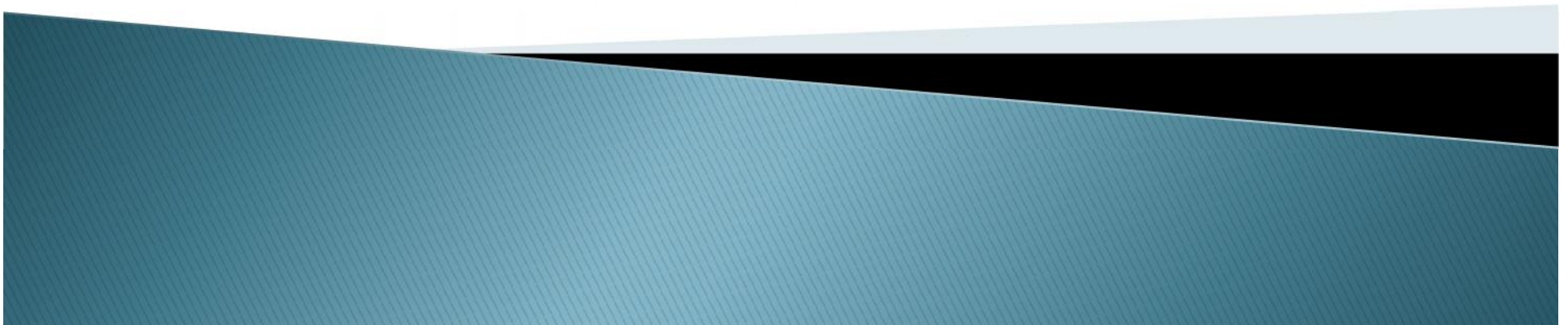


# Global Trends in the Accounting Profession of the Future

*George S. Willie, CPA*

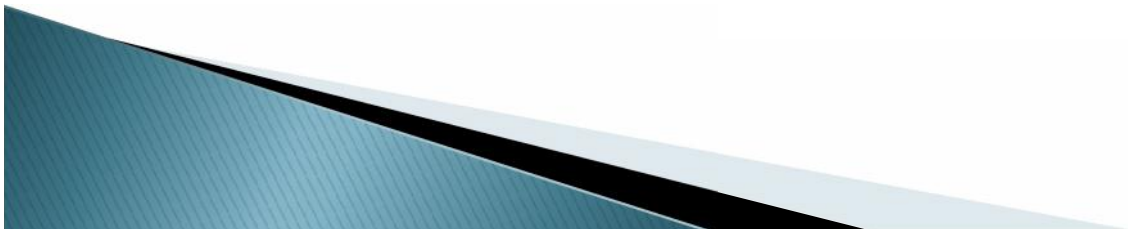
*Member SMP Committee of International Federation of Accountants*

July 5, 2019



# Agenda

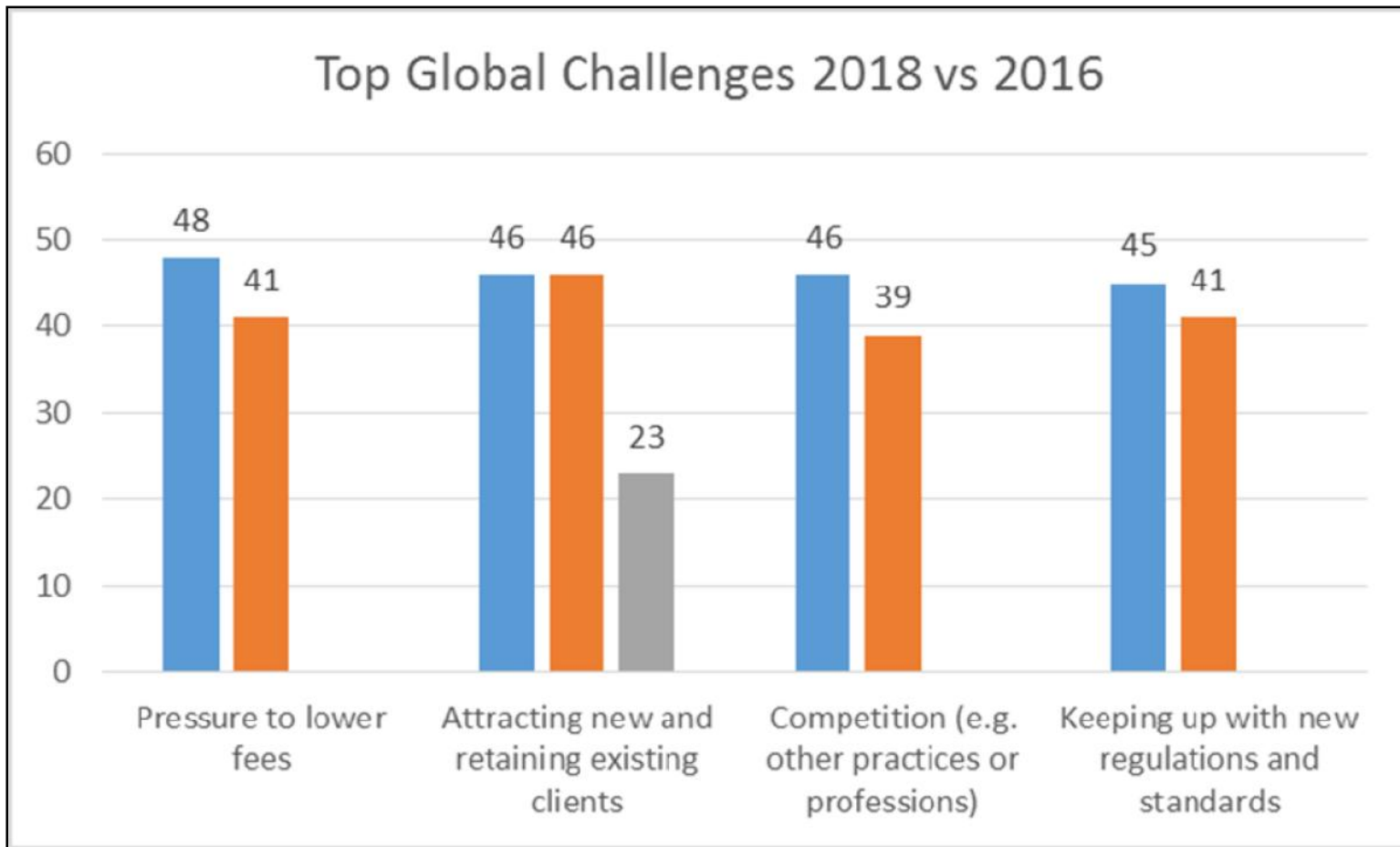
- ▶ IFAC Global SMP Survey 2018
- ▶ AICPA – PCPS 2018 Survey: U.S. Top Issues
- ▶ Will the Profession Survive?
- ▶ What is the Path Forward?
- ▶ Hope is Not a Strategy



# IFAC Global SMP Survey 2018

- ▶ 6,258 Respondents from 150 countries
  - 24 languages
  - 64% sole practitioner or 2–5 partner and staff
  - Significant variation between regions and practice size
- ▶ 51% predict a moderate or substantial increase in practice fee revenue in the 12 months for business advisory and consulting services (up from 45% in 2016)
- ▶ 86% provide some advisory or consulting service
  - 53% corporate advisory
  - 50% management accounting
  - (up from 83% in 2016)
- ▶ 54% SMPs plan to allocate more than 5% of practice fee revenue to technology investment in next 12 months
- ▶ 38% viewed technology developments as a high or very high challenge (up from 35% in 2016)
- ▶ However, 26% of SMPs have no immediate plan to tackle the disruption of technology in their business. Is this of concern to the profession?
- ▶ 54% of SMPs have difficulty attracting next generation talent.

# IFAC Global SMP Survey 2018



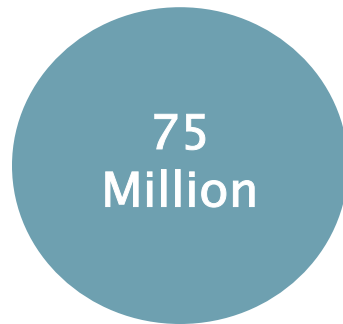
# AICPA – PCPS 2018 Survey: U.S. Top Issues

Firms 21+ Professionals	Firms 2 – 5 Professionals
Finding Quality Staff	Finding Quality Staff
Retaining Qualified Staff	Seasonal Work Load
Bringing New Clients	Succession Planning
Managing Work/Life Initiatives	Retaining Qualified Staff
Transitioning to Trusted Advisory	Keeping up with Changes and Complexity of Tax Laws

# Will the Profession Survive? Challenges

## The Job landscape in 2022

Global  
change by  
2022



Source: [Future Jobs Report 2018](#). World Economic Forum

## Top 10 declining roles

1. Data entry clerks
2. **Accounting, bookkeeping and payroll clerks**
3. Administrative and executive secretaries
4. Assembly and factory workers
5. Client information and customer service workers
6. Business services and administration managers
7. **Accountants and auditors**
8. Material-recording and stock-keeping clerks
9. General and operations managers
10. Postal service clerks

# Will the Profession Survive? The Future

## The Job landscape in 2022

Global  
change by  
2022



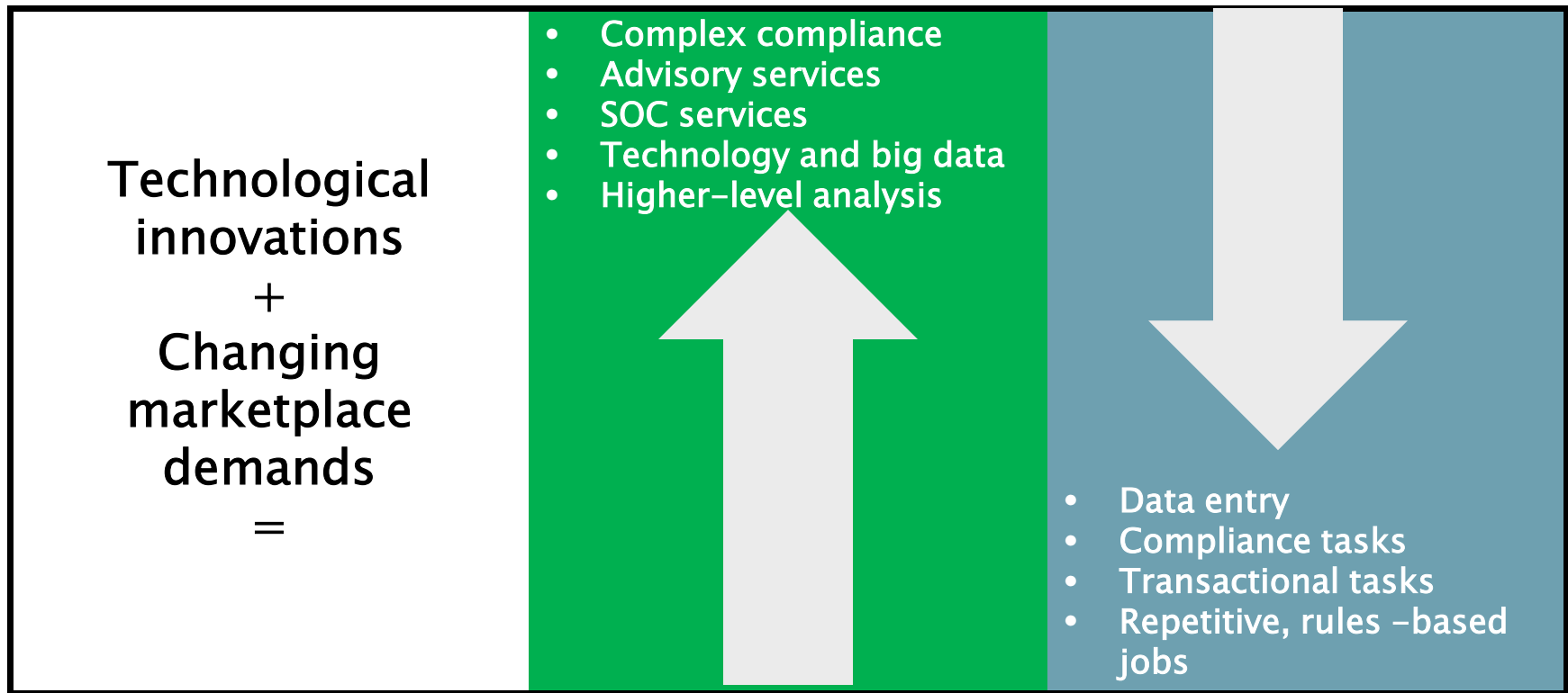
133  
Million

Source: [Future Jobs Report 2018](#). World Economic Forum

## Top 10 emerging roles

1. **Data analysts and scientists**
2. **AI and machine learning specialists**
3. General and operations managers
4. Software and applications developers and analysts
5. Sales and marketing professionals
6. **Big data specialists**
7. **New technology specialists**
8. Organizational development specialists
9. **Information technology services**
10. User Experience and Human Machine Interaction Designers

# Will the Profession Survive – and How?





## Will the Profession Survive? The Brand



# Will the Profession Survive? Advanced Technologies Promote Audit Quality

94%

of executives feel advanced technologies promote the **quality of the audit.**

74%

of executives say **external auditors** use advanced technologies in their audit.

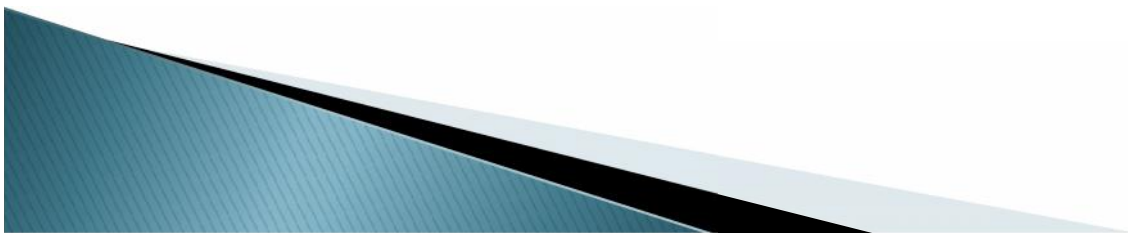
Sources: Forbes Insights/KPMG 2018 Next Generation Audit Report

# What is the Path Forward?

## Present

There is a case for transformation:

- ▶ Missing the opportunity to grow
- ▶ Complacency
- ▶ Partner/manager comfort zones
- ▶ Artificial harmony
- ▶ Over confidence
- ▶ Believing that past successes are guarantees for the future
- ▶ Not recognizing the coming leadership void
- ▶ Measuring time
- ▶ Not focusing enough on our people



# Hope is Not a Strategy

We must:

- ▶ Determine who we are
- ▶ Make it clear that leadership is embracing change
- ▶ Create a vision for the culture you want to have
- ▶ Invest in your members' future
- ▶ Instill a sense of belonging
- ▶ Bring firm management on board
- ▶ Leadership must identify training needs, develop tools and implement transfer of knowledge
- ▶ Spend more resources and time on learning and development to succeed in the future

