

Working Together to Help the Accounting Profession to Better Support Growth of SMEs



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John Hodge
Senior Financial
Management Specialist

Vienna

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Introduction

- » The Accountancy Profession in the Western Balkans has the potential to serve SMEs but significant challenges exist in the region to increase the demand by SMEs for broader range of accountancy services and increase the supply of professional accountants that have the right skills
- » This session aims to “take stock” of where the profession is and what are the next steps to help improved service to SMEs, especially in the context of the new project REPARIS 4 SMEs.



Agenda for this Session

- » Trends impacting the accountancy profession
- » What gets measured gets managed
- » Navigating a way forward

IFAC Global SMP Survey: 2018

IFAC GLOBAL SMP SURVEY: 2018 SUMMARY



TECHNOLOGY

TALENT

ADVISORY SERVICES

International
Federation
of Accountants



Member Organization Support for SMEs of the Future

» <https://www.ifac.org/knowledge-gateway/practice-management/discussion/member-organization-support-smpe-future>

Edinburgh Group Report



Recommendations for PAOs

The EG report recommends that PAOs should segment their membership in order to better understand the needs of their SMP members. They should also:

- Be proactive in anticipating and understanding evolutions in the accountancy profession and support SMPs in obtaining and/or developing the skills needed now and in future to meet the ever-changing expectations/needs of their clients;
- Help SMPs identify and address national/regional challenges and opportunities;
- Provide their SMP members with advice on managing their practice;
- Consider supporting SMP innovation in, for example, the services provided by introducing new qualifications and certificates;
- Promote, encourage and facilitate networking among SMPs and between SMPs and SMEs;
- Partner with IT companies to create and expand awareness of new technologies among accountants;
- Publicly support and represent the accountancy profession by, for example, collaborating with relevant government agencies and supporting initiatives with universities and high schools to create awareness of opportunities in the accountancy profession.

The SMP of the future in a changing world





Key Trends and Opportunities for the Accounting Profession

» <https://www.ifac.org/knowledge-gateway/finance-leadership-development/discussion/key-trends-opportunities-accountancy>



“What gets measured gets managed”

- » Can we adopt some regional metrics to the discussion of how the PAOs and professional accountants and firms support SMEs?
 - » What are you monitoring?
 - » What does the World Bank need to monitor under the project?
- » Examples for discussion

Examples

Professional Accounting Organizations	Accounting Sector (professional and other)	Academia	SMEs
Number of PAOs	Number of registered accounting service providers	Number of Universities with accounting related papers/program	Number of audits <ul style="list-style-type: none"> • Small • Medium • Large/PIEs
Member numbers <ul style="list-style-type: none"> • By age • By gender • In practice-SMPs • In practice-Big 4 • PAIBs-SME • PAIBs-Large & PIE Practice numbers <ul style="list-style-type: none"> • SMPs • Big 4 Membership trend (3 years) <ul style="list-style-type: none"> • Decline/Stable/Growing 	Number of accountants	Number of cooperation/recognition agreements between PAO and Universities	Number of SMEs that pay for professional accountants for services <ul style="list-style-type: none"> • Compliance (audit, compilation, tax) • Advisory
CPD Courses 2019 <ul style="list-style-type: none"> • Number offered compliance related • Number offered advisory related • Number in attendance-compliance course • Number in attendance-advisory course 		Number of research reports on accounting related topics	



Discussion Questions

- » 1. What, if any, further legal reform are PAOs advocating for and why?
- » 2. What opportunities exist for PAOs to increase collaboration with Universities to obtain evidence based support for the role of the profession?
- » 3. What ideas do you have for project activities to help a) PAOs better support their members to serve SMEs? b) Professional accountants to better serve SMEs? And, c) SMEs directly to help improve their financial management and grow their businesses?
- » 4. What opportunities exist for PAOs to collaborate with Chambers of Commerce and other BSOs in the Region?