Career Opportunities for CHARTERED ACCOUNTANTS

Services to global organizations

Huge opportunities will be available for professionals with the specialist knowledge and skills ought by global organizations. These will include the areas of national and international taxation, finance and corporate law. Local knowledge will of course place Chartered Accountants in a strong position to supply services to global organizations entering the Indian market. However, the international arena will present even greater opportunities, not just to the large accounting firms and businesses, but to individual Chartered Accountants and small firms and businesses providing specialist services in functional areas, niche industries and geographic markets.

Change management

There will be a high and ongoing demand for professional advice and related services to assist organizations in managing change at the ownership, structural and operational levels. Change management will become a major specialty in the business services market.

New assurance and performance measurement services

Performance measurement incorporating non-financial criteria such as competitive performance, resource performance, process performance and environmental performance represents a new but complementary market for Chartered Accountants. Likewise, demands for risk - based measures of value and other new approaches in assurance present further opportunities.

Stakeholder value creation

The Chartered Accounting profession is well positioned to respond to the growing demands for improved measures of shareholder value and return on shareholder value.

Strategic management

Professionals with high level strategic thinking and management skills will be even more highly marketable than is currently the case. More Chartered Accountants can specialize in these areas and to rise to the top echelons of business.

Finance

Increasingly complex global financial practices will present major opportunities to experts in financial administration, capital markets and international financial regulation.

Information technology

For chartered Accountants, advances in technology will close some markets but open others. For example, sophisticated software will enable new competitors from around the globe and minimally skilled in-house staff to perform traditional technical accounting tasks. Further, universal access to communications technology will render some intermediaries, including some professional advisers, obsolete. However, as business and government grapple to manage and regulate the complexities of global organizations' operations, electronic commerce and computer crime, new areas of opportunity for Chartered Accountants will emerge, including

The application of technology in new areas to achieve efficiencies and add value to business

Data and systems assurance service

Electronic commerce - management and regulation of electronic transactions

Knowledge management

Knowledge management will become a professional discipline in its own right. Opportunities in this area will include the following

- Information authentication, management, interpretation and evaluation
- Management of proprietary, external and individually-held knowledge to add value to business
- Continuous real time reporting

Out-sourcing

Out sourcing is a growing area of opportunity for all Chartered Accountants. For those working in government, large private organizations and large firms, out-sourcing will present opportunities to reduce costs, extend service offerings and deliver new specialist services. For those operating individually or working in small business and firms the opportunities are to supply the outsource services either as standalone service components or packaged as end to end services with other suppliers.

General practice

In general practice, reduced opportunities in the traditional accounting markets such as audit and standard taxation services will be replaced by growing opportunities for relationship-based services. These will include pro-active advice and specially tailored services build from detailed knowledge and understanding of the client's business and industry. In effect, general practice will essentially be a specialty.

Assessing companies' identification of risks and the control systems designed to respond to those risks.

Working closely with internal auditors to test compliance with control systems

Extending the range of assurance services to current users of annual statements (by taking a more active role in fraud detection, for e.g., and giving opinions on long-term shareholder value and non-financial performance measures)

Increasing the relevance of audited financial statements to a broader range of stakeholders

Using audit skills to offer assurance in new sectors (such as environmental information, tendering procedures and quality control)

Increasing the timeliness, and therefore relevance, of auditing by giving opinions on reporting systems producing financial information for the markets on a monthly or quarterly basis

Developing databases from which auditors can extract, and give their opinion on, the specific financial and commercial information requested by users

Developing new assurance reports on pensions to meet the needs of an aging population - for example, reporting on whether the systems used by investment managers are adequate to protect a pension fund's investments.

Providing the new assurance reports that may also be needed in the public sector and by quasi-governmental agencies such as housing associations

New Rural / Welfare schemes taken up by Government, Public Expenditure through Govt. Depts., monitoring of special functions on behalf of various, Govt. / other authorities and agriculture operations are some of the new areas which will come under the purview of our profession

Offering sophisticated audit services to other parts of the EU and beyond as the barriers to cross-border services are dismantled

Developing ad hoc assurance reports for (and perhaps even directly to) third parties such as banks and credit agencies - particularly in respect of smaller businesses There may even be a need for assurance on specific items, such as stock, rather than on the financial statements as a whole.

Internal audit, however, is one area where the number of accountants could increase. Although limited in terms of overall employment potential, we believe internal audit will become much more important within large organizations. Internal auditors, will, in effect, become risk and control consultants working on the development and enhancement of new systems, products and processes. They will also be involved in due diligence work, and internal audit will be seen as providing a credible stating point for a successful career in business.

Financial Reporting

The internationalization of business and the harmonization of reporting standards will increase the pressure to raise the quality of financial information, and for it to be fully consistent across national boundaries.

At the same time, management and financial accounts are likely to converge with non-financial performance measures, as companies and stakeholders demand greater value from the financial reporting process. Although, the analytical and interpretative functions (including benchmarking) are likely to remain the preserve of skilled professionals, those professionals will not necessarily be accountants.

Small companies, on the other hand, are likely to see a significant simplification in their statutory reporting requirements

This simplification, coupled with increasing competition and new technology, will reduce the amount of financial reporting support small companies need from Chartered Accountants. But this effect may be partially offset by demands from banks and other third parties for customized financial reports

The drive for greater accountability and efficiency will open up new financial reporting (and auditing) opportunities in the public sector.

Tax Compliance

We believe that tax compliance services have some (limited) scope for expansion. But we also believe that tax compliance will be an unattractive area for many practitioners - except possibly as a semi-detached adjunct to the main practice of those able to exploit technology to handle high volumes profitably.

Self-assessment, and the broadening of the groups of taxpayers having to complete tax returns, will mean more people will be looking for help.

But work in this sector will be increasingly driven by technology and will need only a relatively small number of trained tax staff in supervisory roles. And margins will be low because of the competition from banks, ex-Revenue staff, tax shops and unqualified advisers made possible by the low barriers to entry.

Annual compliance work will, of course, continue to be a platform from which accountants can sell other advisory services. But even here we may well see banks and other competitors moving 'up markets' into advisory roles.

Tax advice and planning

Advising on cross - border tax issues

Developing new tax-efficient products for the financial services sector

Forensic work generated as a result of increased Inland Revenue audit and investigation activity

Supporting companies with their VAT and Customs & Excise duties planning, and helping them to design effective procedures for routine compliance work

Advising high net worth individuals, families and trusts on how to manage their income tax, inheritance tax and capital gains tax exposures. Longer life expectancy, early retirement and the expansion of the middle classes will make this a particularly attractive target market.

Niche opportunities for those offering specialist advisory services without the overheads of the international firms.

The prospects for senior tax specialists and managers in industry look very good, Larger companies are increasingly recognizing the enormous contribution that tax planning can make to strategic planning and share holder value. As a result, the profile and workload of tax departments in industry will inevitably grow.

But there will also be pressure on tax departments to use their resources more efficiently. Part of their response to these pressures will be to look at outsourcing non-core functions: for example, personal tax planning for internationally mobile staff.

Outsourcing tax compliance work will also become a popular corporate strategy - mainly because of the cost savings professional firms and others can make using IT applications that are common to all clients and supported by in-house training facilities.

Some of the new demands on tax specialists in industry will include:

- Becoming more accountable for bottom-line results: that is, tax as a percentage of pre-tax profits
- Developing much closer ties with the finance function in planning and executing tax strategies
- Developing international financial products
- Campaigning against Finance Bill provisions that are not in the company's interest
- Integrating tax planning into long-term strategic planning, and setting benchmarks for judging success
- Advising on the organization and accountability of tax staff
- Responding to uncertainties caused by the changing judicial approach to the interpretation of statute law
- Managing the outsourcing of direct and indirect tax compliance work

Corporate finance

Corporate finance will continue to be major growth area for Chartered Accountants in both business and practice, underpinned by the continuing high level of deal activity. Corporate restructuring under competitive pressures, in particular, will create many opportunities to advise on mergers and acquisitions, share issues and listings, and management buy-outs and buy-ins. Firms will profit from associated due diligence work.

Insolvency and corporate recovery

- Assignments will require more partner and less junior time
- Firms that can operate across borders have the resources to develop industry specialism, and can exploit technology to trace assets and automate procedures will have a major competitive advantage.

Management consultancy

Consultancy and advisory services will continue to grow in importance, expanding from traditional financial and business planning into wider issues of business effectiveness and on to leading edge areas such as re-engineering and corporate transformation. Some, at least, of the major firms will challenge the strategic consultancies.

At the same time niche opportunities will open up for smaller operators. And the business advice traditionally offered by practicing accountants would be an increasingly important value-added service. Although it will not necessarily be badged as consultancy.

The overall growth in this sector will continue to create demand for the financial management and business appraisal skills in individual's accountants. In the larger consultancies, at least, they will increasingly also find themselves working in multi-disciplinary assignment teams, alongside post-experience specialists from other disciplines (such as marketing, supply chains, information systems and economics), MBA graduates and those with industry-specific knowledge.