



International
Federation
of Accountants®

The Future-Ready Professional: Accounting & Finance Function

WORLD BANK JOINT STAREP, EU-REPARIS AND PULSAR
COMMUNITIES OF PRACTICE

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Understanding Professional Accountants in Business

- Work in all sectors: business / industry, public sector / government, not-for-profit sector, education
- Employment of IFAC PAO Members
 - 45% Business & Not-for-Profit
 - 45% Public Practice (audit, assurance, etc)
 - 8% Public Sector
 - 2% Academia/ Education



Yesterday's PAIB vs Tomorrow's PAIB

Stewards

- Transactions & financing
- Financial reporting
- Compliance
- Internal Controls

Trusted partner

- Strategic leader
- Integrity and ethics
- Risk management
- Talent management

Fulfilling employer expectations to balance
stewardship/compliance and value-adding, strategic roles

Macroeconomic Trends – IFAC Strategy 2019-2020

Intensifying economic interconnectedness reflected in increasing mobility of labor, capital, goods and services in tension with moves toward nationalism, populism, trade barriers and loss of trust in some jurisdictions.

Aging populations in most developed jurisdictions and rapidly growing youth populations in developing nations.

Intensifying competition for increasingly mobile talent, a widening gap between available skills and employers' needs, a greater drive for workforce diversity, and pockets of chronic unemployment.

Increasingly innovation-driven, complex, hyper competitive, mobile and global markets. Tomorrow's successful entities will be strategically nimble, future ready and embrace innovation.

Increased focus on the economic importance of greater diversity and inclusivity.

Changing structures, techniques, distribution channels and costs in education and training.

Disruptive technologies, changing business models and the pace of change will create demand for new skills for professional accountants and opportunities for organizations to introduce efficiencies and innovation, and increased regulatory scrutiny.

Continuing uncertainty, volatility and ongoing shifts between West and East and developed and emerging economies.

Increasing stress on the natural environment and climate change resulting from population and economic growth.

Technology

- Challenges and opportunities for finance and accounting
 - Automation of roles (robotics)
 - Full visibility of transactions / real time reporting
 - New business models and everything digital
- IFAC Technology Advisory Group
 - Artificial intelligence
 - Blockchain
 - Cybercrime
 - Data / analytics



Public Sector (Local government perspective - UK)

- Legal frameworks requires the Chief Financial Officer
 - Professionally qualified
 - Involved in all material decisions
 - Report annually on “robustness of estimates”
- Environment
 - Not a choice on what ‘business lines’ to support
 - Accountable to wider public and socially responsive
 - Increasing budget constraints and cutbacks

Public Sector (Local government perspective)

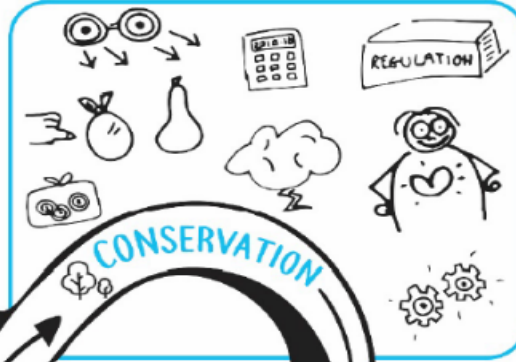
- Skills required
 - Much the same as private sector
 - Embrace and use the potential of technology
 - Be risk aware
 - Understand the business to convert data to intelligence

The professional accountant profile and roles that will lead to relevance

Germination areas



Conservation areas



Growth areas



Creative destruction



Grow and build



Co-Pilot

- Part of executive leadership team
- Strategic thinking to drive growth & development
- Actively involved in all significant business decisions



Navigator / Influencer

- Steer the organization toward sustainable value creation
- Enable integration & connectivity across the organization
- Deliver insights on all aspects of the business model



Brand Protector

- Protection of all critical assets, by fostering business integrity and sound reputation
- Applies effective governance, risk and control, and financial discipline

Start the growth process

Start the process now for developing the required knowledge and skills



Storyteller

- Effectively communicate to internal and external stakeholders
- Able to tell how it creates value over time, and the opportunities and challenges it faces



Technology and Digital Enabler

- Enable a cognitive and data-driven business
- Understands what needs to be done to utilize technology and automation, digital and artificial intelligence, and data in ways that drive decisions and growth

Conserve strengths and let go of replaceable

Preserve the foundation for trust and information analysis



Trusted Professional

- Professionally objective
- Challenges the organization and oneself when needed



Analyst


- Provides insight into performance and decisions in the context of the business environment
- Covers all aspects of the business model and “capitals”

Replaceable tasks



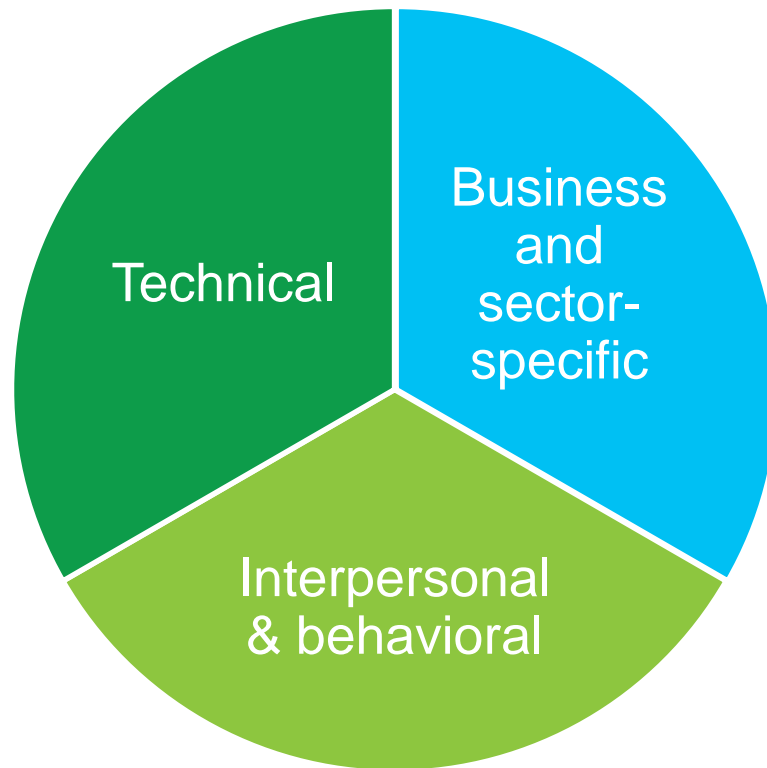
Transaction and Process Expert

- Ensure efficient and effective process and work flows in finance and the organization.
- Manual processes and reconciliations, data entry and reporting increasingly automated



Knowledge, skills and competencies professional accountants require to embrace roles

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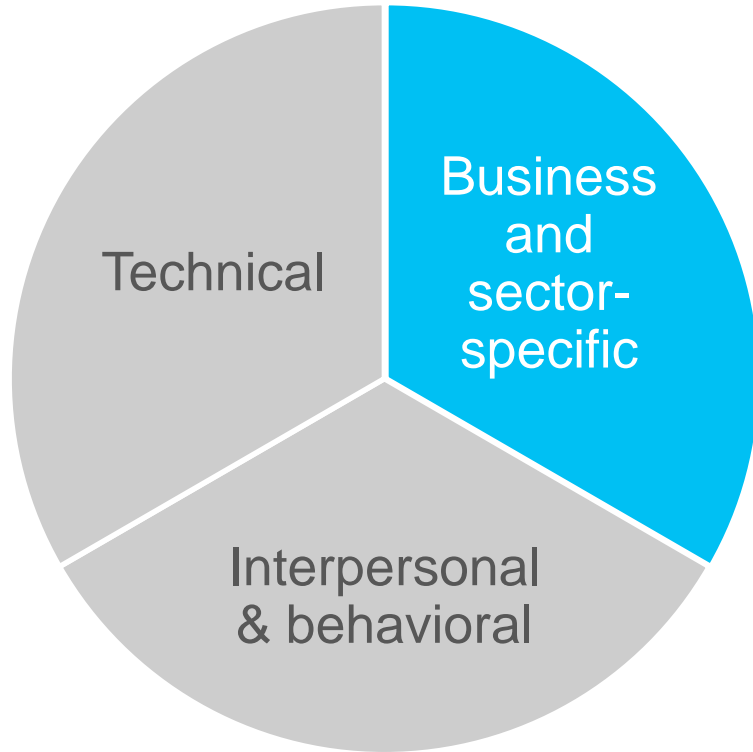


Technical



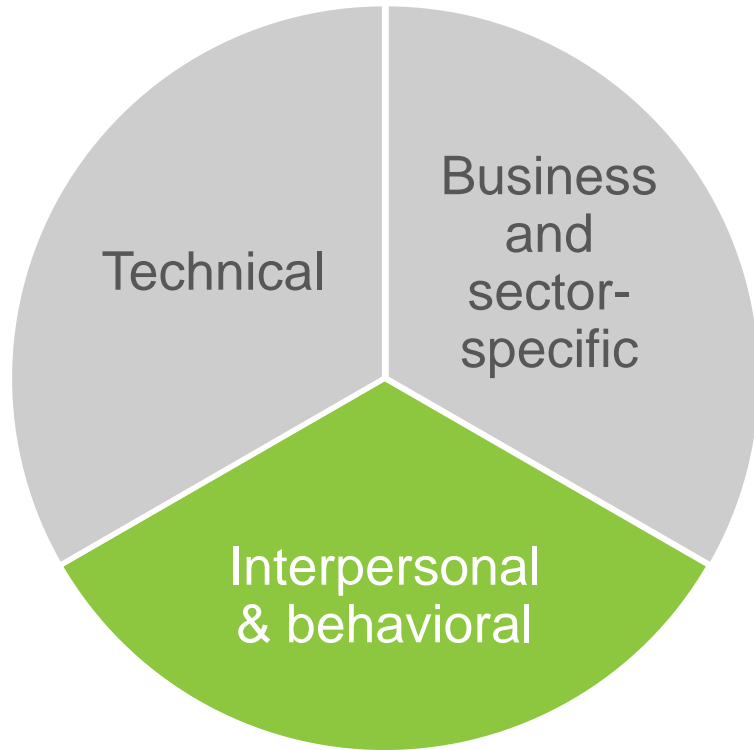
- Sufficient level of expertise, competence, necessary qualifications, including fundamental areas of finance
- Understanding of the frameworks, methodologies, technology and applications that enhance decision support and external and/or internal audit
- Awareness and application of coding and programming approaches that support digitization and process automation, and data analysis and visualization
- Statistical methods and techniques to support data analytics
- Application of visuals and presentation approaches for effective communication
- Understanding of digital risk, data security and governance

Business and sector-specific



- Knowledge of industry, competitive landscape, emerging trends, supply chain and sourcing
- Deep understanding of the business in all areas of the business model, including external operating environment, strategy, opportunities and risks, drivers of value, and KPIs
- A multi-capitals perspective on how value is created and destroyed in organizations
- Awareness of internal and external customers and stakeholders and their expectations and information needs
- Understanding of process improvement (e.g., lean, ISO), the analytical evaluation of business processes and the financial end-to-end process of flow of the organization

Interpersonal & behavioral



- Agility and adaptability
- Being self-aware of strengths and limitations
- Effective communicator
- Emotional intelligence and empathy
- Ability to apply professional objectivity & competence including in ambiguous situations
- Integrity & authenticity
- Curiosity & passion
- Creative & critical thinking
- Collaboration and relationship building, negotiation
- Confidence & persistence
- Conflict & tension management
- Social & cultural awareness
- Translator between IT & the business

Ways to acquire relevant knowledge, skills and competency

Education transformation

Half-life of knowledge is under 5 years

Formal and structured

- PAO qualification
- Additional education
- Continuing education (CPD)

Lifelong learning

- On the job
- Secondments/ job rotations
- Onsite training, shadowing
- Experiential training, and learning by doing in a supportive environment

Social and Community

- Mentoring/coaching (role models and reverse mentoring)
- 360 performance feedback
- Volunteer roles (e.g. board member or treasurer of an external organization)

PAO Perspectives

- Legal/regulatory constraints to PAIB membership
- Difficulty in responding to diverse needs
- Little experience of engaging accountants in business in some jurisdictions
- Lack of “PAIB” representation in member body governance
- Term “accountant” not widely recognized as a professional qualification

PAO Perspectives

A profession relevant to PAIBs by:

- Advocacy - Identifying significant opportunities to place PAIBs and PAIB issues in the spotlight
- Sharing best & innovative practices on emerging themes and issues
- Equipping PAOs to support PAIBs
- PAIB integrated in IFAC activities & stakeholder engagement

For More Information

- A Vision for the Finance Professional and the Finance Function:
<https://www.ifac.org/publications-resources/vision-finance-professional-and-finance-function>
- Perspectives on the Finance Function Journey: <http://www.ifac.org/publications-resources/perspectives-finance-function-journey>





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