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OPTUS DATA HACK: THE DARK SIDE OF INVADING SOCIAL MEDIA PRIVACY

CMA CERTIFIED Management Accountant
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On September 21, 2022, Australia's second largest Telecommunication company *Optus* announced possibly the largest data breach in Australian history – compromising the personal details and even identity documents such as medicare cards, passports and driving licences of up to 9.8 million Australians.

Australia's *Cybersecurity Minister Clare O'Neil* delivered a withering assessment of Optus' conduct, with comments that have flipped the narrative from one of a sophisticated raid, as Optus insists, to a "basic" hack; and put the job of chief executive, *Ms. Kelly Bayer Rosmarin*, in jeopardy. Questions are also being asked regarding conduct of the company's Singaporean parent, *Singtel*, and its 12-member board.**[i]**

However, the deeper questions that have gone largely unanswered are:

(1) Why did Optus collect such detailed personal details on their customers?

(2) Why was the data stored up to 6 years after the customer was identified?

(3) Why was the data not destroyed after the individual was no longer a customer of the company?

(4) What did Optus do with their customers' personal details beyond just 'storing' it?

Let us answer these questions in turn, and consider if there are any implications for management accountants in terms of our environmental, societal and governance (ESG) responsibilities.

Legal Responsibilities

The *first question* is the easiest to answer. Optus had a legitimate need to collect that data – to verify customers were real people and potentially to recover any debts later. This is known as a "know your customer" (or "KYC") requirement.

With regards to the *second question* as to why the data was kept for 6 years, Optus has said it is *legally required* to do so.

This claim is questionable.

It is correct that there is an industry best practice 'code' called the *Telecommunications Consumer Protections Code*, that is overseen by the *Australian Communications and Media Authority*, which requires telecommunication companies to provide customers (or former customers) billing information for "up to six

Prof. Janek Ratnatunga
CEO, ICMA Australia

years prior to the date the information is requested".**[ii]**

However, on closer inspection, only a customer's name, address and account reference number should be retained by Optus to meet this requirement – not to keep a customer's passport, driver's licence, or medicare card details for a lengthy period of time. If Optus needed to confirm a customer's identity again, it could simply ask for the documents again.**[iii]**

The only clear 'legal' requirement for Optus to keep "information for identification purposes" comes from the *Telecommunications (Interception and Access) Act 1979*, which requires that identification information and metadata be

kept for two years (to assist law enforcement and intelligence agencies).**[iv]**

The *third question* as to why the data was not destroyed opens a *'can of worms'*.

The big problem with Australia's data retention laws is that there's really no limit on how long a company can keep personal data. Australia's Federal *Privacy Act* says only that information must be destroyed *"where the entity no longer needs the information for any purpose for which the information may be used or disclosed by the entity"*.**[v]**

With such a loose requirement, a company could argue it "needs" to keep customer information for just about anything – such as defending against a civil claim in court, or as part of its corporate records, or for *marketing.* This is especially the case when customers have consented to those uses when they sign up for the services – another practice that the *Privacy Act* allows.**[vi]** This is a serious weakness with Australia's privacy laws.

This brings us to the *fourth question*, and the focus of this article. Did Optus use our personal data for social media and targeted marketing purposes, either directly or indirectly?

Social Media Data

Today, customers understand that their personal information is used to create *relevant experiences* for them. This is allowing marketers to create and deliver personalised shopping experiences that are exceeding expectations and leveraging customer loyalty. Thus, accessing and mining consumer data has become big business. Data-driven analytic platforms are the main sources of collecting information on us: credit card companies, retailers, social media likes, shares and actions, web browsing history, emails, Google analytics, and ads. These are a few but all of some of the more effective ways that can, as per *Forbes magazine*, platforms can collect up to 1,500 pieces of data on each one of us.**[vii]**

It comes as no surprise that most of us are not even aware of the amount of data being collected on us. It is important to note that consumers are now demanding more control over how their data is collected and used.**[viii]**

Almost all internet users have noticed how some of the ads on the sites they visit seem to be a perfect match to their current interests. This is obviously not a coincidence. Advertisers would do just about anything the online environment allows them to do – even if it means breaking online privacy laws – to develop new ways to promote products. And the easiest way for them to find out an individual's likes and habits is to keep a close eye on their social media behaviour. As such, companies are collecting – and keeping – much more personal information than they need without a truly legitimate commercial or legal purpose.

Since the arrival of social networking sites in the early 2000s, online social networking platforms have expanded exponentially, with some the biggest names in social media in 2022 being *Facebook, YouTube, WhatsApp, Instagram, WeChat, TikTok, Sina Weibo, Twitter, Snapchat, and LinkedIn.*

The massive influx of personal information that has become available online and stored in the cloud has put user privacy at the forefront of discussion regarding the database's ability to safely store such personal information. The extent to which users and social media platform administrators can access user profiles has become a new topic of ethical consideration, and the legality, awareness, and boundaries of subsequent privacy violations are critical concerns in advance of the technological age

Data Access Methods

Everyone leaves a data trail behind on the internet. Every time someone creates a new social media account, they provide personal information that can include their name, birthdate, geographic location, and personal interests. In addition, companies collect data on user behaviours: when, where, and how users interact with their platform. All of this data is stored and leveraged by companies to better target advertising to their users. Sometimes, companies share users' data with third-party entities, often without users' knowledge or consent. Often companies collect so much data, in so many ways, that the companies themselves lose track of all the ways they are tracking us.**[ix]**

There are several ways for third parties to access user information without their knowledge. Social media has opened up an entirely new realm for researchers (and hackers) to get information from normal posts and messages.

Take *Facebook* for example. Facebook's privacy policy says they can provide "*any of the non-personally identifiable attributes we have collected to advertisers*." However,

applications on Facebook itself violate this policy in a number of ways by providing personally identifiable attributes to advertisers. For example, if a user clicked a specific ad in a page, Facebook will send the user address of this page to advertisers, which will directly lead to a profile page.

Facebook has also been scrutinized for the collection of users' data by *Cambridge Analytica*, which initially was collecting data from Facebook users after they agreed to take a psychology questionnaire. However, not only could Cambridge Analytica access the data of the person who took the survey, they could also access all of the data of that person's Facebook friends. This data was then used to hopefully sway people's' beliefs in hopes that they would vote for a certain politician in 2020.

The Advent of Data Brokers

Any discussion of how companies secretly acquire our personal private data without our informed consent must start with the *data brokers*. This shadowy world buys and sells our most intimate private information every day and we have no right to demand to know what the companies hold on us. The sheer size of the data broker industry means it would be nearly impossible even to ask each of the myriad companies individually if they have data on us. A tiny company we have never even heard of on the other side of the world may have based its entire business on selling our data every day that we never gave them permission to have, let alone sell. Making matters worse, an overwhelming majority of the data that several of the largest brokers hold on individuals is most often wrong – a dangerous situation as companies increasingly go beyond mere ad targeting towards basing real decisions on it.**[x]**

Common ways that data brokers facilitate assess individual personalised data by the invasion of their privacy are:

Data Scraping: This involves tracking people's activities online and harvesting personal data and conversations from social media, job websites and online forums. Usually, research companies are the harvesters, and sell the compiled data via data brokers to other companies that in turn, use these details to design targeted ad campaigns for their products and services.

Online social tracking: We all use the "Like", "Tweet", "+1", and other buttons to share content with our friends. But these social widgets are also valuable tracking tools for social media websites. They work with cookies – small files stored on a computer that enable tracking the user across different sites – that social websites place in browsers when you create an account or log in, and together they allow the social websites to recognize you on any site that uses these widgets. Thus, your interests and online shopping behaviour can be easily tracked, and your internet privacy rudely invaded.

API Protocols: *Application Programming Interface (API)* is a set of routines, protocols, and tools for building software applications that allow software to "speak with other software'. The *Optus* breach is supposedly due to lax API protocols that enabled the hackers to access personal customer information. API data is supposedly anonymous when personal information was collected in mass, with no ability to match this information with specific people. Thus, companies and individual researchers can collect and provide information that, in theory, is not publicly accessible via API routines and protocols.

However, the scandal between *Facebook* and the political consulting firm, *Cambridge Analytica* which was able to exploit a loophole to gather information on not only people who used the app but all their friends — without them knowing.

All of this does not indicate that Optus *knowingly* gave their customers' private information in a usable form to data brokers and other third parties. But the very fact that they held onto customer information for 6-years, (when they were only legally required to do so for two-years); and at a level of detail not required by their own Industry code, requires Optus to answer questions as to what their motives were for doing so.

Whatever Optus' motives were, the fact is that it was hacked, and therefore let us examine what the consequences that such a breach could entail.

Invading Social Media Privacy

With any service that puts a premium on personal information, there will be risks that individual data will be exposed whether by accident or through security loopholes. Once private data is obtained — via hacking or sale — there are several ways advertisers can invade an individual's social media privacy, take advantage of their data and make them a target for their ads.

Here are 8 reasons why social media is bad for an individual's personal data.

Closed groups and discrimination: There are specific social groups on Facebook — some of them are based on medical issues and addictions — where users share their experiences and issues freely in these groups believing that a "closed group" affords them some anonymity. Unfortunately, a recent investigation found that membership lists of these groups can easily be found by researchers.**[xi]** Personal information on these lists could, for example, be passed onto insurance companies and employers who could use it against individuals to either drop them from insurance coverage or fire them from their current position.**[xii]**

Fake profiles and impersonation: Online criminals target social platforms because individual accounts are rife with personal information that they can use for a variety of purposes The information gathered can be used against such individuals via blackmail or to impersonate them for reasons such as to obtain financial advantage.**[xiii]**

Spam, viruses, and malware: Social media is a better, faster way to spread malicious content like scams and malware — more so than the run-of-the-mill spam emails one sees in one's inbox asking to help out a Nigerian prince. This is because, when someone gets a link from their friend or a social media contact, they're much more

likely to click the link as they have no reason not to trust it.

Opening credit cards and bank accounts: If a cybercriminal gets enough personal information about an individual, he or she can open a credit card or bank account in that person's name. This is one of the grave dangers of the Optus data breach, and why the company is being pressured to pay for the reissue of all passports and driver's licenses of those affected.

Business fraud: If cybercriminals get a hold of a business account, they can believably trick people into thinking they are legitimate businesses. Then they can funnel money straight into their pockets by persuading unsuspecting parties to provide credit card information for products that they will never receive.**[xiv]**

Access tokens and third-party apps: *Cambridge Analytica* took the data of at least 87 million users without their knowledge after harvesting that data from people who partook in a third-party quiz app (referred to earlier in this article). *But 87 million people didn't take the quiz!* The app took advantage of a Facebook loophole that allowed it to get the information from the quiz but also all of their friends' data and information as well.

Location-based apps: Most people's smartphones already automatically track and collect location data. Social media apps are especially interested in their data because it gives insight into their habits and whereabouts which advertisers can use to target ads to them at certain times of the day.**[xv]**

Invasive privacy agreements: Most of us agree to privacy terms and conditions without reading them. Most do not realise that privacy agreements on many social media apps state that the content users upload — including pictures, videos, and messages — are owned by the platform; even if an individual decides to delete their account.

Legal Systems and the Modern Surveillance Society

The most troubling element of our modern surveillance society, however, is that under most international jurisdictions, individuals have no legal right to know just how much they are being surveilled. Data-driven policing technologies are shielded by trade secrets, which prevent the public from knowing what data the analytics crunch and how it influences police activity.**[xvi]**

Companies are free to issue whatever public statements they like or to decline to offer details under the guise that doing so would "help bad actors". This is despite the fact that most western countries believe transparency is so sacrosanct that it outweighs the risks of so-called 'bad actors'.

People often do not even know how their data is taken and used, let alone how to give meaningful consent. When companies do seek consent, it is typically through terms of service agreements – overly long contracts are full of dense legal language that users are expected to "agree" to without understanding. It is a remarkable victory for the data appropriators that acquiescence has become the standard model for obtaining "consent".

Data as an Asset

This laissez-faire attitude toward data access and mining has encouraged a new class of robber barons to arise. Data brokers, for instance, aim to provide their services from the shadows, while amassing billions and trillions of data points about people worldwide. They justify this by stating that whilst data is everywhere, and generated every second of the day, they are converting it to an asset – by turning it into something of value.**[xvii]**

Thus, rather than allow them to unscrupulously take, trade and hoard our data, individuals must collectively reclaim their ill-gotten gains, by *changing the narrative.*

Data appropriation must be framed as a form of *exploitation* because companies use data to create value without providing people with comparable compensation.

While some might argue that *Google* and *Facebook* pay us for our data with "free" services, this still does not account for the multitude of data appropriators that have no intention to provide some kind of mutual benefit to those whose data they possess.

Thus, by framing data appropriation as a theft of an asset, individuals can collectively lay the groundwork for policies to make it a legal and ethical issue. We need new models of data ownership, protection and compensation that reflect the role information has in society. This is where management accountants can be of most value — not only to companies, but also to society.

Today, the management accounting profession has evolved beyond costing, pricing and budgeting. The profession is taking a leadership role in *environmental, societal and governance (ESG)* issues. Through mechanisms such as the 'Strategic Audit', companies already undertake *information security audits* to safeguard its data. Such audits should now be extended to *value* this information and *compensate* those who are providing it. After all, if an artist who has a song on *Spotify* can be compensated every time that song is downloaded, there is no reason that an algorithm cannot be developed to compensate those in society (individually or collectively) for the use of data taken from them by invading their privacy.

Unfortunately, as the Optus' storing of customer data for an unreasonable amount of time without their consent indicates, in today's world privacy is no longer viewed as a right, but instead it is a privilege of luxury no longer accessible to the majority of the world's population.

Prof Janek Ratnatunga

The opinions in this article reflect those of the author and not necessarily that of the organisation or its executive.

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MEDIA RELEASE: SKILLS AUSTRALIA REMOVING ACCOUNTANTS FROM THE SHORTAGE LIST HAS SOME OVERALL MERIT! BUT THE REASONS ARE COMPLEX

"Skills Australia's decision to remove accountants from the shortage list based on advertised vacancies has some overall merit, but the reasons for this are quite complex, and there are many nuances to explaining the fall in vacancies"

- Prof Janek Ratnatunga, the CEO of (CMA ANZ)

The *National Skills Commission* has undertaken extensive research and found that three categories of accounting jobs – general accountants, management accountants and taxation accountants – are all experiencing "no shortage" and are expected to experience only "moderate" future demand in the latest *Skills Priority List (SPL)* released on 6 October 2022.

"This fails to reflect the complexity of the employment market." says Professor Ratnatunga.

The SPL is often a precursor to the *'Skills Occupation List (SOL)'* that is used to control migration requirements to Australia, which then impacts ecosystems that feed off migration such as the many professional and technical bodies who see migrants as an important source of membership growth, higher education and TAFE bodies that rely heavily on overseas fee-paying students; and employment agencies who make commissions by handling migrant applications. To the accounting ecosystem, there will be a significant impact if those seeking migration cannot attract 'points' by pursuing accounting careers.

"While there are many migrants who have joined the job hunt for accounting roles, too many of these do not possess the requisite soft skills to succeed in the Australian market," says Professor Ratnatunga.

"Consequently, they end up in para-accounting roles or, even worse, driving taxis, Ubers, or flipping burgers. So, the result is that there are plenty of job applicants for roles, especially junior ones that are not advertised but are more word-of-mouth, which gives the impression that there is no shortage when the reality is quite different."

"It is the lack of suitable candidates for the demanding accounting roles reflecting the new world of work that is the problem."

"Another issue is that many contemporary job advertisements in the accounting field no longer use the term, "accountant". Instead, they will use terms such as "financial analyst" and" data analyst." This means that Skills Australia may have effectively under-counted the number of job vacancies in our field by using narrow search terms. Our members who are employers are telling us that they are having trouble filling positions with suitable candidates, and that they are losing staff to competitors for significantly higher salaries. This evidence is consistent with a shortage of accounting-related staff."

"Overall, Skills Australia was right in saying that there is no shortage of accounting graduates in Australia in absolute terms. However, there is a huge difference between accounting graduates that possess the requisite skills set for success and the absolute number of qualified accountants produced from our university system or skilled migration. Moreover, the Skills Australia data may not fully capture the full number of vacancies given the widening terms used in job advertisements. Mixing the two leads to the distorted picture of reality," says Professor Ratnatunga.

Research undertaken by CMA(ANZ), the peak body for management accountants in Australia and New Zealand, has found that a lack of high-level communication skills, insufficient connections in the local labour market and a lack of experience working in the Australian system all combine to inhibit migrant accountants' chances of obtaining suitable employment.

The issue is more acute for management accountants as high-level specialist skills are required to succeed in their roles.

"Many people mistakenly believe that a management accountant is the same as a general accountant. This could not be more wrong. To be successful in a management

accountant role, one must process high-level technical skills in IT, data analytics, strategic analysis and environmental, social, and governance (ESG). Unfortunately, the accounting education at universities and at generalist accounting bodies often do not provide sufficient high-level coverage in these areas."

A rosy picture of job prospects has continued to be painted to potential immigrants for many years that jobs abound for accountants in this country. The reality is that this is only the case for those experienced accountants who possess the appropriate skills sets.

"Migrants are still leaving senior, well-paid accounting jobs in their own countries with a promise of a great lifestyle in Australia, only to find that they are being reduced to jobs not relevant to their skills", says Professor Ratnatunga.

"This is not only false advertising of a promise of a non-existent lifestyle, but it is also not good for Australia's image overseas as a country that gives a fair-go."

"Hopefully, the Skills Australia list will stop many professional bodies, universities, and employment agencies from painting such a rosy picture of job prospects and provide a more realistic view of the job market in Australia. Also, assessing that management accountants require a no greater skill set to a general accountant is doing a dis-service to Australian employers who are crying out for properly qualified job applicants"

"More needs to be done to better prepare accountants, especially management accountants, for the new world of work. Without these efforts the mismatch between reported staff shortages in accounting and a large pool of under-utilised talent will continue to exist."

For further comment on the above topic, please contact:

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BUSINESS CAUTIONS AGAINST RUSHED IR CHANGES

Australia's peak employer organisations have cautioned that proposed changes to workplace laws will have significant ramifications that raise the risk of higher unemployment, increased strike action and damage to our economic security.

With every Australian business and every Australian worker to be affected by these proposed legislative changes, it is clear that the government should slow down and consult more widely and more meaningfully. They must be open to the amendments necessary to prevent harmful unintended consequences.

Business has deep reservations that any undue expansion of multi-employer bargaining risks jeopardising the important focus on encouraging employers and employees to reach agreements at the enterprise level.

Any broader system of multi-employer bargaining must be voluntary and cannot lead to another layer of ill-suited, industry-wide terms and conditions.

The global economy is treading a precarious and perilous path. It's critical we avoid any changes that could result in increased industrial action, supply chain bottlenecks, and unsustainable wage pressures.

Enterprise bargaining should be the cornerstone of our workplace relations system if we are to grow pay packets, improve job security, and boost productivity.

Business Council of Australia chief executive Jennifer Westacott:

"We want wages to go up but that won't be achieved by creating more complexity, more strikes and higher unemployment.

"Australia is in the midst of a global economic storm and there's no room for error if we want to secure our economic future, we have to tread carefully.

Australian Chamber of Commerce and Industry chief executive Andrew McKellar:

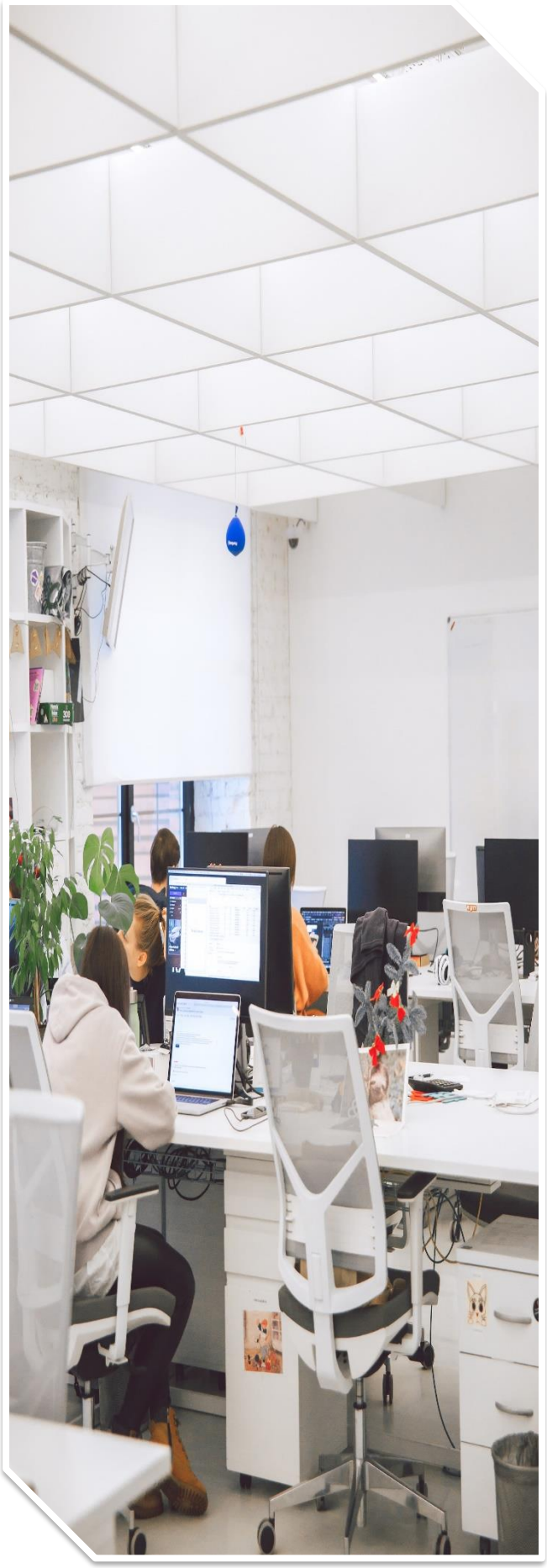
"If proposals for multi-employer bargaining force unwanted terms and conditions on workplaces irrespective of whether productivity gains are realised, jobs and small business will be at risk.

"Undermining genuine workplace agreements and increasing the scope for aggressive industrial action are a recipe for disaster with deteriorating international conditions.

Australian Industry Group chief executive Innes Willox:

"The high-risk proposals as they currently stand will create enormous difficulties for business and carry unintended consequences that will cost jobs and cause serious damage to our economy. We need a workplace relations system that is fair for all parties and delivers sustainable benefits to employees.

"We must avoid extreme changes that risk imposing damaging strikes and harm to the community and businesses. A responsible approach to changes to workplace laws is crucial. We urge the government to take a breath and avoid rushing to introduce such extreme changes to our workplace relations system."



PAY UP OR LOSE OUT: WORKERS WITH MULTIPLE JOB OFFERS FOLLOW THE DOLLAR SIGN

- 86% of Australian office workers have received multiple job offers when looking for a role
- 68% of workers say salary is the main reason to choose one company over another when presented with multiple job offers, followed by flexibility (40%) and benefits (37%)
- More men are driven by salary while more women prioritise flexibility

With skills shortages currently challenging many Australian employers recruiting for roles, new independent research by specialised recruiter **Robert Half** finds that talented Australian workers are spoilt for choice, with nearly nine in 10 (86%) Australian office workers having received multiple job offers when looking for a role, firmly asserting their dominant market position.

Salary is a deciding factor when choosing between roles

More than two-thirds of office workers (68%) say salary is the top reason to choose one company over another when presented with multiple job offers, followed by flexibility (40%) and benefits (37%). On the other hand, only 2% of Australian workers would be influenced to choose one company over another for their environmental, social, and governance (ESG) and diversity, equity, and inclusion (DEI) programs, and just 1% would choose the first offer extended to them based on timing.

This is consistent with the top reasons workers chose their last job offer – regardless of competing offers – with 80% of employees saying salary had the most significant impact on their decision, followed by flexibility (61%) and workplace culture (44%).

Deciding factors vary by age and gender

While salary is the main deciding factor for the majority of both women and men when choosing between multiple job offers, more men (71%) prioritise salary compared to women (65%). More women (46%) consider good flexibility a reason to choose one job over another than men (34%), while more men (32%) would choose a role based on career progression opportunities than women (24%).

Interestingly, over half (54%) of Generation Z workers will choose a role based on the benefits on offer, which is 17% higher than millennial workers and at least 15% higher than Gen X and the Baby Boomer generation. Unsurprisingly, more Gen Z professionals (47%) are driven by career progression opportunities than their older counterparts, being Gen Y (33%), Gen X (22%) and the Baby Boomer generation (13%).

"The current high demand for skilled talent is creating an environment where candidates have more choice around their next job opportunity. By understanding the deciding factors that shape a jobseeker's next role, businesses are able to build and promote a more compelling package that will differentiate them from competitors," said Nicole Gorton, Director Robert Half Australia in announcing Robert Half's latest survey results.

"Being firmly in the driver's seat, candidates want the full package. While salary is consistently shown to be the most influential factor in candidates' decision making – particularly as inflation and cost of living go up – they typically also want the flexibility, career progression and a company culture that matches their expectations and personality. Employers shouldn't only lead with the financials, but incorporate and harness the potential of hybrid work and flexible schedules, career growth opportunities, team culture and benefits as key differentiators when competing for top talent."

"While the package on offer is tantamount to landing the preferred candidate, a generous salary offer makes employees excited about their income, not the role at hand. If candidates don't like their work environment, no amount of salary, benefits or perks are likely to keep them happy, especially over time. When the candidate of choice is evaluating multiple job opportunities, employers shouldn't overlook the importance of simple relationship skills. Building emotional rapport, selling the company culture and role, outlining career development opportunities, reinforcing commitment to the candidate and maintaining open communication can all significantly increase the likelihood of preferred candidates accepting the job offer," concluded Gorton.

Robert Half's top tips for evaluating multiple job offers:

Tip #1: Establish your career goals

Evaluating multiple job packages and entering negotiations with employers will be easier if you start by setting out exactly what you want from your next position. With your objectives in mind, prepare questions for each interview you are invited to which will help you understand important aspects of the opportunity; these might include asking about what the role entails, the company culture, and career prospects. Asking the same questions at each interview will be important for accurately comparing and making an informed decision about the available opportunities according to the career goals you have set.

Tip #2: Take a long-term view

Don't be blinded by an immediate payoff. Regardless of salary and how it compares to competing offers, think about your future and how a role might benefit your career over the long-term. For example, if a salary increase is your primary goal, be mindful that one offer with a higher starting salary could be outweighed by another offer with more promising career growth prospects, which might lead to an even higher salary.

Tip #3: Consider which company culture is better for you

Company culture is a key consideration for jobseekers in today's market. Don't be afraid to ask questions about company culture during the interview process, and you can also seek information about a company's culture online, such as reading employee reviews. By asking the right questions and learning from employees' real experiences, you can build a more accurate picture of a company's culture and make a more informed decision about how well you might be suited to the working environment.

Tip # 4: Take the driver's seat

Being up front about your expectations and timeline with employers can be a powerful negotiation tool, if used with caution. For example, setting out what you are hoping for in terms of salary or start date might influence your preferred employer to match a competing offer or even compel them to accelerate their hiring process.

Tip # 5: Be thoughtful but act fast

Accepting a role is a major decision, so it's not unreasonable to request a few days to contemplate your options – that said, you must also balance your thinking time with the importance of maintaining interest and not giving the impression you're dragging your feet. When you arrive at your decision, always be gracious to the employers whose job offers you decline and take the earliest opportunity to politely explain why the offer did not meet your needs.

AUSTRALIAN CEOs SEE MILD DOWNTURN BEFORE RETURN TO GROWTH

Business leaders in Australia and around the world foresee a 'short and mild' global recession in the next 6-12 months but a large majority believe growth will return within a three-year horizon, KPMG International's annual CEO survey finds.

Participants in the *KPMG CEO 2022 Outlook, a* survey of over 1,300 CEOs in 11 countries, including 50 from Australia, said the anticipated downturn would make it more difficult to rebound from pandemic-related disruption and would hinder anticipated growth. Earnings could be impacted by 10 percent or more.

A large majority of respondents both in Australia (78 percent) and internationally (75 percent) said they had taken steps to prepare for a downturn, either by implementing or planning a recruitment freeze. Most (Australia 64 percent, global 77 percent) were considering downsizing their workforce, while over 80 percent in Australia and overseas were planning, over the next 6 months, to raise their prices to cover costs.

When asked about the most immediate problem facing them, Australian CEOs' top answer was continued covid fatigue and ongoing restrictions (18 percent) – followed by economic, supply chain and reputational risks (all 16 percent). Over the next three years, the biggest threat to growth concerned operational issues and emerging disruptive technologies – both 14 percent.

Andrew Yates, KPMG Australia CEO said: "With a global pandemic, the war in Ukraine and growing economic uncertainty, it is not surprising that CEOs' normal optimism has taken a bit of a hit. This has been a period of turbulence and a mild recession is certainly a plausible scenario for the world economy. But it is encouraging to see that over the three-year horizon, leaders are more confident of a rebound of growth both in the global economy and their own companies.

"Australia is better placed than most countries, and so the probability of a recession here is lower than elsewhere, but there is still a risk that domestic demand contracts, rather than just grows at a slower pace. We still must see how households respond to the high inflation and interest rate environment. So far, they have held up better than consumers in other countries, but the full impact of higher mortgage costs has yet to be felt. The extent to which businesses follow through with their capital expenditure plans and the return of international students and tourists will also be important factors in boosting economic growth."

Key issues beyond the economy

- *Companies seeing increased stakeholder* demand and scrutiny on ESG issues
- Australian CEOs ahead of the game on using company purpose effectively
- Strong support for faster pace of inclusion, diversity and gender equity initiative.
- Digital transformation is a key competitive issue but warnings *of staff burnout*

Aside from economic issues, three-quarters (75 percent) of Australian CEOs, a higher proportion than their global counterparts, said that they were already seeing demand for increased reporting and transparency on ESG issues from stakeholders including investors, regulators employees and customers. And 78 percent believed stakeholder scrutiny in this area this would accelerate over the next 3 years.

Over half of Australian leaders admitted they struggled to communicate their ESG performance to stakeholders effectively. One key reason could be that only 28 percent (45 percent global) said their ESG programs currently led to improved financial performance.

But Australian CEOs are ahead of the global pack on their use of company purpose, thinking on inclusion and diversity, and the benefits of gender equity, the survey found.

For company purpose, more Australian CEOs than global ranked it as important in shaping and driving action in several key areas, including: strengthening employee engagement; driving financial performance; building customer relationships; brand; and shaping capital allocation, alliances/partnerships and M&A strategy (at least 70 percent in each).

The issues of Inclusion, diversity & equity (IDE) and gender equity also found resonance locally. More Australian leaders (76 percent) than global (68 percent) believed IDE had moved too slowly in the business world, while a higher proportion argued that more gender equity in their C-suite would help achieve the company's growth ambitions.

Digital transformation was another key issue. A large majority (88 percent Australian,72 percent global) said they had an aggressive digital investment agenda designed to get first-mover advantage, but the same percentages of respondents also warned they had to address burnout from accelerated digital transformation over last 2 years before continuing their transformation journeys.

Andrew Yates said: "It's encouraging to see that Australian CEOs believe in the value of inclusion and diversity although other recent surveys have shown there is still a long way to go for good intentions to translate into action in terms of gender diversity and C-suite roles.

"We are seeing a clear increase in scrutiny of companies on ESG issues, although the challenge is for leaders to communicate their performance to stakeholders, especially when there is no hard financial improvement to point to. The fact that most see their digital and ESG strategic investments as inextricably linked shows how ESG is now central to company operations, even though our survey does show that some ESG plans may be paused if and when a downturn hits. It is also clear from the findings that digital transformations are people issue as much as technology issues, and companies must be careful to take everyone with them before continuing on the journey."

Other findings

ESG:

- Looking ahead 3 years, the biggest barrier to driving their ESG strategy was predicted to be 'lack of budget for ESG transformation', 24 percent of Australian CEOs said. This was the top answer.
- More Australian (86 percent) than global leaders (74 percent) believed that major ESG global challenges, such as climate change were a long-term threat to the company's growth.
- A higher percentage of Australian leaders (84 percent) than global (71 percent) said that as trust in governments declined, people will look to businesses to fill the gap on societal issues.
- Most CEOs said their digital and ESG investments were 'inextricably linked'.

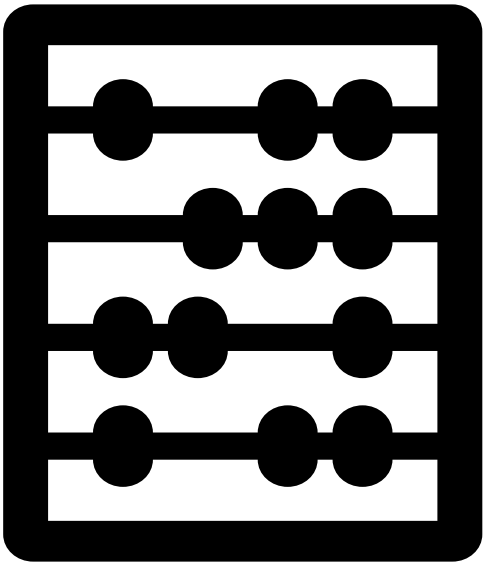
Digital transformation:

- A higher proportion of Australian CEOs (72 percent) than global (61 percent) said they were being held back progress on business transformation by a lack of people skills in their company to handle the strategic and operational roll-out. More local leaders also said managing cultural impact of IT transformations and making sure staff adapt and sustain the new ways of working were problematic.

Tax:

- Three-quarters of CEOs (both locally and globally) said they felt more pressure to increase public reporting of their global tax contributions. A similar number said there was a strong link between public trust in their companies and how their tax approach mirrored their corporate values.
- There was widespread concern over the OECD's proposed global minimum tax rate now being addressed by national governments – 75 percent thought this could be a threat to their growth hopes over the next 3 years.

DISRUPTED ERP SYSTEMS RISE TO RECKONING IN THE CLOUD



Modern, cloud-based enterprise resource planning (ERP) systems are much more than a buffer against ongoing market disruption. As digitalization shakes up long-held business practices, experts are researching a new vision for the future of ERP applications in the cloud, based on **composable enterprise**. In **Gartner's** 2022 top trends research, analysts predicted that by 2024, 80% of surveyed CIOs will rank modular business redesign through composability in their top-five reasons for accelerated business performance. It's a reckoning for many of the assumptions behind on-premise software design.

"Composable enterprise from an organizational perspective means you can recompose processes dynamically and rearrange based on interchangeable building blocks when needed, without specialist knowledge or a developer," said Martin Heinig, head of New Ventures and Technologies at SAP. "We are exploring the business logic in current SAP ERP systems to make it more agile and adaptable without sacrificing core values like compliance and reliability. What's more, if you use disconnected tools today, you might have an audit problem, while third-party software might cause integration issues. The question for us is how a future SAP system can help companies overcome these challenges successfully."

Heinig's remarks were part of a session at the **SAP Sapphire Orlando** event, where he outlined some of the exciting research his team was working on to make the composable business vision a reality.

Business Benefits Beyond Traditional Software

While there's little doubt about the value of a composable business strategy where companies can dynamically respond to market changes, building that kind of platform will require rethinking traditional software development approaches including standardization, data harmonization, and semantics to make sure the company can still run its end-to-end business processes. Heinig simplified the challenge using an example of a supermarket chain that wanted to quickly source and sell more oat milk to meet suddenly spiking consumer demands.

"Selling oat milk to consumers, the supermarket is doing business with farmers, wholesalers, and other providers," he said. "To source a new product like this, the company needs to conduct a credibility check of external suppliers. The composable platform would allow the supermarket to conduct that check easily across order management through fulfillment, sourcing from trusted suppliers and getting the product on shelves to satisfy local consumer demands."

Rethinking ERP Software for Composability

Customers do not want business software. They want digital business processes that grow with them according to Ralf Teusner, who joined Heinig on stage to talk about the research he was involved with at the Hasso Plattner Institute. Teusner said his research was focused on challenging assumptions about software to explore how to build the world's most standardized custom software. Admittedly an academic exercise, this research is nonetheless focused on how to rethink ERP software for the modern world. After talking with people from companies of all sizes, they concluded that data was most important when making any kind of change.

"We're looking at a process execution architecture that's value-driven, and because we're at university, we are not afraid of breaking things," said Teusner. "We discovered that data migration and process integration are the major challenges for companies. Unless we jointly address data as well as control flow in end-to-end business processes, each change management [project] can break business continuity."

Composability Democratizes Innovation

Among the many questions that researchers face in creating a composable process platform are what functionalities will be part of the existing stable core and what a reusable business component will look like, not to mention the execution architecture, scalability, software and common languages used, and KPI tracking. Both Teusner and Heinig saw the transition as a years-long vision to achieve in partnership with academia. Composability could result in greater openness for partners across an organization's ecosystem, giving other companies easier access to innovations. Of course, this potentially upends traditional technology sector intellectual property (IP) norms.

"To make this a reality, you need an engineer's mindset," said Teusner. "Right now, CIOs guard their data because it's core to their business and it's their IP. They're not ready yet, but maybe they will be in five years…You're democratizing how to configure the system, leading to adaptability for greater business efficiencies."

Gartner's definition of a composable business is "an organization that is architected for real-time adaptability and resilience in the face of uncertainty." In this day and age, there's no stronger argument for moving ahead to achieve that vision.

HOW VALUABLE ARE INDEPENDENT DIRECTORS?

Distracted independent directors can have a significant negative impact on the performance of an organisation.

Independent directors of a company are often seen as key to a firm's corporate credibility. They are supposed to ensure that executives are acting in the best interest of shareholders and help guide and monitor the management of the company.

Currently, good corporate practice recommends that the majority of directors on listed company boards should be independent. Yet, **new research from Monash Business School** shows that independent directors may not always be a mitigating influence, particularly if there is a major distracting event.

And the research finds that while many consider the issue of board members juggling multiple directorships problematic, in fact, directors who only hold one directorship can also be distracted and fall down on their monitoring role.

According to Dr Emma Zhang, from the Department of Banking and Finance, around 21.9 per cent of independent directors are significantly distracted in a typical year and an independent director is distracted about once every five years.

When independent directors are distracted, they allocate less time and attention to their firms.

This is then reflected by lower meeting attendance, less frequent trading in the company's shares and more frequent resignation from the board.

The results suggest the independence of distracted independent directors are likely to be compromised as they have to be more reliant on information from company management than their own enquiries.

"We show that companies with more preoccupied independent directors have declining firm valuation and operating performance, demonstrate weaker merger and acquisition profitability and accounting quality," Dr Zhang says.

The research, conducted with University of NSW Business School's Professor Ronald Masulis, also demonstrates that the negative impact is even stronger when these distracted directors play key board monitoring roles or when a company requires greater director attention.

Personal and professional distractions

The study breaks down distractions into two categories: personal and professional.

Personal distractions include not only undesirable scenarios such as major illness and injuries but those events that would ordinarily be deemed positive, such as winning prestigious awards.

Professional distractions include challenges faced at another firm where the independent director concurrently sits on the board.

These firm-level challenges include both events that reflect negatively about board performance, such as declines in industry-adjusted firm performance, financial misconduct investigations and financial distress as well as events that generally have no negative performance implications including mergers and acquisitions, divestitures, CEO illness or injury and CEO turnover.

"To ensure greater accuracy with the data, we required that the distraction had no major economic connection with the firm in question and that the independent director played an important role at the firm where the professional distraction occurred," says Dr Zhang.

This includes that the director is an officer-director at the event firm, a committee chair overseeing the corporate event, or that the firm is more significant by size or prestige compared to the other firms where the director is a board member.

The data was collected primarily from business intelligence service BoardEx and included directors within S&P 1500 firms from 2000 to 2013.

"This is very detailed information that we could access and track individuals based on their unique director ID," Dr Zhang says.

Distractions universal applications

While the research is based on US data, Dr Zhang says the findings apply to Australian companies because of the common human factor.

"Everyone has limited attention. For Australian directors we also expect them to reduce their commitments when they have to spend more time elsewhere. The number of directorships is not the problem. The biggest problem happens when they shift their attention away and they are no longer working as they are supposed to," Dr Zhang says.

More importantly, Dr Zhang says that we need to be aware that distractions could happen to anyone even those with only one directorship. Busy directors with at least three directorships have received a lot of scrutiny because they presumably have less time available for each directorship.

"But this is not clear cut, because such directors may also be talented – we cannot rule out that some individuals are just able to manage more directorships well," she says.

Dr Zhang says that what is truly problematic is when distractions happen –the distracted director has to shift attention from somewhere else which generally means the less important directorships will suffer.

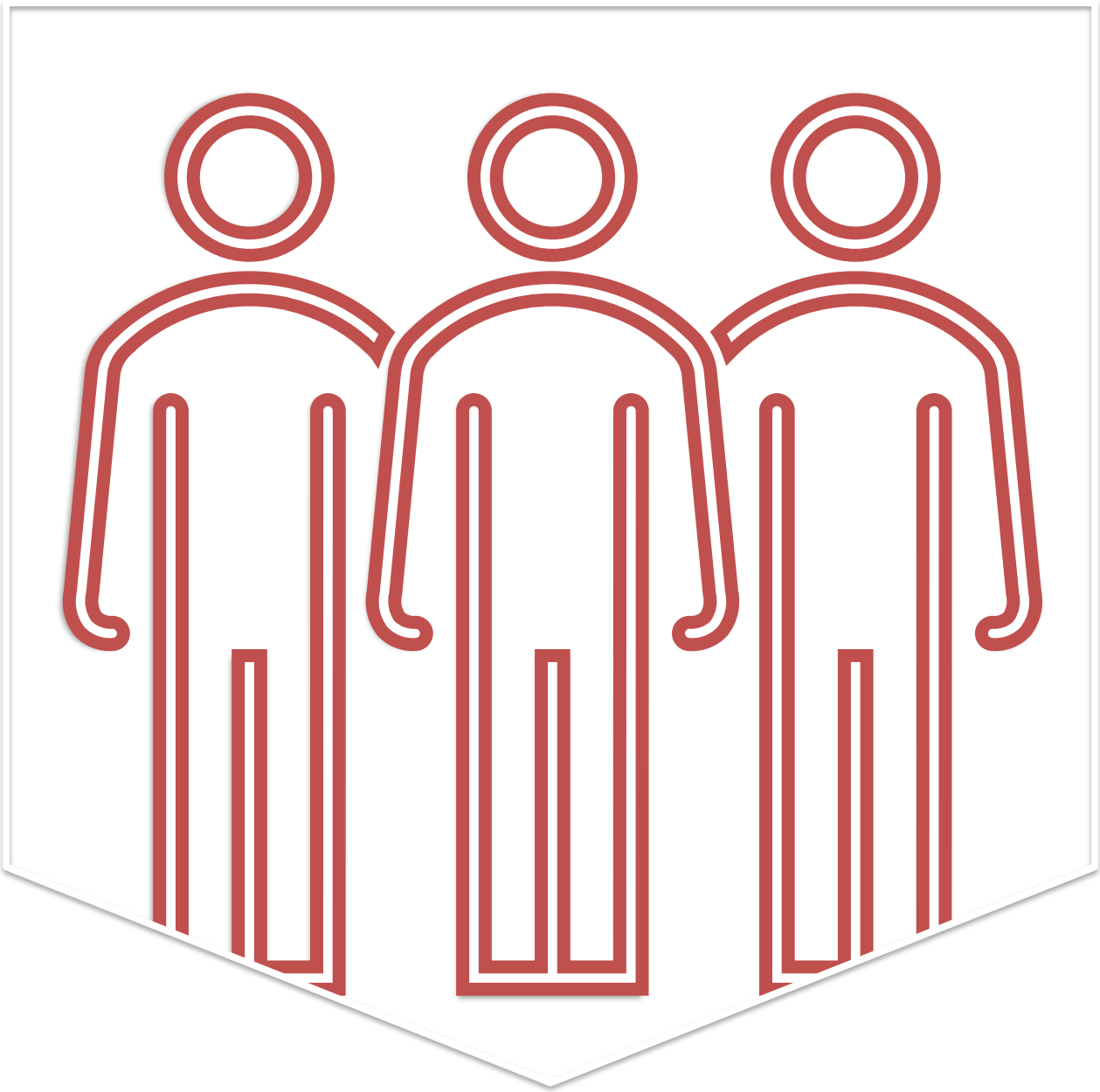
"This 'exogenous' shock of distraction provides evidence supporting the value of truly independent directors. Independent directors are valuable. But being independent on paper doesn't mean they are always truly independent – the research shows that at times of distractions, their independence is clearly compromised," Dr Zhang says.

And these distractions have an impact on their other board responsibilities.

"For example, accounting quality suffers mainly when distracted independent directors sit on the audit committee, while acquisition profitability suffers primarily when distracted independent directors have prior acquisition experience," Dr Zhang says.

About the Author

Emma Zhang is a lecturer at the Department of Banking and Finance at Monash University



PAYING OVER THE ODDS: BAILOUT 'STIGMA' AND ITS ROLE IN SAVING THE WORLD ECONOMY

Following the 2008 crisis, those tasked with steering the global economy out of a recession through corporate bailouts had one thing on their minds.

Confidence is the first casualty of a crisis. Once lost, it's not easy to regain.

Nowhere is confidence more critical than in financial markets.

Shareholders need confidence to hold stock. Banks need confidence to lend. Companies need confidence to grow and expand.

When the markets suffer a crisis, confidence goes into a freefall and markets freeze.

It is generally up to the government to bail out banks and other financial institutions and pull the economy out of a death spiral.

The billion-dollar question is – how?

Optimal bailout policy

In a forthcoming paper in the *Journal of Finance*, Professor Chongwoo Choe, Director of the Centre for Global Business at Monash Business School, considered how an optimal corporate bailout policy should be designed.

Together with co-authors Professor Yeon-Koo Che (Columbia University) and Assistant Professor Keeyoung Rhee (Postech) they developed a model of 'bailout stigma'; where accepting a bailout signals a firm's balance-sheet weakness and worsens its future funding prospects.

They found that to avoid stigma, high-quality firms either withdraw from subsequent financing after receiving bailouts or refuse bailouts altogether to send a favourable signal.

"Withdrawing leads to a short-lived stimulation with subsequent market freeze even worse than if there were no bailouts," Professor Choe says.

"Refusing bailouts revives the funding market, albeit with delay, to the level achievable without any stigma. Thus, an initial lacklustre response to bailout offers does not mean a policy failure; rejection of bailouts can be a blessing in disguise.''

He explains that a raft of multiple bailout programs worsens market freeze because more signalling opportunities compound the stigma problem.

Of course, the stigma problem can be avoided if the government conducts a bailout in secrecy. Although secrecy may be difficult to achieve in practice, it can be done at the time of crisis.

'Too big to fail'

History is littered with financial crises followed by large-scale government interventions, often involving a highly visible and significant wealth transfer from taxpayers to banks and their creditors.

Banks once labelled 'too big to fail' such as Lehman Brothers and Merrill Lynch came crashing down.

A roll-call of major financial institutions including AIG, Freddie Mac, Fannie Mae, HBOS, Royal Bank of Scotland, Bradford & Bingley, Fortis, Hypo and Alliance & Leicester all came perilously close to failure and needed rescue through a government bailout.

During the 2007-2009 Great Recession, the US government paid $125 billion for assets worth $86-109 billion to the nine largest banks under the Troubled Asset Relief Program (TARP), dubbed Paulson's Gift, named after the Secretary of Treasury at the time, Henry Paulson.

As you can see, they paid above market value for the assets. Why?

The need to pay a premium for assets

"Bailout stigma necessitates the government to pay a premium over the market terms to compensate for the stigma. But even in the absence of stigma, a premium is necessary as shown by Professor Jean Tirole, the 2014 Nobel laureate in economics," Professor Choe says.

Professor Choe offers a hypothetical by way of example.

Suppose the government offers $1 billion in a bailout to struggling companies in exchange for their assets. Only companies with assets below $1 billion are likely to sell. Those that are worth more will not sell.

The market then thinks the value of the assets that did not sell as more valuable – that is they must be worth more than $1 billion or they would have accepted the offer.

In this case, the government has cleared up the bad part of the market – this is what Professor Tirole calls "dregs skimming".

Cleaning up the market

In **a paper published in 2012**, Professor Tirole explains that the government's main role at the time of the market freeze is the dregs skimming, which is why the government needs to pay a premium for the legacy assets.

"By cleaning up bad assets, or "dregs skimming," through public bailouts, the government can improve market confidence, thereby galvanising

transactions in healthier assets," Professor Choe says.

"However, the flipside of such dregs-skimming is that bailouts can attach a stigma to their recipients, increasing future borrowing costs."

The fear of this stigma may in turn discourage financially distressed firms from accepting bailout offers in the first place, undermining the effectiveness of such interventions.

But Professor Tirole considered only one round of government bailouts so that bailouts do not have any subsequent reputational effect.

Bailout stigma

Suppose a company with asset worth just under $1 billion accepts the bailout. When there is a second round of asset sales, the market will trade down this company's asset as if its value is the average of all the assets that were dregs-skimmed. This is the cost of bailout stigma.

Then, what if the same company refused the bailout?

"The market now believes the company's asset is worth more than $1 billion. So, the bailout stigma makes rejection of bailout offer an attractive way to build reputation and portray oneself as a healthy company," Professor Choe explains.

What this means is that companies are more reluctant to accept the bailout in the presence of stigma. This is the rationale for the government paying a premium over and above the premium paid in the absence of the stigma.

There is plenty of evidence that fear of stigma is real.

Participants in the TARP were eager to exit the program early, citing stigma as their main motivation.

The Signature Bank of New York was one of the first to repay its TARP debt of $120 million for this reason.

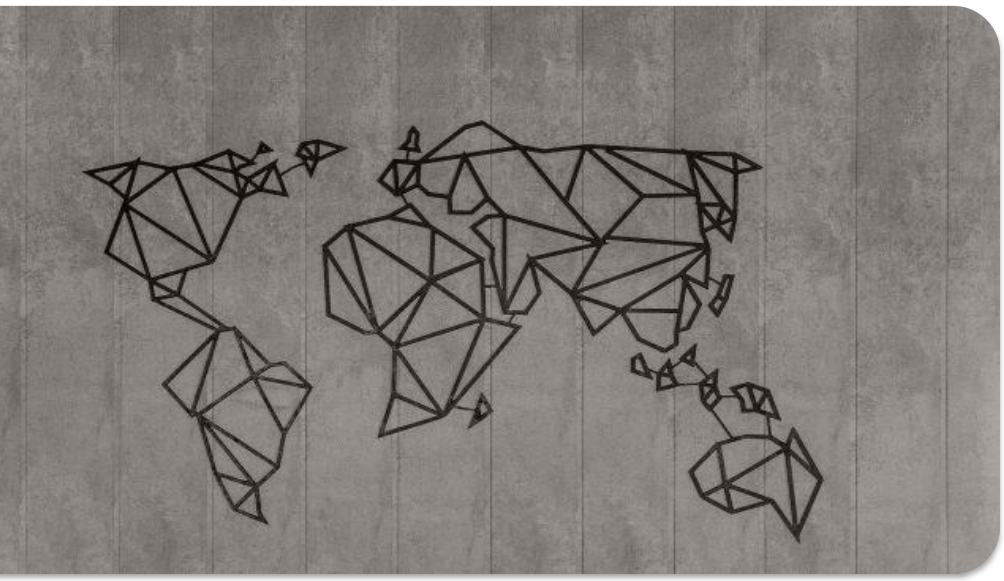
Its chairman, Scott A. Shay, said: "We don't want to be touched by the stigma attached to firms that had taken the money."

It is also well known that Jamie Dimon, CEO of JP Morgan Chase, wanted to exit the TARP to avoid the stigma. He told Bloomberg in 2009 that he was eager to repay the 'Scarlet Letter' that was TARP.

Optimal policy in the presence of stigma

The main takeaway from the paper by Professor Choe and his co-authors is that optimal bailout policy in a dynamic setting is quite different from the one in a static setting.

First, dregs skimming is no longer the feature of optimal bailout policy. Second, bailout offers need to be generous to compensate for the stigma attached to the bailout recipients. Third, delayed market rejuvenation is a good thing, as it means market signalling is working by allowing high-quality firms to refuse bailouts to send a favourable signal.



According to Professor Choe, another important policy to consider is to hide the identity of those who took the bailout, called secret bailouts.

"The reason why the stigma arises is that the market knows who took the bailout," he says.

But if the identity of those companies taking the bailout remained secret, the market would be unaware, and the stigma would not exist.

"Of course, the market would scream that this is not politically sound, the lack of transparency would be astounding. But stigma is a huge problem," Professor Choe says.

He believes secret bailouts, subject to some conditions, can be a better way to conduct bailouts.

"At the time of crisis, new laws are enacted such as the 2008 Emergency Economic Stabilization Act in the US during the Great Recession," he says.

"The condition can be incorporated into the law such that the terms and identities of bailout recipients will be in the public domain after a certain period of time with criminal liability for any wrongdoings."

But how long would policymakers need to wait before it is safe to divulge the details?

"We would suggest a period of around 10 years. By that time, it would not make a difference to the value of the assets as things would have moved on," Professor Choe says.

About the Author

Chongwoo Choe is a Professor of Economics, Director Centre for Global Business at Monash University

HOW LEVERAGING OPEN DATA CAN DRIVE COLLABORATION ON MAJOR PUBLIC INFRASTRUCTURE PROJECTS

Major government infrastructure projects are worth billions, yet they are often impacted by delays, overspend, customer disruption and internal politics.

These issues, however, can be thwarted if decisions surrounding these projects are supported by data that is open, transparent, verifiable, and comparable. Access to open data can ultimately help unlock greater collaboration opportunities for future government infrastructure projects and result in more productive assets.

But look closely and often these potentially useful data sets can be unstructured, siloed, unsecure, unreliable, repetitive, managed through analogue processes or inaccessible by other government agencies. This can be the case as there is typically a focus of efforts on the physical assets and not the data, besides collating and using it to meet legal, reporting, procedural, and records keeping requirements.

When data is managed properly, it can deliver immense value to government agencies. Data can be used to support more informed decision-making, navigate the journey of resource allocation, improve the performance of existing infrastructure assets, and enable a step change in overall productivity and the delivery of future infrastructure projects. At the same time, it will ensure there is a timely handover of quality information to set operators up for success.

Neglecting to take advantage of valuable insights could negatively impact future efforts to adopt new technologies and the sector's overall ability to procure, manage, exchange, and re-use data. Governments will also miss out on being able to strategically drive success of future high-value projects.

The responsibility for structured data collection and management cannot fall solely on a single entity, such as the government agency overseeing the infrastructure project. Rather, governments – across all levels – must collaborate collectively with industry and academia to understand the critical importance of valuing and managing data as an asset.

Developing and implementing a national data standard across all infrastructure assets will help foster a collaborative and unified approach to better data interoperability, as well as support the lifecycle of digital assets and digital twins for public infrastructure. The standard would also focus on uplifting data awareness, data literacy, data custodianship, data specification and data management.

Defining best practice for the Australian infrastructure sector on how to handle and organise data in the future will also eventually create a complete digital ecosystem, built on trusted and reliable data, that connects infrastructure agencies with their suppliers, stakeholders, and customers. It will also promote cross-agency cooperation, by actively supporting data sharing and digital collaboration, to re-invent how government agencies partner together to plan, deliver and operate public infrastructure.

The body of work of establishing a national data standard needs to be a led by a central government body, made up of members from all levels of government and other relevant stakeholders. This will require a concerted effort to identify opportunities to formalise the standards.

Without a national standard, the public infrastructure sector will continue to be challenged in data sharing, and eventually see Australia fall behind on a global scale. Working with relevant stakeholders and technology providers, such as SAP, to co-design and trial digital solutions, governments can directly address the challenge of current systems and support effective data management over the digital asset lifecycle.

Learn more in SAP's **Digital Transformation of Public Infrastructure whitepaper** that you can download for free.

Management Accounting Frontiers
The Research Journal of the Institute of Certified Management Accountants

Call for Papers: ***Special Issue on Unethical Behaviours and Management Controls: Issues and Challenges to Management Accounting***

Guest Editors:
Vincent Chong (University of Western Australia, Australia)
Zuraidah Mohd Sanusi (Universiti Teknologi MARA, Malaysia)
Jan Alpenberg (Linnaeus University, Sweden)

Organizations continue to face issues and challenges on unethical behaviours such as corruption, fraud, and/or misreporting among their managers. Understanding how unethical behaviours occur and how they can be prevented is an essential managerial issue. This Special Issue aims to provide a research forum for scholars to contribute and/or investigates how an organization's formal and informal management controls can be used to prevent or control unethical behaviours.

All research methods are welcome, and topic areas of interest include but are not limited to:

- Issues and challenges of management controls on unethical behaviours;
- The impacts of performance measures and reward systems design on unethical behaviours;
- Issues and challenges of unethical behaviour and management control research in public and/or not-for-profit sectors;
- Unethical behaviours and management controls: Implications of organizational culture;
- The effect of leadership style and management controls on unethical behaviours
- Individual differences, unethical behaviours, and management controls;
- A cross-cultural investigation of the relationship between management controls and unethical behaviours.

Any other topics related to the Special Issue theme can also be considered.

Important Dates:

31 May 2022	Deadline for Initial Submissions
15 August 2022	First Editorial Decisions
30 September 2022	Due date for Revised Submissions
15 November 2022	Final Editorial Decisions

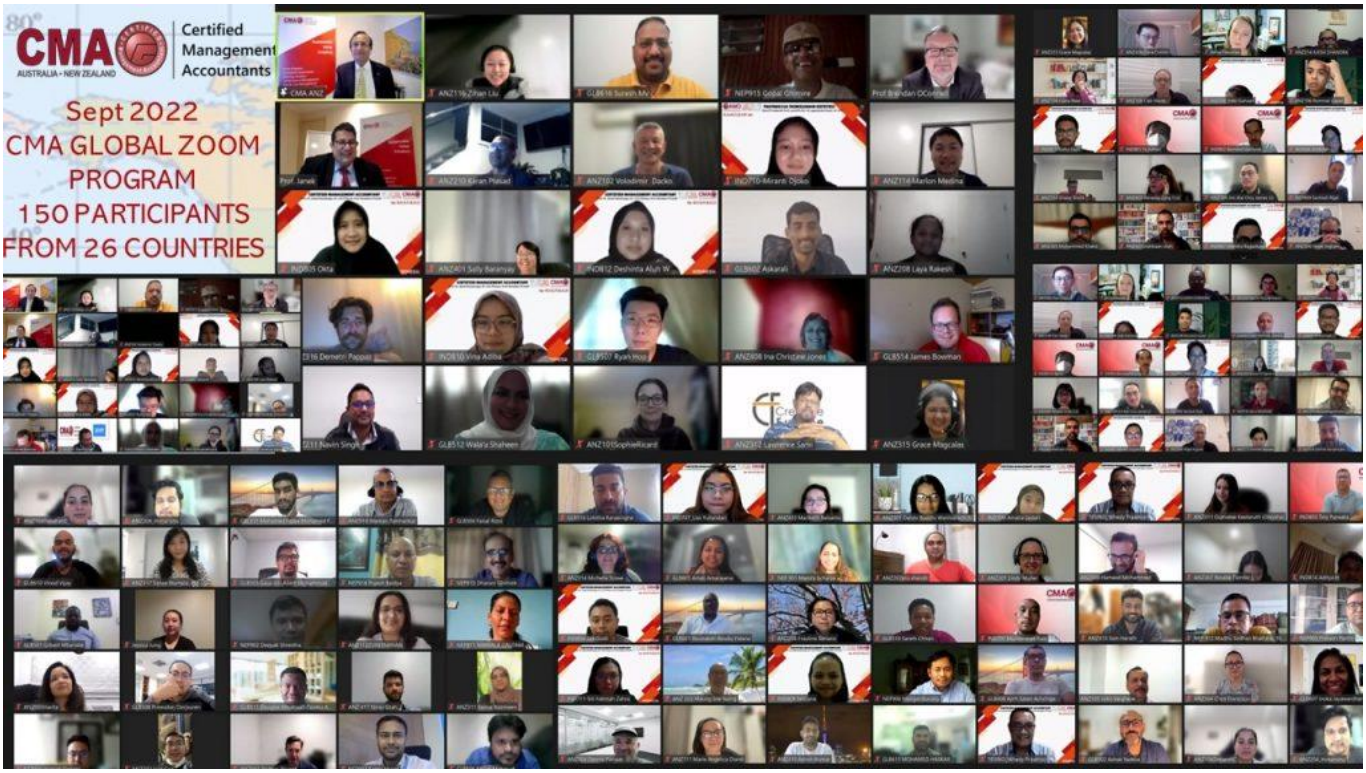
Submission of Manuscripts:
Submission implies that the content of the manuscript has not been published elsewhere or currently under consideration by another journal or publisher for publication. All submissions are subjected to a double-blind review process. Potential contributors should submit manuscripts by email: editor@cmaaustralia.edu.au.

REGIONAL OFFICE AND BRANCH NEWS

FIFTH GLOBAL ZOOM CMA PROGRAM

The fifth Global Zoom CMA Program was held over 3 weekends in in September 2022. It was an immense success with 150 participants from 26 countries. It commenced at 1pm AEDT and finished at 9pm each day. The most participants was from Australia and New Zealand. There were those who tuned in from Canada at Midnight the day before; and from New Zealand who finished after midnight the day following! There were also participants from Europe, Africa, the UAE, Bangladesh, Indonesia, and Sri Lanka.

The presenters were Prof Janek Ratnatunga, Prof Brendan O'Connell and Dr. Chris D'Souza; and the Zoom Host was Dr Chintan Bharwada; ICMA's COO. Given the incredible logistics involved, it was a team-teaching effort on all the days. From the comments posted in the chat boxes; it was extremely well received. Special commendation must go to Dr Ana Sopanah and Dr Josua Tarigan , the Regional Directors from Indonesia; and also Mr. Sazzad Hassan, the Regional Director of Bangladesh, Mr. Kapila Dodamgoda, the Regional Director of Sri Lanka, and Shakeeb Ahmed the Regional Director of UAE.



INDONESIA WEBINARS

Throughout the Covid-19 pandemic, ICMA Australia Indonesia Branch continued its commitment to facilitate the capability development for CMA Members, professionals and academics in the fields of accounting and finance. In the July-Augus 2022 period, 2 more webinars were held. ICMA facilitated the events, which were moderated by ICMA Australia's Indonesia President, Mr. Daniel Godwin Sihotang, Dr Ana Sophana, Mr. Nursakti Niko Rosandy, the Branch Treasurer.

NEW ZEALAND GALA DINNER

The Institute of Certified Management Accountants New Zealand was launched in a spectacular manner at the Gala Dinner held at the Sofitel in Auckland on August 26 2022. There were over 100 guests including representatives from all the major universities in New Zealand. The following photographs show Prof Brendan O'Connell, the President of ICMA(ANZ) delivering the welcome address; Prof Julie Harrison walking to receive her FCMA Testemur; a sample of the members and their partners, and a member receiving her CMA testamur. The others who were given lifetime FCMA(NZ) membership were Professor Paul Rouse, Professor Judy Brown, Professor Charl De Villiers, Prof Richard Timothy Fisher, Assc Prof Umesh Sharma, Assc Prof Chris Akroyd, Assc Prof Carolyn Fowler, Assc Prof Beverley Lord, and Assc Prof Anil Narayan.

Prof Janek Ratnatunga delivered the Keynote address.

Congratulations to Dr Chris D'Souza and Mr. Richard Miranda for organising such a splendid event.

Online CPDs

Business Valuation

Enterprise Risk Analysis

International Business Analysis

Project Finance Analysis

Project Management Analysis

(Special Promotion Members get 90% off for a limited time)

www.cmaaustralia.edu.au/ontarget/online-cpds/

A WARM WELCOME TO NEW MEMBERS (Aug & Sept 2022)

Abdul Razak, Mohamed Rizman
Abu, Isaiah
Aluthgedara, Yasitha
Amaratunge, Praveen
Aung, Moe
Azeez, Sona
Bahari, Fs
Balsamo, Maribeth
Banach, Anderson
Banik, Kushal
Bothma, Ernest
Brooks, Karen
Bryant, Rodney
Calangan, Rodrigo
Casinas, Meryjhel
Chandra, Ajesh
Chhim, Dara
Chowdhury, Shibli
Crisp, Leanne
Cui, Ling
Dafliso, Geoffrey
Dasanayaka, Pinsara
De Silva, Niroshan
De Silva, Vinoda
Dholakia, Harita
Dissanayake, Sarasi
D'Ortenzio, Luke
Dworzak, Anton
Ekanayake, Chamila
Farook, Sifara
Fernando, Thommage
Francisco, Christian
Gabadage Don, Jinendra
Gabriel, Hanson
Galabada, Gihan
Greatshan, Shanmuganathan
Gunasekera, Pramada
Gunathilaka, Pradeep
Gunatilake, Ishani
Gupta, Manish
Halton, Lincoln
Hanif, Sheikh
Hardy, Clair
Hartono, Bernard
Herath, Sam
Herath, Samantha
Ho, Lai Yan
Ileperuma, Sakula
Ingram, Nigel
Jayaratna, Sanjeewa
Jayasinghe, Sarath
Jayathilaka, Shiranth
John, Biju
Jones, Ina
Jung, Jessica
Kabadi, Sunny
Kalupahanage, Gayani
Kam, Yiu Ming Wilfred
Karunaratne, Lanka geeganage anita
Karunatilake, Tharanga
Khalid, Mohammed
Khan, Md Ferdous
Khan, Zureen
Khong Dinh, Hieu
Kuah, Lee Lian
Kulathunga, Rangana
Lacea, Cecile
Le Thi Thanh, Xuan
Lebis, Anthony
Lee, Daryl
Leung, Yu Hang
Li, Kai Chiu
Ling, Patrick
Liu, Zihan
Medina, Marlon
Mendis, Liyanadura
Menikpitiya, Lasanthi
Misra, Ramlal
Mohammed, Hameed
Mookdee, Tharatee
Morseth Lye, Ramzeena
Muhammad
Mukherjee, Abhishek
Muller, Lindy
Musawvir, Abdul
Nadeesha, Chathurika
Naing, Maung
Nazmeen, Farina
Nge, Kar Lay
Ngo Van, Hau
Nguyen Duy, Tung
Nguyen Thuc, Khoa
Nguyen, Hong
Nguyen, Tung
Ortiguero, Glaiza
Pan, Jingyi
Pang, Yu Sau
Panga, Agnes
Panirethu, John
Pappas, Demetri
Parwata, Troy
Patel, Krishna
Patel, Nileshkumar
Pham Thanh, Nam
Pienaar, Dennis
Poon, Ho Leung Alex
Poudel, Kedar Nath
Pow, Poh Wun
Prins Retief, Karen
Quan, Jessica
Rajakulanajagam, Niruja
Ranasinghe, Anoj
Rathnasuriya, Kasun
Rathnayake, Janaka
Razeek, Rijas
Rees, Fiona
Ricard, Sophie
Sachini, Haththotuwa
Sami, Lawrence
Samri, Ilham
Sarker, Nirmol
Schroeder, Mark David
Senasinghe, Ajith
Shah, Shahbaan
Shandil, Kris
Singh, Navin
Siriwardena, Viraji
Sivaskantha, Sivaranshane
Smith, Shane
Speirs, Andrew
Stowe, Michelle
Sundaram, Nishanthan
Sunga, Lucila
Tamhankar, Waman
Tang, Yiu Lung Chris
Tran My, Ha
Uddin, Mohammad
Van Berkel, Anthony
Vithanage, Rohana
Vu Thi Kim, Lan
Vu Thi Thanh, Huong
Vu Tuan, Anh
Weerawardana, N K W Madurage
Wickramaratne, Chandana
Wickramasuriya, Shaniya
Wijesuriya, Buwaneka
Zhang, Na

CMA EVENTS CALENDAR

September 10-12 & 17-18 & 24-25, 2022: Fifth CMA Global Zoom Program in *Strategic Cost Management & Strategic Business Analysis*, Syme Business School, Australia. **(Zoom).**

October 22-24 & 27-30, 2022: CMA Program Workshop organised by Academy of Finance, Sri Lanka**.**

November 7, 2022, **Frontiers of Accounting Symposium 2022**, La Trobe University CBD Campus, Melbourne, Australia

November 8, 2022, **Australian Hall of Fame Awards**, Melbourne, Australia

November 10, 2022, Annual General Meeting, Melbourne, Australia

November 28, 2022: *International Management Accounting Conference (IMAC)*, organised by the CMA Indonesia Branch, Bali, Indonesia.

Dec 7, 2022: CMA Graduation Convocation, Sri Lanka, Hotel Galadari, Colombo.

January 2023: *Certificate of Proficiency in Strategic Cost Management*, SMU Academy, Singapore (9th Intake).

January 2023: *Certificate of Proficiency in Strategic Business Analysis,* SMU Academy, Singapore (9th Intake).

Feb 18-20 & 23-26, 2023: CMA Program Workshop organised by Academy of Finance, Sri Lanka**.**

March 2023: Sixth CMA Global Zoom Program in *Strategic Cost Management & Strategic Business Analysis*, Syme Business School, Australia. **(Zoom).**

Private Providers

Wharton Institute of Technology and Science (WITS), Australia

Syme Business School, Australia

Academy of Finance, Sri Lanka

IPMI (Indonesian Institute for Management Development), Indonesia

Singapore Management University Academy (SMU Academy)

Business Sense, Inc. , Philippines

HBS for Certification and Training, Lebanon

SMART Education Group, UAE

Institute of Professional and Executive Management, Hong Kong

AFA Research and Education, Vietnam

Segal Training Institute, Iran

Business Number Consulting, Indonesia

Inspire Consulting, Indonesia

STRACC Learning LLP, India

CMAAustralia Bangladesh

Ra-Kahng Associates Ltd, Thailand

Academy of Management Accountancy, Nepal

Blue Globe Inc, Japan

FFR Group APAC, Malaysia

Unnayan Educational Services, India

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Western Australia
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Certified Management Accountants