

## Project Proposal – Senior Executive Leadership Roles

### Summary of Reference Document – *The Roles and Domain of the Professional Accountant in Business*

This paper was written to define the term Professional Accountant in Business (PAIBs) and to provide an understanding of the roles and responsibilities that these professionals occupy in business. It identifies the roles that PAIBs engage in and highlights the mainstream jobs occupied. The list includes numerous roles including chief financial officer, finance director and financial controller.

#### Specific references in document

##### *Page 4: The Domain of the Professional Accountant in Business – Final paragraph*

- The PAIB needs to be pragmatic and able to exercise rational, disciplined, objective analysis and judgment to often ambiguous and imperfect information. The PAIB needs to combine a challenging and questioning approach with a high degree of understanding of the business, its market and competitive environment. It is essential that the integrity and ethics of the professional accountant be beyond reproach so that management can rely on their reports, findings, and recommendations.

##### *Page 5: Standards and guidance – Second paragraph*

The PAIB is accountable to the organisation that employs them subject to behaving within the law and the codes referred to above. A professional accountant's responsibility is not exclusively to satisfy the needs of an individual client or employer but also the public interest. The public interest is served first and foremost by the creation of sustainable value. In acting in the public interest a professional accountant should observe and comply with the IFAC *Code of Ethics for Professional Accountants*. The fundamental principles set out in the Code are integrity, objectivity, professional competence and due care, confidentiality, and professional behavior.

## Summary of Reference Document – *The Crucial Roles of Professional Accountants in Business in Mid-Sized Enterprises*

This paper features interviews with 10 senior-level professional accountants in business and explores their experiences in mid-sized enterprises. This document explores the unique challenges faced by mid-sized enterprises and how professional accountants in business address these challenges.

The interviews focus on how the challenges of typical mid-sized enterprises affect professional accountants in business' (PAIBs) work as chief financial officer, controller, adviser or in other capacities. There is further exploration of how interviewees apply their skills and expertise to identify and address such challenges and the key lessons that can be learned.

The author concludes that there are two key components of the value provided to mid-sized enterprises by PAIBs (see page 5):

- PAIBs are **enablers** of the ME's performance. They provide crucial contributions to streamlining business plans, installing and improving management information systems, implementing process improvements, mitigating risks, strengthening relations with banks and investors, attracting capital and other activities that enable the current and future success of their companies.
- PAIBs operate as **generalists** in mid-sized enterprises. While they specialize in finance and accounting management activities, they serve as an integral part of the management team and fulfil a wide variety of responsibilities beyond the finance and accounting discipline.

At the conclusion of the interviews with PAIB's from around the world, the author includes an Appendix that provides a comparison of general characteristics of small, mid-sized and large enterprises in tabular form using the following categories:

- Organizational;
- Strategy;
- Customer/Community;
- Financial;
- Governance;
- Work Force; and
- IT Processes

### Specific references in the document

#### *Page 6: Generating Value – second paragraph*

The PAIBs featured in this report have pounced on numerous responsibilities that directly affect the current and future success of their mid-sized enterprises. Their most prevalent duties hinge on helping their companies to generate value by:

- Establishing a common “performance language” throughout the company so that everyone's activities are aligned with the vision and goals leadership has set;
- Upholding business integrity;

- Creating, implementing and improving management information systems to bolster strategy, planning, decision-making, execution and control activities;
- Managing costs through rigorous planning, budgeting, forecasting and process improvement efforts;
- Managing risk and handling business assurance;
- Measuring and managing performance; and
- Communicating financial and other performance information to internal and external stakeholders, including regulatory authorities, lenders, bankers and investors in a manner that fosters trust.

Although “self-development” may not always qualify as a formal organizational responsibility, each of the PAIBs interviewed for this report treats continuous development as a top priority.

## **Summary of Reference Document – *Competent and Versatile - How Professional Accountants in Business Drive Sustainable Organizational Success***

This paper is written to explain the many roles professional accountants perform in business – exploring roles that go beyond the stereotypical perceptions of accountants. This document aims to provide a deeper understanding of how professional accountants drive sustainable organizational success, encompassing the public and non-profit sectors.

### Specific references in document

#### *Section 3, Page 15 of 27: The Key Roles of Professional Accountants in Business*

- Introduction to the variety of roles professional accountants can perform:
  - As creators of value, by taking leadership roles in the design and implementation of strategies, policies, plans, structures, and governance measures that set the course for delivering sustainable value creation.
  - As enablers of value, by informing and guiding managerial and operational decision making and implementation of strategy for achieving sustainable value creation, and the planning, monitoring, and improvement of supporting processes.
  - As preservers of value, by ensuring the protection of a sustainable value creation strategy against strategic, operational, and financial risks, and ensuring compliance with regulations, standards, and good practices.

#### *Page 17 – Examples of Professional Accountants in Business Roles and Functions*

- Leadership/management: chief executive officer (CEO); chief financial officer (CFO)/financial director (FD); chief operating officer; director of governance or operations; treasurer
- Operational: business unit controller; financial, or performance analyst; cost accountant; resources manager; business support manager; systems analyst
- Management control: business assurance manager; risk manager; compliance manager; internal auditor
- Accounting and stakeholder communications: group controller; head of reporting; investor relations manager; financial or management accountant

*Page 19 – Reference to professionalism, ethical behaviour and the Code*

- Describes the role of professional accountants in supporting an organization's code of conduct and ethics through their own behaviour and actions in the various roles that they perform.

*Page 20 – Professional judgment*

- As professional accountants increasingly perform as “business partners,” their fundamental professional values of independence, integrity, and objectivity will be tested, and applying professional judgment and integrity will often involve reconciling conflicting commercial, financial, and sustainability interests. Therefore, professional accountants will increasingly need to support and influence decision makers to ensure the organization is managed in the long-term interests of stakeholders and delivers sustainable value creation.