



MANAGEMENT ACCOUNTANT AS THE STRATEGIST



A www.ICPAK.com and www.capabuil.com Program for People Empowerment

COURSE OUTLINE

- What is Strategy
- Strategy Development – The MA Role
- Strategy Execution - The MA Role
- An Evolutionary Strategy - MA
- Emerging Issues and Technologies & MA
- The Future of MA in Strategy
- Discussion



WHAT IS STRATEGY

Strategy is:

- a) Doing different things from the competition (e.g. Consultancy firms that specialise in different areas eg- *Audit, Tax, Consultancy in various fields etc*) or
- b) Doing the same things as the competition but doing them differently and better (*Ethiopian Vs KQ; Safaricom Vs Other Local Mobile providers*).
- c) Building a sustainable **portfolio** of difficult to replicable advantages for the customer (Safaricom).
- d) Planning to beat the competition knowing they are planning to do the same to you.

WHAT HAS BEEN YOUR ACTUAL ROLE AS A STRATEGIST

STRATEGY DEVELOPMENT – THE MA ROLE

Steps- Strategy Development	Your Role??
1. Agreement on initiation of the strategic management process.	
2. Identification and clarification of the organization's mission, goals, objectives, and current strategies.	
3. Identification of the organization's internal strengths and weaknesses.	
4. Assessment of the threats and opportunities from the external environment.	
5. Identification of key constituents/ stakeholders and their expectations.	
6. Identification of the key strategic issues confronting the organization.	
7. Design/ analysis/ selection of strategy alternatives and options to manage issues identified in step 6.	

STRATEGY EXECUTION - THE MA ROLE

Implementation Pillars	Your Role- ??
Clarifying and translation of Vision & strategy	
Communication and linking (Educating; Setting goals; Linking rewards to Performance)	
Planning & Target setting: Targets; Aligning strategic initiatives; Allocating resources; Establishing milestones	
Strategic Feedback & Learning: Articulating shared vision; Supplying strategic feedback; Facilitatiting strategic review& learning	

AN EVOLUTIONARY STRATEGY - MA

- A strategy that is responsive to changes in the environment is superior to a rigid one- **The Five Forces of Competition**
- As you plan to win, someone is planning to beat you, if not, once they learn of your strategy, they will respond- Do you have in-built agility to respond in time?
- Having an evolutionary advantage is far better than having a competitive advantage at a point in time- **The Blue Ocean Strategy**



AN EVOLUTIONARY STRATEGY – CASE STUDY- GOOGLE

- On April 4, 2011 Larry Page officially became the CEO of Google, replacing Eric Schmidt.



AN EVOLUTIONARY STRATEGY – CASE STUDY- GOOGLE

Google had a few issues facing them at the time of the CEO transition, including:

- **Too many products.** They had around 50 they were offering, many of which weren't well maintained.
- **No focus on design** – in many cases products hadn't changed in years.
- **Too much bureaucracy.** This led many employees to leave for Facebook, where they could ship code early and often.



AN EVOLUTIONARY STRATEGY – CASE STUDY- GOOGLE

What's changes have there been since Page became the leader?

- More wood behind fewer arrows. In other words, **more focus on fewer projects**. Many experiments were shut down (i.e. Google Labs died).
- There's a renewed and intense focus on **making products beautiful**.
- When Page took over as CEO, he said that the biggest threat facing Google was Google itself. He says that **as organisations get bigger, it tends to take longer to make decisions**. Things have undoubtedly changed now.



EMERGING ISSUES & MA

- Disruptive technologies including Competing on the free- social media strategies.
- Building competitive platforms- **Platform thinking**: Android; Apple; Retail (Amazon, eBay)
- The future of management- How do you motivate and retain talent in this day?
- Capitals- Disclosure and reporting
- Sustainability, ethics, governance and reporting



EMERGING ISSUES & MA

- **Values:** A need for moral renaissance in business- Rebuild the ethical foundations of organizations and thus restore trust
- **Innovation:** The answer to margin crashing competition.
- **Adaptability:** Build an evolutionary advantage
- **Passion:** Success depends on rousing the human spirit at work.
- **Ideology:** Businesses need better principles, beyond better practices. Bureaucracy and control will have to be re-aligned



THE FUTURE OF MA IN STRATEGY

- Help create a new value curve that breaks the trade-off between differentiation and low cost strategies.
- Help your organization build a runway for its take-off.
- Help your organization win in a world of relentless change, ferocious competition and unstoppable innovation.



REFLECTION

**TELL ME AND I FORGET. TEACH ME AND I
REMEMBER. INVOLVE ME AND I LEARN.**

Discussion

