MyDIGITAL
How Accountants Are Crucial to Malaysia’s Digital Transformation

26 February 2021
To All Members

The accountancy profession is poised to play a critical role in the nation’s ongoing journey of digital transformation towards becoming a digitally driven nation.

On 19 February 2021, Prime Minister Tan Sri Muhyiddin Yassin launched the MyDIGITAL vision, to be implemented via the Malaysia Digital Economy Blueprint. This is indeed welcomed as MIA had also issued its own Digital Technology Blueprint (MDTB) in 2018.

Tagged as a whole-of-nation approach, MyDIGITAL aims to achieve digital transformation and digital inclusivity for all segments of society and economy.

MyDIGITAL’s aspirations will be achieved through the Malaysia Digital Economy Blueprint, which:

| sets the direction | outlines the strategies, initiatives, and targets to build the foundation for digital economy growth and bridge the digital divide | leverages on existing opportunities to prepare the country for embracing digital technology. |

WHAT DO MYDIGITAL AND THE MALAYSIA DIGITAL ECONOMY BLUEPRINT MEAN FOR MEMBERS?

MyDIGITAL and the Malaysia Digital Economy Blueprint will create a connected nation characterised by integrated digital ecosystems. All stakeholders including accountants must adapt with immediate effect and embrace digital technology in order to support the MyDIGITAL aspirations.

MIA has identified the impact on members arising from the implementation of MyDigital and the Malaysia Digital Economy Blueprint, as follows:
National Level Initiatives encompassing the whole nation are aligned with the following 6 Thrusts (Ts):

### T1: DRIVE DIGITAL TRANSFORMATION IN THE PUBLIC SECTOR

| Public sector members will be able to enhance their competencies and capabilities, with strong support from the government | Adoption of digital technology will enable excellence, transparency and accountability in public financial management and improve public sector service delivery | All segments of the profession and businesses as well as the public interest will be supported by improved and digitalised public sector services |

### T2: BOOST ECONOMIC COMPETITIVENESS THROUGH DIGITALISATION

| The introduction of “Digital Compass” will provide businesses with a step-by-step guide on the digital solutions available for different stages of their growth | Digital Compass will support digital adoption and implementation and excellence in practice management among public practice firms, especially the small and medium practices (SMPs) |

### T3: BUILD ENABLING DIGITAL INFRASTRUCTURE

| Enhanced broadband access and increased availability of high-end cloud computing services will enable members, in particular public practice firms and SMPs, to carry out digital adoption in a smooth manner | Fast broadband and high-end cloud computing services will also enable efficient and productive remote work culture, especially for SMEs and SMPs |

### T4: BUILD AGILE AND COMPETENT DIGITAL TALENT

| Accountants and members must shift their focus from job-specific skills to acquiring competencies, adaptability and digital skills | Members who develop and upskill their digital skills and competencies will be future relevant in the digital economy, regardless of the sector in which they operate – public practice, commerce and industry, academia and public sector |
T5: CREATE AN INCLUSIVE DIGITAL SOCIETY

| Digital inclusivity will be driven by the transition to a cashless society and the growing ubiquity of e-commerce and cashless transactions, affecting all segments of business and society | All members, especially those in public practice and SMPs, will have to familiarise themselves with the implications of cashless transactions and e-commerce on accounting and audit processes e.g. the adoption of AI audit capabilities and analytics to conduct substantive tests on high volumes of cashless transactions |

T6: BUILD A TRUSTED, SECURE AND ETHICAL DIGITAL ENVIRONMENT

| All accountants need to upskill on cybersecurity practices, in their roles as advisors on business continuity, risk management and value preservation and creation | Funding under the SME Digitalisation Grant and Smart Automation Grant will be available to businesses as well as public practice firms and SMPs to invest in cybersecurity products and services |

SECTORAL INITIATIVES AFFECTING SPECIFIC SECTORS

Accountancy falls into the category of Professional Services, one of the 10 sub-sectors under Services.

The Sectoral Initiatives for Professional Services are to:

- Establish a sector-based digital skills development scheme to equip the current workforce in the professional services sector
- Establish a sector-specific digital toolkit to facilitate the improvement of digital capabilities of professional services firms
- Develop ethical guidelines for the usage of digital technologies within the professional services industry

These Sectoral Initiatives will support members and accountants in enhancing their digital skills and competencies for future relevance and to meet employer expectations. Members will also be guided to adhere to good governance practices through the adoption of industry and regulatory standards and requirements.
MIA has been advocating for the profession’s digital transformation since 2016. Digital transformation for the profession is critically needed if accountants and members are to fulfil their evolving roles as advisors to businesses on value creation, business continuity and sustainability.

The profession’s digital adoption is guided by the MIA Digital Technology Blueprint which is being implemented via a 3-year operational plan (July 2019 – June 2022), featuring 39 initiatives with over 250 outputs and activities for comprehensive digital transformation.

The following are some key digital initiatives that MIA has rolled out to support members on their journey of digital adoption:

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<th><strong>MPERS eBook</strong></th>
<th><strong>AccTech Conference 2021</strong></th>
<th><strong>Various digital education and upskilling programmes and certifications.</strong></th>
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<td><strong>e-library</strong></td>
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Funding is frequently cited as a stumbling block to digital adoption. Recognising this challenge, the government via its agencies provides several funding schemes and grants to assist businesses, particularly SMEs, with digital transformation. MIA continually monitors these grants and has engaged with government agencies on this. Three government grants that we identified that could support members in digital transformation are:

| **Smart Automation Grant (SAG) under the Ministry of International Trade and Industry (MITI)** – manufacturing companies | **SAG under the Malaysia Digital Economy Corporation (MDEC)** – non-manufacturing companies including professional services (i.e. MIA public practice members and SMPs) | **SME Business Digitalisation Grant** managed by the Ministry of Finance (MOF) Malaysia, together with Bank Simpanan Nasional (BSN), SME Bank and MDEC – SMEs (including SMPs) for digital adoption in daily operations |

For more information on these grants, please [click here](#).
As the voice of the profession, MIA actively engages with governments and agencies to advocate for digital transformation and communicate the profession’s perspectives on digital adoption and digital economy. To support the achievement of MyDigital, MIA constantly monitors salient developments in technology that affect business and the profession. MIA also actively contributes as a member of the Digital Economy Blueprint’s Emerging Technology cluster, which is chaired by the Minister of Science, Technology and Innovation. MIA welcomes MyDigital and the Malaysia Digital Economy Blueprint as gateways to an inclusive and integrated digital economy. MIA President Dr. Veerinderjeet Singh cautions members that digital adoption is not the end-goal, but a stepping stone to the profession and the nation’s sustainability and growth in the digital century. “Digital tools will help accountants, the profession and the nation to evolve and remain future relevant. We have to be prudent to adopt the right technologies and tools that will drive us forward. We must also invest in the culture change, education and mentoring that will help our talent to make full use of these tools.”