

Greetings!!!

Changing business practices and array of emerging technologies have transformed the role of Management Accountants. They are increasingly taking hands-on approach in guiding company operations and formulating business strategies. They are working hard to acquire the skills required for functioning smoothly in a new environment and need to be well conversant with the application and usage of technological tools.

Management Accountants are no longer a traditional 'bean counting', but now has to become a 'hybrid accountant' within an organization. They are now facing intense challenges and are expected to adapt with rapid changes in business environment.

Management accounting profession should adapt to the recent changes in order to be relevant and competitive in the near future. Generally, there are several factors that may influence the transformation to the current state of the Management accounting profession. To mention a few:

- ❖ **Environment of Business** – Globalization, Customer focus and Rapid changes in technology
- ❖ **Responses by Business** – Flattering hierarchical structures, World class manufacturing, Business to Business, Business to Customers, Reduce inventory costs and Value Chain
- ❖ **Management Accounting Tools** - Benchmarking, Activity Based Costing, Enterprise resource planning, Balance Scorecard, Target Costing, Supply chain management and Just in Time inventory technique etc.

With the advent of new accounting systems, corporate restructurings, changes in regulation and legislation, a strengthening competitive market and advancements in information technology systems, the role of the Management Accountants has changed widely. The emerging areas that are redefining the role of the Management Accountants are:

- ✱ Enterprise Resource Planning (ERP)
- ✱ Corporate Governance
- ✱ Integrated Reporting (IR)
- ✱ Multi Faceted Financial Analysis for Business Strategies

- ✱ Sustainability Reporting
- ✱ Corporate Social Responsibility (CSR)
- ✱ Performance Management

In the dynamic business environment, Management Accountants are experiencing significant changes of role and tasks. Therefore, to be competent and reliable in an organization, they are proactive to get involved in leadership, strategic management, operational alignment and long-life learning and improvement. They are also the internal business consultants of an organization and expected to be able to work closely with all managers in the operation and top level. They assist management by providing valuable information in their decision making, issues pertaining to value added activities etc. Globalization, intense competition, changing governmental regulations and innovations in technology led to changes in market environment which have greater impact to an organization. The fast changing environment requires the Management Accountants to cope with the unexpected changes.

The Management Accountants also play a major role on the social perspective where they assist in ensuring that the intended benefits of the social schemes launched by the government are actually percolating down to the grassroots level. They may also valuably contribute in the development and sustenance of projects to be achieved under the noble vision 'Make in India'. For this, they may be engaged in project monitoring, project evaluation and performance and project appraisal activities including social audit of these projects. They may address the challenges in building cost competitiveness to foster the Indian economy by playing catalytic role in accomplishment of the mission "Make in India".

This issue presents a good number of articles on the cover story theme 'The Changing Role of Management Accountants' by distinguished experts and authors. We look forward to constructive feedback from our readers on the articles and overall development of the journal. Please send your mails at editor@icmai.in. We thank all the contributors to this important issue and hope our readers enjoy the articles.