The Accountant

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Competence, Integrity and Virtue
Zambia Institute of Chartered Accountants

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THEME: *Future-Ready Leadership: Growth, Technology & Sustainability.*

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Leading the Profession Through Transformation

Mr. Joseph Matimba
ZICA President

Let us continue to build a profession that earns trust, creates value and contributes meaningfully to Zambia's economic and institutional development.

I am pleased to welcome you to this edition of The Accountant Journal.

The accountancy profession is entering a period of profound transformation. Technology, evolving regulatory expectations, changing business models and increasing demands for transparency are redefining what organisations expect from finance professionals. Yet, while the tools of our profession continue to change, the values that sustain public confidence remain constant: competence, integrity, accountability and professional judgement.

Expanding the Role of the Modern Accountant

The profession is moving beyond traditional financial reporting towards strategic advisory and decision-making. Technical competence remains fundamental, but today's accountants must also demonstrate strategic thinking, leadership, communication, digital capability and sound judgement to create sustainable value.

Technology with Accountability

Technology is perhaps the most visible force driving this transformation. Artificial intelligence, data analytics and automation are changing the way finance functions operate, creating opportunities to improve efficiency, strengthen controls and generate deeper insights. However, technology does not remove the need for professional judgement; it increases it. As financial information becomes increasingly automated, professionals must remain accountable for the quality, reliability, ethics and usefulness of the information upon which decisions are based.

Accounting as a Driver of Enterprise

The issue also demonstrates how accounting principles extend beyond large corporates and formal reporting environments. The experiences of entrepreneurs, including those operating in agriculture, show how financial discipline, budgeting, risk management, governance and sustainability can strengthen small businesses and support resilience. Strategic marketing and customer understanding similarly remind us that accountants can contribute to value creation well beyond the finance department.

Integrity at the Heart of Governance

Governance and ethics remain at the heart of this evolution. Strong systems, internal controls and reporting frameworks are essential, but they cannot substitute for ethical leadership. Governance ultimately depends on the decisions and behaviours of those entrusted with responsibility. For our profession, this reinforces the importance of maintaining independence, objectivity, integrity and accountability, particularly as new technologies and increasingly complex business environments create new ethical challenges.

Contributing to Zambia's Economic Development

At the national level, the opportunities and challenges facing Zambia require a profession that is prepared to contribute beyond compliance. Economic diversification, local participation in mining, energy transition, international trade and private sector development all require sound financial management, credible reporting and informed decision-making. Accountants are well positioned to contribute to these priorities by strengthening institutions, supporting businesses and promoting responsible stewardship of resources.

Preparing Professionals for What Comes Next

As ZICA, we remain committed to supporting members through continuous professional development, technical guidance and advocacy. We must ensure professionals are equipped not only to respond to change, but to lead it.

I encourage readers to engage with the diverse perspectives presented in this edition and to consider how they can be translated into practice. The future of accountancy will belong to professionals who combine technical excellence with ethical leadership, digital adaptability and strategic insight.

Together, let us continue to build a profession that earns trust, creates value and contributes meaningfully to Zambia's economic and institutional development.

IFRS 18: More Than a Compliance Exercise — A New Era for Financial Storytelling in Zambia

Anthony Bwembya
ZICA Chief Executive Officer

IFRS 18 is not simply a compliance burden; it is an opportunity to strengthen transparency, accountability and stakeholder trust.

As the accountancy profession continues to evolve in response to changing stakeholder expectations, few developments in recent years have generated as much significance for financial reporting as the introduction of IFRS 18, Presentation and Disclosure in Financial Statements. Effective for annual reporting periods beginning on or after 1 January 2027, IFRS 18 represents the most substantial overhaul of income statement presentation in decades. Yet, despite its far-reaching implications, many organisations remain dangerously underprepared.

The article by Ackson Mapfundematsva CA(Z), Regional Director – Financial Management Services at Baker Tilly Central Africa, highlights a critical message for finance professionals: preparation for IFRS 18 cannot wait until its effective date of 1 January 2027. While the standard does not change how transactions are recognised or measured, it fundamentally changes how financial performance is presented and communicated.

IFRS 18 is designed to improve transparency, consistency and comparability in financial reporting. By introducing a structured framework for the statement of profit or loss, including defined categories and mandatory subtotals, the standard aims to make it easier for stakeholders to understand and compare the performance of different organisations.

For Zambia's corporate sector, these changes come at a time when investor confidence and high-quality financial reporting are increasingly important. The challenge is not the complexity of the standard itself, but the extent of its impact. Organisations will need to review reporting structures, disclosures, systems, processes and performance measures to ensure compliance and consistency across all external communications.

One of the most significant developments is the treatment of Management Performance Measures (MPMs). Common metrics such as adjusted EBITDA and underlying profit will require greater transparency, including formal reconciliations to IFRS figures and explanations of their relevance. This will strengthen accountability and reduce the risk of misleading or inconsistent performance reporting.

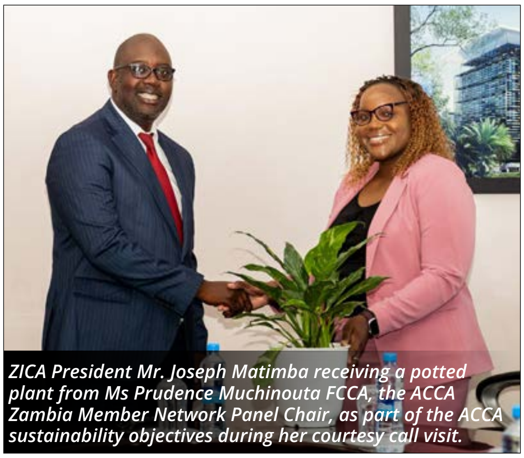
Importantly, IFRS 18 is not simply a finance department issue. Boards, audit committees and executive management must also take ownership of implementation. The standard affects how organisations tell their financial story to investors, regulators and other stakeholders, making it as much a governance matter as an accounting one.

Rather than viewing IFRS 18 as another compliance burden, organisations should see it as an opportunity to enhance the quality and credibility of their financial reporting. Those that prepare early will not only ensure compliance but also strengthen stakeholder trust and improve the clarity of their financial communications.

Ultimately, IFRS 18 does not change the numbers—it changes the story those numbers tell. As the countdown to 2027 continues, Zambia's finance leaders have an opportunity to lead this transition and reinforce the profession's commitment to transparency, accountability and excellence in financial reporting.

PHOTO FOCUS

A Close-Up of Key Events and a Visual Narrative of the Accountancy Landscape


ZICA President Mr. Joseph Matimba receiving a potted plant from Ms Prudence Muchinouta FCCA, the ACCA Zambia Member Network Panel Chair, as part of the ACCA sustainability objectives during her courtesy call visit.


Ms Prudence Muchinouta FCCA, the ACCA Zambia Member Network Panel Chair, and the ACCA Country head, paid a courtesy call visit to the ZICA President.

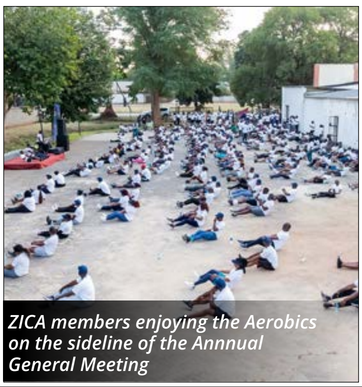
ZICA Vice President Mrs Rabecca Hichilo Silolezya (middle) officially opened the ACCA new member convocation dinner.


ZICA Council led by the ZICA President Mr. Joseph Matimba paid a courtesy call on the Accountant General Ms Nsandi Manza


Group photo with delegates from BICA, ZICA and ICAM C-suite delegates at the International Executive Retreat held in Maun, Botswana.


Secretary to the Treasury Mr Felix Nkulukusa officially opened the 2026 Pre-Annual General Meeting Workshop in Livingstone


ZICA Vice President, Council Members, ZICA CEO, Sponsors, Speakers and Corporating Partners pose for a photo during the student conference held in Lusaka.


ZICA members enjoying the Aerobics on the sideline of the Annnual General Meeting

China Opens its Doors:
Will Zambia Capitalize on the Opportunity?

By Josephine Nyambe Kaposhi

Abstract
China's decision to extend zero-tariff treatment to imports from 53 African countries marks a significant milestone in China–Africa economic relations. For Zambia, this policy presents unprecedented opportunities to diversify exports, expand industrial production, and integrate into global value chains. However, preferential market access alone does not guarantee economic transformation. Zambia's ability to benefit from this arrangement will depend on strengthening productive capacity, improving value addition, enhancing trade infrastructure, and implementing supportive policies. This article examines the opportunities and challenges arising from China's zero-tariff initiative and assesses Zambia's readiness to capitalize on the new trade landscape. The article argues that while the opportunity is real, strategic investments, sound governance, and industrial development are essential for Zambia to fully harness the benefits.

Introduction

Global trade has increasingly become a driver of economic growth and development, particularly for emerging economies seeking to integrate into international markets. In recent years, China has emerged as Africa's largest trading partner, with bilateral trade between China and Africa exceeding US$280 billion annually (UNCTAD, 2024). Against this backdrop, China's announcement of zero-tariff treatment for exports from 53 African countries represents a landmark policy aimed at deepening economic cooperation and promoting shared development.

For Zambia, a resource-rich nation strategically located in Southern Africa, this development presents significant opportunities. The removal of tariffs potentially increases the competitiveness of Zambian exports in the Chinese market, which comprises over 1.4 billion consumers. Products ranging from agricultural commodities to manufactured goods and critical minerals may now access China under more favorable conditions.

However, history demonstrates that market access alone does not automatically translate into economic gains. Many African countries have previously enjoyed preferential access to international markets through initiatives such as the African Growth and Opportunity Act (AGOA) and the European Union's Everything But Arms (EBA) arrangement, yet the benefits have often been constrained by limited productive capacity and weak industrial bases (World Bank, 2023).

The key question therefore remains: Will Zambia capitalize on this opportunity, or will structural constraints limit the country's ability to benefit?

This article examines the opportunities created by China's zero-tariff policy, identifies sectors likely to benefit, and highlights the reforms necessary for Zambia to maximize the potential gains.

Literature Review

China–Africa Trade Relations
China's engagement with Africa has evolved significantly over the past two decades. According to Alden (2019), China's relationship with Africa has shifted from aid-based cooperation to strategic economic partnerships focused on trade, infrastructure development, and investment.

Trade between China and Africa has grown rapidly, making China Africa's largest trading partner since 2009. While Africa exports largely consist of raw materials, China exports manufactured products, machinery, and technology (UNCTAD, 2024). Critics argue that this trade pattern risks perpetuating dependency on primary commodities, while proponents emphasize opportunities for industrialization and technology transfer.

The latest zero-tariff initiative seeks to address trade imbalances by improving African countries' access to Chinese markets. However, successful participation in global trade requires competitiveness, quality standards, and production efficiency (World Trade Organization, 2023).

The Importance of Value Addition

Economic literature consistently demonstrates that value addition enhances export earnings, creates employment, and stimulates industrial growth (Porter, 1990). Countries that export processed goods rather than raw materials generally achieve higher levels of economic development.

Zambia's economy remains heavily dependent on copper exports, making it vulnerable to global commodity price fluctuations. The diversification of exports through value addition in agriculture, mining, and manufacturing has therefore become a national priority (Bank of Zambia, 2024). By processing copper into battery components, refining agricultural produce, and expanding manufacturing capabilities, Zambia could capture greater value within domestic supply chains while increasing export competitiveness.

Industrial Capacity and Trade Competitiveness

The relationship between trade openness and economic growth depends largely on a country's productive capabilities. Hausmann and Rodrik (2003) argue that economic transformation occurs when countries develop sophisticated productive structures capable of competing internationally. Infrastructure deficits, high production costs, and limited access to finance continue to constrain Zambia's competitiveness. According to the African Development Bank (2024), inadequate transport networks and energy shortages increase business costs and reduce export efficiency.

Without addressing these structural challenges, Zambia may struggle to take full advantage of preferential trade access.
Opportunities for Zambia

Agriculture and Agro-processing

Agriculture remains one of Zambia's most promising sectors. The country possesses vast arable land and favorable climatic conditions suitable for producing crops such as soybeans, maize, coffee, honey, and horticultural products.

China's growing middle class has increased demand for high-quality food products. Duty-free access therefore provides opportunities for Zambian exporters to expand into this lucrative market.

However, exporting raw agricultural products yields limited benefits. Greater gains can be achieved through agro-processing industries that produce packaged foods, edible oils, and processed agricultural products.

Investments in irrigation, storage facilities, certification systems, and logistics will be essential to meet international quality standards.

Mining and Green Minerals

Zambia's abundant mineral resources position the country strategically within the global energy transition. Demand for copper, cobalt, and other critical minerals has increased significantly due to the expansion of electric vehicles and renewable energy technologies.

China remains a major player in battery manufacturing and clean energy technologies. Zambia can leverage this relationship by moving beyond raw mineral exports toward local beneficiation and mineral processing.

The development of battery precursor industries and mineral refining facilities would create employment, increase export earnings, and strengthen industrialization efforts.

Manufacturing and Industrialization

Manufacturing plays a critical role in economic diversification. Zero-tariff access creates opportunities for Zambian firms to produce goods for export into Chinese markets.

The establishment of industrial parks, special economic zones, and export processing zones can attract investment and promote manufacturing growth. Strategic partnerships with Chinese firms may facilitate technology transfer and skills development. A stronger manufacturing sector would also reduce Zambia's dependence on imports while improving trade balances.

Energy Sector Development

Reliable energy remains central to economic growth. Zambia's potential in hydroelectricity, solar energy, and other renewable energy sources creates opportunities for industrial expansion. As global demand for green energy increases, Zambia can position itself as a regional hub for sustainable energy investments. Collaboration with China in renewable energy infrastructure may further enhance energy security and support industrial growth.

Tourism and Hospitality

Enhanced China–Africa relations may also stimulate tourism. Improved connectivity and business engagement often increase tourist flows and investment in hospitality infrastructure.
Zambia's natural attractions, including wildlife and cultural heritage sites, offer significant tourism potential. Increased Chinese tourism could generate foreign exchange earnings and employment opportunities.

The tourism sector therefore represents an important avenue for economic diversification beyond traditional sectors.

Technology and Digital Services

The digital economy continues to transform global commerce. Opportunities exist for Zambian entrepreneurs in fintech, e-commerce, outsourcing, and digital services.

China's technological advancements create possibilities for knowledge transfer, innovation partnerships, and investment in digital infrastructure.

By strengthening digital literacy and expanding internet access, Zambia can participate more actively in emerging digital trade opportunities.

Challenges and Risks

Despite the opportunities, several challenges could limit Zambia's ability to benefit from zero-tariff access as highlighted below:

1. Limited productive capacity may constrain export volumes. Domestic industries often struggle with high production costs, inadequate financing, and outdated technologies.
2. Compliance with international quality standards remains a significant barrier. Chinese consumers demand high-quality products that meet strict sanitary and phytosanitary requirements.
3. Overreliance on commodity exports could perpetuate economic vulnerability. Without diversification and value addition, Zambia risks remaining an exporter of raw materials.
4. Governance and policy consistency remain critical. Investors require predictable regulatory environments, transparent institutions, and effective implementation of economic policies.

The Way Forward

To maximize the benefits of China's zero-tariff policy, Zambia should pursue several strategic interventions.

First, government and the private sector must invest in industrialization and value addition. Processing raw materials domestically can significantly increase export earnings.

Second, infrastructure development including roads, railways, energy systems, and logistics facilities should be prioritized to improve trade competitiveness.

Third, access to finance for small and medium enterprises (SMEs) should be expanded to enable businesses to scale production and enter export markets.

Fourth, investment in skills development and technology transfer will strengthen productivity and innovation.

Finally, policy coordination among government institutions, industry stakeholders, and development partners is essential to ensure effective implementation of trade strategies.

Conclusion

China's decision to grant zero-tariff access to 53 African countries presents Zambia with a rare opportunity to accelerate economic transformation and deepen participation in global markets. The potential benefits span agriculture, mining, manufacturing, tourism, energy, and digital services.

Yet, preferential market access alone is insufficient. Zambia's success will depend on its ability to increase productive capacity, promote value addition, strengthen infrastructure, and maintain sound governance frameworks.

The question is therefore not whether opportunities exist—they certainly do. The real question is whether Zambia will act decisively enough to transform this opportunity into sustainable economic growth and inclusive development.

History suggests that nations prosper not merely because opportunities arise, but because they possess the capacity and vision to seize them.

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Josephine Nyambe Kaposhi

Josephine Nyambe Kaposhi is an accounting and finance professional currently serving as a Financial Controller. She holds a degree in Accounting and Finance and has a keen interest in corporate governance, financial management, and economic development. Her professional interests span enterprise risk management, value addition, trade policy, and sustainable growth in emerging economies. Drawing on her experience in financial oversight, budgeting, internal controls, and performance management, Josephine advocates for sound governance frameworks and strategic financial stewardship that enhance organizational performance and resilience. Through research and professional engagement, she contributes to evidence-based discussions on finance, governance, and economic transformation.

Macroeconomic Recovery vs. Lived Economic Relief:

Understanding the Gap Between Macro Recovery and Household Reality

By Shephard Mulenga

A triumphant atmosphere surrounds the statements from the Ministry of Finance and the Bank of Zambia (BoZ). The structural milestones of Zambia's economic recovery plan under the G20 Common Framework are highly visible. By April 2026, headline inflation has successfully moderated to 6.8%, falling squarely within the central bank's long-sought 6–8% target band. Gross international reserves have climbed to $6.4 billion, representing 4.4 months of import cover. Furthermore, the protracted Eurobond debt exchange has concluded, alongside signed bilateral restructuring agreements with the Official Creditor Committee (OCC) partners, including China, France, and India. On institutional dashboards, Zambia's macro-fiscal architecture has stabilized.Yet, walk into any market in Lusaka, Kitwe, or Ndola, and the prevailing sentiment tells an entirely different story. The Jesuit Centre for Theological Reflection (JCTR) reports that the Basic Needs and Nutrition Basket (BNNB) for a family of five in Lusaka hit ZMW 12,051.64 in April 2026—an increase from ZMW 11,417.99 a year prior. For an ordinary household or a local small-and-medium enterprise (SME) in Kamwala or the Copperbelt, the formal declaration of a macro recovery feels entirely detached from daily operational reality.

This tension illustrates the profound chasm between top-line sovereign data and bottom-line household liquidity. In a developing, commodity-dependent economy like Zambia, the structural lags, policy transmission failures, and climate-induced supply shocks cause macroeconomic healing to happen on an entirely separate timeline than microeconomic relief.

1. THE ZAMBIAN MACRO-MICRO DIVERGENCE

To diagnose why this decoupling occurs, we must analyze the structural friction across the primary indicators tracking the state's balance sheet versus the citizen's cash flow. To diagnose why this decoupling occurs, we must analyze the structural friction across the primary indicators tracking the state's balance sheet versus the citizen's cash flow.

Structural Indicator	Macroeconomic Framework (The State)	Lived Economic Reality (The Citizen)
Primary Metrics	Real GDP Growth (~4.3% in 2026), BoZ International Reserves ($6.4B), Primary Fiscal Surplus.	JCTR Basic Needs Basket (ZMW 12,051.64), Cost of 25kg bag of Mealie Meal, Cooking oil prices.
Monetary Environment	Declining headline inflation (6.8%), stabilized Kwacha (ZMW/USD) exchange rate volatility.	Commercial bank prime lending rates exceeding 25-30%, choked private sector credit.
Fiscal Status	Eurobond exchange completed, debt-to-GDP path sustainable, external debt default resolved.	Removal of fuel and electricity subsidies, implementation of cost-reflective ZESCO tariffs.
Temporal Velocity	Fast Lag: Institutional re-profiling and IMF policy targets show success within 6 to 18 months.	Slow Lag: Wage filtration and retail price adjustments lag macro stabilization by 24 to 36 months.

When the state celebrates a macroeconomic recovery, it means the systemic plumbing has been preserved. Sovereign default risk is mitigated, international capital flight has halted, and bilateral credit lines have reopened. However, stabilizing a nation's sovereign balance sheet does not instantly lower the retail price of breakfast meal or make commercial bank capital accessible to a local entrepreneur.

2. THE DISINFLATION TRAP: WHY LIVING COSTS REMAIN ELEVATED

A primary source of public frustration stems from the economic distinction between disinflation and deflation. When the Bank of Zambia announces that inflation has dropped to 6.8%, the public instinctively expects prices to fall. However, disinflation simply means that prices are rising at a slower acceleration rate.

The structural damage inflicted on household wealth during the severe inflation spikes of 2024 and 2025 driven by the historic El Niño drought and volatile Kwacha depreciation is now locked permanently into the retail ecosystem.

For instance, while a 25kg bag of mealie meal may marginally fluctuate down to ZMW 221 from its absolute peak, it remains double its historical baseline. The severe drought destroyed nearly 70% of the agricultural harvest during that lean period, creating structural supply deficits.

Because domestic supply chains lack deep cold-chain infrastructure and advanced storage, these structural bottlenecks keep food items like cooking oil and protein sources highly expensive. Unless nominal wages experience a vertical correction that matches the cumulative inflation curve of the past three years, a lower inflation rate print changes very little for a family surviving on a fixed income.

3. THE LOCALIZED CANTILLON EFFECT: ASYMMETRIC CAPITAL TRANSMISSION

The uneven distribution of economic recovery in Zambia is directly explained by the Cantillon Effect; the economic law stating that the first beneficiaries of capital injection are those closest to the source of money.

In the context of Zambia's post-restructuring framework, the capital inflows and fiscal space freed up by the Eurobond exchange and IMF Extended Credit Facility (ECF) enter the economy at the highest institutional tier:

1. **The Primary Receivers:** The Ministry of Finance, the central bank, and primary international bondholders. The immediate liquidity is deployed to clear historical fuel arrears, manage past-due interest, and rebuild external reserves.

2. **The Secondary Receivers:** Tier-one commercial banks and massive mining conglomerates. Foreign direct investment (FDI) surges into copper extraction and large-scale infrastructure projects, boosting aggregate mining output statistics.

3. **The Final Receivers:** Local SMEs, public sector workers, and informal sector traders.

A severe structural bottleneck prevents this liquidity from flowing cleanly from the mining sectors into the local supply chains. Zambian small businesses face intense crowding out in the domestic credit market. To defend the Kwacha during the crisis, the Bank of Zambia maintained an aggressively high Monetary Policy Rate and restrictive statutory reserve ratios. Consequently, while commercial banks enjoy a stabilized macro environment, they lend to local entrepreneurs at interest rates upwards of 25–30%. The macroeconomy is liquid, but the microeconomy remains in a state of artificial credit starvation.

4. THE SUBSIDIES AND ENERGY PARADOX: FIXING THE STATE, SQUEEZING THE CITIZEN

The paradox of Zambia's macroeconomic recovery is that the very policy mechanisms required to heal the state's balance sheet directly exacerbate the lived cost-of-living crisis.

To achieve fiscal sustainability and meet international program benchmarks, the state was required to dismantle historical market distortions. This meant executing painful structural reforms:
- The complete elimination of universal fuel subsidies.
- Shifting toward cost-reflective electricity tariffs for ZESCO.
- Tightening public expenditure, which limited immediate public sector wage increases.

While these measures look excellent on an institutional ledger reversing fiscal deficits from a negative 6% of GDP toward a structural surplus they acted as an immediate cost shock to the microeconomy.

This was compounded by the energy crisis. The historic drop in water levels at the Kariba Dam crippled the nation's hydropower generation capacity, forcing businesses into prolonged load-shedding cycles. To maintain operations, local businesses had to invest heavily in expensive alternative energy sources, such as solar setups and diesel-powered generators.

Because fuel subsidies were gone, the operational cost per kilowatt-hour for a local shop or processing plant skyrocketed. These structural energy costs were directly passed down to the end consumer, pushing the JCTR basket up even as macro indicators claimed victory.

5. BRIDGING THE CHASM: TRANSLATING MACRO SUCCESS INTO MICRO RELIEF

Relying entirely on automatic trickle-down dynamics from copper exports and debt re-profiling will not close the macro-micro gap fast enough to protect household welfare. The literature on developing political economies suggests that targeted, supply-side interventions must be actively deployed to translate structural stability into lived relief:

De-risking Capital for Local Supply Chains

A stabilized macroeconomy must be leveraged to create low-interest, targeted credit facilities specifically for domestic agribusinesses and logistics providers. By utilizing the newly created fiscal space to subsidize working capital for food processing and storage, the state can directly address the structural supply constraints that keep market prices volatile.

Climate-Smart Agricultural Resilience

Since food inflation represents the largest component of the JCTR basket, agricultural policy must shift away from a pure reliance on rain-fed maize via the traditional Farmer Input Support Programme (FISP). Strategic public investments in localized solar-powered irrigation and market infrastructure will decouple the price of staple foods from volatile weather patterns.

Strategic Indexing of Social Protection

Sovereign cash transfers and social safety nets must be dynamically indexed to the real cost of the JCTR Basic Needs and Nutrition Basket, rather than arbitrary nominal amounts. This ensures that the country's most vulnerable citizens possess a genuine consumption floor that maintains real purchasing power against locked-in structural inflation.

6. CONCLUSION

The divergence between macroeconomic data and lived economic relief in Zambia is not a failure of policy, but a reflection of structural economic architecture. A stabilized national balance sheet, a predictable Kwacha, and a regulated inflation rate are mandatory foundations. Without them, long-term economic collapse is inevitable.

However, a gold star from international creditors does not instantly put food on the table in Chilenje or the Copperbelt. True economic progress cannot be evaluated solely by looking at international reserve asset metrics or primary surplus percentages.

It requires mapping how efficiently that institutional stability is converted into affordable credit, reliable energy, and food security for the everyday citizen. Until the structural transmission channels are cleared, the macroeconomy will continue to speak a language of recovery that the microeconomy cannot yet feel.

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Shephard Mulenga is a writer and development enthusiast with interests in finance, economics, entrepreneurship. He is passionate about financial literacy and the role it can play in improving lives and supporting sustainable development.

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BEYOND TECHNICAL COMPETENCE: WHAT THE MODERN ACCOUNTANT NEEDS TO SUCCEED

By Kaunda John Mwenya

Introduction

Accounting has changed dramatically in recent decades. Accountants used to be seen mainly as record-keepers and compliance officers. Today, they find themselves in a world shaped by fast-paced technology, complex rules, global connections, and higher expectations from stakeholders. Organisations now look to accountants for much more than just technical skills; they want trusted advisers who offer insight and help shape important decisions. In this new landscape, technical expertise is just the beginning.

Knowing accounting rules, tax, auditing, and reporting is still crucial. But today's accountants also need to build skills in leadership, strategy, communication, technology, and ethics. Ethics have always mattered in accounting, but with a globalised world and new challenges, they are more important than ever. Accountants face tough choices every day and must keep high standards to earn trust and support long-term success.

Having a broader skill set helps accountants add real value, shape business decisions, and maintain public trust, even as the world continues to change.

This article looks at the key skills modern accountants need alongside technical know-how, and why these skills matter in today's profession. It also highlights why these skills are especially important in countries like Zambia and other developing economies, where accountants play a big role in accountability, business growth, and sustainable development.

Technical Excellence Remains the Foundation

Accountants earn trust by applying professional standards accurately and consistently. People rely on accountants for clear, reliable information that supports decision-making, encourages transparency, and strengthens accountability at work.

Professional organisations worldwide still emphasise the importance of technical skills. The International Federation of Accountants (IFAC), for example, considers technical competence a fundamental part of being a capable professional and a key to delivering quality services (IFAC, 2019).

Even with all the new technology, accountants still need strong technical skills. Automation helps process data faster, but it can't replace professional judgment or the ability to make sense of complex situations. Accountants still have to review information, weigh risks, and ensure everything meets professional and legal standards.

Technical skills are still the backbone of an accountant's career, but they are just one part of what today's professionals need to succeed.

The Rise of Strategic Thinking

As businesses navigate uncertainty, competition, and evolving market conditions, accountancy professionals are uniquely positioned to provide insights that support sustainable growth and long-term success.

Strategic thinking means knowing how financial information connects to organisational objectives and performance. Accountants now must do more than ensure compliance. They are expected to analyse trends, identify opportunities, assess risks, and recommend actions that improve results.

For example, management may seek an accountant's help with investment opportunities, expansion plans, pricing, cost control, or resource allocation. In these cases, accountants add value by turning financial data into practical business advice.

The growing importance of strategic thinking reflects the profession's evolution from a transactional to an advisory role. According to the Association of Chartered Certified Accountants (ACCA), future accountants will need to combine financial expertise with strategic insight to remain relevant in a rapidly changing business environment (ACCA, 2016).

Organisations now see accountants as partners shaping decisions, not just recorders of results. Developing strategic skills boosts professional effectiveness and opportunity.

This strategic role matters especially in Zambia. Here, digital transformation, public sector reform, and private sector growth are reshaping the business space. As organisations seek more efficiency, transparency, and competitiveness, accountants must support better governance and stronger controls. They also provide insights that help businesses, including small and medium enterprises, make sound financial and operational decisions. In this setting, modern accountants are both technical specialists and contributors to national development.

Technology and Digital Literacy

Technology is rapidly changing the accountancy profession. Automation, artificial intelligence, cloud computing, data analytics, and digital reporting tools have transformed traditional processes. These technologies now create new ways to add value.

Routine, repetitive tasks that once consumed significant time can now be completed more efficiently with technology. This enables accountants to focus on higher-value activities such as analysis, forecasting, and advisory services.

Technology also brings new tasks. Accountants must understand digital tools, check the reliability of automated information, and ensure controls protect data integrity and confidentiality.

Digital literacy has therefore become essential. Accountants who understand data analytics can identify trends and insights that support decision-making, and knowledge of emerging technologies enables them to participate in digital transformation initiatives.

AI brings opportunities and challenges. While it improves efficiency and analysis, judgment is still needed to interpret results and make decisions. Concerns about data use and privacy reinforce the need for human oversight.

Rather than replacing accountants, technology is changing the nature of accounting work. Professionals who embrace technological developments and continuously learn will be better positioned to thrive.

Leadership and Communication Skills

Accountants deal with boards, managers, regulators, investors, clients, and other stakeholders. Many of these people lack accounting knowledge. So, accountants must explain complex information clearly and effectively.

Financial reports, audit findings, and strategic recommendations have limited impact if they are not understood by decision-makers. Effective communication allows accountants to explain technical matters in a way that facilitates informed decisions.

Leadership is just as important. Accountants now lead teams, manage projects, drive change, and support governance. These roles require motivating, building relationships, managing conflict, and inspiring confidence.

The World Economic Forum lists communication, leadership, analysis, and problem-solving as key future skills (World Economic Forum, 2025). This highlights the rising importance of soft skills in accounting.

As organisations become more collaborative, accountants must work across functions and with varied stakeholders. Strong communication and leadership boost the value and influence of their expertise.

From my own experience, building strong relationships with my clients has been key to my success as an accountant. Taking the time to understand their needs, communicate openly, and earn their trust has not only made my work more effective but has also led to long-lasting professional partnerships. Many times, these relationships have helped me anticipate potential issues early and deliver solutions that truly meet my clients' goals.

For accountants looking to strengthen client relationships, a few practical steps can make a significant difference. First, I have found that scheduling regular check-ins, even when there are no immediate issues to discuss, helps keep communication lines open and demonstrates genuine interest in the client's business. Second, practising active listening, focusing fully on the client, asking clarifying questions, and reflecting back their concerns builds trust and ensures that solutions are tailored to their real needs. In today's profession, technical skill is important, but it is these human connections that often make the biggest difference.

Ethics as a Competitive Advantage

Public trust is the base of the accountancy profession. Investors, regulators, governments, creditors, and the public depend on accountants for accurate information and integrity.

While ethics has always been a cornerstone, its significance has grown with globalisation and public scrutiny. Unethical conduct now risks individual organisations, markets, and stakeholder confidence. The International Ethics Standards Board for Accountants (IESBA) sets fundamental conduct principles: integrity, objectivity, competence, care, confidentiality, and professionalism.

History demonstrates that many corporate failures result not from technical deficiencies but from ethical failures. Weak governance, conflicts of interest, lack of transparency, and compromised professional judgment have contributed to significant organisational collapses worldwide.

In an increasingly digital and data-driven environment, ethical judgment becomes even more important. Accountants must navigate complex decisions involving artificial intelligence, data privacy, cybersecurity, sustainability reporting, and stakeholder expectations.

Ethical conduct should not be viewed merely as a compliance requirement. Organisations increasingly recognise integrity as a strategic asset that enhances reputation, stakeholder confidence, and long-term sustainability. Professionals who consistently demonstrate ethical leadership strengthen both their organisations and the accountancy profession as a whole.

Lifelong Learning and Professional Development

The pace of change within the profession requires accountants to adopt a mindset of continuous learning. Knowledge acquired during formal education provides an important foundation, but professional relevance depends upon ongoing development throughout one's career.

New accounting standards, emerging technologies, changing regulations, evolving business models, and shifting stakeholder expectations create a constant need for learning and adaptation. Professional development, therefore, extends beyond mandatory continuing professional development requirements.

Modern accountants should actively seek opportunities to expand their knowledge in areas such as technology, leadership, governance, sustainability, risk management, and strategic management. Broadening professional capabilities enhances adaptability and enables accountants to respond effectively to future challenges.

Lifelong learning also supports career progression by preparing professionals for more complex responsibilities and leadership roles. Those who embrace learning are more likely to remain competitive, innovative, and valuable within their organisations.

In Zambia, this emphasis on continuous learning is reinforced by the Zambia Institute of Chartered Accountants (ZICA), which requires members to maintain, develop, and enhance their professional and personal knowledge and skills throughout their working lives to remain competent and effective (ZICA, n.d.).

Conclusion

Technical competence remains the foundation of the accountancy profession and will continue to be essential for professional credibility and effectiveness. However, the demands of today's business environment require accountants to develop a broader set of capabilities that extend beyond traditional technical expertise.

Strategic thinking, technological awareness, leadership, communication, ethical judgment, and continuous learning have become critical competencies for modern accountancy professionals. Together, these skills enable accountants to provide greater value, influence decision-making, and contribute meaningfully to organisational success.

The accountancy profession has always evolved in response to changing economic and societal needs. Those who embrace this evolution and invest in both technical and non-technical competencies will be best positioned to succeed. In a profession built on trust, the accountants who will thrive are those who combine technical excellence with strategic insight, ethical leadership, digital adaptability, and a commitment to lifelong learning.

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Beyond Word of Mouth: What Zambian Businesses Can Learn from Trade Kings' Strategic Marketing Success

By Hany Youssef Gerges Youssef

Introduction

If you ask many successful business owners in Zambia how they first attracted customers, the answer is often simple: word of mouth. For years, recommendations from family, friends, colleagues, and satisfied customers were enough to help businesses grow.

While word-of-mouth marketing remains valuable, the business environment has changed significantly. Today's consumers are more informed, more connected, and have access to countless alternatives. Before making a purchase, customers often compare prices online, read reviews, browse social media pages, and seek recommendations through digital platforms.

In such an environment, businesses can no longer rely solely on traditional methods of attracting customers. Strategic marketing has become a necessity rather than a luxury.

One company that demonstrates the power of strategic marketing is Trade Kings Group. Founded in Zambia, Trade Kings has grown into one of the country's most recognized manufacturing companies, producing products that are used daily by millions of consumers. While many people attribute its success to quality manufacturing and product innovation, a closer look reveals that strategic marketing has played an equally important role.

The Trade Kings story offers valuable lessons for entrepreneurs, SMEs, accountants, and business leaders seeking sustainable growth in Zambia's increasingly competitive economy.

Marketing Is More Than Advertising

One of the most common misconceptions among business owners is that marketing simply means advertising. When the topic arises, many immediately think of billboards, television commercials, radio advertisements, or social media campaigns.

However, strategic marketing goes much deeper.

According to Kotler and Keller (2022), marketing involves identifying customer needs, creating value, communicating that value effectively, and building long-term customer relationships. Successful marketing begins long before an advertisement is created and continues long after a sale has been completed.

Trade Kings appears to have embraced this philosophy. The company has consistently focused on understanding local consumers, producing products that meet their needs, and ensuring those products remain accessible and affordable.

The result has been the development of trusted brands that resonate with consumers across different income groups and regions of the country.

The Importance of Understanding Customers

At the heart of every successful business is a deep understanding of its customers.

Consumer behavior is constantly evolving due to economic conditions, technological advancements, lifestyle changes, and demographic shifts. Businesses that fail to recognize these changes risk becoming irrelevant.

One reason for Trade Kings' continued success is its ability to adapt to consumer preferences. Whether through product innovation, packaging improvements, or expanding product lines, the company has consistently responded to market demand.

For SMEs, this lesson is particularly important.

Many small businesses invest significant resources into producing products before fully understanding whether customers actually need them. Strategic marketing encourages entrepreneurs to begin with market research and customer insights before making major business decisions.

By understanding customers first, businesses can reduce risk and increase the likelihood of success.

Building Strong Local Brands

Perhaps one of Trade Kings' greatest achievements has been its ability to build recognizable brands.

In many cases, consumers do not simply purchase products; they purchase trust. When people consistently receive positive experiences from a brand, they are more likely to remain loyal and recommend it to others.

Brand loyalty is one of the most valuable assets any company can develop.

Trade Kings has demonstrated how consistent quality, visibility, and customer engagement can transform products into household names. This level of brand recognition takes years to develop and requires deliberate investment.

For Zambia's SME sector, the message is clear. Competing solely on price is often unsustainable. Building a trusted brand creates a competitive advantage that is difficult for competitors to replicate.

A strong brand can also support business expansion, attract investors, and enhance customer retention.

The Digital Revolution and Business Growth

Technology has transformed the way businesses communicate with consumers.

A decade ago, businesses relied heavily on traditional media channels. Today, digital platforms have become essential marketing tools.

Social media platforms such as Facebook, Instagram, LinkedIn, TikTok, and WhatsApp allow businesses to engage directly with customers at relatively low cost.

This presents a significant opportunity for SMEs. Unlike traditional advertising, digital marketing allows businesses to target specific audiences, monitor campaign performance, and adjust strategies in real time.

Research by Statista (2024) indicates that digital advertising continues to grow globally because it offers measurable returns on investment and greater audience engagement.

For Zambia's entrepreneurs, digital marketing has the potential to level the playing field. A small business with a strong online presence can compete effectively with much larger organizations.

However, success requires more than simply creating a social media account. Businesses must provide relevant content, engage consistently with customers, and develop a clear marketing strategy.

Strategic Marketing and Economic Development

The benefits of strategic marketing extend beyond individual organizations.

When businesses grow, they create employment opportunities, generate tax revenues, stimulate local supply chains, and contribute to national economic development.

Trade Kings provides a practical example of this relationship. The company's growth has supported employment creation, manufacturing development, and broader economic activity within Zambia.

According to the World Bank (2024), private sector growth remains critical to Zambia's long-term economic development. Businesses that successfully expand their operations contribute significantly to economic diversification and resilience.

As Zambia continues efforts to reduce dependence on mining and strengthen other sectors of the economy, strategic marketing can play an important role in helping local businesses grow and compete both domestically and internationally.

Lessons for Zambia's Entrepreneurs

The Trade Kings experience offers several practical lessons:

1. ***Know Your Customers***
   Successful businesses invest time in understanding customer needs before launching products or services.
2. ***Build a Strong Brand***
   Customers are more likely to remain loyal to brands they trust.
3. ***Embrace Innovation***
   Consumer preferences change over time. Businesses must continuously adapt.
4. ***Utilize Digital Platforms***
   Digital marketing provides cost-effective opportunities to reach larger audiences.
5. ***Focus on Long-Term Relationships***
   Retaining existing customers is often more profitable than constantly acquiring new ones.
6. ***Measure Performance***
   Businesses should track marketing activities and evaluate their effectiveness regularly.

The Role of Accountants in Strategic Marketing

Marketing and accounting are often viewed as separate functions. However, modern businesses increasingly recognize the importance of collaboration between the two.

Accountants contribute to strategic marketing by:

- Evaluating marketing investments.
- Measuring profitability.
- Supporting budgeting decisions.
- Monitoring financial performance.
- Providing data that informs strategic decisions.

Through effective collaboration, marketing professionals and accountants can help organizations achieve sustainable growth while maintaining financial discipline.

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Conclusion:

The success of Trade Kings demonstrates that sustainable business growth is not simply the result of manufacturing capacity or product quality. It is also the result of understanding customers, building strong brands, embracing innovation, and investing in strategic marketing.

As Zambia's economy continues to evolve, businesses must move beyond traditional approaches and adopt more customer-centered strategies. Strategic marketing provides a framework for achieving this goal.

For entrepreneurs, SMEs, and established organizations alike, the lesson is straightforward: customers are at the center of every successful business. Companies that understand their customers, communicate effectively, and consistently deliver value are more likely to achieve long-term success.

Trade Kings' journey serves as a reminder that great products may attract customers, but strong brands and meaningful customer relationships are what sustain business growth over time.

Corporate governance and ethical leadership in zambia: why systems alone are not enough

By Denstone Mukuku

INTRODUCTION

Corporate governance has become one of the most important determinants of organisational sustainability, stakeholder confidence and economic development. Across the world, investors, regulators and citizens increasingly expect organisations to demonstrate not only financial performance but also ethical conduct, accountability and responsible stewardship of resources.

These expectations have intensified as countries continue to confront corruption, fraud and governance failures. Transparency International's Corruption Perceptions Index consistently highlights the relationship between institutional integrity, public trust and sustainable economic development (Transparency International, 2024). Increasingly, stakeholders recognise that strong governance is not merely a compliance requirement but a strategic necessity.

In Zambia, recent years have witnessed a number of high-profile governance failures involving allegations of procurement irregularities, financial misconduct, weak oversight, abuse of entrusted authority, environmental stewardship concerns and failures in accountability mechanisms. These incidents have occurred across different sectors and institutions, attracting significant public scrutiny and raising important questions about the effectiveness of existing governance frameworks. While the details of these cases differ, they collectively reveal a common reality: governance failures rarely arise because organisations lack policies, committees or regulations. More often, they emerge when ethical culture, leadership accountability and effective oversight are weak.

For professional accountants, directors, regulators and governance practitioners, these developments present an opportunity to reflect on a fundamental question: Can good governance exist without ethical leadership?
The evidence suggests that it cannot.

GOVERNANCE BEYOND COMPLIANCE

Corporate governance is often viewed through the lens of structures and compliance mechanisms. Boards of directors, audit committees, internal controls, risk management frameworks, policies and reporting requirements are all essential components of a governance system.

The OECD's G20/OECD Principles of Corporate Governance define corporate governance as the framework through which organisations are directed and controlled, promoting transparency, accountability, fairness and responsibility (OECD, 2023). Similarly, the King IV Report on Corporate Governance emphasises that effective governance should lead to ethical culture, good performance, effective control and organisational legitimacy (IoDSA, 2016).

These definitions highlight an important reality: governance is not merely about compliance. It is about ensuring that organisations consistently make decisions that serve the interests of stakeholders while maintaining integrity and accountability.

Unfortunately, compliance can sometimes create a false sense of assurance. Organisations may possess sophisticated governance structures while simultaneously experiencing serious ethical breakdowns. Policies may exist, committees may meet regularly and reports may be produced on schedule, yet misconduct can still occur.

This suggests that governance structures alone are insufficient. Their effectiveness ultimately depends on the behaviour of those entrusted with authority.

WHY GOVERNANCE STRUCTURES SOMETIMES FAIL

One of the most important insights from governance literature is that structures do not govern people; people govern people. Agency Theory explains that conflicts can arise when individuals entrusted with authority pursue personal interests rather than the interests of stakeholders. Governance mechanisms are therefore designed to provide oversight, accountability and alignment of interests.

However, experience demonstrates that governance failures can occur even where boards, audit committees and internal control systems are present. Recent events in Zambia suggest that institutions with established governance frameworks may still experience significant breakdowns when accountability mechanisms are ignored, circumvented or overridden.

Research by Llopis, Gonzalez and Gasco (2007) argues that organisational ethics cannot be achieved solely through formal structures. Ethical behaviour is influenced by organisational culture, leadership conduct and shared values. Governance frameworks are therefore only as effective as the ethical environment in which they operate.

This observation is particularly relevant in contexts where individuals possess the authority to influence procurement processes, override controls, suppress information or discourage accountability.

The lesson is clear: governance structures provide the foundation, but culture determines whether that foundation is used effectively.

ETHICAL CULTURE: THE INVISIBLE CONTROL SYSTEM

The concept of organisational culture has received increasing attention in governance and accounting literature over the past decade.

The International Ethics Standards Board for Accountants (IESBA) identifies organisational culture as a significant factor influencing ethical decision-making and professional behaviour (IESBA, 2025). Employees are often influenced not only by formal policies but also by the behaviours that are rewarded, tolerated or ignored within an organisation.

An organisation's culture influences how employees respond to ethical dilemmas, whether concerns are reported, how decisions are made and how misconduct is addressed.

Peter Drucker's famous observation that "culture eats strategy for breakfast" remains relevant today. The same principle applies to governance. A weak ethical culture can undermine even the most sophisticated governance structures.

Many governance failures begin with seemingly minor compromises:

- Ignoring established procedures for convenience;
- Overlooking conflicts of interest;
- Rationalising non-compliance; and
- Tolerating unethical conduct because results are being achieved.

Over time, these behaviours become normalised, creating an environment in which larger governance failures can emerge. Ethical culture therefore serves as an invisible control system—one that influences behaviour even when formal oversight is absent.

FRAUD RISK AND THE GOVERNANCE CONNECTION

The relationship between governance and fraud has long been recognised in accounting and auditing literature.

The Fraud Triangle, first developed by criminologist Donald Cressey (1953), remains one of the most influential models for understanding fraudulent behaviour. The model proposes that fraud is most likely to occur when three conditions exist simultaneously:

- Pressure;
- Opportunity; and
- Rationalisation.

While organisations may have limited control over personal pressures, they can significantly influence opportunities and rationalisations.

Weak governance structures create opportunities for misconduct by reducing accountability and weakening oversight. Similarly, poor organisational culture enables rationalisation by creating environments where unethical conduct becomes acceptable or tolerated.

The Committee of Sponsoring Organizations of the Treadway Commission (COSO, 2013) identifies the control environment as the foundation of an effective internal control system. Where ethical values, accountability structures and oversight mechanisms are weak, even well-designed controls may fail to prevent or detect misconduct.

The Association of Certified Fraud Examiners (ACFE, 2024) continues to identify weak internal controls, management override and inadequate oversight among the leading contributors to occupational fraud globally.

Many governance failures reveal not a single control failure but multiple governance weaknesses operating simultaneously. Consequently, fraud prevention should not be viewed solely as a control function; it is fundamentally a governance responsibility.

INVESTIGATIONS AS INDICATORS OF GOVERNANCE FAILURE

Public attention often focuses on investigations, arrests and prosecutions. While these actions are important for accountability, governance practitioners should view them differently.

An investigation frequently represents evidence that preventive governance mechanisms have already failed.

When allegations of misconduct emerge, boards and management should ask broader questions:

- What governance weaknesses allowed the issue to occur?
- Were warning signs ignored?
- Were risk assessments adequate?
- Did internal controls function as intended?
- Was management oversight effective?
- Did organisational culture discourage reporting?

Investigations should therefore be regarded not merely as accountability tools but also as opportunities for institutional learning.

Organisations that treat investigations as sources of governance intelligence are often better positioned to strengthen controls and prevent future occurrences.

THE BOARD'S ROLE IN PROMOTING ETHICAL GOVERNANCE

Modern governance expectations extend well beyond financial oversight.

King IV places ethical and effective leadership at the centre of governance (IoDSA, 2016). Boards are expected to oversee organisational culture, stakeholder relationships, risk management and long-term sustainability.

This requires directors to actively evaluate whether organisational values are being translated into behaviour.

Modern governance thinking also recognises the integration of governance, risk management and internal control. COSO's Enterprise Risk Management principles emphasise that governance and culture are fundamental drivers of effective risk management and organisational performance. Boards should therefore routinely assess:

- Ethical culture;
- Whistleblowing arrangements;
- Conflict-of-interest management;
- Risk management effectiveness;
- Procurement governance;
- Leadership accountability; and
- Internal control maturity.

Importantly, boards should avoid relying exclusively on management reports. Effective governance requires independent challenge, constructive scepticism and a willingness to ask difficult questions.

History repeatedly demonstrates that governance failures often occur not because information was unavailable, but because warning signs were not acted upon.

THE RESPONSIBILITY OF PROFESSIONAL ACCOUNTANTS

Professional accountants occupy a unique position within governance systems.

Whether serving as finance professionals, internal auditors, external auditors, risk managers, regulators or board members, accountants play a critical role in safeguarding public trust.

The International Code of Ethics for Professional Accountants identifies five fundamental principles:

- Integrity;
- Objectivity;
- Professional competence and due care;
- Confidentiality; and
- Professional behaviour.

These principles are more than professional obligations; they are governance safeguards.

Professional accountants are often among the first individuals to identify unusual transactions, control deficiencies, emerging risks and ethical concerns. Consequently, the profession's contribution to governance extends beyond financial reporting.

It includes the courage to challenge inappropriate conduct, escalate concerns and uphold ethical standards even when doing so may be uncomfortable.

In an environment where governance failures can damage institutions, investor confidence and public trust, professional courage becomes as important as technical competence.

GOVERNANCE, TRUST AND NATIONAL DEVELOPMENT

Governance failures impose costs that extend beyond individual organisations. They erode public confidence, discourage investment, increase the cost of doing business and weaken institutional legitimacy.

Conversely, strong governance promotes investor confidence, strengthens institutions and contributes to sustainable economic growth. Effective governance improves resource allocation, enhances transparency and supports long-term value creation.

For developing economies such as Zambia, governance should therefore be viewed not merely as a compliance requirement but as a strategic national asset. The quality of governance within organisations ultimately influences the quality of governance within society.

CONCLUSION

Recent governance failures in Zambia have highlighted the significant costs of weak accountability, ineffective oversight and ethical lapses. While each case may involve unique circumstances, they collectively demonstrate a consistent lesson: governance structures alone cannot guarantee ethical conduct.

Policies, committees, controls and regulations remain essential. However, their effectiveness depends on ethical leadership, organisational culture and a commitment to accountability.

For directors, executives, regulators and professional accountants, the challenge is therefore not simply to strengthen governance frameworks but to cultivate environments where integrity guides decision-making and accountability is non-negotiable.

Ultimately, sustainable governance is not measured by the number of policies an organisation possesses. It is measured by whether the organisation consistently does the right thing, particularly when no one is watching.

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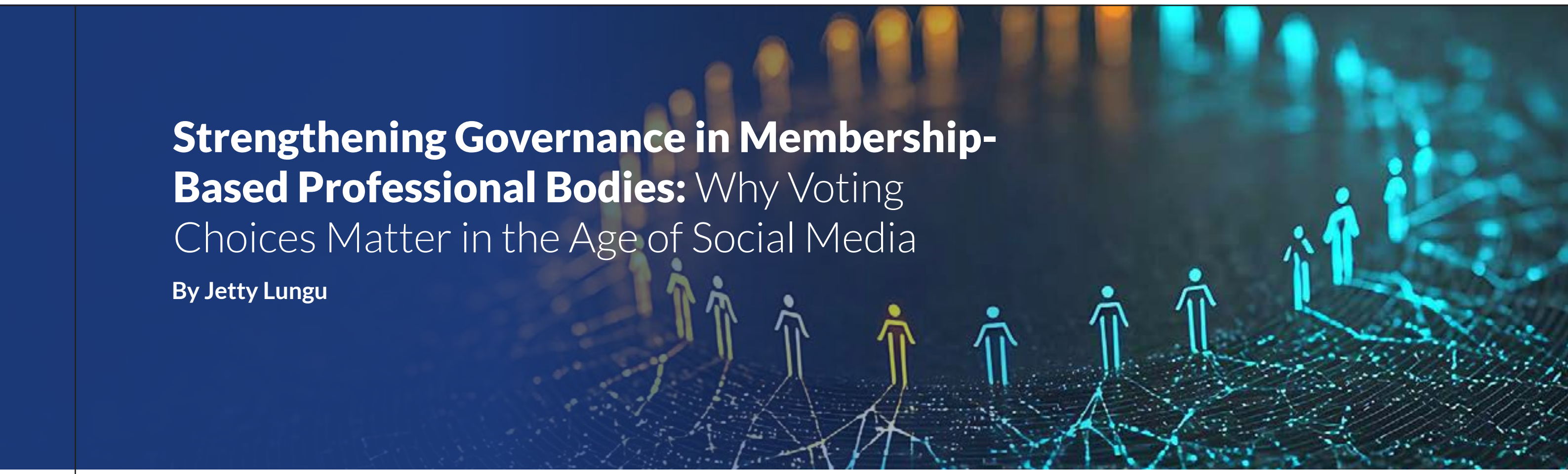


Strengthening Governance in Membership-Based Professional Bodies: Why Voting Choices Matter in the Age of Social Media

By Jetty Lungu

Membership-based professional bodies play an important role in regulating professions, promoting ethical conduct, safeguarding public interest and contributing to national development. Unlike corporate organisations, however, their governing councils and boards are often elected through democratic processes in which voting decisions may be influenced by personal relationships, popularity, or social media visibility rather than governance competence. This article examines the governance risks associated with such election dynamics and explores how members can make more informed voting decisions. Drawing on international governance frameworks, including the King V Code on Corporate Governance for South Africa (2025), OECD Principles of Corporate Governance, and contemporary research on behavioural decision-making and social media influence, the article argues that professional bodies should strengthen competency-based governance and encourage members to prioritise leadership capability over popularity.

INTRODUCTION:

Every year, many professional bodies hold Annual General Meetings (AGMs) during which members elect leaders to serve on councils, boards and governing committees. In Zambia, examples include the Law Association of Zambia (LAZ), the Zambia Institute of Chartered Accountants (ZiCA), the Engineering Institution of Zambia (EIZ), the Institute of Directors Zambia (IoDZ), and various other membership-based organisations and professional bodies.

These institutions perform important public interest functions. They establish professional standards, regulate conduct, influence policy, oversee qualification processes and represent the interests of their members. The effectiveness of these institutions depends significantly on the quality of their leadership and governance.

However, unlike corporate organisations where directors are typically appointed through structured nomination processes based on skills, experience, competency requirements and rigorous interviews, professional bodies often rely on broad-based elections where members may apply widely differing criteria when casting their votes. This creates a governance challenge that has become increasingly pronounced in the age of social media.

THE GOVERNANCE CHALLENGE IN MEMBERSHIP-BASED ORGANISATIONS

The democratic nature of professional body elections is one of their greatest strengths. It promotes participation, accountability and representation. However, democratic elections do not automatically produce effective governance outcomes.

Research in behavioural economics and governance suggests that individuals often make decisions based on familiarity, visibility, emotional appeal and social influence rather than objective assessments of competence (Kahneman, 2011). Consequently, members may vote for candidates because:

- They are former classmates, colleagues or friends;
- They belong to the same professional or social networks, like the golf club or the same church, etc.
- They are highly visible within the profession;
- They are popular on social media;
- They possess strong campaigning skills.

While such factors may increase electability, they do not necessarily indicate governance competence.

The consequence is that governing bodies may sometimes be elected without the optimal mix of skills, independence, experience and strategic capability required to effectively govern complex institutions.

GOVERNANCE OUTCOMES MATTER MORE THAN POPULARITY

The King V Code on Corporate Governance (2025) emphasises that governance should be assessed not merely by compliance with governance practices but by the achievement of governance outcomes. These outcomes include:

- Ethical Culture;
- Performance and Value Creation;
- Conformance and Prudent Control; and
- Legitimacy.

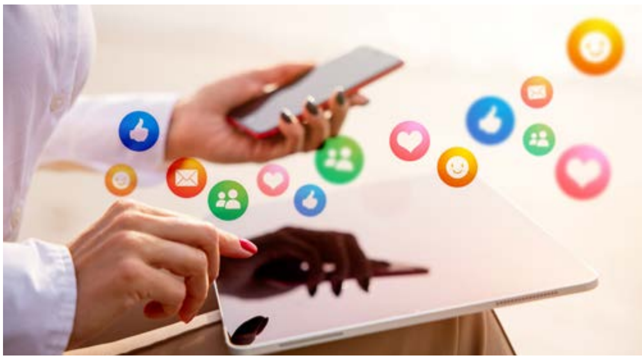
These governance outcomes provide a useful lens through which members should evaluate candidates for leadership positions. The key question should not be whether a candidate is popular, visible or well-liked. Rather, members should ask whether the individual is likely to contribute to stronger governance outcomes for the institution.

Can the candidate strengthen ethical leadership? Can they contribute to strategic direction? Do they understand risk management? Can they exercise independent judgment? Do they have relevant board experience? Do they have the experience necessary to oversee a complex professional body?

These questions are far more relevant than the number of social media followers a candidate possesses.

THE RISE OF THE PROFESSIONAL INFLUENCER

One of the most significant developments affecting professional body elections in recent years has been the growing influence of social media.



Platforms such as LinkedIn, Facebook, X, WhatsApp and other digital channels have transformed the way candidates engage with members. Social media has many benefits. It increases participation, enhances communication and enables members to interact more directly with candidates. However, it has also created a new category of candidate: the professional influencer.

Professional influencers often possess significant online visibility, extensive networks and strong communication skills. While these attributes may be valuable, they are not substitutes for governance competence.

Research on digital communication and social influence demonstrates that repeated exposure to information can significantly influence perceptions and decision-making irrespective of the quality of the underlying information (Sunstein, 2017; Pariser, 2011).

As a result, elections can increasingly become contests of visibility rather than competence.

Members may unconsciously equate popularity with leadership ability, despite there being little evidence that social media influence correlates with competence in areas such as:

- Strategic oversight;
- Risk governance;
- Financial stewardship;
- Regulatory compliance;
- Ethics management;
- Stakeholder governance; and
- Board effectiveness.

A candidate's ability to attract likes, shares and online endorsements should therefore not be confused with their ability to govern.

HIDDEN MOTIVATIONS AND CONFLICTS OF INTEREST

Another challenge facing membership-based organisations relates to the motivations of some individuals who seek election.

While many candidates genuinely seek to serve their professions, others may be motivated by personal interests that do not necessarily align with the objectives of the institution.

Examples may include:
- Enhancing personal reputation and professional standing;
- Building a stronger curriculum vitae;
- Improving employment prospects;
- Securing board appointments through institutional nominations;
- Influencing policy or regulatory decisions;
- Creating commercial opportunities for personal businesses;
- Strengthening personal networks and influence.

Such motivations may create actual or perceived conflicts of interest.

The King V Code places significant emphasis on integrity, independence and conflict-of-interest management. It recommends that governing body members regularly declare their interests and avoid situations where personal interests may conflict with the interests of the organisation.

Members should therefore critically assess whether candidates demonstrate a genuine commitment to serving the profession and acting in the best interests of the institution.

WHY COMPETENCY-BASED GOVERNANCE MATTERS

Modern professional bodies operate in increasingly complex environments.

Today's governing councils and boards are expected to oversee:
- Strategic planning;
- Enterprise risk management;
- Sustainability and ESG reporting;
- Digital transformation;
- Artificial intelligence governance;
- Cybersecurity;
- Regulatory compliance;
- Financial oversight;
- Stakeholder engagement; and
- Institutional sustainability.

The King V Code emphasises that governing bodies should possess an appropriate balance of competencies, diversity, experience and independence to enable effective governance.

This principle is equally applicable to professional bodies.

An effective board requires individuals who collectively bring expertise in governance, finance, law, risk management, strategy, technology and organisational leadership. Popularity alone cannot provide these capabilities.

STRENGTHENING ELECTION PROCESSES

While professional bodies should preserve democratic participation, several measures can strengthen governance outcomes.

1. **Competency-Based Candidate Profiles**
   Candidates should provide structured profiles outlining:
   - Qualifications;
   - Professional experience;
   - Governance experience;
   - Committee experience;
   - Areas of expertise;
   - Conflict-of-interest declarations.

2. **Independent Nomination Committees**
   Independent nomination committees can assist by assessing candidate suitability and ensuring that members receive objective information before elections.
3. **Governance Education for Members**
   Members should be educated on the competencies required of governing body members and the importance of merit-based voting.
4. **Formal Conflict-of-Interest Declarations**
   Candidates should disclose business interests, professional affiliations and any relationships that may affect independence.
5. **Board Skills Matrices**
   Professional bodies should periodically identify competency gaps and communicate these to members before elections.
6. **Balanced Campaign Regulations**
   Campaign guidelines should encourage issue-based campaigning and discourage misleading or personality-driven campaigns.

VOTING AS A PROFESSIONAL RESPONSIBILITY

Voting in professional body elections is often viewed as a democratic right. However, it is equally a professional responsibility.

Each vote contributes to determining the quality of governance that will shape the institution's future.

Before casting a vote, members should consider:
- Does this candidate possess relevant governance experience?
- Does the candidate demonstrate integrity and ethical leadership?
- Does the candidate understand strategy and risk management?
- Can the candidate exercise independent judgment?
- Does the candidate have sufficient time and commitment to serve effectively?
- Is the candidate motivated by service rather than personal gain?

These questions are more important than popularity, visibility or social media presence.

CONCLUSION

Professional bodies play a critical role in protecting the public interest, advancing professional standards and contributing to national development. Their effectiveness depends significantly on the quality of their leadership.

While social media has enhanced communication and participation in professional elections, it has also increased the risk that popularity may be mistaken for competence. The challenge for members is therefore to look beyond visibility and evaluate candidates against objective governance criteria such as integrity, competence, independence, strategic thinking and commitment to service.

Governance frameworks such as the OECD Principles of Corporate Governance and the King V Code on Corporate Governance emphasise that effective governing bodies require the appropriate balance of competencies, diversity and independence to achieve positive governance outcomes. These principles are equally relevant to membership-based professional bodies.

Ultimately, members must recognise that voting is not merely a social or democratic exercise. It is a governance decision. The future performance, credibility and sustainability of professional institutions depend on electing leaders who can create value, uphold ethical standards and act in the best interests of the profession.

Leadership should therefore be earned through competence, integrity and service—not merely visibility, popularity or influence.

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Best Modern Management Practice Today: Thinking Climate Change into Every Aspect of Organisational Planning

By Kawana Angel

Introduction

Climate change has emerged as one of the most significant threat facing businesses, governments, and society in the 21st century. Rising global temperatures, extreme weather events, changing rainfall patterns, biodiversity loss, and increasing environmental regulations have transformed the business environment in which organizations operate. In Zambia, the adverse impacts of climate change impacts have been loss of business revenue, loss of revenue by government and loss of steady benefits to the society. Traditionally, business management of various institutions focused on areas such as finance, marketing, human resources, operations, and strategic planning. However, the growing impacts of climate change should make it necessary for modern managers to understand environmental sustainability and climate-related risks. Climate change is no longer solely an environmental issue; it is a strategic, economic, social, and governance concern that directly affects organizational performance and long-term survival.

Modern management requires leaders who can anticipate environmental challenges, develop sustainable business strategies, manage climate risks, and create value for stakeholders while protecting limited natural resources. As organizations increasingly face pressure from governments, investors, customers, and communities to address climate-related issues, climate change should become an essential concern in management of various institutions. This article discusses why climate change must be considered in modern management by examining its influence on business strategy, risk management, innovation, stakeholder expectations, corporate governance, and sustainable development.

Climate Change and Business Sustainability

One of the primary reasons climate change must be considered in modern management is its direct relationship with business sustainability. Sustainability refers to meeting current organizational needs without compromising the ability of future generations to meet their own needs (Brundtland Commission, 1987). Climate change threatens the sustainability of organizations by disrupting natural resources, supply chains, production systems, and market stability.

Organizations depend on environmental resources such as water, energy, land, and raw materials. Climate-related events such as droughts, floods, storms, and heatwaves can reduce the availability of these resources and increase operational costs. For example, in 2024, Zambia experienced a major drought that brought major businesses to reduce production due to shortages of electricity supply. Equally, the agricultural sector particularly was highly affected and led to Zambia being declared a hunger stricken country.

Therefore, Managers who understand climate change can develop strategies that promote resource efficiency, reduce environmental impacts, and ensure business continuity. Incorporating climate considerations into management practices should be seen as best management practices that helps organizations to achieve long-term sustainability while maintaining profitability and competitiveness.

Climate Change as a Strategic Management Issue

Climate change has become a critical strategic issue because it influences market conditions, competitive advantage, and organizational survival. Strategic management involves analyzing the external environment and making decisions that position an organization for long-term success (Johnson, Scholes and Whittington, 2020).

The business environment is increasingly shaped by climate-related policies, regulations, and consumer preferences. Governments worldwide are introducing carbon taxes, emissions reduction targets, and environmental regulations to address climate change. Organizations that fail to adapt may face legal penalties, reputational damage, and loss of market share.

At the same time, climate change creates new business opportunities. In Zambia, the growing demand for renewable energy, sustainable products, green technologies, and environmentally responsible services has created emerging markets that innovative organizations can exploit. Companies that integrate climate considerations into their strategic planning can gain competitive advantages by identifying opportunities for growth and differentiation.

Therefore, climate change must be an added thought in management because future leaders need the skills to develop strategies that address both climate risks and opportunities.

Climate Risk Management

Risk management is a core function of modern management. Climate change introduces a wide range of risks that organizations must identify, assess, and mitigate. According to the Intergovernmental Panel on Climate Change (IPCC, 2023), climate-related risks are increasing in frequency and severity across the globe.

Climate risks can be categorized into physical risks and transition risks. Physical risks arise from extreme weather events such as floods, droughts, and rising sea levels. These events can damage infrastructure, disrupt operations, and threaten customer and employee safety.

Transition risks emerge from the shift towards a low-carbon economy. These include regulatory changes, technological developments, market shifts, and changing stakeholder expectations. For example, businesses heavily dependent on fossil fuels may face declining demand as societies transition to renewable energy sources.

Managers need knowledge of climate risk assessment and adaptation strategies to protect organizational assets and ensure resilience. Understating climate change enables managers to develop contingency plans, strengthen supply chains, and improve organizational preparedness for future environmental challenges.

Stakeholder Expectations and Corporate Responsibility

Modern organizations operate in environments where stakeholders increasingly expect businesses to contribute positively to society and the environment. Stakeholders include customers, employees, investors, governments, suppliers, and local communities (Freeman, 1984).

In Zambia during the 2024 drought, most customers were looking for reliefs from various institutions because the loss suffered by most consumers was too high to bear hence institutions needed to share the burden relief to revive the business activities for their customers which were at high risk. It's during such moments institutions needed to quickly prove their commitments towards Corporate Responsibility to stand with their customers who were at a great loss. Modern management practices should therefore include climate change to prepare leaders to balance stakeholder interests and implement responsible business practices that contribute to environmental sustainability.

Climate Change and Corporate Governance

Corporate governance refers to the systems, structures, and processes used to direct and control organizations (OECD, 2023). Climate change has become an important governance issue because boards of directors and senior executives are increasingly expected to oversee climate-related risks and opportunities.

Investors and regulators are demanding greater transparency regarding organizational environmental performance. Many organizations now publish sustainability reports that disclose greenhouse gas emissions, climate risks, and environmental initiatives. International frameworks such as the Task Force on Climate-related Financial Disclosures (TCFD) encourage organizations to integrate climate considerations into governance and financial reporting.

Managers need knowledge of climate governance to ensure compliance with regulatory requirements and stakeholder expectations. Including climate change in management studies helps future leaders understand their governance responsibilities and strengthens organizational accountability.

Innovation and Competitive Advantage

Climate change drives innovation by encouraging organizations to develop sustainable products, services, and business models. Innovation is a key source of competitive advantage in modern markets (Porter and Kramer, 2011).

Organizations in Zambia are increasingly investing in renewable energy technologies, energy-efficient manufacturing processes, and sustainable supply chain management. Examples include mining of copper for electric vehicles and Lithium for lithium batteries.

Managers who understand climate change can identify innovation opportunities that create both economic and environmental value. Climate-focused innovation can reduce costs, improve efficiency, enhance brand reputation, and open access to new markets.

Therefore, institutions can take an advantage in buying shares in mining companies or indeed create business partnerships that will grow the revenues for their institutions in markets that seem to be viable while responding to climate change related issues.

Customer - Human Resource Management and Climate Change

Climate change also has important implications for customers to the business as well as human resource management. Customers and employees are increasingly affected by climate-related events, environment and workplace sustainability initiatives, and changing organizational priorities.

Extreme temperatures, natural disasters, and environmental degradation can affect customers and employee health, safety, productivity and sales. Organizations must develop policies that show care for customers and protect workers from climate-related hazards and ensure business continuity during environmental disruptions.

Sales and Human resource managers also play a critical role in promoting environmental awareness and sustainability culture within organizations. Training programs, employee engagement initiatives, and green workplace practices can encourage environmentally responsible behavior.

Supply Chain Management and Climate Resilience

Global supply chains are highly vulnerable to climate change. Extreme weather events can disrupt transportation networks, damage supplier facilities, and create shortages of critical materials. The COVID-19 pandemic demonstrated how external shocks can significantly affect supply chain operations, and climate change presents similar long-term risks.

Managers must understand how climate risks affect supply chain performance and develop strategies to enhance resilience. These strategies may include supplier diversification, local sourcing, sustainable procurement, and investment in climate-resilient infrastructure.

Organizations that fail to address climate-related supply chain risks may experience production delays, increased costs, and customer dissatisfaction. Consequently, climate change should be integrated into management practices to help leaders for managing increasingly complex and uncertain supply networks.

Financial Implications of Climate Change

Climate change has significant financial implications for organizations. Environmental risks can affect asset values, insurance costs, investment returns, and access to capital. Increasingly, financial institutions are evaluating climate-related risks when making lending and investment decisions. The concept of sustainable finance has gained prominence as investors seek environmentally responsible investment opportunities. Green bonds, sustainability-linked loans, and ESG investment funds have become important components of modern financial markets.

Managers need financial literacy regarding climate-related risks and opportunities to make informed investment decisions. Understanding global climate related issues, environmental regulations, and sustainability reporting enables organizations to manage financial exposure and improve long-term performance.

Therefore, climate change should be a fundamental component of modern management practice, particularly in finance and investment-related disciplines.

Climate Change and Sustainable Development Goals

The United Nations Sustainable Development Goals (SDGs) provide a global framework for addressing social, economic, and environmental challenges. Climate Action (SDG 13) specifically focuses on combating climate change and its impacts (United Nations, 2024).

Organizations play a critical role in achieving the SDGs through sustainable business practices, environmental stewardship, and responsible resource management. Managers who understand climate change can align organizational strategies with global sustainability objectives and contribute to broader societal development.

In developing countries such as Zambia, climate change poses serious threats to agriculture, water resources, energy security, and economic development. Management professionals must therefore understand the relationship between climate action and sustainable development to support national and international development goals.

Leadership in the Era of Climate Change

Leadership is a critical component of modern management, and climate change requires a new generation of leaders capable of addressing complex environmental challenges. Climate leadership involves creating a vision for sustainability, influencing stakeholders, promoting innovation, and driving organizational change.

Effective climate leaders recognize that environmental sustainability is not separate from business success but rather a prerequisite for long-term prosperity. They integrate climate considerations into decision-making processes and encourage organizational cultures that prioritize sustainability.

Educational institutions have a responsibility to prepare future leaders for these challenges by incorporating climate change into management curricula. Climate-literate leaders will be better equipped to navigate uncertainty, build resilience, and create sustainable value for society.

Conclusion

Climate change has fundamentally transformed the context in which modern organizations operate. It affects business sustainability, strategic planning, risk management, stakeholder relations, corporate governance, innovation, human resources, supply chains, financial performance, and sustainable development. As environmental challenges continue to intensify, organizations require managers who understand the implications of climate change and can develop effective responses.

Including climate change in modern management education is no longer optional; it is essential. Future managers must possess the knowledge and skills necessary to address climate-related risks, identify emerging opportunities, and lead organizations towards sustainable growth. By integrating climate change into management studies, educational institutions can prepare leaders capable of navigating the complexities of a rapidly changing world while contributing to environmental sustainability and long-term organizational success.

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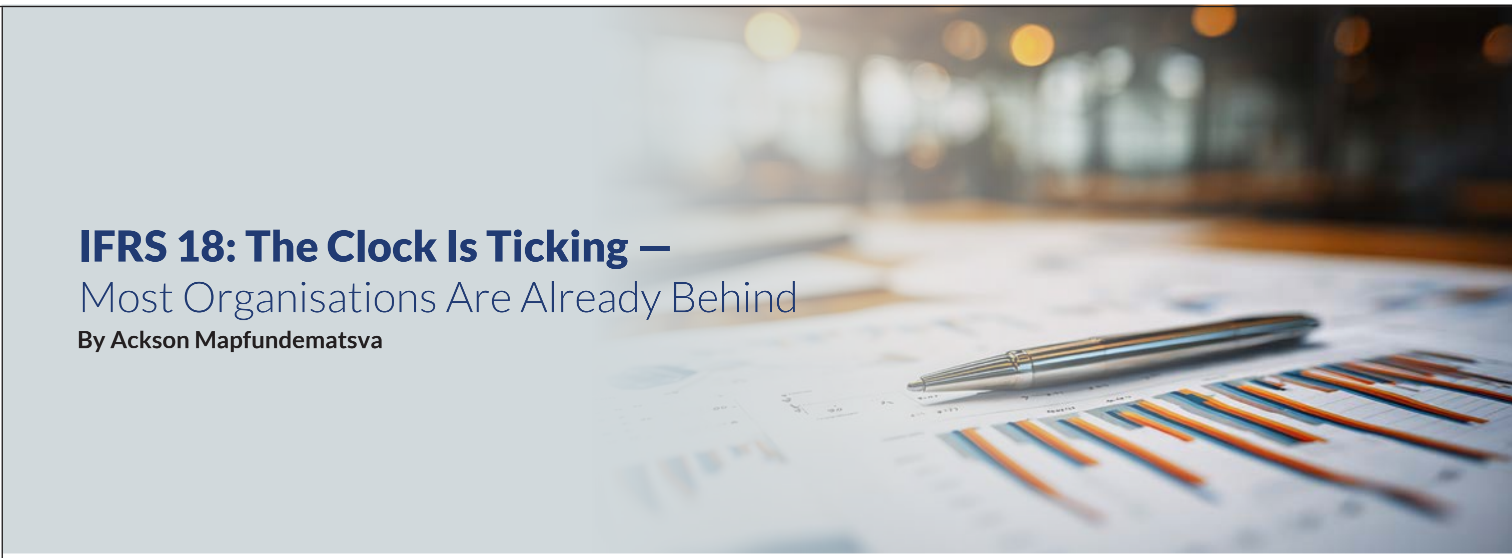

IFRS 18: The Clock Is Ticking — Most Organisations Are Already Behind

By Ackson Mapfundematsva

The biggest change to income statement presentation in decades takes effect for periods beginning on or after 1 January 2027. Preparation cannot wait until the effective date.

Most finance teams have not yet opened IFRS 18. Some are aware it exists. Very few have done an impact assessment. That is a problem — not because the standard is conceptually difficult, but because the changes it requires cut across systems, processes, disclosures and, in many cases, the way organisations communicate performance to their boards and investors.

This article sets out what IFRS 18 actually changes and what it does not change.

Background: Why Was IAS 1 Replaced?

IAS 1 Presentation of Financial Statements had been in place, largely unchanged, since 1997. Over that time, the diversity in how entities presented their income statements grew considerably. Subtotals varied. Line items were labelled inconsistently. Management-defined performance measures — 'adjusted EBITDA', 'headline earnings', 'underlying profit' — proliferated in investor communications with no standardised link back to the financial statements.

The IASB's response was IFRS 18, issued in April 2024. The standard's central objective is to improve comparability and transparency in financial performance reporting. It does this primarily by introducing a defined structure for the statement of profit or loss and imposing new requirements on how entities disclose and explain management-defined performance measures.

What Changes: Key Shifts

1. A Defined Income Statement Structure

Under IAS 1, entities had considerable flexibility in how they structured their income statement. IFRS 18 replaces that flexibility with a mandatory structure built around five defined categories:

- Operating — the core trading activities of the business
- Investing — returns from assets not integral to the main business operations
- Financing — the cost of financing the business
- Income taxes
- Discontinued operations

Within the operating and investing categories, the standard also introduces required subtotals. Most significantly, entities must present:

- Operating profit or loss
- Profit or loss before financing and income taxes
- Profit or loss

For many entities, this will require restructuring the income statement they currently present. The question of whether certain income and expense items fall into the operating or investing category will require judgement — and that judgement must be documented and applied consistently.

2. Management Performance Measures (MPMs)

This is arguably the most significant change for entities that communicate performance using non-IFRS metrics.

IFRS 18 defines a Management Performance Measure as a subtotal of income and expenses that is communicated outside the financial statements and is used by management to communicate financial performance. If your entity uses measures such as adjusted EBITDA, headline earnings, organic revenue growth or underlying profit in investor presentations, earnings releases or annual reports, those measures will now require formal treatment in the notes to the financial statements.

Specifically, entities must:

- List all MPMs and explain why management considers them useful
- Provide a reconciliation of each MPM to the most directly comparable IFRS subtotal
- Disclose the tax and non-controlling interest effect of each MPM adjustment

This requirement brings a significant discipline to measures that many entities have previously used with considerable freedom. Finance teams will need to inventory all performance measures used in external communications and assess which fall within the MPM definition.

3. Disaggregation of Information in the Notes

IFRS 18 introduces enhanced guidance on how to disaggregate information in the financial statements and notes. The standard requires entities to disaggregate information when aggregation obscures material differences in the nature, function, or measurement of items.

In practice, this means that blanket aggregation of dissimilar items under a single line — a common feature of many income statements — will need to be reconsidered. Entities should review their current level of disaggregation, particularly in operating expenses, and assess whether further breakdown is required.

4. Consequential Amendments to Other Standards

IFRS 18 carries consequential amendments to several other standards. Each should be assessed as part of the broader IFRS 18 impact review.

Standard	Impact of IFRS 18 Amendment
IAS 7 — Statement of Cash Flows	Cash flow classifications must align with the new income statement categories. Entities will need to reassess how operating, investing and financing cash flows are presented to ensure consistency with the IFRS 18 structure.
IAS 8 — Basis of Preparation of Financial Statements	IAS 8 has been retitled to "Basis of Preparation of Financial Statements" to better reflect its expanded content and alignment with IFRS 18. The revised IAS 8 includes more detailed disclosure requirements to ensure consistency and transparency in financial reporting. This aligns with the objectives of IFRS 18 to provide more useful information to stakeholders.
IAS 33 — Earnings Per Share	EPS calculations must use the new mandatory IFRS 18 subtotals as their basis. In addition to reporting basic and diluted earnings per share (EPS), entities are permitted by IAS 33 to disclose (in the notes only) additional EPS information calculated based on any component of the statement of comprehensive income.
IAS 34 — Interim Financial Reporting	Interim financial reports must reflect the new IFRS 18 income statement structure and required subtotals from the effective date. The impact of IFRS 18 is therefore not limited to annual reporting — entities that report quarterly or half-yearly must apply the new presentation requirements in their condensed interim financial statements as well.

What Does Not Change

IFRS 18 does not change recognition or measurement. The amounts in the financial statements remain the same — what changes is where and how they are presented and disclosed.

This is an important clarification. IFRS 18 is a presentation and disclosure standard. It does not affect when revenue is recognised, how assets are measured, or how liabilities are classified. Entities who begin their impact assessment by opening their accounting policies rather than their income statement are starting in the wrong place.

Effective Date and Transition

IFRS 18 is effective for annual reporting periods beginning on or after 1 January 2027. Early application is permitted. Transition requires retrospective application, meaning comparative periods must be restated. For a December year-end entity, this means the comparative period presented in the 2027 financial statements — being 2026 — must comply with IFRS 18's presentation requirements.
That creates a practical urgency: entities need to have understood the IFRS 18 presentation requirements and impact before 1 January 2026, not before 1 January 2027. The transition adjustment is not a year-end exercise. It begins now.

The Consequences of Waiting

Entities that defer their IFRS 18 impact assessment until 2026 will face three compounding problems. First, they will have less time to make system and process changes that may require significant lead time. Second, they will be preparing comparative period disclosures under time pressure, increasing the risk of error. Third, their auditors will have less time to review and challenge judgements — which means audit findings and restatements become more likely, not less.

The standard is not complex. But its implementation touches income statement presentation, note disclosures, external communications, systems and investor relations simultaneously. That breadth is what makes early preparation essential.

The Bottom Line

IFRS 18 does not change the numbers. It changes the story the numbers tell — and it changes who gets to control that story. Finance teams that prepare early will present that story clearly. Those that do not will be explaining restatements.

How Baker Tilly Central Africa Can Help

Our Financial Management Services team works with organisations across the region to navigate the practical complexities of IFRS implementation. For IFRS 18 specifically, we provide:

- Impact assessments — mapping your current income statement against the IFRS 18 category framework and identifying reclassification requirements
- MPM inventory and disclosure drafting — identifying your management performance measures and preparing the required reconciliations and notes
- Capacity building — tailored IFRS 18 workshops for finance teams, CFOs and boards and their committees
- Implementation support — implementation of the standard including preparing comparative period disclosures and managing the retrospective application process

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Evaluating the Efficaciousness of Financial Leadership in the Era of Artificial Intelligence

By Simon John Mwanza

Introduction

The finance function is entering a period in which leadership will be tested by machines that analyse, decide and act with limited prompting. Artificial intelligence is no longer distant. It is now part of accounting, audit, reporting, risk management and corporate decision making. The sharper development is agentic AI: systems that plan tasks, reconcile records, test exceptions, draft explanations and escalate issues across workflows.

For accountants, Chief Financial Officers and Finance Directors, this shift raises a professional question. Will finance leaders redesign the finance function before technology redesigns it for them? The answer matters to Zambia and global markets. ZICA, as the national accountancy body, has a direct interest in the response.

McKinsey reported that 78 percent of surveyed organisations used AI in at least one business function in 2025, up from 72 percent in early 2024 (McKinsey & Company, 2025). PwC also reports stronger productivity growth in AI-exposed sectors and wage premiums for workers with AI skills (PwC, 2025). AI is therefore a labour, governance and leadership matter.

The data problem

The modern finance function does not mainly lack data. It suffers from scattered data, weak ownership and slow interpretation. Financial information often sits across accounting systems, spreadsheets, payroll files, procurement records, bank platforms and tax schedules. These sources are useful individually, but costly when disconnected.

Month-end reporting, reconciliations, variance analysis, invoice matching and compliance checks still consume many professional hours. When trained accountants spend most of their time cleaning and moving data, organisations pay strategic salaries for clerical output.

Properly governed AI agents can read invoices, classify transactions, match records, identify unusual entries, review policy breaches and draft management commentary. They can work continuously across large transaction populations, reducing delay and enabling finance teams to examine financial behaviour closer to real time.

The point is not that accountants become unnecessary. Their value moves upward. The advantage shifts from preparing information to validating it, interpreting it and using it to guide decisions. Reuters reported AI accounting automation tools designed to enter transactions and check accounting-system data accuracy (Reuters, 2024).

AI adoption evidence

Figure 1 uses survey data rather than a conceptual model. It shows that 71 percent of respondents said their organisations regularly use generative AI in at least one business function. It also shows that 62 percent are experimenting with AI agents, while 23 percent reported that agentic AI is being scaled in at least one function (McKinsey & Company, 2025). Generative AI is mainstream, while agentic AI is moving towards deployment.

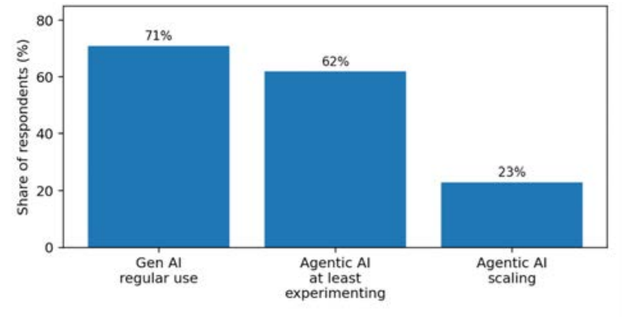

Figure 1. Organizational adoption of generative AI and agentic AI.

AI and growth

The business case for AI is strongest when adoption is linked to value creation rather than automation alone. PwC's 2025 Global AI Jobs Barometer shows that productivity growth, measured by revenue per employee, accelerated more sharply in industries exposed to AI after 2022. This evidence is association, not proof that AI alone caused growth. Even so, it supports treating AI as a productivity and growth instrument. Figure 2 shows this sequence: the post-2022 line for AI-exposed industries rises faster, while the less-exposed line remains relatively flat.

For finance leaders, AI should be connected to outcomes such as faster reporting cycles, improved working-capital decisions, lower error rates, better fraud detection and stronger revenue-per-employee performance. Finance becomes a growth partner, not only a reporting unit.

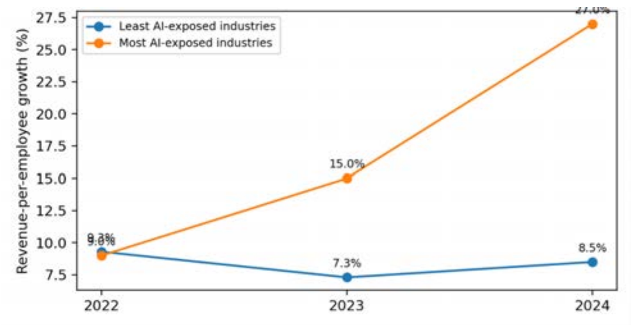

Figure 2. Business productivity growth before and after the AI adoption surge.

Harvard evidence

Harvard Business School's field experiment with Boston Consulting Group tested 758 consultants on realistic knowledge-work tasks. For tasks inside the AI frontier, consultants using GPT-4 completed 12.2 percent more tasks, worked 25.1 percent faster and produced materially higher-quality outputs. Yet on a complex managerial task outside the AI frontier, AI users were 19 percentage points less likely to produce correct solutions than those without AI (Dell'Acqua et al., 2023). AI can improve reporting, variance analysis, commentary and control testing, but professional scepticism must remain. Figure 3 shows the balance: AI raises speed and quality, but judgement risk appears beyond competence.

Agentic AI should be treated as a supervised productivity system, not an uncontrolled substitute. Value comes where agents handle tedious work while humans validate evidence, explain judgement and remain accountable.

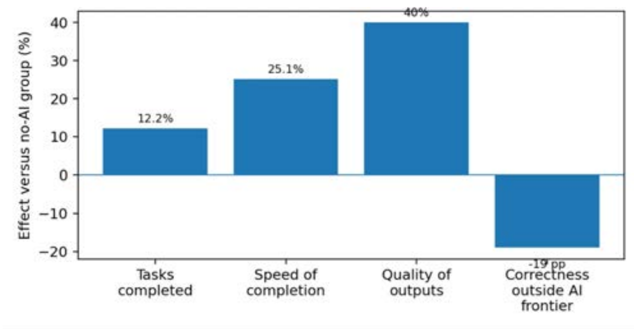

Figure 3. Harvard and BCG field evidence on AI-enabled knowledge-work performance.

The data divide

The global AI race is also a data race. Advanced economies often have stronger cloud infrastructure, deeper digital records, mature capital markets and larger analytics ecosystems. African economies face a different starting point.

Reuters reported that Africa accounts for less than 1 percent of global data centre capacity despite rising mobile data usage (Reuters, 2025). Finance leaders therefore cannot discuss AI without discussing data infrastructure, quality, residency, cybersecurity and access rights.

For many African organisations, the first AI problem is data reliability. Poor supplier records, inconsistent transaction codes, weak audit trails, incomplete reconciliations and spreadsheet dependency will produce unreliable outputs. In finance, unreliable data can produce misstated accounts, weak controls, tax exposure, procurement leakage and fraud. The African CFO must help design reliable systems with clean master data, integrated platforms, data dictionaries, audit logs and access controls.

Zambia's leadership challenge

In Zambia, the debate is important because the accountancy profession supports confidence in business, taxation, investment and public accountability. ZICA represents the profession and promotes professional standards in Zambia (ZICA, n.d.). In an AI-driven environment, professional competence must include data governance, digital ethics, AI assurance and technology-enabled fraud awareness.

Zambia also has a legal foundation for responsible data handling. The Data Protection Act of 2021 protects personal data and regulates its collection, use, transmission, storage and processing (Government of Zambia, 2021). Payroll data, supplier records, customer information and audit evidence cannot be casually uploaded into AI tools. Privacy is a board-level finance risk.

ZICTA reported continued growth in telecommunications infrastructure in 2024 (ZICTA, 2024). Better connectivity can support digital reporting, automated controls, fraud analytics and faster decisions. Yet technology alone will not modernise finance. Deliberate leadership is required from CFOs, Finance Directors and audit committees.

NGO sector evidence

A useful local finding comes from the survey on artificial intelligence in bank reconciliation systems using data from selected NGO participants. The study used field data from 30 respondents and found that 66.67 percent observed a decline in reconciliation errors after AI implementation. It also found support for AI's ability to reduce manual intervention. This supports the argument that AI is relevant to Zambian accounting practice, especially where finance teams face repetitive matching work, data-quality pressure and control risk (Mwanza, 2024). Table 2 gives the local distribution before Figure 4 visualises the pattern.

For CFOs, Finance Directors and auditors, the local evidence is practical. AI can reduce error exposure in high-volume reconciliation environments, but the 23.33 percent who reported increased errors warn against careless deployment. AI must be introduced with training, data-quality controls and human review. Finance leaders must govern automation to improve assurance.

Table 2. Effect of AI on bank reconciliation errors in the NGO sector

Response	Frequency	Percentage
Error rate decreased	20	66.67 %
Error rate increased	7	23.33 %
Not sure	3	10.00 %

Source: Mwanza (2024).

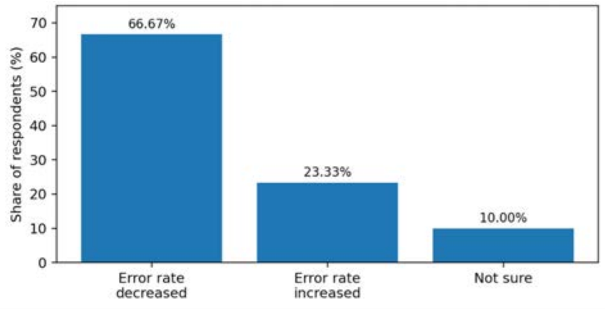

Figure 4. Perceived effect of AI on bank reconciliation – Field data from selected NGO participants.

Accountants will be repriced

The weakest question in the AI debate is whether AI will replace accountants. A better question is which tasks will lose value, and which capabilities will gain value. AI will replace tasks before titles. Bookkeeping support, first-level reconciliations, invoice coding, variance explanations and repetitive compliance preparation are vulnerable to automation.

Accountability for financial reporting cannot be transferred to a machine. Boards, regulators, investors and taxpayers still require human responsibility. The accountant of the future must pivot from preparation to assurance. The key question will no longer be, 'Can I prepare the report?' It will be, 'Can I prove the report is complete, accurate, ethical, explainable and useful?'

This pivot requires stronger judgement. Accountants must validate AI outputs, test assumptions, trace data lineage, investigate exceptions and communicate financial meaning. Auditors must also change. Audit quality will increasingly depend on system testing, algorithm review, access-log analysis and synthetic-document detection. ACFE's reporting on AI-enabled fraud reinforces the need for technology-literate forensic accounting (ACFE, 2026).

AI can grow wealth

Properly governed AI can support wealth creation in four ways. It reduces the cost of routine finance operations. It improves decision-making speed. It strengthens fraud detection by identifying unusual patterns earlier. It also allows finance leaders to focus on pricing, working capital, investment appraisal, risk-adjusted growth and long-term value.

However, AI does not create value automatically. Organisations fail when they buy tools without redesigning workflows, controls and accountability. AI must be embedded into finance architecture.

The CFO should ask disciplined questions. Which processes are repetitive? Which controls can be automated? Which data is sensitive? Which decisions require human approval? Which AI outputs must be documented for audit purposes? These questions bring AI into the control environment.

What ZICA and finance leaders should do

ZICA has an opportunity to lead the profession into its next competence frontier. Continuing professional development should cover data analytics, AI governance, cybersecurity, forensic technology and digital assurance. For students and young accountants, the message is direct. Excel remains useful, but it is no longer enough. The future accountant must understand databases, dashboards, AI prompts, data ethics, controls and strategy.

For CFOs and Finance Directors, the priority is an AI governance framework. Such a framework should identify approved tools, data classification rules, human review procedures, fraud-monitoring protocols, documentation requirements and privacy safeguards. AI must be governed like part of financial control.

The practical sequence should be modest but firm. Finance leaders should begin with high-volume areas such as reconciliations, payables, receivables, payroll checks and expense reviews. They should then build dashboards connecting operations to cash, margins and risk. Finally, they should move into predictive analytics for liquidity, fraud exposure and investment decisions. This staged approach avoids technology theatre and helps boards see AI as a controlled capability.

Conclusion

Agentic AI will not abolish financial leadership. It will expose weak financial leadership. The future belongs to finance professionals who combine accounting discipline, technological fluency, forensic scepticism and strategic judgement. In Zambia, this is an economic development issue. Accountants trapped in manual routines will be disrupted. Those who master data, governance and intelligent automation will lead the next era of value creation. This matters now.

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ZICA TECHNICAL UPDATES

1. The new language of financial performance

IFRS 18 will not change whether a company is profitable, but it will change how that performance is presented, explained and compared. For management and finance teams, the standard is a timely reminder that clear reporting is not only a compliance matter — it is a trust matter.

AT A GLANCE

IFRS 18 replaces IAS 1 and is effective for annual reporting periods beginning on or after 1 January 2027, with earlier application permitted. Its centre of gravity is the statement of profit or loss: new categories, new required subtotals, clearer disclosure of management-defined performance measures and stronger discipline around aggregation and disaggregation.

Why IFRS 18 matters

For years, investors have asked for a clearer, more comparable view of financial performance. One of the challenges has been that commonly used subtotals — including operating profit — were not consistently defined in IFRS Accounting Standards. Similar labels could therefore mean different things from one company to another, making performance analysis harder than it needed to be.

IFRS 18, Presentation and Disclosure in Financial Statements, responds to that challenge by introducing a more disciplined presentation framework. It does not simply add new labels to the income statement. It asks companies to organise performance information in a way that is more structured, transparent and capable of being compared across reporting periods and across entities.

The practical objective is straightforward: users of financial statements should be able to understand what has driven performance, how management explains that performance, and whether the information has been grouped at a level that is genuinely useful.

NEW STRUCTURE
Income and expenses are classified into operating, investing, financing, income taxes and discontinued operations, with new required subtotals.

MPM DISCLOSURES
Certain management-defined performance measures will move from the investor-relations narrative into a single, auditable note.

SHARPER GROUPING
Clearer aggregation, disaggregation and labelling should help material information stand out rather than disappear in “other” balances.

The three core changes

First, IFRS 18 introduces defined categories in the statement of profit or loss. Second, it brings certain management-defined performance measures into the financial statements through a single note. Third, it strengthens the principles for aggregation and disaggregation so that material information is neither obscured by broad descriptions nor fragmented into unnecessary detail.

Categories and subtotals: a clearer performance map

Under IFRS 18, income and expenses are classified into categories, with the operating category acting as the default home for income and expenses from the entity’s main business activities. The investing category generally captures returns from assets that generate returns individually and largely independently of the entity’s other resources. The financing category generally captures income and expenses from liabilities that involve only the raising of finance, as well as interest expense and the effects of changes in interest rates from certain other liabilities.

Two subtotals become especially important: operating profit and profit before financing and income tax. Operating profit gives users a disciplined starting point for analysing operational performance. Profit before financing and income tax supports analysis before the effects of capital structure and financing decisions.

The new language of financial performance (Continued)

WHAT CHANGES IN PRACTICE?

Finance teams will need to map existing account lines to IFRS 18 categories, revisit financial statement templates, align management reporting language with external reporting requirements, and document the judgements that support classification decisions.

Specified main business activities: where judgement matters

IFRS 18 recognises that some entities have business models where income and expenses that might otherwise appear in investing or financing are integral to operating performance. Banks, lending institutions, investment entities, investment property companies, insurers and lessors may therefore need to assess whether investing in assets or providing financing to customers is a main business activity.

That assessment is not a branding exercise. It is a matter of fact, supported by judgement and observable evidence where available. Strategy, segment reporting, investor communications and internal performance management can all become relevant. The assessment is made for the reporting entity as a whole and can change as facts and circumstances evolve.

Management-defined performance measures: from narrative to note

Many companies use performance measures in investor presentations, market announcements and annual reports to explain how management views performance. IFRS 18 does not ban such measures. Instead, it draws a clearer boundary around certain management-defined performance measures and requires transparent disclosure in one dedicated note to the financial statements.
For users, this should make it easier to understand what a measure represents, how it is calculated and how it reconciles to IFRS-defined totals or subtotals. For companies, it means the language used outside the financial statements can no longer be treated as disconnected from the audited reporting package.

Aggregation and disaggregation: better grouping, better insight

The standard also places renewed emphasis on how information is grouped and labelled. Excessive aggregation can hide material information; excessive disaggregation can overwhelm users and obscure the story. IFRS 18 encourages companies to find the balance: a useful structured summary in the primary financial statements, supported by material information in the notes.

This may sound like presentation housekeeping, but it is more than that. Labels such as "other expenses" or "miscellaneous income" may need to be challenged where they are too broad to be informative. The question for preparers is not simply whether a line item is technically acceptable, but whether it communicates clearly.

Transition: why early planning matters

IFRS 18 is effective for annual reporting periods beginning on or after 1 January 2027, with early application permitted, and it is applied retrospectively. In the year of adoption, entities preparing condensed interim financial statements under IAS 34 will need to present the same headings and subtotals they expect to use in the annual financial statements.

Implementation should therefore not be treated as a last-minute formatting exercise. Companies should expect work across chart of accounts mapping, consolidation systems, reporting templates, management reporting definitions, investor communications and audit evidence. Comparative periods will need to be restated, and users will need a clear explanation of what has changed and why.

BOTTOM LINE

IFRS 18 is expected to make financial performance reporting easier to compare and more transparent. But the quality of implementation will depend on early planning, well-supported judgement and careful communication with users of financial statements.

Five questions management should ask now

1. Which income and expense line items will move into operating, investing, financing, income taxes or discontinued operations?
2. Do existing "operating" measures align with the IFRS 18 operating profit subtotal?
3. Which public performance measures meet the definition of a management-defined performance measure?
4. Are primary statement line items and note disclosures aggregated at the right level—or are material details hidden in broad labels such as "other"?
5. What comparative information, reconciliations and interim reporting changes will be needed in the first year of adoption?

Final word

IFRS 18 is not only about where numbers sit on the face of the statement of profit or loss. It is about whether the performance story is clear, consistent and credible. Companies that start early will be better placed to explain the transition with confidence — and to turn a mandatory accounting change into an opportunity for stronger communication with investors and other stakeholders.

Sources and technical reference points

- *IFRS Foundation: IFRS 18 Presentation and Disclosure in Financial Statements; EY Global: Applying IFRS — A closer look at IFRS 18, Updated April 2026. This article is a high-level introduction and should be read together with the standard and relevant technical guidance.*

ZICA TECHNICAL UPDATES

2. Statutory Instrument (SI) 68 and the new local-content playbook

Zambia's mining sector is entering a more demanding phase of local-content compliance. Statutory Instrument No. 68 of 2025 is not merely a procurement rulebook; it is a strategic shift that will test how seriously mining companies integrate local suppliers into the value chain.

AT A GLANCE

The Geological and Minerals Development (Local Content) (Preference for Goods and Services in the Mining Sector) Regulations, 2025 came into operation on 1 January 2026. They introduce progressive local procurement thresholds for core mining goods and services, reserve critical non-core procurement for local companies, require a 15% margin of preference for local bidders, and place supplier development, reporting and inspection readiness firmly on the leadership agenda.

Why SI 68 matters now

For mining leaders, procurement professionals and finance teams, SI 68 changes the conversation from "Can we source locally?" to "How quickly can we build a credible, documented and sustainable local sourcing model?" That distinction matters. The Regulations require more than good intentions; they require evidence, systems, supplier readiness and board-level accountability.

The policy direction is clear: Zambia wants a deeper share of mining-sector value to remain in the local economy. That means expanded opportunities for Zambian-owned and citizen-empowered companies, but it also means mining companies must rethink supplier pipelines, tender evaluation, contract design, reporting discipline and internal governance.

Companies that treat the Regulations as an administrative burden may find themselves constantly reacting. Companies that treat them as a strategic operating shift can use the transition to strengthen resilience, develop more competitive local supplier ecosystems and improve stakeholder trust.

LOCAL PROCUREMENT

Core mining procurement must progressively reserve a larger share for local companies, starting at 20% and moving upward over time.

SUPPLIER DEVELOPMENT

Supplier development is now a core operating priority: capacity building, training, technology transfer, finance access and mentoring matter.

COMPLIANCE EVIDENCE

Quarterly reporting, beneficial ownership disclosure, procurement records and inspection readiness now sit at the heart of governance.

1. Local procurement is now a compliance baseline

Mining and mining-related companies are required to reserve part of their annual procurement budget for local companies supplying core mining goods and services. The threshold begins at 20% and rises progressively over time to 25%, 35% and ultimately not less than 40% within five years of commencement.

This makes localisation a forward-planning exercise. Procurement teams should not wait until tender evaluation to ask whether local suppliers exist. The starting point should be a category-by-category review of current spend, supplier capacity and the practical steps needed to shift procurement responsibly without disrupting operations.

LEADERSHIP IMPLICATION

The most effective response will be a multi-year localisation roadmap: clear categories, clear timelines, clear supplier-development interventions and clear ownership across procurement, operations, finance, legal and compliance.

2. Non-core procurement needs immediate attention

SI 68 reserves the procurement of non-core mining goods and services that are critical to mining operations exclusively for local companies. The listed categories include goods and services such as uniforms, food supplies, safety wear, catering, security, accommodation and camp management, logistics, cleaning, laundry, certain maintenance services, information technology and communication, legal and financial services, labour hire and training services.

Statutory Instrument (SI) 68 and the new local-content playbook (Continued)

This is where many companies may face quick execution pressure. Non-core does not mean low-risk. These services often keep sites operating day to day. A poorly managed transition could affect service continuity, cost, safety and employee experience. A well-managed transition can broaden local participation while protecting operational discipline.

3. Tender evaluation must reflect the 15% margin of preference

For core mining goods and services, bid evaluations must apply a 15% margin of preference for local companies. This has practical implications for tender design, evaluation templates, procurement committee training and internal value-for-money frameworks.

The procurement file should tell a complete story: what was tendered, who bid, how the margin was applied, how the award decision was reached and whether the decision aligns with the Regulations. That evidence trail will matter if decisions are reviewed internally, audited or inspected by authorised officers.

4. Supplier development is no longer optional

Within six months of commencement, mining and mining-related companies are required to develop and submit a supplier development programme. The programme should address capacity assessment, skills development, technology transfer, access to finance, technical assistance, mentorship, implementation targets, monitoring and evaluation, resource allocation and stakeholder engagement.
This requirement is particularly important because local content cannot be achieved purely through procurement targets. If local suppliers are expected to compete sustainably, they need capability, scale, quality systems, financing pathways and technical support. Supplier development is therefore not a corporate-social-responsibility add-on; it is a compliance and operating necessity.

PRACTICAL NOTE

The best supplier development programmes will be measurable. They should identify supplier gaps, set realistic improvement milestones, allocate budgets, monitor outcomes and connect local suppliers to real procurement opportunities.

5. Reporting and inspection readiness need stronger systems

Where a company allocates remaining procurement to non-local suppliers because local companies cannot meet the required threshold, SI 68 requires quarterly submissions covering company and site information, procurement disclosure, employee status, supplier beneficial ownership and supplier development programme reporting.

This is a data challenge as much as a compliance challenge. Companies should ensure procurement systems can classify suppliers, track spend by category, identify local-company status, record beneficial ownership information and retain evidence supporting non-local sourcing decisions.

6. Exemptions should be managed carefully

The Regulations recognise important practical realities. For example, the requirement to subdivide contracts to allow multiple local suppliers to meet procurement thresholds does not apply where core mining goods or services are procured directly from an original equipment manufacturer. The Regulations also allow remaining procurement to be allocated to non-local companies where local companies are unable to meet the threshold after contract subdivision.

These provisions should not be treated as blanket exclusions from compliance. They are better understood as controlled exceptions that require careful documentation, clear commercial rationale and alignment with the broader reporting framework. In practice, companies should be able to show why the exception applies and what steps were taken to consider local participation before relying on it.

What companies should be prioritising now

1	Redesign procurement strategy	Map core and non-core categories, identify transition opportunities and build a multi-year localisation roadmap.
2	Invest in supplier development	Move beyond compliance by strengthening supplier capability through training, mentoring, technology transfer and access-to-finance support.
3	Upgrade data and reporting infrastructure	Ensure systems can track procurement thresholds, supplier status, beneficial ownership and quarterly reporting information.
4	Prepare governance and audit evidence	Document sourcing decisions, threshold calculations, tender evaluations and reasons for non-local sourcing where applicable.
5	Engage the market early	Start conversations with Zambian suppliers now because capacity, quality, certification and scale take time to build.

Final word

SI 68 is more than procurement reform. It is a signal that local participation, supplier development and compliance governance are becoming central to the mining operating model in Zambia. The companies that move early, document carefully and invest meaningfully in local supplier capacity will be better positioned not only to comply, but to build a stronger licence to operate in a changing regulatory environment.

Sources and technical reference points

- *Government of Zambia: Statutory Instrument No. 68 of 2025, The Geological and Minerals Development (Local Content) (Preference for Goods and Services in the Mining Sector) Regulations, 2025; International Energy Agency Policies Database summary on Zambia's SI 68. This article is a high-level discussion and should be read together with the Regulations and appropriate professional advice.*

The Silent Risk Facing Chartered Accountants:
Why Well-Being Matters

By Shadrick Lusambo

The accountancy profession is built on precision, integrity and sound judgement. Yet behind the financial statements, audit reports and tax filings lies an often-overlooked challenge that is affecting many professionals across the world: stress-related ill health.

For Chartered Accountants, long working hours, demanding deadlines, regulatory scrutiny and the pressure to maintain the highest standards of accuracy can create a work environment that is both rewarding and demanding. While these pressures are often viewed as part of the profession, their cumulative impact on physical and mental health should not be underestimated.

Burnout is increasingly emerging as one of the most significant occupational risks facing accounting and finance professionals. Emotional exhaustion, reduced productivity, difficulty concentrating and loss of motivation can affect not only individual well-being but also professional performance. In a profession where sound judgement is paramount, prolonged stress can compromise decision-making and increase the risk of errors.

The consequences extend beyond mental health. Stress, coupled with long hours and sedentary working patterns, can contribute to cardiovascular disease, hypertension and other chronic health conditions. Spending extended periods in front of computer screens may also lead to eye strain, headaches and digital fatigue, while irregular working schedules often disrupt healthy sleep patterns.

These challenges highlight an important reality: professional competence is no longer defined solely by technical knowledge and ethical conduct. Increasingly, it also requires attention to personal well-being. Healthy professionals are more resilient, productive and better equipped to meet the demands of a rapidly changing business environment.

Addressing these risks does not necessarily require dramatic lifestyle changes. Regular physical activity, periodic movement breaks during the workday and intentional time for rest, family and personal interests can significantly improve overall well-being. Simple habits, consistently applied, can help professionals maintain balance during demanding periods.

As organisations place greater emphasis on employee wellness, the accountancy profession should similarly recognise that mental health and burnout prevention are not merely personal issues they are strategic and professional concerns. Firms and employers that invest in the well-being of their people are likely to benefit from higher engagement, stronger performance and improved retention of talent.

Ultimately, the profession's greatest asset is not technology, regulation or technical expertise it is its people. Protecting their health and well-being is therefore essential to maintaining the quality, integrity and sustainability of the profession. After all, healthy accountants make better decisions, exercise stronger professional judgement and contribute to more resilient organisations.

About ZICA Benevolent Fund

The ZICA Benevolent Fund was established in 1995 for the sole purpose of supporting ZICA members and their families through periods of hardship. Difficulties for members can arise for reasons outside their control, such as serious illness, death or a prolonged period out of work

Objectives

The principal objective of the Fund is to raise and maintain funds to assist Members and their families in times of need. At inception, the fund was envisage to cater for a mirage of circumstances that may afflict members.

However, due to constraints in financial resources, the assistance is currently restricted to payment of school fees for children of deceased members.

Contributions and Beneficiaries of Fund

Benevolent Fund contributions are restricted to Fellows and Associates of the Institute. So far the fund beneficiaries are drawn from only Fellows and Associates members because they are the only eligible contributors. The fund has been assisting several children of deceased members to get an education.

Fund Management and Administration

The fund depends on volunteers for all its administrative work. The audit services for the fund are provided probono by HLB Reliance.

The major source of income for the Fund include contributions by members, donations and interest on investments. The income is invested in interest bearing financial instruments. The Fund assists beneficiaries by awarding educational grants to children of deceased members.

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Balancing the Ledger and Life: Sports and Physical Activities for Busy Accountants

By Shadrick Lusambo

The accountancy profession is synonymous with precision, discipline and long hours. Whether preparing financial statements, conducting audits, meeting tax deadlines or advising clients, Chartered Accountants often spend much of their day seated behind a desk. While this dedication contributes to professional success, it can also lead to a sedentary lifestyle, increased stress and a range of health challenges.

The reality is that many accountants struggle to find time for exercise. Yet maintaining physical health does not require spending hours in the gym. The most effective activities for accountancy professionals are often those that can fit into busy schedules while providing meaningful physical and mental health benefits.

Why Sports Matter for Accountants

Regular physical activity helps reduce stress, improves cardiovascular health, enhances mental clarity and boosts overall productivity. For professionals whose work depends heavily on concentration, judgement and decision-making, exercise can be an important tool for maintaining peak performance.

Research consistently shows that physically active individuals experience better energy levels, improved mood and greater resilience to workplace pressures. For accountants facing demanding reporting seasons and tight deadlines, these benefits can make a significant difference.

Sports and Activities Ideal for Accountants

1. Walking and Power Walking

Walking remains one of the most practical forms of exercise for busy professionals. A brisk 30-minute walk before work, during lunch or after office hours can improve heart health, reduce stress and increase energy levels.

It requires no special equipment, can be done almost anywhere and can easily fit into a demanding schedule.

2. Jogging and Running

For accountants who prefer a more intensive workout, jogging offers significant cardiovascular benefits within a relatively short period.

A 20 to 30-minute run several times a week can help manage weight, improve endurance and relieve mental fatigue. Many professionals also find running an effective way to clear their minds after a demanding workday.

3. Cycling

Cycling combines fitness with recreation and can serve as both exercise and transportation. Weekend cycling groups have become increasingly popular among professionals seeking a healthy outlet away from computers and spreadsheets.

Cycling strengthens the heart, improves stamina and reduces stress levels.

4. Tennis and Badminton

These sports are particularly suitable for professionals because they provide a full-body workout within a relatively short time. A one-hour match can improve coordination, agility and cardiovascular fitness while providing a valuable social outlet.

They also encourage a healthy competitive spirit and help build professional networks outside the office.

5. Swimming

Swimming is one of the best low-impact exercises available. It strengthens muscles, improves cardiovascular fitness and places minimal stress on joints.

For accountants who spend long periods seated, swimming can help relieve back and neck tension while promoting overall body conditioning.

6. Golf

Although often associated with business networking, golf also offers important health benefits. Walking the course, maintaining balance and spending time outdoors contribute to both physical and mental well-being.

Golf provides accountants with an opportunity to combine professional relationship-building with moderate physical activity.

7. Team Sports

Sports such as football, basketball and volleyball provide excellent cardiovascular exercise while promoting teamwork and communication skills.

Participating in occasional corporate leagues or weekend matches can improve fitness while strengthening relationships among colleagues.

8. Fitness Classes and Gym Sessions

For professionals with limited time, structured workouts can be highly effective. Even three 30-minute gym sessions per week can improve strength, flexibility and endurance.

Many modern gyms offer early morning and evening sessions specifically designed for busy working professionals.

The "Accountant's Activity Formula"

The secret is not finding more time; it is making better use of available time.
Accountants can benefit from:

- Taking short walking breaks every hour.
- Using stairs instead of lifts where possible.
- Scheduling exercise sessions just like important meetings.
- Participating in weekend sporting activities with family and friends.
- Joining workplace wellness or sports clubs.

Consistency matters far more than intensity.

A Professional Responsibility

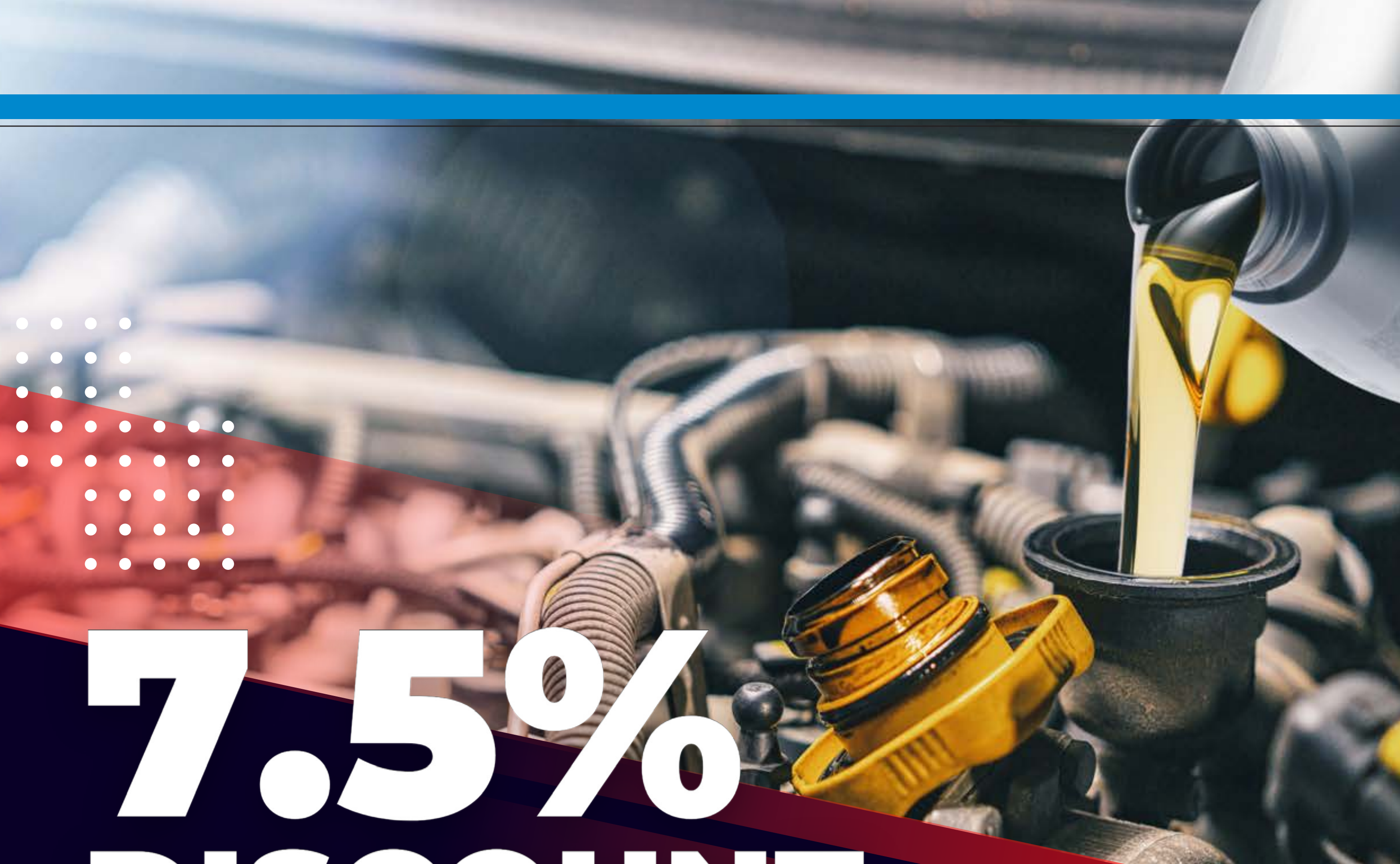
As the profession embraces digital transformation and increasingly demanding workloads, maintaining personal health is becoming a professional imperative. Good health supports better decision-making, sharper concentration and increased productivity. It also helps reduce absenteeism and improve overall quality of life.

The accountancy profession has long focused on technical excellence and ethics. Equally important is ensuring that professionals remain physically and mentally fit to perform at their best.

Conclusion

Accountants spend their careers helping organisations maintain financial health. It is equally important that they invest in their own health. Whether through walking, cycling, swimming, tennis, golf or team sports, regular physical activity offers a practical way to manage stress, improve well-being and enhance professional performance.

In the end, a healthy accountant is not only more productive but also better positioned to serve clients, employers and the profession itself. After all, balancing the books is important—but so is balancing life.



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