

Unleashing the tiger within...

There is a natural law in the lives of all living beings, of growing up through successive stages of nurturing, protecting, educating and enabling, and finally letting loose the potential for self actualisation. Organisations and nations replicate the process of evolution (or

lest we corrupt the morals of the people. And at that point of time, this was correct, this was the required prescription; India grew and flourished through its Five-Year Plans.

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and skill-set is the lurking fear in the minds of all, who till date had monopolised the purse strings of the world.

Let us look at the story of our profession and our institute in this context. The beginning is similar to the overall story of India – a protected, rule bound profession, strict regulation, prescriptions, permissions, registration requirements, strong oversight and distributive justice; accent towards ensuring greater creation of work and distribution among the membership; strong lobbying for enabling legislation, which would fuel demand for statutorily required attestation and certification services. Our forefathers played the ideal role that the imperatives of the moment

Changes in planning, policies and execution for the growth of the profession should be the order of the day if there is to be a new generation of CAs who are ready to deal with the challenges of a globalised economy.



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failure to evolve) very closely. Look at India. In 1947 – we erected walls of a protectionist economy, kept out the influence of the outside world through barriers of tariffs and duties; created a crèche called the ‘commanding heights of the Public Sector’, where our PSUs went ahead with social objectives – creation of jobs, optimum utilisation of scarce national resources, under the benevolent protection of the Government; where licences and permits (such as entry cards and exit passes from school)

P Chidambaram, the Indian economy was opened up. The licence/Permit Raj dismantled; quotas and preferences came to be substituted with competencies and competition. There were many doomsday prophets, but today one and half decade down the line, in every city, in the highways that link India, in the industries which have sprung up, throughout the land, it is evident that the young bird has learnt to fly. There are still a lot of

kept tight leash on a country that was growing up; film and other censorship was strong,

lessons to be learnt, but the world has been given the notice of a resurgent India. Not only is India on the lips of key decision makers, in world capitals, its intellectual power

required. The profession has created a pool of the best talents in the world, (and I can

say this, with pride and with all humility having travelled and worked and intermingled with the profession in five different continents). However, the economic liberation in India, which was unleashed in the early 90s, should at least after a decade, have inspired a similar dismantling of systems and structures in the profession itself. Systems and structures, which, had gloriously served their need. That dismantling still has to happen.

What do I mean by dismantling? This is what it could be:

Let us remove restrictions that prohibit any student of chartered accountancy from simultaneously following as many professional courses as

he wants to follow. The bright and best among our students will ac-

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usually then perhaps, within a very small time, be able to multi-skill themselves with simultaneous degrees in Company Secretaryship, law, management, information security, tax administration, economics, perhaps even engineering, and bio-informatics etc. Those who cannot would still only manage to complete one degree, or perhaps for the unlucky few not even that. We should not like a jealous God demand sole allegiance to our profession only while studying. Rather, as a mature profession, we should seek to be inclusive and should stimulate, challenge and thereby attract and retain the best brains in the country.

- We should immediately reach out and actively propagate multi-disciplinary partnerships realising that the world today, prefers shopping at a departmental store and we would

gradually be pushing ourselves on to the junk heap of the history, if we bracket ourselves into narrow, restrictive, non-value added, and “not happening” specialisms such as auditors or mere tax experts.

- Let us realise that in the world beyond Assurance Services, what clients require is practical, realistic, value additive advice. For any professional to prove himself in this sphere, he must be will-

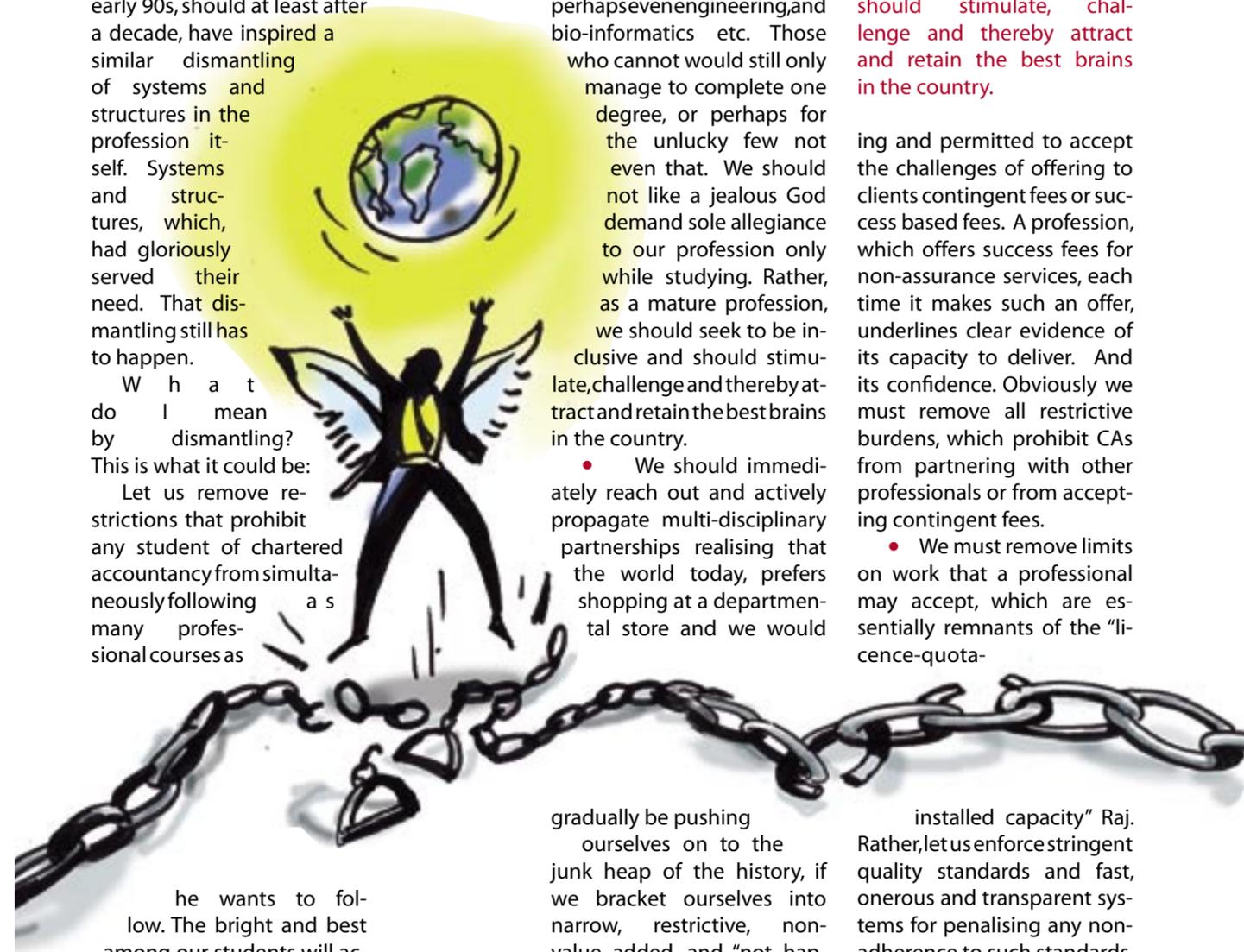
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ing and permitted to accept the challenges of offering to clients contingent fees or success based fees. A profession, which offers success fees for non-assurance services, each time it makes such an offer, underlines clear evidence of its capacity to deliver. And its confidence. Obviously we must remove all restrictive burdens, which prohibit CAs from partnering with other professionals or from accepting contingent fees.

- We must remove limits on work that a professional may accept, which are essentially remnants of the “licence-quota-

installed capacity” Raj. Rather, let us enforce stringent quality standards and fast, onerous and transparent systems for penalising any non-adherence to such standards.

- During the year when I was the president, the council in its wisdom approved linking vacancies or ability to train aspiring professionals not only to number of years in the profession of his principle, but to the work quantum that a principle could offer to the young



professional for a meaningful training. It also approved in principle, encouraging the practice of open book examinations with an accent more on expert, interpretational knowledge, rather than mere ability to learn by rote and reproduce from memory. Due to whatever reasons these recommendations and in principle decisions of the Council have not been implemented till date. As a user of services of chartered accountants and having sat on hundreds of campus and other interview boards, this reflects poorly in the fact that many of our brightest students, after qualifying, have to still spend a bit of time, touching up with the practical realities of the world. Our brilliantly designed training system, which gives an edge over other fellow professions, can be optimised if the above suggestions are acted upon and the training period made more meaningful.

The profession must reconcile itself to the fact that the era of the protectionist regime is over. In many countries of the world a number of small and medium entities including corporates do not even have mandatory legislation backed audit requirements.

Also, the process of learning for exams can become more 'practice driven' rather than a memory test.

- The profession must reconcile itself to the fact that the era of the protectionist regime is over. In many countries of the world a number of small and medium entities

including corporates do not even have mandatory legislation backed audit requirements. There have been influential sections among industry, which have constantly challenged the need for many of the statutorily required certifications and audit requirements under various statutes. The industry and pragmatic sections of the society through the J J Irani Committee Report, have made it very clear that the order of the day is simplification, elimination of redundant and non-value added procedures and accelerated movement towards value added synergistic growth through mergers, alliances, acquisitions, et al. These aspirations of society can only be served in an enabling framework, which have lesser laws and greater compliances. The desire for such a framework and the inexorable movement towards it cannot be served with the present framework, construct, or ideology of parental supervision, safeguarding the weak and benevolent distribution of equal opportunities.

On the other hand, we have got tremendous resource

strength, brilliant individuals better than the best in the world, bursting at the seams, willing to rush out and conquer the world. Today, we need our own reformer, our own messiah, who would have the courage and vision, to be the great reformer. We need a statesman, who could convince the government, particularly the administrative ministry that the time for reform is here and now. If we continue with the same framework and the same government run model of parental supervision with every single act of the Institute (including ability to reform our own syllabus) only undertaken under the benign gaze of government mandarins, we will lose this generation, and future generations will cease to be attracted to what will be perceived as a rigid, hide-bound, bureaucratic and rule driven set up.

The time has come, the knocks on the door are hard... history will tell us whether we opened the door to the winds of change, or not. □

