

Date	September 2018	Agenda paper
Title	Strategic Trends	
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We are very much looking forward to the discussions on Strategic Trends and implications. Thank you in advance for your engagement and the experiences you will be able to share. These sessions on Strategic Trends will be different in nature to previous meetings but we are hoping will be highly valuable to you and us.

The two trends we will be considering are the Future of Talent and Relevance. To assist your thinking, we have set out below, a small number of articles and videos that look at these trends with different perspectives.

<https://www.forbes.com/sites/jacobmorgan/2016/03/01/the-chief-talent-officer-of-deloitte-on-the-future-of-talent/#6d8d07b56bb3>

<https://www.forbes.com/sites/roddwagner/2017/01/23/an-employee-value-proposition-mindset-just-might-fix-employee-engagement/#3ee98d34c3d2>

<https://www.decision-wise.com/growth-being-stretched-and-challenged-in-ways-that-result-in-personal-and-professional-progress/>

A Request Please – Prior to Meeting!

We detail below information about how the sessions on the Strategic Trends will work during our meeting.

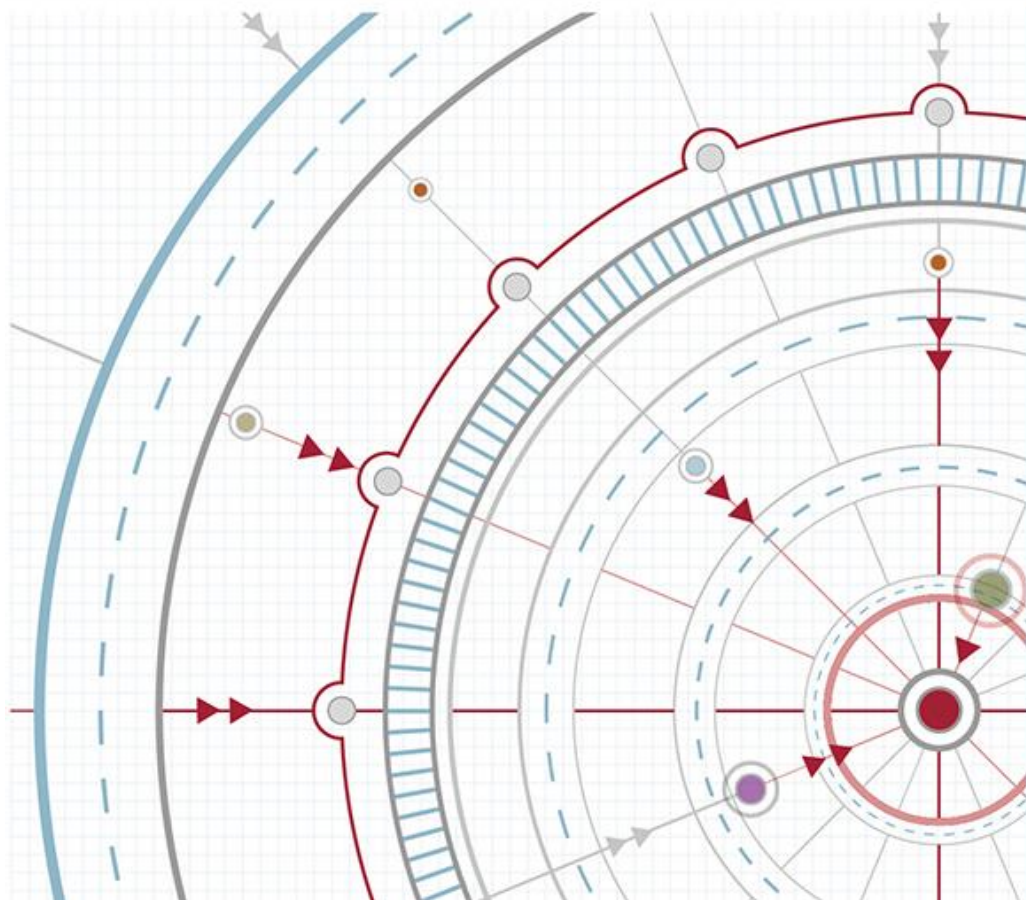
Please note there will be a breakout session which is focused on the two Strategic Trends and their potential effect at your organisation and what actions might be occurring there. We are very keen to learn from the strategic thinking and experiences at your organisation. Please come to our meeting prepared with knowledge and thinking from your organisation. That may mean if you are not directly involved in the strategic planning at your organisation, can you please engage with that person/team prior to coming to the Advisory Council. Your session slides (below) have some questions and context that you can use as the basis of your conversations at your organisation.

Session Slides

We attach a copy of the slides that we will present at the start of our first session. We provide these in advance to help you gather thinking from your organisation (see above) and to assist your overall preparation. There will be two sessions on Strategic Trends; the first understanding from your organisation's perspective and secondly, considering implications and actions for the IFRS Foundation/IASB. A reference is made in the slides to our Reputation survey of 2017 and we provide the relevant link below.

<https://www.ifrs.org/news-and-events/2017/07/ifrs-foundation-trustees-publish-findings-on-independent-perception-research/>

And finally, for the second session we attach some briefing materials about our staff profile, our current learning and development framework, a current role advertisement (giving a sense of our Employee Value Proposition) and some data from our Investors in People benchmark.



Strategic Themes Looking Forward

Lee White – Executive Director

IFRS Advisory Council
September 2018

The views expressed in this presentation are those of the presenter, not necessarily those of the International Accounting Standards Board or IFRS Foundation.

Strategic Themes – Looking Forward

- Businesses are always looking forward to remain successful.
- There are many factors that affect a business' success.
- In particular global trends are having fundamental influence on business success, although some trends will have a greater impact based on the nature, structure and size of the business.

Strategic Themes – Looking Forward

- These key trends will include technological development, demographic changes, globalization (protectionism) and urbanization.
- Businesses are changing and successful ones look forward and take steps to adapt. The very successful predict impact well in advance of it occurring and take actions that align with the prediction.
- How will these trends in the future impact business?

Strategic Themes – Looking Forward

- Today we would like to focus on two strategic themes, Future of Talent and Relevance, to discuss first what you are hearing and thinking (looking forward) in your environment and businesses, (Breakout session one) and then to...
- Consider how your experiences and thinking might impact for us at two levels; firstly for the IFRS Foundation and IASB and secondly regarding financial reporting (Breakout session two).
- We are looking to analyze two strategic themes into sufficient workable detail for us to consider further. There is also some good overlap between the two strategic themes.

Strategic Themes – Looking Forward

- The world and business is becoming increasingly connected (driven via technology) and that trend looks like it will continue and at a rapid pace. This sharply contrasts with some political actions such as Brexit.
- The flow of talent will continue across all markets – old and new; developed and developing. New forms of business are created and will be highly attractive to talent. Talent will look to these businesses to give them a personal competitive advantage. The global battle for talent is intense.
- Businesses will need to be smart in attracting and engaging talent. Also create a new narrative of employee value proposition (EVP) ie the unique set of benefits that an employee receives from the employer. In particular the EVP has to connect talent to the meaningfulness – the purpose- of their work and outcomes.

First Breakout Session – Trends in your organisation

- Traditional ways of finding and hiring talent will continue but how successful is unclear. With increasingly advanced technologies and given the changes to the nature of work there will be much greater focus on matching talent to work and work to talent. Will that impact the range of skills valued in talent?
- The one-size-fits-all philosophy to many aspects of professional life is no longer seen as acceptable. The trend of individual ‘customerisation’ in our lives means we are now looking for all forms of engagement (including our work relationship) to be developed specifically and uniquely for each of us.

Strategic Themes – Looking Forward

Future Talent

First Breakout Session – Trends in your organisation

- Can current and future business leadership evolve and adapt their practices to deliver the desired individual ‘customerisation’ ? And if they do adapt what will that look like? What is occurring in your organisations?
- Greater expectations are here for the growth and development of each individual employee. It is a major part of an effective EVP. But many businesses are still looking at this as a ‘nice to have’ and in a limited perspective of some training costs. But those winning in securing talent now and in the future are developing new ways to grow and develop their talent from the day they ‘arrive’ to the day they ‘leave’.

Strategic Themes – Looking Forward

Future Talent

First Breakout Session – Trends in your organisation

- What is the style of approach for growth and development of talent for the future? How is your organisation changing its approach? What does highly valuable growth and development look like now and going forward?
- What are some innovative techniques to be thought of with growth and development of talent? What is your organisation doing? How effective could these new techniques be?

Strategic Themes – Looking Forward

Future Talent

Second Breakout Session – Implications for the Foundation

The key questions we will ask the breakout groups to consider are:

1. With all of the potential changes occurring with talent, what will this mean for future IASB Board members and IFRS Foundation staff? Are there competencies that we should be more focused on with our future recruitments? What would these look like? Are their competencies that you might add or lessen?
2. How could we improve the IFRS Foundation's Employee Value Proposition to deliver success with securing future talent? What will set us apart? Differentiation?

Strategic Themes – Looking Forward

Future Talent

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Second Breakout Session – Implications for the Foundation

3. What are some of the new innovative ways that the IFRS Foundation could adopt to grow and develop its future talent? Are there one or two techniques that we should concentrate on?
4. What could be potentially some of the real challenges and obstacles ahead for the IFRS Foundation and IASB as we adapt to attract and retain future talent? How could we overcome them?

Strategic Themes – Looking Forward

Future Talent

Second Breakout Session – Implications for the Foundation

5. With the significant level of changes in the future that could affect the thinking and approach to talent, will this affect (at all) the people closest to all parts of financial reporting (the financial reporting chain)? Eg how strong will data analytics become in the financial reporting chain? And if so, what should we do here at the Foundation?

First Breakout Session – Trends in your organisation

- With the global trends having fundamental impact on businesses, a great challenge is remaining relevant to all people that engage with you. The backdrop of ever-present, fast moving change can be a huge threat to maintaining a business's relevance.
- There are many examples where businesses have only recognised that they have lost relevance after it is too late to take action. This can be due to the speed of change but also that business leaders are unable to understand the nature of the change occurring.

First Breakout Session – Trends in your organisation

- But there are many examples of businesses that focus on relevance and thrive. Being truly relevant is very difficult because stakeholders and customers are not alike, they will bring different demands and expectations. It is important to clearly understand and communicate in simple language your relevance.
- Understanding your true purpose and value is essential to relevance. Many can struggle with this thinking because those leading the business are generally too close to see it objectively. Perspective on relevance can blur and diminish among many past successes.

Strategic Themes – Looking Forward

Relevance

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First Breakout Session – Trends in your organisation

- What are some of the techniques and steps that businesses take to stay relevant? Specifically what are the tangible ways that your businesses are continuing to monitor and take proactive steps to remain relevant? How effective are these techniques?

First Breakout Session – Trends in your organisation

- We will now look at parts of relevance.
- Life long learning is the on-going and self motivated pursuit of knowledge for (but not limited to) professional reasons. Learning is a mix of daily interactions with those around us and our broader environment.
- Businesses that embed life long learning show strong results, employee engagement, innovation and ultimately strengthens its relevance.
- How have your organisations' instilled a sense of life long learning in your culture? Were there initiatives that had greater impact?

First Breakout Session – Trends in your organisation

- Employee engagement is a fundamental part of business success and remaining relevant. In simple terms, it is creating and sustaining the right approach and conditions for employees to give their best each day. Easy to say, much harder to do!
- Employee engagement is based on two-way trust, integrity and outstanding communication. Highly engaged teams deliver great results and along the way innovate to sustain and push forward those results and engagement. Leaders will prioritize engagement.
- In navigating through change, what ways are your organisation's finding effective for improving employee engagement? How do you measure the employee engagement? Regularity?

First Breakout Session – Trends in your organisation

- The rapid pace of technological change provides opportunities and poses challenges for businesses. To remain relevant there needs to be a good understanding of technology and its impact.
- Part of the challenge with technology is that we engage with multiple layers, with high visibility but successful businesses cut through layers to understand at a detailed level potential impact.
- How are you equipping your workforces to embrace technology and be able to use it?

First Breakout Session – Trends in your organisation

- How are you thinking about the impact of technology on your organisation and especially as it relates to financial reporting?
- We look to a good discussion on some perspectives regarding technology and your teams *rather* than the variety of technologies available.

Strategic Themes – Looking Forward

Relevance

Second Breakout Sessions – Implications for the Foundation

The IFRS Foundation 2017 Reputation research results were very encouraging and we were highly rated for transparency, independence and professionalism. This is very helpful data at a point in time and to set the context of understanding where we have come from through the eyes of key stakeholders.

The key questions we ask the breakout groups to consider are:

1. What new approach and techniques to life long learning could you suggest for the IFRS Foundation to consider?

Second Breakout Sessions – Implications for the Foundation

2. For an organisation of approx. 150 people (with many roles being fairly specific) how do you foster variety of learning experiences?
3. What could we do at the IFRS Foundation to increase or strengthen our employee engagement?
4. In light of the impact of technology on financial reporting, what should we consider looking to do more? Less? New?

Get involved

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Advisory Council Agenda paper Future of Talent

September 2018

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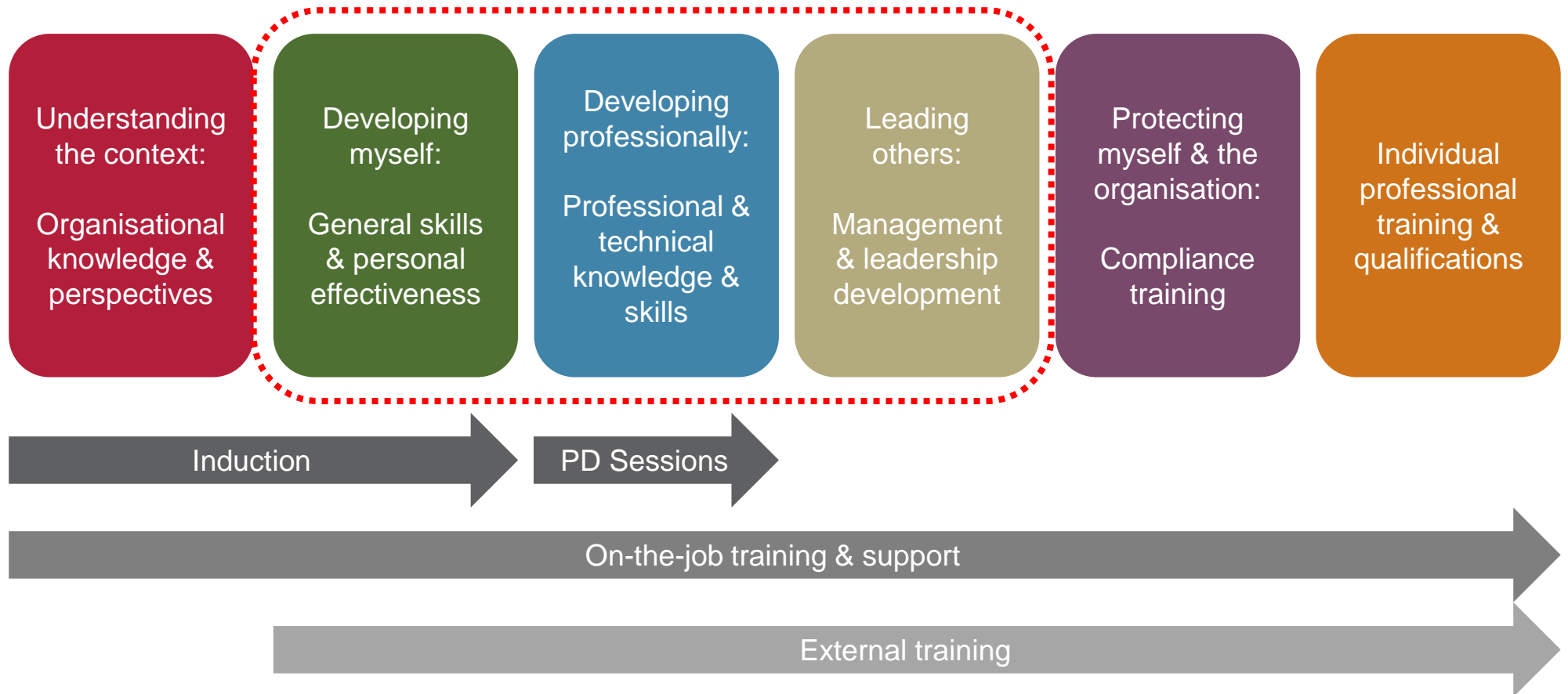
IFRS Foundation

Profile of staff

- Headcount: 147 including 11 secondees (consistently c.150 for last 5 years)
- Full time equivalents: 140.45
- 58% female / 42% male
- Staff turnover: 10% due to fixed term contracts expiring + 14.5% voluntary turnover
- Average length of employment: 5.6 years
- Average age: 44 years
- Number of nationalities: 33

IFRS Foundation Learning & Development Framework

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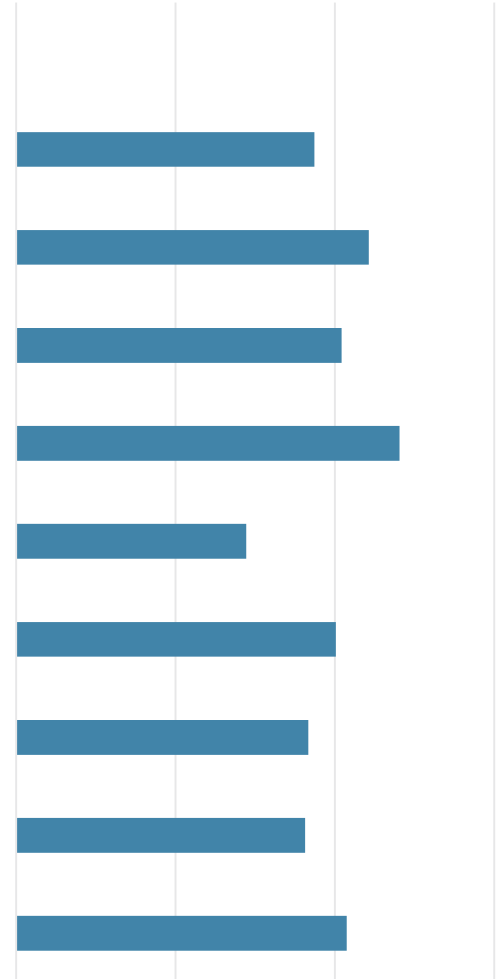
Investors in People award

- The Investors in People (IiP) standard is an independent benchmark of organisational effectiveness and people management practices.
- The Foundation has been independently assessed against the IiP standard in 2010, 2013 and 2016 and judged as meeting the standard on each occasion.
- The standard comprises 9 indicators each of which cover a number of detailed aspects.
- The next slide shows the overall rating by staff of how the Foundation performed against the indicators in the most recent assessment.

Net position against liP indicators 2016

(weighted scores (+ or -))

1. Leading & inspiring people
2. Living the organisation's value and behaviours
3. Empowering and involving people
4. Managing performance
5. Recognising and rewarding high performance
6. Structuring work
7. Building capability
8. Delivering continuous improvement
9. Creating sustainable success



Highlights from IiP Assessor's report

- “...self motivation and pride in achievement was striking...”
- “...people are engaged with the goals and ambitions of the Foundation... and enthusiastic for their success.”
- “...performance is supported by a strong commitment to encouraging people to come up with new ways of doing things” and “by a very strong understanding about, and involvement with, external stakeholders – not just in the UK but around the world.”
- “It was clear people enjoy what they do, find the work interesting and satisfying...” and are “...very proud of the organisation, and its achievements.”
- Areas identified for strengthening included issues relating to:
 - Recognition: encourage a culture of appreciation
 - Progression: enable growth and development in a small organisation