

Driving a Future-Ready Profession

Accounting is a time-tested discipline – one that is critically important to the global economy. But that doesn't mean it should not evolve. In fact, there are many winds of change that accountants face. From the swift advance of technology and automation to the challenges caused by the climate emergency, this is a critical time to identify what it will take to ensure future-ready professionals. Professional accountants must anticipate current and future needs of business. Doing so will allow us to write ourselves into the future. It will allow us to partner with our stakeholders and drive businesses forward in an era of great change. In particular, there are three key areas where future-ready professionals will thrive. Read on to know more...



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Enhancing Corporate Reporting

Firstly, there is a shift occurring in the corporate mindset when it comes to creating value. Viewing value creation only through the lens of shareholders means undermining trust in the organisation, compromising its reputation, and even threatening its license to operate. In this environment, achieving a resilient and sustainable business model has never been more challenging.

The result is that accounting for value creation needs rethinking. A broader set of data, information and insights is needed to provide

a bigger picture of how value is created. This is a significant challenge for organisations and their stakeholders. For the accounting profession, it represents a unique opportunity.

Accountants must work to improve reporting such that it better meets the needs of investors and other stakeholders. We know, for example, that integrated reporting enables an organisation to think in an integrated way, which leads to better business outcomes.

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practices. Accountants in public practice must work with clients to develop reporting practices that are aligned with the business and go beyond required disclosures.

Partnering with businesses to develop and sustain long-term value is an area where future-ready professionals will lead.

Advancing Climate Action

Achieving long-term value creation also means helping organisations cope with climate risk. And when it comes to the climate emergency, accountants must roll up their sleeves and get to work.

Businesses globally have fallen behind in the fight against climate change. While there have been significant steps forward in climate finance, the 2019 UN Sustainable Development Goals (SDGs) progress report shows that we need to make far more ambitious plans and take far more aggressive action over the next decade.

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I had the pleasure of attending the 4th Annual SDG Business Forum at the United Nations, which convened key stakeholders from the public and private sectors to discuss innovative business solutions to accelerate sustainable development. The dialogue showed that transitioning to a low-carbon economy requires significant investment and innovation.

As a global advocate for international standards, IFAC is invested in supporting governments, professional accountancy organisations and other key stakeholders as they adopt and implement international standards.

Solving this issue will require a healthy dose of honest, realistic dialogue. Everyone has a role to play, and professional accountants are no exception. We need to understand the extent of this climate emergency and look ahead to what we can and must do, and how to do it.

The profession will not be a saviour, but we will be key component to any institutional action sufficient to combat climate change. Companies cannot be held accountable or rewarded for their actions without effective and globally-consistent reporting.

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governments, professional accountancy organisations and other key stakeholders as they adopt and implement international standards.

Thanks to the ongoing efforts of our member organisations, professional accountants worldwide are ready to help companies with implementation and assurance for all types of reporting, including environmental, social, governance, and integrated reporting, as well as other sustainability measures.

Making real change will require an all-hands-on-deck response. Professional accountants and auditors will be increasingly important to progress.

Upskilling for the Future

The drivers of change that businesses face are giving rise to new business models. As this occurs, the accounting profession needs to train the next generation – and upskill the current generation. PAOs and individuals must work in their own ways to ensure that the profession can withstand the challenges – and seize upon the opportunities – of the future.



Profession

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When it comes to cybersecurity, professional accountants can be particularly important in anticipating ransomware threats, measuring the potential costs of breaches and data theft, and setting policies for minimising risks from breaches.

When it comes to data, accountants understand what makes information useful for decision-making. We are well-versed in core financial reporting principles of relevance, reliability, completeness, and accuracy.

With a strong foundation in principles of what contributes to value, accountants can lead the way to ensure data is subject to a governance framework.

Conclusion

The future for our profession is bright, but it is not without challenges. Accountants need to add value in ways that we hadn't imagined ten years ago.

We need to work to enhance corporate reporting. We must address the climate emergency head on. And we must master new skills for the digital economy. The future is ours to win. ■



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