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PRESS RELEASE

Purpose Beyond Profit: Research shows need for broader information for effective corporate reporting

JOHANNESBURG (2 May 2018) A new report, [Purpose Beyond Profit](#), reveals that executives believe they need better information to deliver future business success. To create sustainable value for all stakeholders, executives globally report an interest in taking a longer-term strategic perspective and having more insight into drivers of future performance.

Purpose Beyond Profit is a collaborative project between the [Association of International Certified Professional Accountants](#) (the Association) – the unified voice of the [Chartered Institute of Management Accountants](#) (CIMA) and the [American Institute of CPAs](#) (AICPA), Black Sun Plc, and the International Integrated Reporting Council (IIRC). The project is based on a global survey of business leaders, analyzing how value creation information is used and understood.

The study was conducted with over 400 finance professionals, a cohort including 41 CEO/Presidents, 177 CFOs and other executives from over 50 countries. Key findings of the research include:

- 96% of executives agree that bringing financial and non-financial information together provides a more forward-looking, longer-term view of performance.
- 93% agree that effectively explaining value creation is important.
- 89% believe they need to shift focus to wider value creation.
- 79% agree that a longer-term perspective would improve value creation.
- 38% reported that their businesses are working on capturing new types of information and creating new tools to better understand performance.
- Despite the above, only 24% believe their companies are doing a very good job reporting performance metrics beyond the financials.



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The report findings highlight that customer satisfaction, value created for society and co-creation of value through external relationships are becoming central to future success. These insights explain why the adoption of integrated thinking and reporting continues to grow internationally.

Badi Promesse FCMA, CGMA, MBA – Regional Vice President Africa, The Association of International Certified Professional Accountants commented: “The issues revealed by the Purpose Beyond Profit report are fundamental to the success of businesses. Boards must now think about performance and value creation more broadly than just the financial bottom line. Integrated reporting is the ideal tool that brings together financial and non-financial information. It provides the board with a clear picture of how value is created over the short, medium and long term, enabling them to make informed decision to drive sustainable performance.”

Richard Howitt, CEO, IIRC added, “I am pleased that executives around the world see tangible, practical value in integrated thinking and reporting. An overwhelming majority of executives surveyed for this report, 83%, believe that adopting integrated reporting supports business success.”

Lastly, Professor Mervin King FCMA, CGMA, IIRC Chairman highlighted the role of shareholders in ensuring a company’s worth lies in the value it creates for various stakeholders and not solely for the purpose of making a profit: “The vision of leaders must be to have a company centric governance model which moves away from yesterday’s primacy of the shareholder. It needs to be implemented mindfully to achieve the relevant outcomes of effective leadership, value creation, adequate controls and legitimacy of operations.”



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About the Association of International Certified Professional Accountants

The Association of International Certified Professional Accountants (the Association) is the most influential body of professional accountants, combining the strengths of the American Institute of CPAs (AICPA) and The Chartered Institute of Management Accountants (CIMA) to power opportunity, trust and prosperity for people, businesses and economies worldwide. It represents 650,000 members and students in public and management accounting and advocates for the public interest and business sustainability on current and emerging issues. With broad reach, rigor and resources, the Association advances the reputation, employability and quality of CPAs, CGMAs and accounting and finance professionals globally.

About the Chartered Institute of Management Accountants

The Chartered Institute of Management Accountants (CIMA), founded in 1919, is the world's leading and largest professional body of management accountants, with members and students operating in 176 countries, working at the heart of business. CIMA members and students work in industry, commerce, and the public sector and not-for-profit organizations. CIMA works closely with employers and sponsors leading-edge research, constantly updating its qualification, professional experience requirements and continuing professional development to ensure it remains the employers' choice when recruiting financially-trained business leaders.

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NOTES TO EDITORS

Purpose Beyond Profit: The Value of Value, Board Level Insights by the Association, Black Sun and IIRC, February 2018. The full research report can be found here <https://www.cgma.org/resources/reports/purpose-beyond-profit.html>

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Black Sun is a stakeholder communications company. We believe that in today's fast moving and highly uncertain world, successful businesses are those able to deliver long-term value to the people around them--their stakeholders.