

TAILORED FOR SUCCESS

CORPORATE LEARNING SOLUTIONS



AUSTRALIAN FINANCIAL SECURITY AUTHORITY (AFSA)

The Australian Financial Security Authority (AFSA) is the government agency responsible for the administration and regulation of the personal insolvency system, proceeds of crime, trustee services, and the administration of the Personal Property Securities Register (PPSR).

Functional financial management systems are critical to the organisation's success, enabling AFSA to identify opportunities and threats to the business, and to manage risks with increased effectiveness.

THE OPPORTUNITY

During the last four years, AFSA CFO Robert Hanlon has identified, implemented, and made steps to further improve financial management practices to ensure organisational objectives were being met.

While Robert received anecdotal feedback regarding the benefits of his new strategy implementation, he wanted a tangible way of measuring the degree of financial management capability across the organisation, with particular emphasis on identifying areas where further changes would assist in achieving organisational targets.

We wanted to be proactive in the area of financial management across the Agency, we weren't prepared to wait for an issue to arise and then seek relevant consulting services – we wanted to be on the offensive and manage any potential issues before they become a problem.

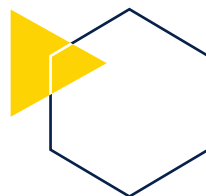
Creating a culture of leadership and excellence was also important to Robert in working towards a capability strategy to help deliver improved performance.

We wanted our business divisions to view improvements in financial management as an opportunity to transform their business functions and partner with Finance, rather than historically with Finance employed as a Band-Aid once a problem has arisen.

THE EXPERIENCE

Robert commissioned CPA Australia to review AFSA's financial management systems using the CIPFA review model. Identifying and substantiating weaknesses and strengths alike, the review process assisted in the development and implementation of a target-driven plan that enabled performance progress to be tracked and monitored.

The CIPFA FM Model helps to identify or substantiate weaknesses as well as confirm strengths within an organisation's financial management. It can assist in the development and implementation of a target-driven plan allowing progress to be closely tracked and monitored. If an organisation is seeking to improve the performance or its financial management, then the FM Model should be central to its plan.



The three areas include:

1. Enabling performance
2. Supporting performance, and
3. Delivering accountability

Significant organisational documents (such as annual reports, audit committee strategy etc.) were also reviewed as part of the process.

Taking approximately 10 weeks to complete, the CIPFA review included quantitative and qualitative measures including surveys of management, staff and external stakeholders as well as in depth interviews with over 20 key personnel in the organisation. Highlighting three key areas of focus enabled AFSA to raise financial strategies with various departments in an approachable manner.

...the self-assessment tool was presented to our people with three different areas of focus which meant it would deliver a comprehensive review of our financial position.

– Robert Hanlon

THE OUTCOME

Our goal was to set ourselves a benchmark and then regularly measure ourselves against it, to enable a transformation of the business units to better align with organisational objectives and from our Executive point of view, for employees to see how they could add much more value and where they can input into the strategic vision.

Once the self-assessment tool had been completed and the reports collated, AFSA shared the results at several levels. The results were reviewed by the Executive Team to understand where there were opportunities to invest in improvement efforts.

Providing an independent assessment of the overall capability of the organisation, the CIPFA model was able to assess the views of staff in a confidential manner on the quality of the changes implemented. Based on the data generated from the CIPFA model, improvement areas were identified enabling AFSA to invest further attention into key areas to improve its overall financial management.

AFSA was able to identify the value of CPA Australia delivering the CIPFA FM model. The comprehensive review process increased AFSA's credibility within the Agency of a respected independent professional body, carrying out a review of the financial environment within the organisation against best practice standards. Robert's feedback was resoundingly positive, stating,

The comprehensive nature of the CIPFA model, and Tim Youngberry's consultative approach and experience has helped us identify and prioritise the next phase of our financial management reforms.

Utilising the findings of CPA Australia's CIPFA FM Model has enabled AFSA to transform business units, better align their business units with organisational objectives, better implement financial best practice, and encourage employees to continue adding value to the organisation to identify and achieve AFSA's strategic vision.

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TO REACH WORLD CLASS
PUBLIC SECTOR
FINANCIAL MANAGEMENT**

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