

# From the EDITOR'S DESK

The aerospace sector is entering a decisive phase where traditional cost-containment approaches are no longer enough to sustain competitiveness. Intensifying global rivalry and rapid technological disruption—from advanced propulsion systems to digital manufacturing—are compelling organizations to reimagine cost management as a strategic enabler rather than a reactive measure. Escalating input costs, persistent supply chain vulnerabilities, and the immense capital demands of next-generation aircraft programs have exposed the limits of incremental efficiency.

In response, forward-looking enterprises are embedding cost intelligence at the design stage, leveraging digital twins, and adopting modular architectures to optimize lifecycle economics. Cost is no longer a downstream consideration; it is now a defining force shaping innovation, strategy, and long-term value creation.

Success in this evolving landscape will belong to organizations that seamlessly align cost discipline with resilience and innovation, balancing efficiency with adaptability in a high-stakes global environment.

The May 2026 issue, themed “*Beyond the Horizon: Strategic Cost Management in the Evolving Aerospace Sector*,” brings together a diverse set of thought-provoking articles.

*Redefining Value in Aerospace: Integrating Lifecycle Costing, Operational Availability, and Sustainability in Defence Procurements* examines the integration of sustainability metrics—what it terms “The Green Ledger”—into total cost of ownership models, urging Cost and Management Accountants to adopt multidimensional costing frameworks.

*Assets to Access: The New Economics of Service and Availability* highlights how the Power by the Hour (PBH) model is reshaping traditional revenue paradigms and redefining industry dynamics.

*Beyond Asset Sales: The Emergence of Service and Availability-Based Revenue Models in Aerospace* explores how PBH contracts optimize lifecycle value, reduce financial risks, and encourage innovation while supporting sustainability goals.

*Revenue Models in the Power-by-the-Hour Era-The Shift From Asset Ownership (Capex) to Service-Based and Availability-Based Models (Opex)* underscores India’s strategic opportunity to emerge as a global MRO hub, driven by its expanding aviation market, policy reforms, and engineering capabilities.

*Understanding PBH as an Alternative to Traditional CAPEX Model* provides a detailed conceptual foundation of PBH, offering clarity on its financial and operational implications.

*Accounting for the Final Frontier: Lifecycle Value, Risk, and Sustainability in the Space Economy* introduces a conceptual framework that highlights risk-governed costing, sustainability integration, and lifecycle value that explains the concept of management accounting in the commercial space economy and concludes space capitalism is a finance revolution rather than an industrial revolution and could shake the fundamentals of management accounting.

*Owning Nothing, Controlling Everything-How India’s Accounting, Tax, and Insolvency Frameworks must Adapt to The Power-By-The-Hour Economy* critically examines how India’s accounting, tax, and insolvency frameworks must evolve to keep pace with service-based asset models, identifying key structural and regulatory challenges.

In addition to these thematic contributions, this issue features expert perspectives on emerging trends shaping the future of management accounting and financial strategy. We are honored to include an exclusive interview with CMA Venkata Ramana Kudipudi, Director – Finance & Supply Chain at Eaton Australia, who shares valuable insights into contemporary financial governance and strategic management practices.

By embracing innovation, fostering collaboration, and integrating cost consciousness into every layer of decision-making, organizations can transform challenges into opportunities. The horizon is vast, and those who dare to think beyond it will not only navigate uncertainty but also set new benchmarks for excellence and sustainable growth.

As we move forward, this is a moment of opportunity for all professionals connected to the aerospace and finance ecosystem. By staying curious, embracing new ideas, and continuously learning, we can all play a role in shaping a stronger and more resilient future for the industry. We encourage you to explore the articles in this issue in depth, reflect on the insights shared, and carry these ideas into your own work. Happy reading—and we look forward to your continued engagement in the editions ahead.