IFAC SMP POLL REFLECTS INCREASING DEMAND FOR SUSTAINABILITY SERVICES

(New York, July 30, 2013) – The latest IFAC SMP Quick Poll showed that the vast majority, 73%, of the nearly 4,000 small- and medium-sized accounting practices (SMPs) surveyed are either currently providing or have plans to provide sustainability services to their clients, suggesting that there’s a sizeable market for these services among the small businesses that SMPs typically serve.

Of those who offer sustainability services, many offer more than one service; the most common service provided, indicated by over 75% of respondents, is advisory services. Reporting and assurance are the next most commonly provided services with about 50% and 40%, respectively.

“The widespread provision of sustainability services suggests that small businesses are increasingly recognizing the tangible benefits of operating more sustainably. This, in turn, seems to be fueling a desire to seek advice from their professional accountants,” commented SMP Committee Chair Giancarlo Attolini. “SMPs can help their SME clients in many ways, for example, advising on the costs and benefits of behavioral changes aimed at reducing waste, appraising potential investments in alternate sources of energy, and assisting with the implementation of an environmental management system (EMS). This is a large and growing area of demand that SMPs need to be prepared to meet.”

Results varied somewhat by size of practice and region. The larger the size of the SMP, the more likely it was to be offering sustainability services. More than half of the practices with 21 or more professional accountants currently offer these types of services, compared to 37% of sole practitioners. By region, Asia and Africa/Middle East were most likely to offer sustainability services, while Central/South America and Australasia/Oceania were the least likely.

The report also includes results on the biggest challenges facing SMPs and their clients, among other topics. As in previous polls, burden of regulation and economic pressures ranked highest. However, tensions around rising costs, competitive stresses, and keeping up with technology gained in importance. This changing mix suggests that SMPs are enjoying a more favorable economic climate and planning for growth.

See the full report in the SMP Committee area of the IFAC site: www.ifac.org/SMP. Due to different response rates in different geographic areas, results may not be statistically representative of global or regional populations of SMPs.

The mid-year 2013 poll received 3,678 responses and was conducted in 16 languages from May 29 to July 8. The poll, conducted twice annually, is intended to take a snapshot of key challenges and trends influencing SMPs globally. IFAC wishes to thank the many member and regional organizations that helped with translation and distribution of the poll.

About the SMP Committee
The SMP Committee of the International Federation of Accountants (IFAC) represents the interests of professional accountants operating in small- and medium-sized practices (SMPs). The committee develops guidance and tools and works to ensure the needs of the SMPs are considered by standard setters, regulators, and policy makers. The committee also speaks out on behalf of SMPs to raise awareness of their role and value, especially in supporting SMEs, and the importance of the small business sector overall.

About IFAC
IFAC is the global organization for the accountancy profession dedicated to serving the public interest by strengthening the profession and contributing to the development of strong international economies. IFAC is comprised of 173 members and associates in 129 countries and jurisdictions, representing approximately 2.5 million accountants in public practice, education, government service, industry, and commerce.##