



# FROM MANAGEMENT ACCOUNTING TO A TRUSTED ADVISOR

Presentation by:

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# Presentation agenda



- ☐ Role of Management Accountants – Management Functions & Accountability
- ☐ MAs as Strategic Innovators
- ☐ MAs and the Agency Problem – Ethical Dilemma
- ☐ MAs – Upholding Ethical Principles
- ☐ MAs – Non-Compliance with Laws and Regulations
- ☐ MAs – Employee vs Independent Consultancy
- ☐ The Future of Management – MA Adaptation Dilemma

# Role of Management Accountants – Management Functions & Accountability



- Accounting for Management Functions
- Manage: Plan, Implement, Direct, Innovate, Lead, Communicate
- Manage: People, Processes, Customer relations, Finances
- Strategic thinking vs Operational focus
- The PFM Standing Committee

# MAs as Strategic Innovators



- If it ain't broken would you fix it? – Examples- GE/ Safaricom/ Amazon/ Facebook
- Value Creation – Logical Reforms and improvement – Singapore
- Focus on the Why – The Golden Circle
- The Law of Diffusion

# MAAs and the Agency Problem



- Which is more important between Self Interest and Client interest?
- Which is important between Self interest and public Interest?
- How do you strike a healthy balance
- Examples – The Nigeria Road Construction story

# Upholding Ethical Principles



- What is the name of the ICPAK code that governs ethical behaviour amongst accountants
- Discuss the principles of ethics using examples
- What ethical improvements would you like to see in society going forward?

# Non-Compliance with Laws and Regulations



- Regulators dilemma on compliance with laws and regulations
- Hurdles in enabling Accountants to report non compliance
- Role of Auditors and professional accountants
- What does the Kenya PFM Act / PFM regulations provide?

# MAAs: Employee vs Independent Consultancy



- Are you employed by an external entity or you are self employed
- Have you considered a side hustle as an adviser
- What problem are you solving by considering such a choice?
- What entrepreneurial challenges are you facing?
- What's the best advise you would give for side hustlers?
- Are you considering quitting your job some day to go into independent consulting?
- What risks do you foresee in this regard?
- How will the risks be mitigated/ managed?

# The Future of Management – MA Adaptation Dilemma



- Just 17 years ago, Kodak had 170,000 employees and sold 85% of all photo paper world wide
- Within just a few years, their business model disappeared, and they went bankrupt
- This will happen in a lot of industries faster than before and most people in those industries don't see it coming
- If you do not seek the future, it will sneak up on you and most likely destroy you
- You don't need to go through the valley of the shadow of death (Lose everything) to take change seriously (At personal level??)
- Dismount all aging, weak and sick horses and mount those that can win races
- Determine what will change and what will not

# Reflection



Build Your Future Now While You Can; Time is not going, you are the one who is going! – **CapaBuil**

- Start Now,
- Start Small,
- Outthink beats Outspend!
- Be Consistent, Be ethical, Earn Trust
- Improve,
- Sustain,
- Leverage Your Leverage!
- Never Give Up!!

# Questions/ Comments



- Write down two things you have picked/learned in this session
- Which of them are you going to implement from today/tomorrow?
- Thank you coming/ attending
- See you soon!