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# Inside MIM

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**Inside MIM** is a periodic newsletter written by MIM staff. It discusses key topics in management, consulting, auditing and accounting, etc. Since MIM is engaged in the field of management consultancies, our professionals have adequate expertise that they have gained through their years of experience at MIM. They therefore share their expertise and thoughts through this newsletter. Martin Cox & Associates, MIM sister company, is engaged in the field of auditing and accounting. Our professionals, through their experience in auditing and accounting, share updates, insights and information about auditing and accounting to keep you informed and up-to-date.

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## *Brief About MIM Group*

### **MIM Feasibility Studies & Consultancies**



- MIM is a specialized leading consultancy firm with over 33 years of experience in the field of feasibility studies and management consultancies serving the region's top organizations and governments.
- Our professionals are result-oriented and thrive on achieving clients' satisfaction which is the benchmark that measures our performance and success.

### **ASEL AL MAAYER Auditing & Consulting**



- We offer a wide range of professional services in auditing & assurance, bookkeeping & accounting, and consultation services to small and medium sized organizations.
- Our professionals are highly educated and well trained, and are fully dedicated to serve our clients with due professional care and integrity. We do not just deliver reports; we make sure that our services will be a major contribution to your success and business development.

### **EBTIKARAT**



- Ebtikarat is MIM representative office in Cairo, Egypt. Its core business is management and business consultancies.
- Our Ebtikarat team collaborates with MIM team in order to ensure the best quality services are provided to our clients to achieve our clients' satisfaction and maintain a long term business relationship.

### **EBTIKARAT Development**



- Ebtikarat Development is a leading software house for developing desktop, websites and mobile applications, based in Egypt and Dubai. With the use of the latest information technology and telecommunication tools we achieve targets depending on a strong technical base and carefully selected expert resources.



Small and Medium Entities (SME's) are the back bone of most of the countries' economies. The UAE is a favourable destination for such entities given its global position as a regional trading and international financial hub. According to surveys, 80% of the companies in UAE are SMEs, due to which they become a major pillar of UAE economy.

The International Accounting Standard Board (IASB) acknowledges the complexity of full IFRS standards lack alignment with the requirement of user of accounts for SMEs, as a result the IASB has published the shorter and simpler standards as IFRS for SMEs. These standards are less demanding and work perfectly with non-publicly accountable entities; these are built on the same conceptual framework because of which it still requires high quality and comprehensible accounting reports which are recognized internationally. Looking at this advantage of simple but comprehensive standards, more than 60 countries have adopted it.

At present UAE audited accounts are not normally submitted to a national registry with public access, resulting in limited disclosure of, and accessibility to, financial information in the region. With heightened commercial risk particularly since the financial downturn of 2008/09, greater assurance in the quality and reliability of financial information in the UAE has never been more vital as financial institutions become increasingly selective as lenders and investors.

The objective of the standard is to meet users' needs whilst balancing costs and benefits, from a preparer perspective, and to avoid the implementation of full IFRS as it continues to become increasingly detailed. The UAE has no local GAAP and therefore IFRS for SMEs provides a cost effective, simplified and transparent method of financial reporting as opposed to the more complex full IFRS. The reduced time

involved in the preparation of financial statements may mean that auditors can focus on core audit procedures and assurances rather than the complex disclosure required by full IFRS.

Financial institutions have now come to expect full IFRS when analyzing financial information and may be apprehensive about a standard with less disclosure. For similar reasons, the standard may be perceived as a downgrade in the quality of financial information, simply because of its reduced complexity. SMEs that intend to seek public financing will be required to convert to full IFRS upon becoming listed on an exchange and may feel it is therefore advantageous to prepare for this by using full IFRS. Some companies may be reluctant to use IFRS for SMEs due to a fear of being called as a 'small' organisation with limited expansion opportunities.

It is apparent that to build greater investor confidence in the UAE, businesses must provide credible and reliable financial information on which investment decisions can be based. As the UAE continues to strive for increased investor confidence, compliance with unanimous internationally recognized standards (IFRS for SMEs) will decrease risk to investors and help channel financial investment into the region.



**Usama Masood**

*Auditor Assistant*

**Asel Al Maayer**

## MIM's Methodology in Recruitment



The word ‘recruitment’ simply refers to appointing the right candidate for a specific job. Recruitment might seem a very easy task. It is thought as just calling someone for an interview and deciding whether or not to offer them the job, but there is much more to it in reality.

The Recruitment and Selection process is an important Human Resource Management task that needs to be planned and supervised by the HR manager. It is not done by one person, but a group of people. There are different stages in the Recruitment and Selection process: **Job analysis**, **Promote Vacancy**, **Screening**, **Interview**, **Short listing and Selection**, and **Induction/follow up**.

The first step is to prepare a **Job Analysis**. Job analysis is the process of collecting, analyzing and setting out information about the job in order to provide the basis for a job description and data for recruitment. The job analysis explains in details the job description, which sets the criteria for choosing the candidates to be interviewed. The Job description lists down all the tasks, duties and responsibilities, skills, experience required, educational requirements, etc of the candidate. This is one important task for HR managers as they need to clarify each aspect of the job to the candidate before selection so that no time is wasted of both candidate and the company.

The next step is to properly **Promote the Vacancy**. Advertising job vacancies must be done carefully in terms of channels of media, content of the advertisement, etc. This will make the recruitment process both effective and efficient. Choosing the right media channel will help save time since and deliver better results, for example, advertising through a newspaper, social media websites, recruitment websites, etc. The content of the advertisement is equally important. Listing all the requirements such as minimum years of experience, educational requirements, job responsibilities, etc will define who should apply and who shouldn’t apply for the job; thus saving both the candidate and the recruiter’s time.

The third step is **Screening**. Although you specifically describe all the criteria for applying for the job, do not expect that candidates only with those specific criteria will apply. People sometimes randomly apply who are not suitable for a job or have less qualifications and at times completely different qualifications, hoping that they

might be selected regardless of the criteria set by the recruiter. Therefore, it is important to screen the resumes received by the applicants before deciding to interview them. Screening and filtering the resumes will be done using the criteria set in the job description that was prepared initially in the recruitment process.

The following step is to Interview the candidates after the screening phase. Interviews has to be done by the HR Manager who must know what questions has to be asked for each specific job in order to be able to decide who fits and who doesn't fit for the job. Asking the *right questions* is a key aspect in interviews. Some other jobs might require examining the candidates to test their knowledge in specific areas that might be difficult to analyze during the interview.

After interviewing the candidates, comes the Short listing and Selection of the Candidates. The initial steps carried out in the recruitment process must make the short listing and selection an easy task. This is because the initial steps will result in good candidates applying for the job, better candidates being interviewed, and the best applicants being shortlisted; which only leaves the HR Manager choosing best of the best.

Then comes the Induction phase, which according to us is very vital in the new candidate's journey. When a new employee have been employed for the required position, it is essential to introduce the new employee in the organization. This will lessen the anxiety of new entrants and it will be much easier to settle in. Training is a key role to get the new employee well prepared and it will reduce misunderstandings, grievances and turnover. Introducing new employees to the people that they have to work with will make it much easier for them to integrate in the organization.

MIM, through the **Recruitment and Selection Process** has helped many of its clients to recruit the right candidates for any vacant position. Our team work hard to make sure that you recruit the right employee; *employees are the most important asset of any company.*

*Nashmia Minto*

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& Marketing Executive at Ebtikarat Development**

