

## **Projects awarded grants in 2014**

### **The 2015 ASEAN Economic Community: Existing condition of and what to Improve for Management Accountant Profession by Dr Desi Adhariani (principal researcher) and Dr Sylvia Veronica, University of Indonesia**

The objectives of this research are to gain understanding of the existing condition of management accountant profession in relation to the readiness of this profession towards the ASEAN Economic Community (AEC) which will occur in 2015. Based on the evaluation of the existing condition, various ways for improvement are offered and analysed to enable the Indonesian management accountants to have competitive capability as their ASEAN's counterpart.

Findings of the study will help CIMA in designing future training development program for management accountants, including the possibility of on line or e-training to anticipate the limited time possessed management accountants to attend formal courses.

Professional accountants can benefit from this study by helping them to do a "self-evaluation" on their readiness towards AEC 2015 and to live in AEC era.

Employers, especially managers, can use the results as a guidance to develop the management accountant capabilities.

For government, this study can be used to as a guidance to design accounting education and curriculum to develop management accountants' capabilities in the future.

### **Mitigating risks in food supply chain: Learning from the Japanese by Dr Intan Marzita Saidon (principal researcher) and Dr Nadzri Ab Ghani Universiti Teknologi MARA (UiTM), Perlis, Malaysia and Dr Rafisah Mat Radzi, Universiti Sains Malaysia and Dr Mohd Awang Idris, University of Malaya**

There are three main objectives of this research. First, to identify the major risks involved in the food supply chain of Japanese food and beverage manufacturers operating in Malaysia. Secondly is to mitigating these risks. Finally, to reveal on how the management practices help to mitigate the major risks in the food supply chain of these manufacturers.

A case study research strategy will be adopted for this research. Semi-structured interviews will be conducted with managers and executive level working in the Japanese food and beverage manufacturers in Malaysia. These companies will be randomly selected based on Japan External Trade Organizations (JETRO) listing. In addition to the semi-structured interviews, this research will also utilise secondary data which is obtained from information deriving mainly from formal sources such as JETRO, Ministry of International Trade and Industry (MITI) and literature from a range of other sources.

The findings could guide food manufacturers to a better allocation of resources in designing and implementing effective risk mitigation strategies in an attempt to remain competitive.

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**Modelling the dynamic nature of competitive advantage through entrepreneurial innovation by Professor Dr Wan Fadzilah Wan Yusoff (principal researcher), Associate Professor Dr Govindan Marthandan and Associate Professor Dr Indra Devi Subramania, Multimedia University, Malaysia and Zainuridah Binti Yusof, TM Research & Development Sdn. Bhd**

The research will focus on the entrepreneurial innovation in service sector in Malaysia. With this as the focus the study will be conducted in a telco company in Malaysia. The innovative nature of service provisioning to its customers makes the telco companies to be different from their competitors and in turn increase their ROI and market share. The model to be developed will be helpful for the service industry as a whole and telco industries in particular to simulate and try alternative innovative service features with cost and performance controls on hand.

The outcome of this research will be an eye opener to the organisations in enhancing and encouraging entrepreneurial innovation to gain sustainable competitive advantage. The right mix of cost control and performance monitoring on the entrepreneurial innovation will help the organisations to compete with the competitors and have a long-lasting competitive advantage. The model will be an asset to the organisations when dealing with high competition.

**Investigating the role of internal factors in influencing the effectiveness of enterprise risk management by Associate Professor Dr Che Ruhana Bt Isa (principal researcher), Salinah Hj Togok and Dr Suria Zainuddin, University of Malaya, Malaysia**

The case study in general, seeks to investigate the relationship between the context of the presence and power ERM champion with the perceived effectiveness of ERM in managing risks. To further enrich the value contributed by the research, investigation into the moderating influence of employee participation in ERM activities are also included within the scope of the case study. The choice of these variables was based on literature on management control systems or general and ERM in particular as well as feedback from industry practitioners.

Given the benefits of ERM, it is hoped that the current piece of work can aid CIMA Members, professional accountants and practitioners by offering insights into what make up a conducive environment towards an effective and successful ERM in managing risks. In Malaysian perspective, the current study set to shed some light into level of ERM adoption among Malaysian companies as disclosed in the financial statement and its effectiveness in risk management process. The empirical evidence of the effectiveness of ERM in managing risks is also hoped to change the motivation for ERM implementation from compliance or "tick in a box" exercise to business sense exercise. From the regulatory standpoints, the study seeks to offer a basis for regulatory bodies in the formulation of policies and guidelines to encourage effective ERM implementation.

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**Assessing the risk governance of MSMEs in the Philippines by Dr Franklin U. Prieto (principal researcher), Associate Professor Nancy C. Bartolome, Assistant Professor Mary Hildence M. Baluyot and Mr. Eric G. Pasquin, University of Santo Tomas**

The objectives of the research are to:-

- Identify the various risks encountered by micro, small and medium enterprises (MSMEs) in the Philippines.
- Determine the risk management practices adopted by MSMEs in the Philippines and measure the effect of these practices to business decision making.
- Measure the degree of response of the MSMEs in the Philippines towards the growing importance of risk management integration to business activities that creates further value to the organization.
- Appraise the depth of preparedness of MSMEs in the Philippines in the midst of an emergent risks brought about by an integrating economic region (ASEAN Integration).
- To develop a risk governance model for MSMEs in Southeast Asia particularly in the Philippines.

There are three areas of research that this project will complement. Firstly, in the area of Employability, the risk management role will be increasing for CIMA practitioners. Because of their expertise in financial analysis, using accounting information integrated with business processes and technology, they are more capable of managing the risks. Secondly, this project also complements CIMA's interest in management control systems because one of the major causes of problems in most MSMEs is the lack of control mechanisms which may be due to lack of funding or lack of management concern for internal controls. And thirdly, this project also complements CIMA's interest in management accounting and business sustainability, specifically how MSMEs can sustain their existence when the market becomes open to the neighbouring countries due to regional integration (Asian Integration).

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**Economy of giving in Simbahayan Community Development Programme by Dr Ma. Belinda S. Mandigma (principal researcher), Assistant Professor Franz F Giuseppe Cortez, Mr Jommar A de Guzman and Assistant Professor Corazon F. Regacho, University of Santo Tomas**

The objectives of the research are to:

- To make a scholarly research concerning the SIMBAHAYAN Community Development Program of the University of Santo Tomas showing that it is a concrete manifestation of an Economy of Giving.
- To explore the incentives and rewards to SIMBAHAYAN participants through investigation of their motives-of-giving or value drivers.
- To identify and track public values accruing to the program's beneficiary communities and welfares spilling to the greater community by examining these benefits' immediate connections with drivers of social sustainability.
- To build appropriate metrics to measure or quantify private benefits to program participants and public values to communities by testing different measurements.
- To translate the values measured into monetary terms, facilitating the preparation of a Social P&L account for community extension programs.

The Social P&L envisioned by the researchers is aligned with sustainability reporting, one of the 8 core areas identified by CIMA where management accountants can add the most value. It is expected to provide business leaders with useful decision-making tools that can build capacity and strengthen their position in the industry. It may also entice regulatory bodies to adopt rules focusing on disclosure requirements related to Social P&L.