



# IAFEI Weekly Update

**Knowledge, Resources, News, and Announcements**

**This is an issue of IAFEI Weekly Update for the week of May 27, 2024.**

Valued All IAFEI Board members, ExCom members & Advisory Committee members:

The following interesting articles and useful information await you in this issue. I hope you enjoy reading them.

My special thanks to Conchita and Piergiorgio for their contributions.

Please feel free to circulate this Weekly Update within your organization. I am hoping that this Weekly Update may increase the value of IAFEI membership. If you have any suggestions, or recommendations, or would like to participate to provide articles, please do not hesitate to contact me.

Thank you for your continuous support and I would love to hear from you.

**Tsutomu Mannari**

Chairman of IAFEI

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(↑ Contributed by Ms. Conchita L. Manabat)

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The IFRS Foundation has today announced a new series of webinars designed to support preparers and other market participants explore topics connected to sustainability and disclosure. The 'Perspectives on sustainability disclosure' series will engage new and experienced preparers each month in expert presentations and lively discussions supported by organisations in the IFRS Foundation's Partnership Framework. (...)

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(↑ Contributed by Ms. Conchita L. Manabat)

## ■ **S&P Global Ratings**

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S&P Global Ratings' analysts held a live webinar on Wednesday, May 15, presenting our research findings about the progress made by companies to adapt to the physical impacts of climate change, and how we can use climate data and scenario analysis to provide visibility about the potential long-term risks relevant to our view of the creditworthiness of US Governments. ( ... )

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New Tools for Value Creation, Distributed by the University of Tokyo's First Doctor of Business Administration

[Read the Article >>>](#)

(↑ Contributed by T. Mannai)

## ■ **The Economist's week ahead** | May 6, 2024

### **Eight of the best books on the brain**

The latest in our series of book recommendations, "The Economist reads", concerns the greatest scientific mystery of all: the brain. Enjoy unravelling it. This weekend brought home to Britain's governing Conservative Party the jeopardy it faces at the general election. As we have written, it fared dreadfully in a series of local and other election contests held late last week. In London the incumbent (Labour) mayor, Sadiq Khan, easily defeated his Conservative challenger. The writing is on the wall in enormous lettering for Rishi Sunak's government: Britain's voters are furious. ( ... )

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(↑ Contributed by Mr. Piergiorgio Valente)

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Achieving Net Zero Emissions in the Agrifood System

### **How the agrifood system can help cut greenhouse emissions**

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(↑ Contributed by Mr. Piergiorgio Valente)

## In the Loop by GMI POST | MAY 15, 2024

Japanese Business Concept of the Week

### Wabi-sabi: The Japanese Art of Impermanence

Originally a 15th-century design philosophy from Japan, Wabi-sabi is all about embracing imperfection.

Wabi = Less is more  
Sabi = Attentive melancholy

In the world of business, Wabi-sabi serves as a reminder to leaders that imperfect action is better than inaction.

In his book, *The 15 Invaluable Laws of Growth*, John Maxwell introduces Jim Rohn's Law of Diminishing Intent, which states that: "The longer you wait to do something you should do now, the greater the odds that you will never actually do it."

So, stop waiting. Start doing.

(Reposted from: In the Loop by GMI POST, May 15)

## IFRS

### Webinar Series: Perspectives on sustainability disclosure

The IFRS Foundation has today announced a new series of webinars designed to support preparers and other market participants explore topics connected to sustainability and disclosure. The 'Perspectives on sustainability disclosure' series will engage new and experienced preparers each month in expert presentations and lively discussions supported by organisations in the IFRS Foundation's Partnership Framework.

### Register

The events will be open for anyone to join live or to watch on demand. Register for 'The business case for early jurisdictional adoption', the first event in the series.

[Register for the first webinar >>>](#)

To view more information, including a list of upcoming webinars by topic, visit the ['Perspectives on sustainability disclosure' webinar series](#) page in the [IFRS Sustainability knowledge hub](#).

Materials published by the IFRS Foundation to support the application of the IFRS Sustainability Disclosure Standards are available on the [Supporting materials for IFRS Sustainability Disclosure Standards](#) page.

(Reposted from: IFRS notification via email, May 22, 2024)

## S&P Global Ratings

### Key Takeaways | Companies' and US Governments' Exposure And Adaptation To Physical Climate Risks | MAY 15, 2024

S&P Global Ratings' analysts held a live webinar on Wednesday, May 15, presenting our research findings about the progress made by companies to adapt to the physical impacts of climate change, and how we can use climate data and scenario analysis to provide visibility about the potential long-term risks relevant to our view of the creditworthiness of US Governments.

**Please find the key takeaways from our speakers below:**

#### **Few companies are preparing and disclosing climate adaptation plans**

Only about one-fifth of companies we sampled disclosed a climate adaptation plan, and less than half are planning to implement their plan within the next decade--delays in planning could increase the costs of adaptation as well as companies' vulnerability to physical risks, particularly for certain sectors and industries.

#### **Regulation and disclosure requirements could speed up climate adaptation planning for companies.**

To this extent, adaptation plans are generally more prevalent and advanced among European companies in our sample than among companies in other regions, although--globally--the implementation of adaptation plans still has some way to go.

#### **U.S. governments could face worsening physical climate risks.**

S&P Global Sustainable<sup>1</sup> projects more frequent extreme heat events and coastal flooding in the U.S. through 2050, amongst other climate hazards. Climate data and scenario analysis can provide greater visibility about governments' exposure, and potential long-term risks relevant to our view of creditworthiness.

**[VIEW THE WEBINAR REPLAY >](#)**

(Reposted from: S&P Global Ratings Sustainability Focus Series via email, May 21, 2024)

**NIKKEI Reskilling** | Skill Up & Learning | MAY 9, 2024 |

## The "Three Sacred Treasures" for Japanese Companies to Strike Back: New Tools for Value Creation, Distributed by the University of Tokyo's First Doctor of Business Administration

By Shunpei Iwao, Associate Professor, Keio University  
(Translated from Japanese by T. Mannari)

Associate Professor Shunpei Iwao, 35, of Keio University, is the first individual in the history of the University of Tokyo to earn a Doctor of Business Administration. He is gaining recognition as a young researcher with an original perspective. According to Professor Iwao, Japanese companies once led the global market by perfecting their quality control capabilities, with human resources being their most crucial asset. However, they lost their competitive edge due to deflation and the shift from a "quality competition" to a "value creation competition" environment. He believes Japanese companies now have a chance to regain their competitiveness by relearning value creation skills as they emerge from a deflationary period. We interviewed this emerging management scholar.

### Quality Control + Innovation = Value Creation: Essential Skills for the Future

-- *The government is promoting human capital management and reskilling initiatives. However, Japanese companies have historically placed significant value on human resources and have invested in their development more than their Western counterparts.*

Indeed, Japanese companies have traditionally valued and trained their employees. Until the deflationary period that began in the 1990s, moderate inflation and a continuing labor shortage meant people, rather than money, were the scarce resource for management. This environment provided a favorable tailwind. A key characteristic of Japanese companies was that all employees contributed to value-added activities through company-wide quality control in the manufacturing sector. As a foundation for these activities, Dr. Kaoru Ishikawa, a professor at the University of Tokyo, introduced the "Seven QC Tools" to companies across Japan free of charge through "QC Circle" activities to enhance quality control.

This cumulative effort led to world-class manufacturing quality for Japanese products such as automobiles and home appliances. A virtuous cycle emerged where employees' ideas and kaizen activities produced high-quality products, leading to global sales and rising salaries. The funds generated were reinvested in human resource training and R&D, resulting in innovative products like the bullet train, home-use video game consoles, and stomach cameras. When human resources were valued, innovation thrived in Japan.

-- *However, Japan has lost its international competitiveness over the past 30 years of deflation. How do you think the Japanese economy can be restored?*

Simplifying somewhat, under deflation, money became more valuable relative to people. Since merely having money could generate more money, there was less incentive to invest in people,

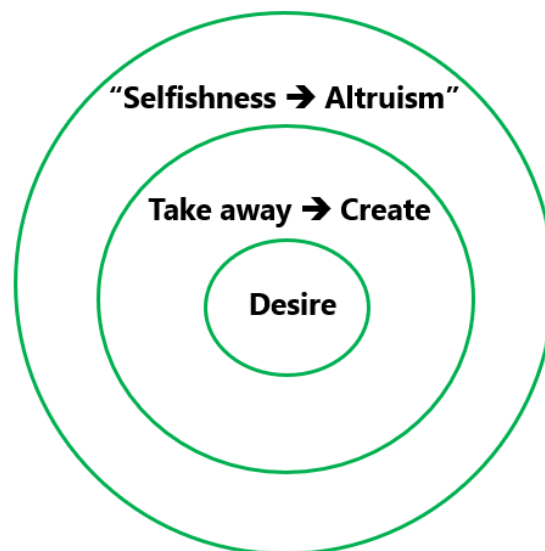
leading to the bubble economy and subsequent bad loan problems. In this environment, people were treated as a cost to be minimized, leading to a negative cycle. Now that the deflationary period is over, there is a renewed momentum to invest in people.

However, future growth cannot rely solely on quality control. During the rapid economic growth period, it sufficed to pursue targets based on Western models, such as automobiles and home appliances. Moving forward, we need to set our own targets and create our own value. Alongside quality control, innovation will become crucial, making reskilling for value creation indispensable.

### **Tools for Enhancing Problem-Solving and Value-Creation Skills**

-- *How can value creation reskilling be achieved?*

I have developed and advocated the "Three VCs (Value Creation)" framework. I also authored a book titled "The World is Made of Management." I believe that everyone, not just managers, needs to proactively create value by identifying and solving their own problems. Following Dr. Ishikawa's example with the QC Circle, I have decided to distribute these three frameworks free of charge.



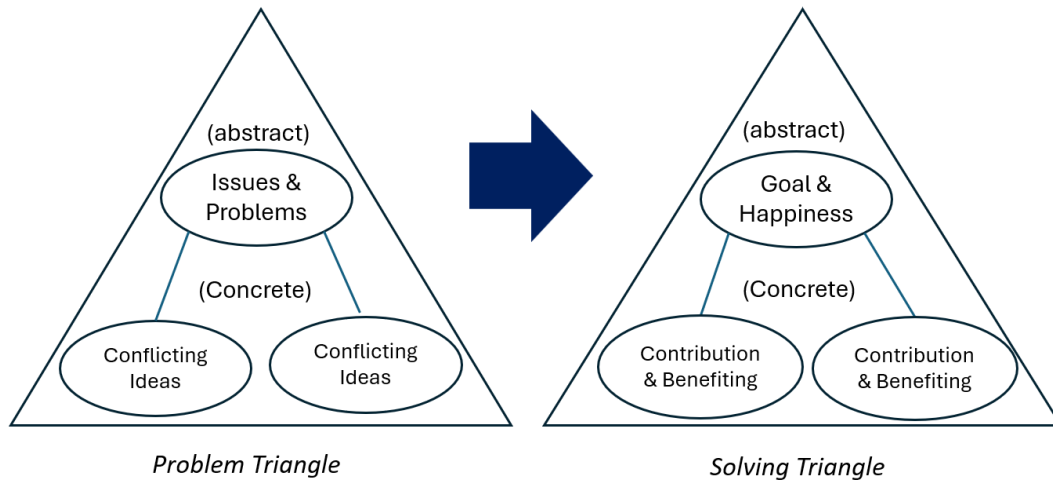
1. To start with, honestly express your desires
2. The first transforming "take away" into "create"
3. The second transforming is from "selfishness to altruism"

*Diagram of the "Circle of Future Creation" (courtesy of Mr. Iwao)*

-- *What exactly is the framework?*

I provide free circular, triangular, and rectangular charts for these three frameworks. The first is the Circle of Future Creation. This tool helps transform personal desires into an altruistic vision that others will support. Initially, it is important to honestly express your desires. For example, you might write "I don't want to work" in the center circle.

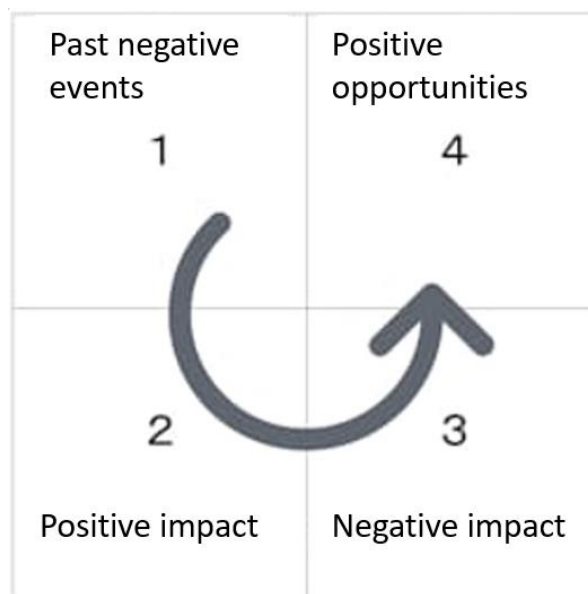
As it stands, this desire implies "taking away someone else's labor," which garners no support. However, transforming this into "creating an easy job" is the first conversion. By adding altruism and sociality, it becomes "making all work enjoyable," the second conversion.



*Diagram of the "Problem vs. Solving Triangles" (courtesy of Mr. Iwao)*

-- How does this framework transform selfish desires into a sympathetic vision? What are the second and third frameworks?

Once you have envisioned a future supported by others, the next step is solving current problems. The second framework, the Problem-Solving Triangle, helps gain perspectives on leading solutions to problems of all sizes, achieving our goals.



*Chart of the "Sevenfold Quadrilateral" (courtesy of Mr. Iwao)*

The final framework is the Sevenfold Quadrilateral, which transforms uncontrollable past events into positive opportunities. This framework helps draw learning from negative events and take the next step. For instance, if a talented employee quits, identify positive impacts like "an

important post became vacant" or "tasks assigned to one person decreased." Addressing the negative aspects, like "work not getting done" or "losing customers," can lead to strengthened teamwork and improved productivity.

### **People Are the Most Important Resource in a Society Where Humans Are the Goal and Robots Are the Means**

*-- Have you used this framework to create new business models?*

Since the framework was created recently, there are only examples of improving workplace or home environments. For instance, this method helped when I started my own student business. Another method I developed, "Business Model Go," was used by AD Works Group to create new business ideas like "Takken-shi.com" (宅建士.com) and a brokerage specializing in accidental housing. This has been published in the academic journal "Organization Science."

*-- Japan is experiencing a rapidly aging society and declining birthrate, along with deflationary changes and digital transformation. From your perspective as a young management scholar, what direction should Japan's economy and society take?*

We believe that both the declining birthrate and aging population and deflation result in "people are the most important resource." Thus, we need to use AI and IT to "make work enjoyable while enhancing added value." Fortunately, Japan has a foundation for a shared vision of "coexistence between robots and humans," influenced by robot animation like Astro Boy. Creating a society where humans are the goal, and robots are the means will ensure that all humans can be enriched.

*(Interviewed by Tatsuya Daikei)*

(Reposted from: [NIKKEI Reskilling, May 9, 2024](#))



## Crowe

### Invitation: CFO Roundtable | June 4, 2024

Greetings,

We are thrilled to extend an invitation to an exclusive roundtable experience tailored for financial leaders like yourself. Join us as we navigate through the intricate landscape of Corporate Tax and Transfer Pricing rules, alongside exploring the strategic advantages of holding company structures in the UAE, all while leveraging cutting-edge technologies like Oracle NetSuite to optimize your operations.

#### Why attend?

In recent years, Corporate Tax and Transfer Pricing regulations have emerged as pivotal factors influencing business operations in the UAE. Staying abreast of these developments is crucial for maintaining compliance and maximizing tax efficiencies. Our CFO Roundtable aims to delve deep into these critical topics, shedding light on the latest updates, challenges, and strategic insights.

#### Secure your spot now! >>>

At the CFO Roundtable, we'll navigate through the latest developments, address the challenges encountered in compliance, and unveil the strategic benefits of holding company structures. Our panel of experts will provide invaluable insights into centralized management, empowering you to enhance your business operations effectively.

Additionally, we'll showcase how Oracle NetSuite can revolutionize your financial processes, seamlessly aligning with tax and transfer pricing guidelines.

Below are the topics that will be covered:

- Overview of holding company structures in the UAE: Pros and cons of centralizing operations and strategic restructuring approaches
- Comprehensive updates on corporate tax, transfer pricing, and grouping rules, empowering you to navigate regulatory complexities with confidence
- Digital Transformation with Oracle NetSuite

#### What to expect

09:30 - 10:00 – Registration and Networking Coffee

10:00 - 10:15 – Welcome and Keynote Address

10:15 - 10:30 – Holding company structures in the UAE

10:30 - 11:30 – Updates to corporate tax/transfer pricing/grouping rules

11:30 - 12:15 – Oracle NetSuite Live Case Study

12:15 - 12:30 – Q & A

12:30 - 1:30 – Lunch and Networking

#### Event details

Date: Tuesday, June 4, 2024

Time: 9 AM – 1:30 PM

Location: Paramount Hotel, Dubai

Map Link: [click here](#)

(Reposted from: Invitation from Crowe via email, May 2024)

## GTC GLOBAL

### Invitation: 2024 GTC Conference



[www.gtc-global.org](http://www.gtc-global.org)



#### Registration

To view the event page and register, please click on the link below.

[Register >>>](#)

#### Agenda and Speakers

You can find the detailed agenda and profile of the speakers by downloading the brochure.

[Download >>>](#)

#### Time and Location

**Date:** 7th June 2024

**Time:** 14:30 – 18:00

**Location:** Milan, Italy

[Location >>>](#)

(Reposted from: TPI Global via email, May 2024)

## The World Bank

### RECIPE FOR A LIVABLE PLANET

Achieving Net Zero Emissions in the Agrifood System

### How the agrifood system can help cut greenhouse emissions

**Achieving Net Zero Emissions in the Agrifood System**. A new World Bank report shows that changes in farm and food production can cut global greenhouse gas emissions by a third. **FIND OUT MORE**

**RECIPE FOR A LIVABLE PLANET**

A one percentage point increase in investment in agrifood yields a rate of return of more than

**40%.**

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