

Thriving beyond Covid-19: Lessons from the Accountancy Profession

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ACCA

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For all of us, leadership has never been more tested than now.

At ACCA, we've seen our members across the world rise to the challenge of keeping their organisations going through unprecedented times.

And, by drawing on the experiences and insights of our 227,000 members across the globe, we've begun to navigate the road ahead and start to think beyond the Covid-19 pandemic to a different future.

All of us are still working our way through the crisis, particularly in those countries and regions experiencing second waves of infection and further restrictions in economic and social activity as a result. But, as work progresses on vaccines, we can start to have some confidence that there will be an effective medical solution available to deal with the virus at some point in 2021.

So, while we think about the more immediate future, we also now need to think about the longer-term and some of the major global challenges that have been continuing in the background while the pandemic has demanded our urgent attention.

Covid-19: an x-ray of the global economy and society

In many ways, Covid-19 has functioned as an x-ray. As it has spread across nations, it has revealed gaps of unequal access and an uneven share of opportunities and resources.

Prior to the pandemic, we were all already acutely aware increasing global inequality – whether in health, life chances or digital access. While the pandemic has highlighted these

further, it has also impeded progress in addressing them as nations have focused on keeping their own citizens safe in health terms, first and foremost.

This global crisis has left huge ramifications for how people live, with enormous impacts including:

- In the first nine months of 2020, there has been an estimated loss of income of 3.5 trillion US dollars globally (ILO 2020)
- The number of people living in extreme poverty could rise to 1 billion, post Covid-19, which represents a huge step backwards from the global progress made over the preceding decades (UNU-WIDER 2020)
- 30 billion US dollars of estimated insured losses due to natural disasters in the first half of 2020 (Aon 2020).

This is global, serious and also impact the poorest in society. The longer-term implications are profound. And this calls for a radical rethink of business as usual as we all start to think more about what recovery can and should look like.

Professional accountants – keen to lead the change

These are issues we have been consulting on recently with our ACCA members across the world. We've surveyed over 800 our members and also held a 10-day online community discussion to explore the issues in more detail. That conversation took place over 10 days in a virtual environment where members from all sectors and regions engaged in a series of structured questions.

In terms of believing change needs to happen, our members



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around the globe very clear, with 90% saying that organisations must increase efforts to become more environmentally sustainable and make more of a positive impact on society after the pandemic.

In addition, three-quarters of our members said that their own organisations needed to do more to address social inequalities. And very positively, 75% of our members also felt that they had sufficient skills and training, as professional accountants, to help their organisations address social and environmental impact issues.

We also asked members where they would like to develop further skills and 62% identified sustainability data analytics as the area in which they would most like to build their capability.

Looking more broadly, we found a powerful combination of strong personal values with social and environmental issues and challenges, and a commitment and willingness to engage with these issues in their roles.

Our members also showed that they recognise the barriers that might prevent finance teams from being involved in these issues and how these might be overcome.

And, alongside selling and promoting the capabilities they currently have that are underused, they also recognised and actively welcomed the opportunity to learn new skills they can then apply to the challenges global business most urgently needs to tackle. The new skills areas that were specifically mentioned in our online community discussions included a grounding in impact metrics, understanding new valuation foundations, and there was a strong interest in learning about how to integrate these into existing data systems. They also told us that they wanted to gain a better understanding of what was needed within their organisations to make sure that overall business impact is being measured and managed in the right way through effective business partnering. They very much believe that, by gathering social and climate change data and dealing with it in the same robust way as financial information and other data, they can really enable better decision-making and therefore better business outcomes. And they are keen to champion and lead projects to make all this happen.

Calls to Action

As part of this work, ACCA has made a number of calls to action, both for professional accountants and for organisations to think about, as we all look to the future.

For organisations, recognising that value is measured and created in multiple ways, there need to be board-level governance commitments to intentional positive impact creation so that beneficial change and increased resilience becomes a reality.

There also needs to be a greater and deeper understanding across the board, senior management and employees in general about the issues that impede value and the risks they pose to the business. This is particularly true of climate change risks to business.

It's clear that finance teams believe they already have many of the skills needed to assess and improve all-round business impact and, by identifying resources within the teams, businesses could make a start on this today.

Ensuring that reporting on these wider impacts is developed by and with finance teams so that it is balanced, complete, and concise, and has the necessary credibility to support usefulness is also vital.

Finally, organisations should be building systemic influence and recognising societal responsibility and network opportunities through participation in multi-stakeholder alliances and civil society networks that inform better approaches to addressing impact that are appropriate, co-created with society and scalable.

What is most heartening about the conversations we've had with members and what they told us is that – in spite of everything we've all experienced in 2020 – there is optimism and great willingness to do things differently and better, once the pandemic is over.

And this could be a huge positive legacy from everything we've had to endure and are still working through.

Thank You. ■

Excerpts from the 'Keynote Address' delivered by **Ms. Helen Brand OBE at IOD's 2020 Annual Directors' Conclave, held virtually, between October 28-29, 2020. Ms. Brand is the Chief Executive of the Association of Chartered Certified Accountants- ACCA, headquartered in London, UK. It is the global body for professional accountants, operating in 180 countries*