

Practice Transformation & Sustainability Services

CFRR World Bank Accounting & Auditing Community of Practice Conference

December 1, 2022

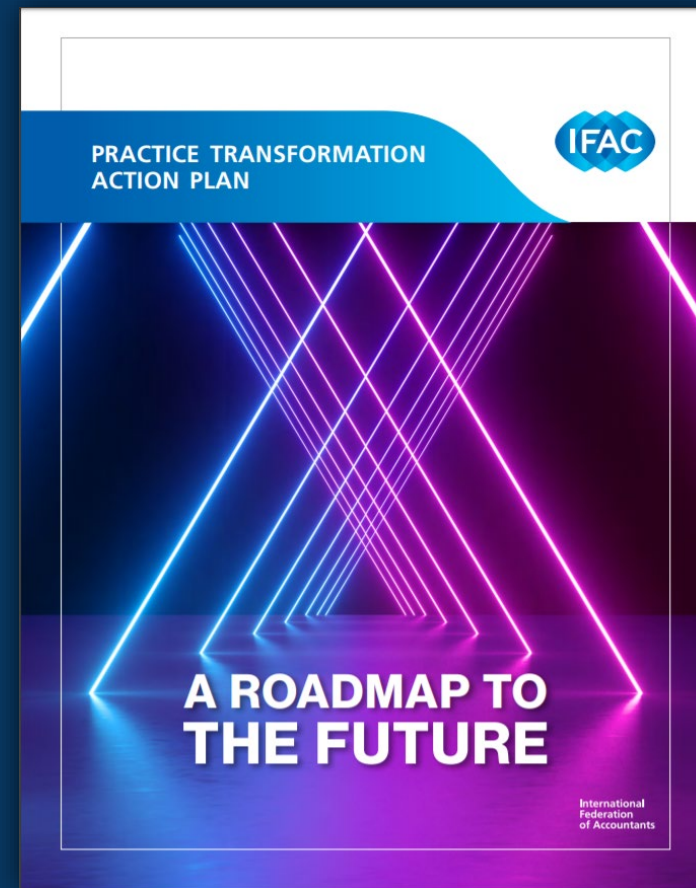
Christopher Arnold, IFAC Director



Preparing Future-Ready SMPs

Practice Transformation Action Plan – A Road Map to the Future

- Embrace Change
- Leverage Technology
- Focus on Talent Management
- Evolve the Firm Operating Model and Build Advisory Services



Adopt & Embed Technology

1. Conduct an Environmental Scan
2. Align with the Long-Term Strategy & Formulate a Realistic Implementation Plan
3. Adopt the Cloud
4. Involve Clients in Technology Decisions
5. Identify and Support an Internal Technology Champion



Recruiting and Managing People

1. Offer On-going Learning and Continuous Development (e.g. sustainability courses)
2. Empower Staff to Innovate
3. Engage in Transparent Career Progression Conversations
4. Introduce Flex-Time
5. Use a Variety of Recruitment Techniques



Building Advisory Services

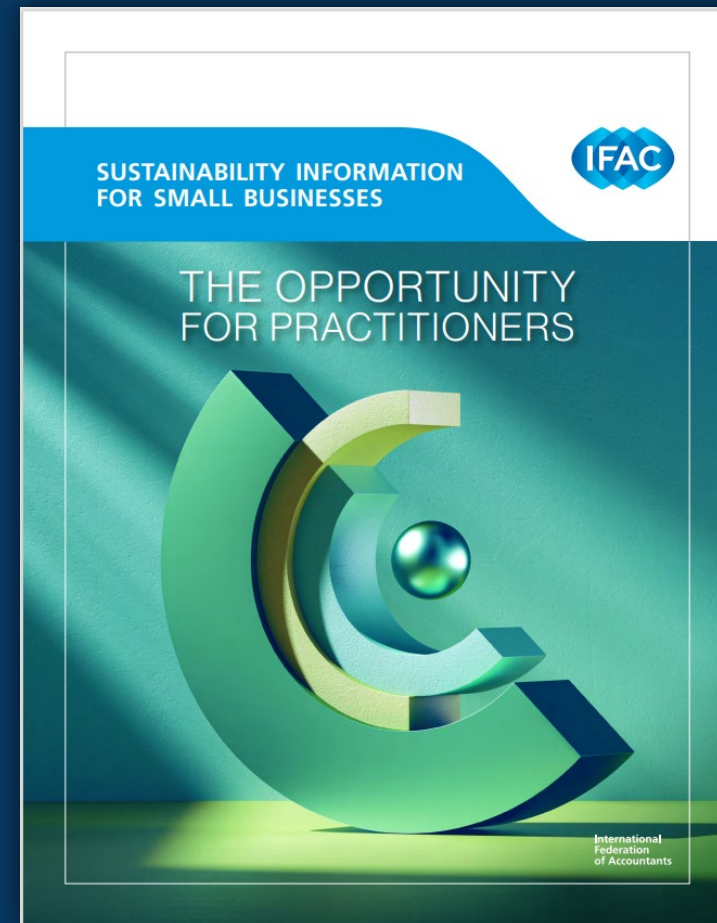
1. Move from Transactional to Strategic Services
2. Re-Evaluate the Services provided and Marketing Strategies
3. Move into a Niche Market (e.g. sustainability)
4. Use Networks, Associations and Alliances to Add Value
5. Conduct a Regular Strategic Review



Sustainability & SMEs

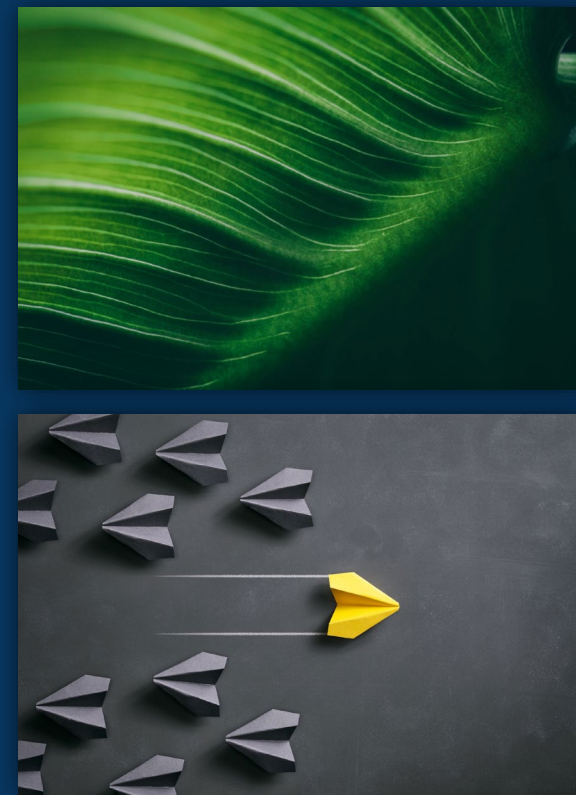
Sustainability Information for Small Businesses – The Opportunity for Practitioners

- SMEs are critical to the health, stability, and sustainability of the global economy
- Represent over 90 percent of the business population
- Not easily addressed by a one-size-fits-all approach



Sustainability Information

- Have readily available, relevant & reliable sustainability information – for management use
- Enable better-informed business decisions, enhance strategic planning and risk management
- Improve performance, lower costs and differentiate from competition
- SMPs – trusted business advisers in providing advisory services



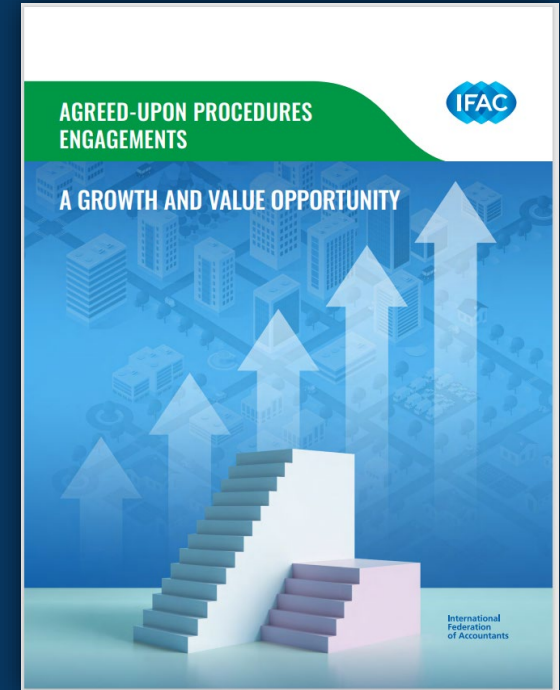
Reporting to External Stakeholders

- Reporting on sustainability information to external stakeholders and business partners who are demanding it
- Increase in supply-chain sustainability info requests
- SMEs will respond differently depending on their size, sector, ownership, business models and available resources



Additional Practitioner Services

- Request a practitioner to undertake an AUP engagement or obtain independent assurance on sustainability information
- AUP engagements can be performed on both financial and non-financial subject matters using ISRS 4400 (Revised)
- Independent assurance enhances the credibility and trust in an SMEs reported non-financial information



Practice Transformation

- [Practice Transformation Webpage](#)
- Topical and emerging issues discussed during SMP Advisory Group meetings leading to Gateway articles:
 - [Gig Economy Trends and Impact on SMPs](#)
 - [Value Pricing – An Update with Ron Baker](#)
 - [Staffing Trends During the Great Resignation](#)
 - [Insights on Small Firm Specialization with an Enhanced Focus on Business Advisory Services](#)
 - [Challenges, Initial Steps and Key Resources for Small Firm Digitalization](#)
- Innovative Practitioners Podcast [Series](#)
 - 5 Episodes
 - Includes going digital, tech investment, new services, talent management etc.



IFAC Resources

- Knowledge Gateway: www.ifac.org/Gateway
- Expand your [Sustainability Know-How](#)
- Practice Transformation '[Welcome to the Fast Future](#)'
- [Guide to Practice Management for SMPs](#)
- Follow us on [Twitter](#): IFAC_SMP
- Join us on [LinkedIn](#): IFAC SMP Community
- IFAC SMP Advisory Group: www.ifac.org/SMP

Knowledge Gateway

Global Accountancy Knowledge, Resources & Tools



IFAC SMP Community



@IFAC_SMP



International Federation of Accountants