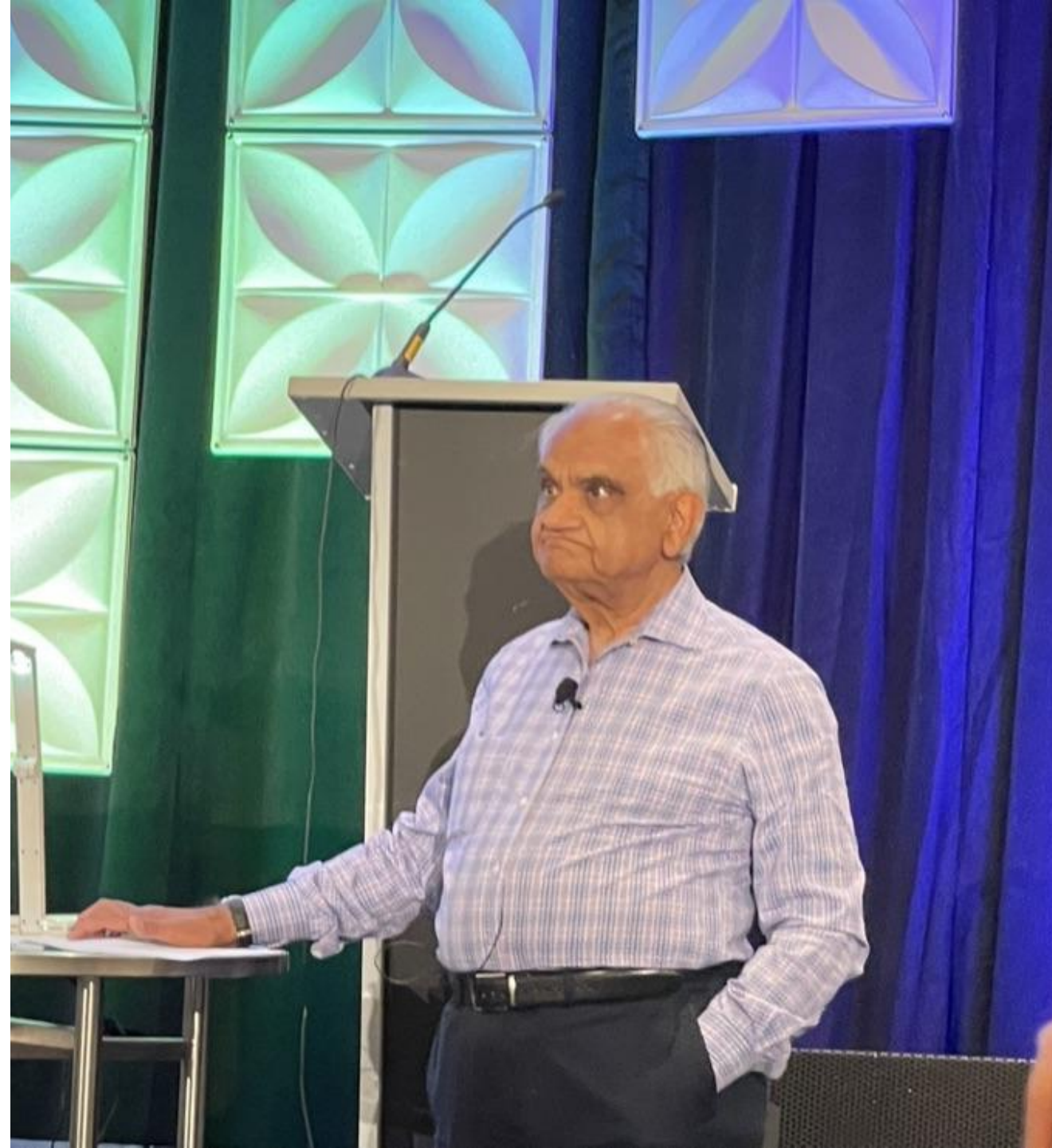


# CFOs leading through inflation

- 1. Cash is King!**
- 2. Focus on Cash Traps (A/R, Inv)**
- 3. Communication is key**
- 4. Balance Sheet > Income Statement**
- 5. Shorten Cash Conversion Cycle**
- 6. Inflation adjusted  
financials/projections**

**- Ram Charan at the CFO Leadership Council  
Conference in Boston May, 2022**

**Fortune Magazine** calls Ram Charan “the most influential consultant alive,” thanks to a reputation earned through more than thirty years of wise counsel to the top companies, CEOs, and boards of our time.





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# Chief Future Officer

## Accounting & Finance

### From:

Rearview mirror

Hindsight

Cost mindset

Core

CF 'No'

Scorekeeper

Tangibles

Descriptive Analytics

### To:

Windshield View

Strategic Foresight

Value Focus

Core AND Edge

CFO 'Know'

Intelligent Advisor / Value Partner

Tangibles + Intangibles

Prescriptive Analytics

**Ethics, Stewardship & Trust**





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- Toolsets
- Mindsets
- Skillsets

# Technology

## Hard Trends



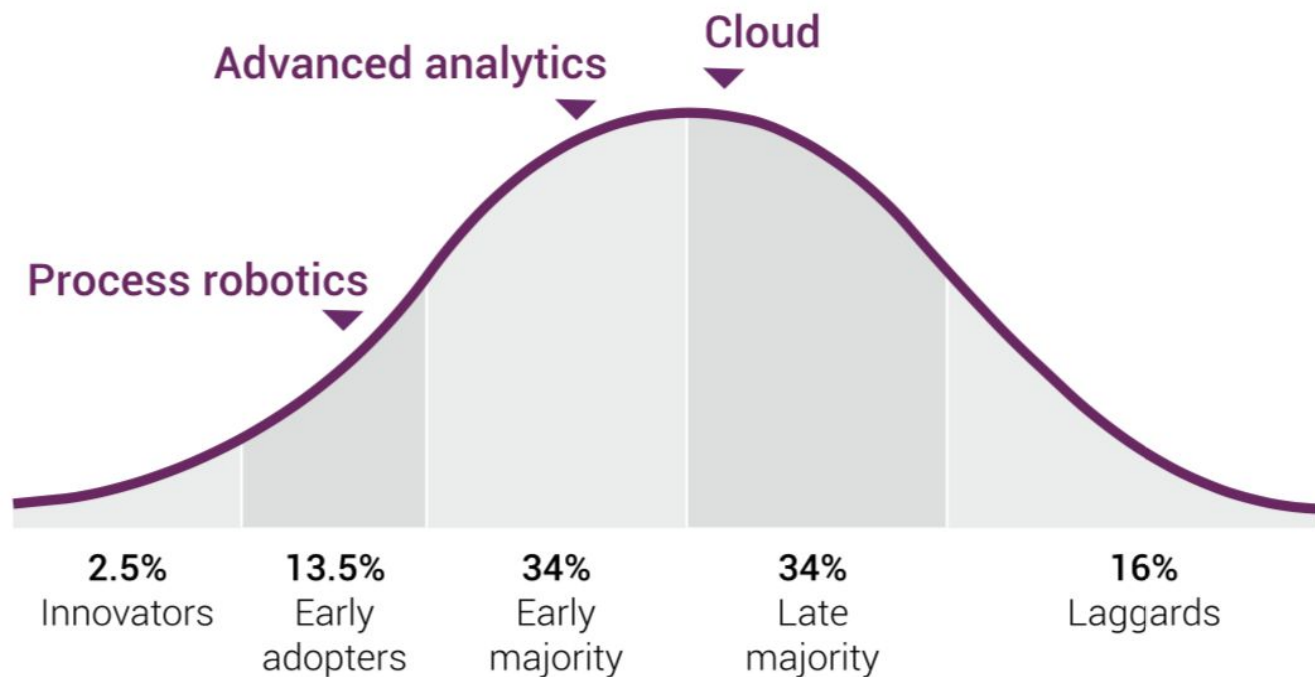
## 2022 Top Technologies with the Greatest Impact in next 2-3 years?

1. Artificial intelligence & cognitive computing
2. Data analytics
3. Advanced cloud computing
4. RPA - Virtualization and automation of processes and services
5. Mobile apps for business processes
6. Adaptive and predictive cybersecurity
7. Smarter smartphones and Tablets
8. Blockchains & crypto-Assets
9. Visual communications for business
10. Virtualization of desktop and storage

Source: BLI - Burrus research survey of 1,000+ CPAs

The adoption of new technology is not evenly distributed.

### Top 3 most critical technologies to business success:



Finance function currently using:

Core modernisation

Exponential



Cloud



Process robotics



Advanced analytics

High-performing organisations are

# 10% HIGHER

in the use of process robotics and advanced analytics than low-performing organisations.



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# ● Mindsets

# Leadership & People = 80%





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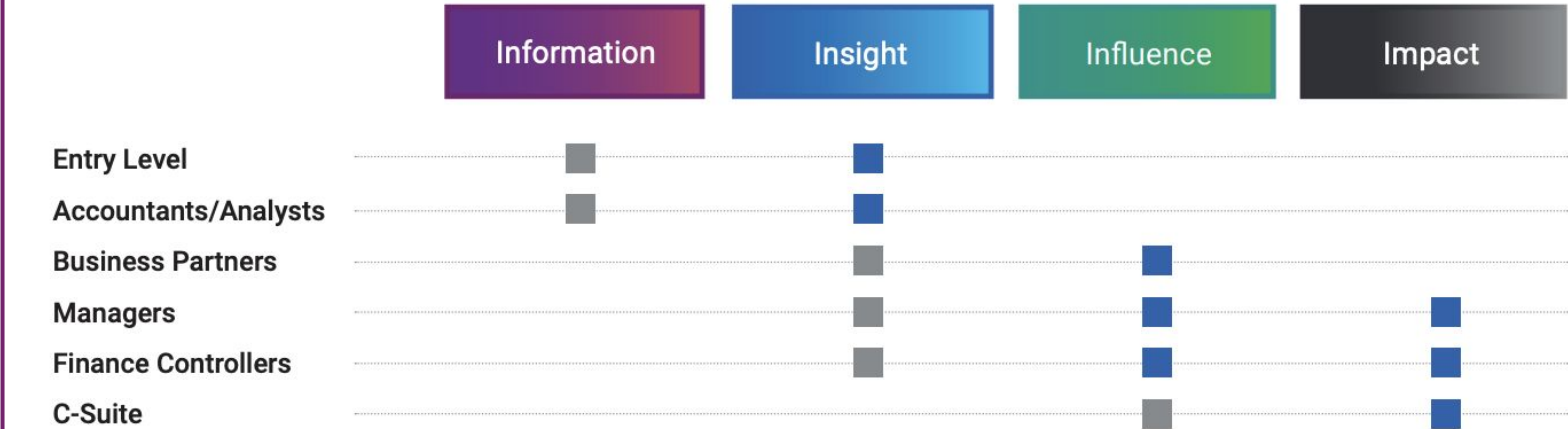
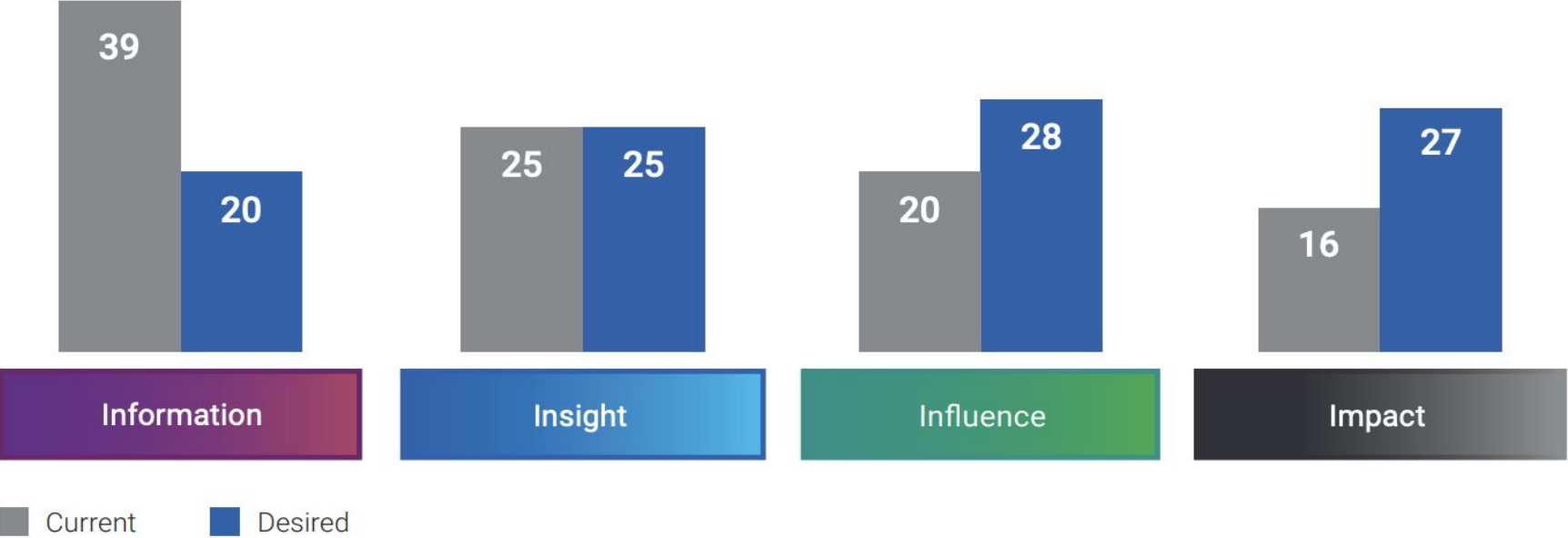
# ● Skillsets

“If you automate you must  
elevate the skills of your  
team.”

- Mike Walsh, Futurist

# Corporate Finance / Accounting Shift to Value Partnering

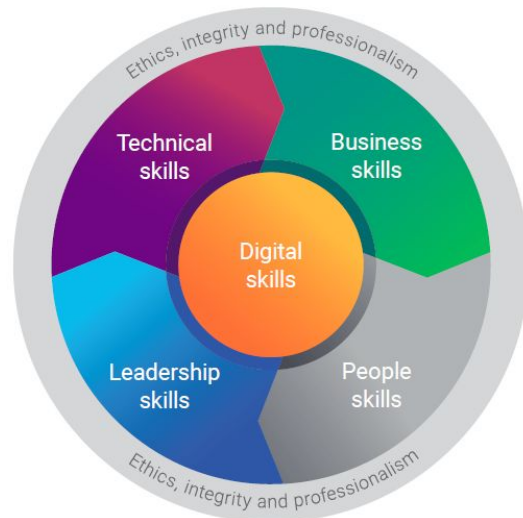
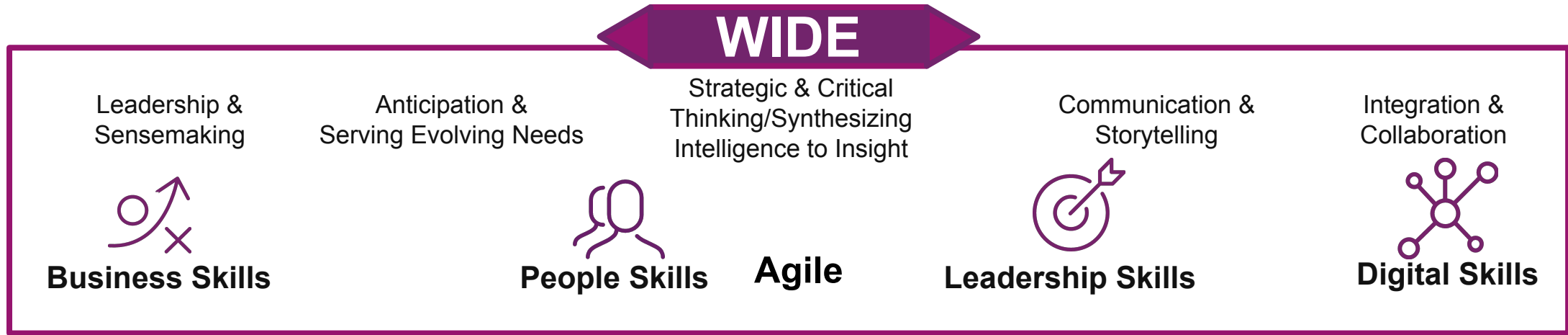
Figure 5. Basic finance activities – percentage of time currently spent on activities vs desired



# The T-Shaped Finance / Accounting Professional



## Boundary Crossing Competencies



Ethics, Integrity & Professionalism



# The CGMA Finance Leadership Program - Mastery



## Strategic Case Study Exam

**Strategic Management**

- Competitive Advantage
- Strategy Formulation
- Strategy Implementation
- Digital Strategy

Strategy Management Skills Certificate

**Risk Management**

- Enterprise Risk Management
- Strategic Risk
- Internal Control
- Cybersecurity

Enterprise Risk Management Skills Certificate

**Financial Strategy**

- Financial Policies and Objectives
- Debt and Equity Finance
- Financial Risks
- Business Valuation and Acquisitions

Corporate Financial Strategy Skills Certificate

## Management Case Study Exam

**Performance and Project Mgmt.**

- Business Models
- Leading and Managing People
- Project Management

Team Performance Management Skills Certificate

**Advanced Mgmt. Accounting**

- Cost Competitiveness
- Organizational Performance
- Pricing and Capital Investment Decisions
- Managing Risk and Uncertainty

Financial Planning and Analysis Skills Certificate

**Advanced Financial Reporting**

- Advanced Financial Statements
- Complex Group Reporting
- Financial Statement Analysis
- Long-term financing

Financial Statement Analysis Skills Certificate

## Operational Case Study Exam

**Digital Finance**

- Finance Function Transformation
- Finance Business Partnering
- Data and Analytics

Digital Finance Skills Certificate

**Management Accounting**

- Cost Accounting
- Budgeting and Planning
- Short-term Decision Making

Budget and Cost Analysis Skills Certificate

**Financial Reporting**

- Regulatory Environment
- Financial Statements
- Principles of Taxation
- Managing Working Capital

Financial Reporting Skills Certificate

Enterprise Pillar

Performance Pillar

Financial Pillar



CPA DEVELOPMENT PATH TO CGMA DESIGNATION STATUS

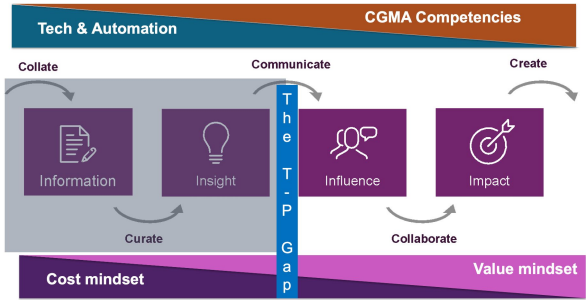
Finance / Accounting degree holders PATH TO CGMA DESIGNATION STATUS

All learning and exams are based on case studies where your staff will learn the language and techniques of your corporate clients and CFOs.

Badges and Certificates to show competency and differentiate in the market on website and LinkedIn

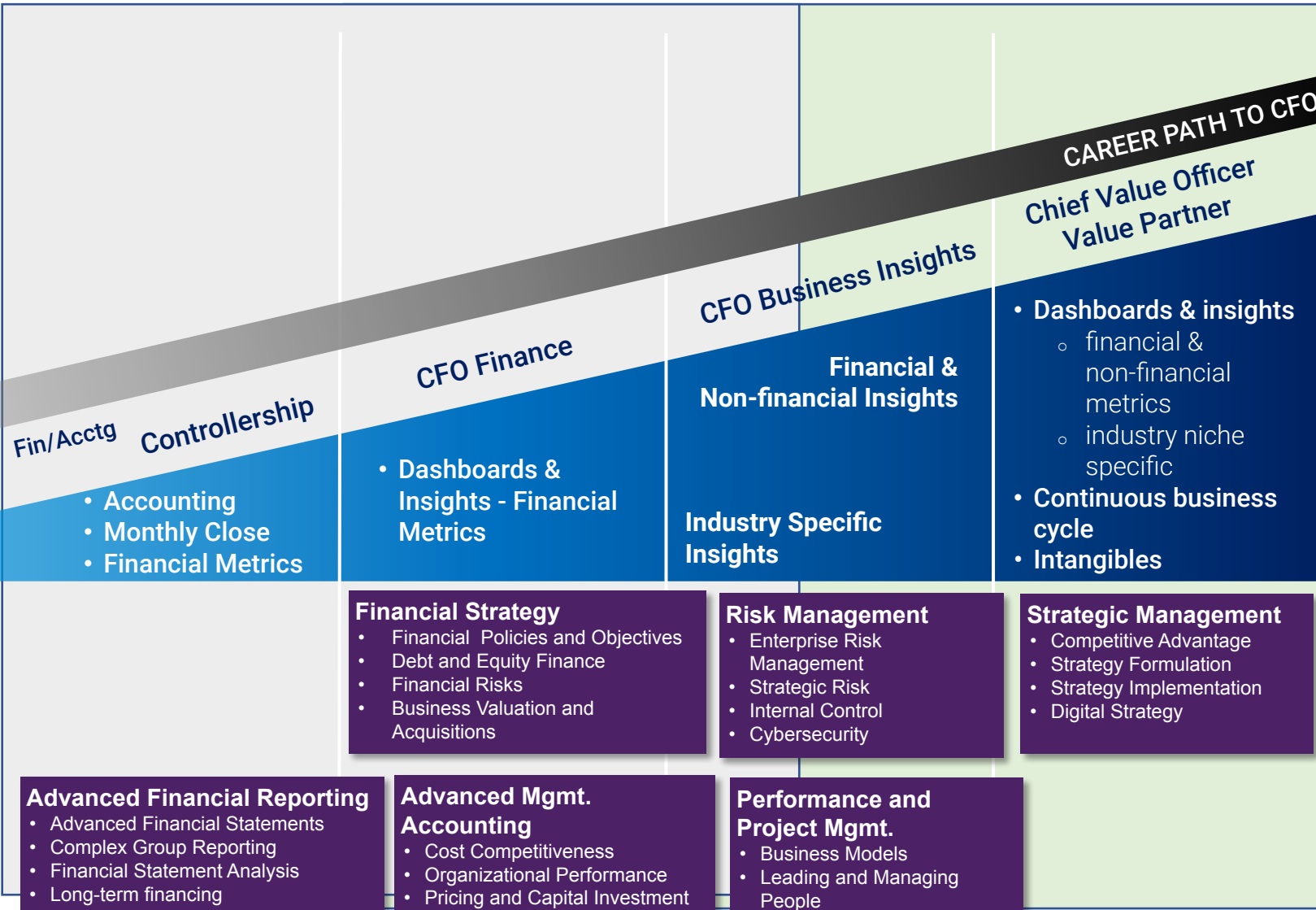
# New Skills to meet the Future of Finance

The New Mandate & the talent performance / skills gap 



Transactional

Junior Acct/Analyst – Senior Manager



CAREER PATH TO CFO  
Chief Value Officer  
Value Partner

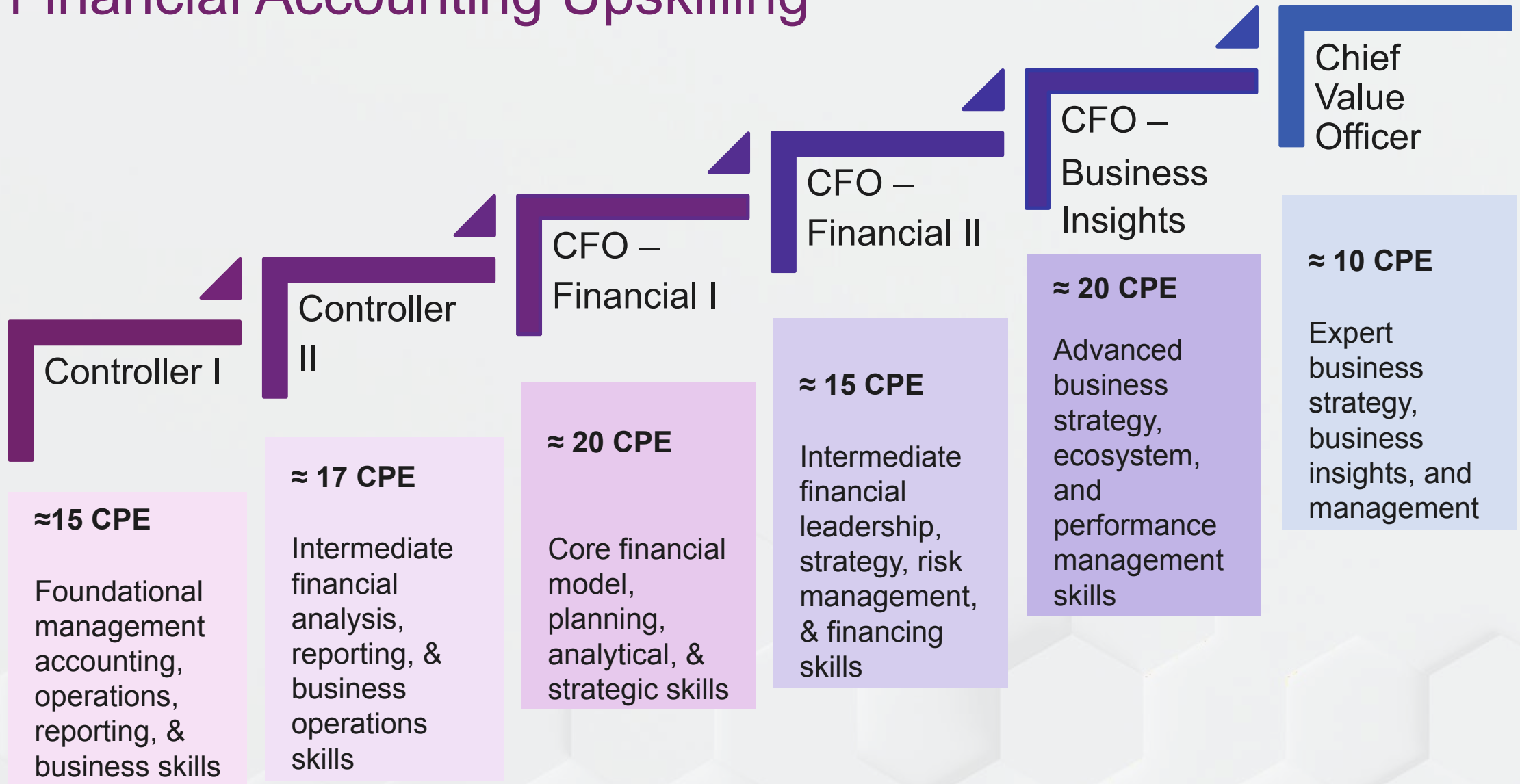
Strategic Advisor

- Financial Reporting**
- Regulatory Environment
  - Financial Statements
  - Principles of Taxation
  - Managing Working Capital

- Management Accounting**
- Cost Accounting
  - Budgeting and Planning
  - Short-term Decision Making

- Digital Finance**
- Finance Function Transformation
  - Finance Business Partnering
  - Data and Analytics

# Financial Accounting Upskilling





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# Closing Thoughts

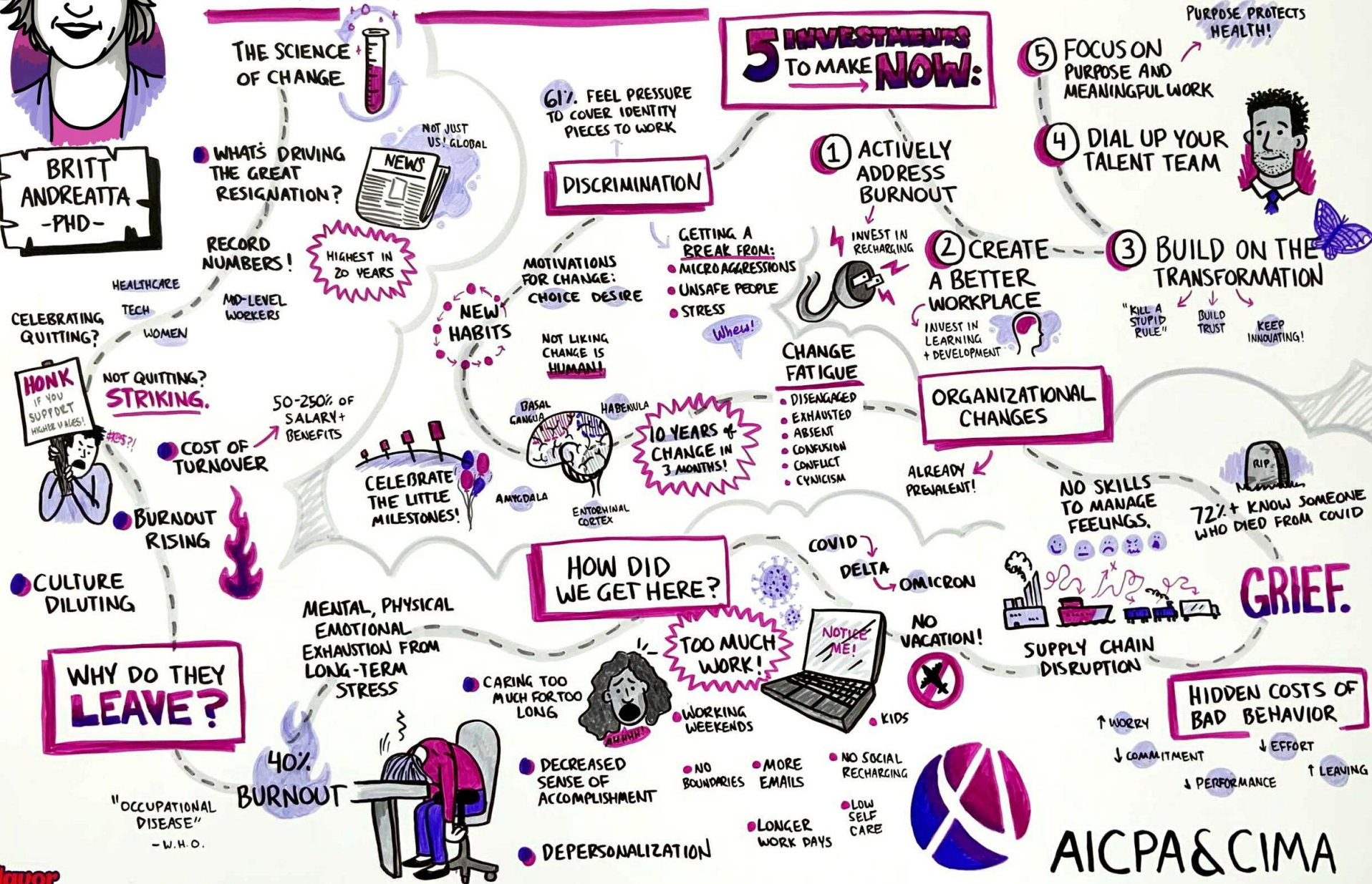
Keynote by Britt Andreatta, PhD - 7th Mind, Inc. neuroscientist and best-selling author. She spoke on the Science of Change, Accelerating Transformation and winning the Great Resignation.

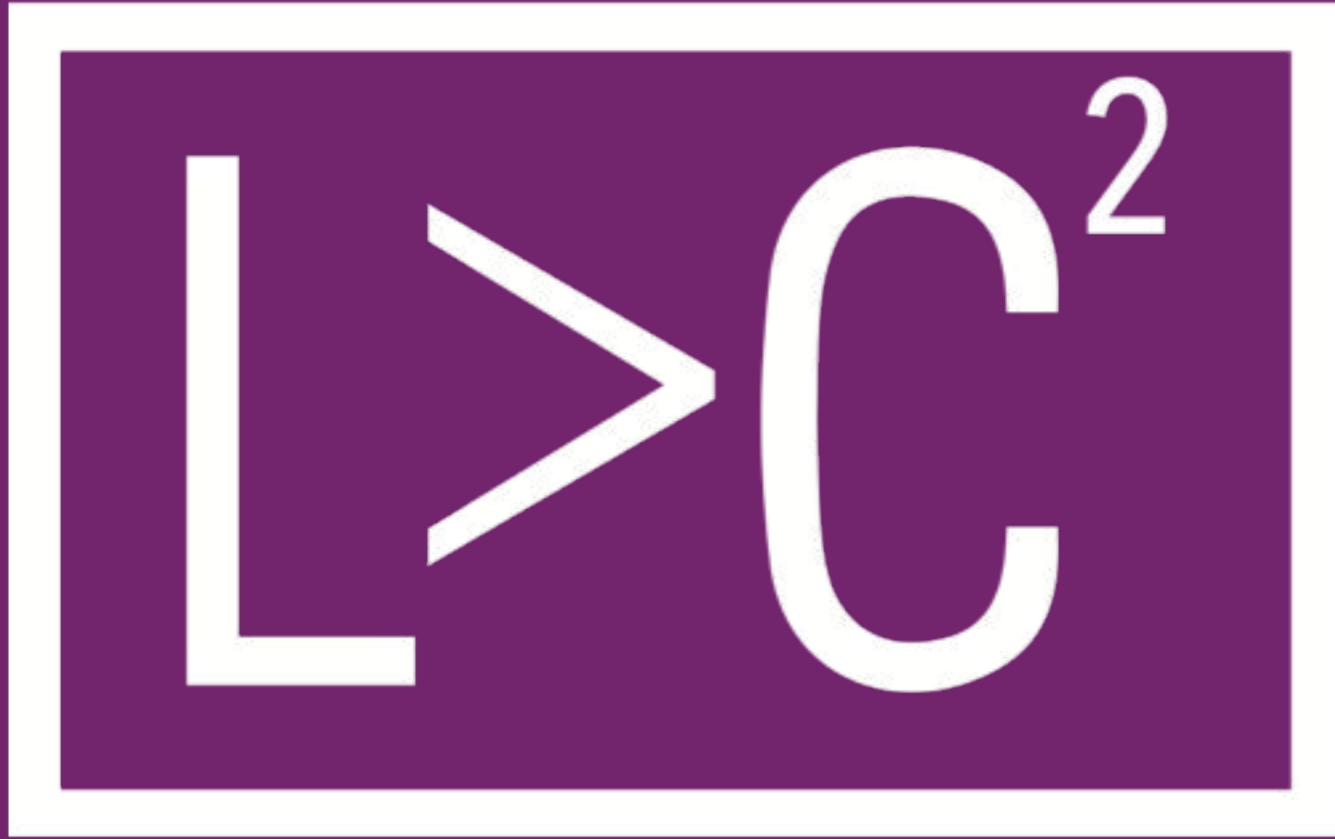


# ACCELERATING TRANSFORMATION and WINNING the GREAT RESIGNATION

## Five investments to make now:

1. Actively address burnout;
2. Create a better workplace (wellbeing and inclusion);
3. Build on the transformation;
4. Dial-up your talent team;
5. Focus on Purpose and Meaningful Work.



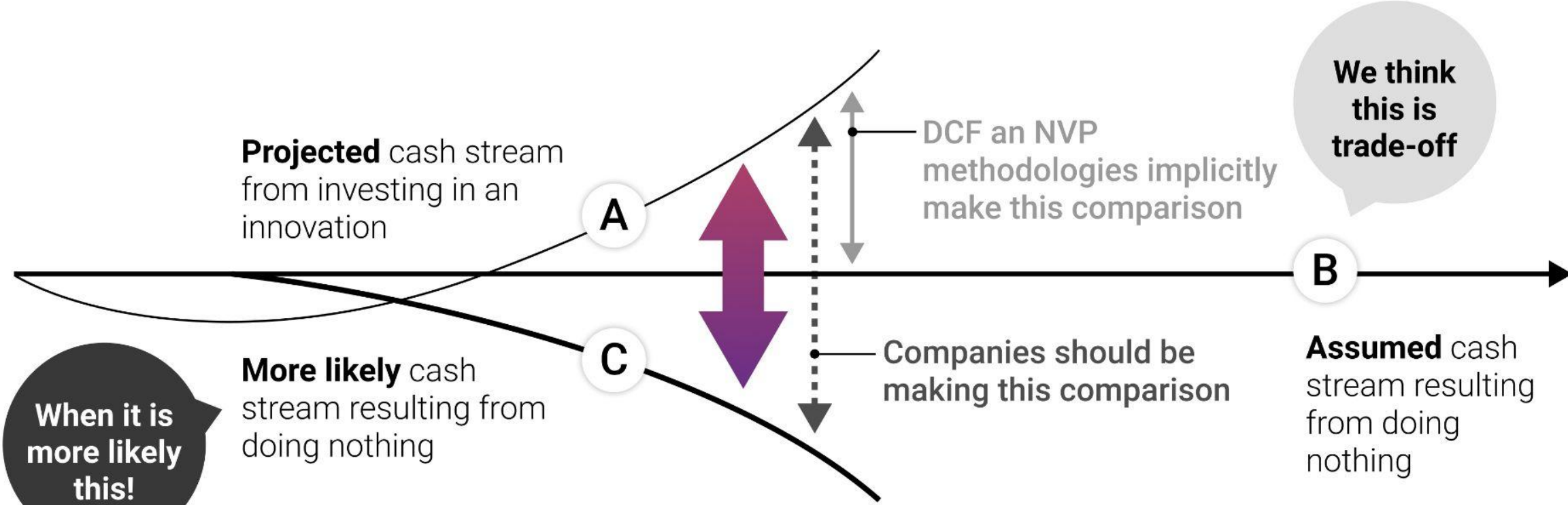


In a period of rapid change and increasing complexity, the winners are going to be the people who can **LEARN** faster than the rate of **CHANGE** and faster than their **COMPETITION**.

Tom Hood, CPA, CITP, CGMA

# Disruption and RONI

The gap is widening, faster!



**RONI = Risk of Not Investing**

# Anticipation, Agility, Adaptation







# Tom Hood, CPA, CGMA, CITP

*“If there is a conversation about the future of the profession, you're bound to hear Hood's name mentioned as one of the people leading the way.”* – Accounting Today

EVP of Business  
Engagement & Growth  
AICPA-CIMA  
Business Learning Institute

Email:  
tom.hood@aicpa-cima.com

- Named the Second Most Influential in Accounting by Accounting Today Magazine 2011-present
- Top 100 Influencer by LinkedIn (700,000+ followers)
- Member of the Forbes Finance Council
- CPA Practice Adviser Accounting Hall of Fame
- Top 25 Public Accounting Thought Leaders by CPA Practice Adviser
- Former CEO of Maryland Association of CPAs
- Former CFO of Highway Construction Company
- Graduate of Johns Hopkins University (MS) and Loyola University of MD (BA)

@tomhood