Keynote Address delivered by Olivia F. Kirtley, President, International Federation of Accountants (IFAC)
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Thank you for the privilege of being with you today. It is an honor to be in Ghana, and to have the opportunity to address such a distinguished group of people.

As IFAC President, I have the privilege of traveling extensively and meeting with leaders of the accountancy profession all over the world. The profession’s valuable contributions to support strong and sustainable organizations, financial markets, and economies continues to amaze me. I see first-hand the impressive difference the profession can make in the lives of ordinary citizens and the economic health of a country or region.

I want to take this opportunity to acknowledge The Institute of Chartered Accountants (ICA) of Ghana and its deep commitment to its public interest mandate, demonstrated in its leadership and commitment to assisting national reform and facilitating Ghana’s international economic integration.

Your early adoption of International Financial Reporting Standards, including for Small and Medium Sized Entities, and International Standards on Auditing is significant. And you did not stop at the private sector …

I commend the Ministry of Finance and, in particular, The Honorable Mr. Seth Terkper – an ICA Ghana member – for the decision to adopt accrual-based International Public Sector Accounting Standards as the government’s reporting framework within the next five years.

IFAC and professional accountants around the world believe it is vital that (1) governments have high-quality information on which to base decisions, and (2) the public has access to easy-to-understand information in order to hold governments accountable. This is at the heart of IFAC’s initiative calling for governments and public sector organizations to adopt high-quality, internationally-accepted standards for financial reporting – what we call Accountability. Now. This is the initiative under which we supported ICA Ghana’s successful roundtables on public sector financial reporting held in May this year.

ICA Ghana is an active member of two valuable forums for sharing best practices and providing assistance - the Pan African Federation of Accountants (PAFA) and the Association of Accountancy Bodies in West Africa (ABWA). ICA Ghana has also demonstrated its strong regional leadership in the support it has given to the professional accountancy organization in neighboring countries.

I believe that individually we may be ordinary people but together we can achieve extraordinary results. I thank you for not only setting high goals for the profession in
Ghana, but also for reaching out and offering your knowledge and experience to help the profession elsewhere.

As I said before, it is the profession’s valuable contributions like yours in Ghana – individually and collectively – that continuously amaze me. I am so impressed!

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In preparing for this visit, I listened to the Republic Day address of the President of Ghana, commemorating 55 years since the foundation of today’s modern Ghana. His message about the need for reform was very clear:

- He called on government to spend within its budget.
- He dedicated his administration to strengthening institutions, especially those that fight corruption and abuse of office.
- And he called on political leaders to come together to work in the long-term interests of the country.

These are wise words that demonstrate dedicated leadership. Embracing reform in the long-term public interest can be tough, especially in difficult economic circumstances, but good governance in all organizations depends on leaders who set an excellent ‘tone at the top’.

It is outstanding that the President of Ghana speak about the importance of ethics, trust and credibility – the foundation on which Ghana’s future success will be built. Coincidentally, these are the hallmarks of the global accountancy profession and we have found that being true to these three pillars – ethics, trust and credibility – has been the key to our success and the public we serve for many years.

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Today, I want to talk about IFAC’s role to support the growth of this nation's accountancy profession – it is a complete honor and very exciting to do so. Given the nature of this audience, I also want to discuss the absolute necessity for good governance, transparency, and accountability if Ghana is to create the future your citizens want and deserve.

First of all, let me explain how, and why, IFAC has chosen to support Ghana’s accountancy profession.

A core component of IFAC’s public interest mission is to help facilitate a well-educated, well-trained, well-qualified, and ethical accountancy profession and, in particular, to grow the number and build the capacity of professional accountants in emerging economies.

Several years ago, in pursuit of this public interest mission, a game-changing milestone for IFAC was the creation of MOSAIC. MOSAIC is an acronym that stands for Memorandum of Understanding to Strengthen Accountancy and Improve Collaboration. This initiative brought together IFAC and 12 donor organizations, including the World Bank, African Development Bank, and UK Department for International Development (DFID).
If you go to the MOSAIC website, and a click on the map of Ghana, you can see: (1) the World Bank’s report on Ghana’s observance of standards and codes; (2) IFAC’s own report on ICA Ghana’s progress on its obligations as an IFAC member; and (3) a wide range of Ghana-focused materials. I recommend you take a look.

And, soon, the MOSAIC website site will have another item of good news about Ghana!

The most important hallmark of the accountancy profession is our professional qualification. ICA Ghana has done excellent work in building a Chartered Accountant professional program and post-Chartered diploma, as well as participating in the Accounting Technicians for West Africa program.

Your Chartered Accountant qualification is a visible reminder of integrity, expertise, and trust. It is a passport to a career, and the mark of a trusted advisor.

It is widely agreed that the essential elements of a credible professional qualification include: (1) a world-class examination system; (2) accredited and monitored education institutions and training offices; and (3) high-quality practical training.

It is my pleasure to confirm that IFAC, with funding from the United Kingdom’s Department for International Development, commonly referred to as DIFD, has chosen Ghana to launch a project to further strengthen the accountancy profession and, in particular, the ICA G professional qualification in these important areas.

In 2014, IFAC received almost £5 million (or $8 million USD) from DFID to fund professional accountancy organization capacity building in ten countries over a period of seven years. We are doing that by identifying countries where we think we can really make a difference and then partnering with other professional accountancy organizations to assist us in that work.

Today marks the first announcement of a partner to deliver on that promise. The Institute of Chartered Accountants in England and Wales (ICAEW) – an organization well-known here in Ghana – has been selected to join forces with ICA Ghana to blend international best practice and local knowledge and experience.

We expect this to be completed by March 2017. This exciting project will focus on enhancing the ICA Ghana examination system, as well as developing roadmaps to enhancing the accreditation of education institutions and training offices, tuition provided by the ICA Ghana School in support of the examination, and the practical training and experience of newly qualified professional accountants.

This project will enable ICA Ghana to develop its reach, influence, and capacity to fully support Ghana’s economic development. I congratulate ICA Ghana and the ICAEW for undertaking what I am sure will be a very successful project.

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Before I close, I want to touch on one other topic that is also essential to Ghana’s future – and that is good governance. Governance arrangements and effectiveness have a vital
role in the economic health and success of any nation. If accounting is one side of the coin – strong governance requirements and practices is certainly the other.

First, I want to acknowledge the work of ICA Ghana, the Ghanaian authorities, and others who believe deeply in good governance. From the Ghana Securities and Exchange Commission’s guidelines on governance best practices to ICA Ghana’s demonstrated support for good governance, it is clear there is a willingness to succeed on this front.

Governance is an area I have devoted many years to – both in serving as a non-executive director of several publicly listed companies over the past 20 years, and as a consultant to businesses, boards, and governments. I have seen how robust governance greatly enhances decision-making and accountability in ANY organization. Embedding strong governance into your country’s DNA, and expecting it in each and every organization and business is one of the most important things you can do.

And although there is a stated commitment to good governance by Ghana’s leaders, there is more to do. I know anti-corruption initiatives are top-of-mind – not just for leaders here today, but for everyday citizens who desire – and deserve – the best possible leadership. Building Ghana’s economy and solidifying its position in an internationally integrated economy is going to require a strong, decisive, and embedded governance culture.

Very quickly, I would like to highlight three areas from my personal experience I believe can significantly move the needle towards stronger, more effective governance.

1. Executives – as well as boards – have critical leadership roles in achieving strong corporate governance

Good governance begins with individuals and leaders who have a deep knowledge and understanding of business or organizations. Boards must be willing to honestly assess themselves – as a group and as individuals – and ask:

- Do we truly understand the business, the issues, and the risks?
- Are we equipped to effectively represent our stakeholders?
- Are we sufficiently informed – on an ongoing basis – and are we willing and able to not only understand the implications of judgments and decisions being made, but also to offer credible challenge?
- And do we understand the risks of the business model or actions – is too much risk or too little risk being taken? Boards must make (1) risk management and oversight a priority and regular agenda item; (2) risk appetite must be discussed and agreed upon with management; and (3) risk mitigation actions must be monitored and evaluated for their effectiveness.

If Board members do not understand the business model, the risk, the transaction, the market, then you have a problem. The Board – individually and as a group – must have relevant knowledge, willingness to challenge, and the courage to hold people accountable to agreed-upon strategies and risks to make meaningful contributions.

2. Good governance within management is also critical
Good governance begins with having strong executive management and robust management structures. If management cannot comfortably explain the overall picture of the business direction, the effects of decisions, and assess enterprise-wide risks, how can a CEO or board member do their job effectively?

Start with a critical examination of your talent pool. Ask whether your organization has recruited people with the right experience and skills to manage critical risk and control functions: (1) within operations (the first line of defense); (2) within accounting, finance, and risk management (the second line of defense); and (3) within internal audit (the third line of defense).

3. Professional accountants are uniquely qualified and stand ready to help

In 2012, I was part of a Corporate Governance Study Group sponsored by the Rockefeller Foundation. Our charge was to examine and suggest ways to bridge governance gaps. During one of our meetings, the Dean of Columbia University Business School made the following observation: “There are three kinds of gaps that boards must address: gaps in information, gaps in oversight, and gaps in expertise.”

I am convinced from many years serving on boards that the accountancy profession is uniquely positioned to help companies address those gaps. Industry and financial expertise and professional skepticism are our core competencies. Information is our business. We help organizations understand the essential elements, structures and processes of strong corporate governance.

It is in the accounting profession’s best interest to play a significant leadership role. Effective governance leads to transparency and high quality information that enables professional accountants to do a better job. It is essential that our profession is involved at every level.

In summary, I would like to leave you with three “take-aways” regarding the leadership role you can play in strengthening corporate governance in Ghana – and also a challenge.

First, the “take-aways” …

#1 – ADVOCATE for strong corporate governance. Be interested in all aspects of governance, talk about what changes should be made, what works well for others, and share experiences. There are many resources available including the websites of many of the large accounting firms.

#2 – EVALUATE. Consider a “governance review” and identify areas for improvement. Seek out what has been effective elsewhere, highlight existing gaps, and create an action list to bridge those gaps. The accountancy profession is well positioned to help address the gaps.

#3 – PARTICIPATE. Be visible leaders, and lead by example. Board members, CEOs, and senior leaders must demonstrate effective information flow, constructive challenge, and strongly transparent and accountable processes.

And now for my challenge to you …
Each of you can contribute greatly to reaching the next level of governance effectiveness. As senior leaders in Ghana, you have the influence to take this message forward to wider audiences, to advocate for strong corporate governance – and to help others see what that looks like through your own examples.

You have the power to impact economic growth. And you have the power to send a strong message of corruption intolerance.

And as I always like to remind myself: **We must not only have good intentions - we must act intentionally.**

I am aware of an Ashanti proverb: **When a king has good counselors, his reign is peaceful.**

I believe the accountancy profession in Ghana is that good counselor.

With the goodwill and leadership represented in this room, and ICA Ghana’s continued and steadfast support of good governance and transparency, the unwritten chapters of Ghana’s future are going to be an excellent read.

Thank you once again for the invitation to be with you today. It is indeed a pleasure and privilege for IFAC to be a small part of this chapter as your story continues to unfold.