

# The **EVOLVING** Face of Accountancy





**Official Publication of the ASEAN Federation of Accountants (AFA)  
Accredited Civil Society Organisation of the Association of Southeast Asian Nations (ASEAN)**

## Follow Us



[AFA-Accountants](#)



[ASEAN Federation of Accountants](#)



[ASEAN Federation of Accountants](#)

## Contact Us



[www.afa-accountants.org](#)



[afa@afa-accountants.org](#)



# The Evolving Face of Accountancy

## Technology's Influence on the Next Generation of Accountants



**Voravit Janthanakul**

President, ASEAN Federation of Accountants (AFA)

**T**he landscape of finance and accounting is continually changing as a result of technological breakthroughs. The rise of artificial intelligence, automation, and data analytics has fundamentally altered the way accountants work. As a result, technology is having a significant impact on the next generation of accountants, altering their roles, abilities, and possibilities inside the industry.

As part of the global accountancy profession, AFA recognises the importance of understanding the younger generation to attract talent to the profession. Organisations may change their recruitment methods and work conditions by understanding their values, which include work-life balance, flexible working options, and meaningful impact. Engaging with the younger generation also allows the accounting profession to capitalise on their technological acumen and embrace digital transformation. By recognising their preferences and providing opportunities for growth, mentorship, and purpose-driven work, the profession may build an appealing and inclusive environment that attracts outstanding young folks, fostering a diverse and vibrant workforce for the future.

**Shifting Roles and Responsibilities.** Gone are the days when accountants were solely responsible for number crunching and financial reporting. Technology has automated many repetitive and time-consuming tasks, allowing accountants to focus on higher-value activities. The next generation of accountants are now expected to be strategic partners, offering valuable insights, and advising businesses on financial decisions.

**The Rise of Data Analytics.** With the abundance of data available today, accountants need to possess strong data analysis skills. Technology has empowered the next generation of accountants with advanced analytics tools and software. They can now harness the power of big data to extract meaningful insights, detect patterns, and identify risks or opportunities.

**Embracing Automation and AI.** Automation and Artificial Intelligence (AI) have revolutionised the accountancy profession. Mundane tasks like data entry, bank reconciliation, and invoice processing can now be automated, eliminating the potential for human error and freeing up time for accountants to focus on critical thinking



and problem-solving. The next generation of accountants must embrace these technologies to remain competitive and add value to their organisations.

**Remote Collaboration and Cloud Computing.** Technology has enabled accountants to work remotely and collaborate seamlessly with colleagues and clients across different locations. Cloud-based accounting software allows for real-time access to financial information, facilitating efficient collaboration and streamlining processes. The next generation of accountants can leverage this flexibility to work with global clients, expand their networks, and gain diverse experiences.

**Continuous Learning and Adaptability.** As technology rapidly evolves, the next generation of accountants must be adaptable and committed to continuous learning. They need to stay updated with the latest technological advancements, such as blockchain, robotic process automation (RPA), and machine learning. By embracing emerging technologies, accountants can

gain a competitive edge, enhance their skill sets, and remain relevant in an ever-changing profession.

Technology's influence on the next generation of accountants is undeniable. As automation, data analytics, and AI become increasingly prevalent, accountants must adapt to these changes to thrive in their careers. By embracing technology, the next generation of accountants can elevate their roles, become strategic partners to businesses, and make a significant impact in the financial world.

I trust this edition of the AFA Connect will help you in your discussion with your partners and stakeholders, including the younger generation on their aspiration to become future-ready professional accountants.

Thank you.

# Talent Trends for Finance Professionals

Extensive ACCA Survey Reveals What's Keeping Professional Accountants Awake at Night, from Inflation to Burnout to Tech Challenges



Previously published in the February 2023 Issue of the ACCA's [AB Magazine](#).

Professional accountants are facing significant challenges from workplace stress and a cost of living crisis, while a potential talent crunch is looming for employers. So finds ACCA's report [Global Talent Trends 2023](#), which surveyed 8,405 professional accountants across 148 countries, making it one of the largest ever studies across the profession.

The report identifies seven key trends affecting accountants and the businesses that employ them.

## The seven key trends

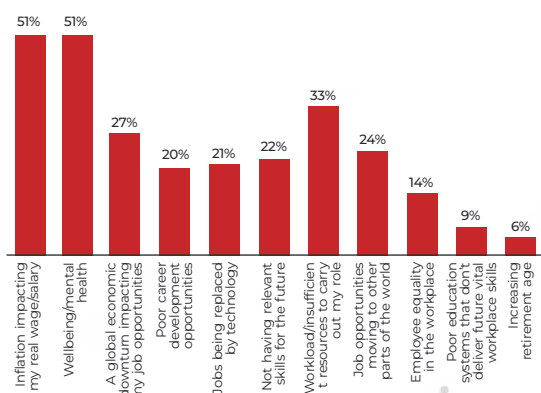
- #1** Inflation crisis is fuelling wage pressures
- #2** Hybrid working is a 'work in progress'
- #3** Addressing burnout has to be a priority
- #4** Mobility is driving a possible talent crunch
- #5** Technology is empowering, but concerns are prevalent
- #6** Inclusivity scores well, but social mobility lags
- #7** Accountancy provides career security

Of greatest concern to respondents across all regions and in nearly every sector is the impact of inflation on wages. Keeping up with wage demands in a profession where career mobility opportunities are high was cited as a major struggle for employers, while employee satisfaction with pay is lagging in every sector – practice, corporates, public sector/not-for-profits, and academia.

While inflation may start to ease over the

first six months of 2023, the report points out that it remains to be seen how a broader economic slowdown across the world may impact the situation.

## Challenges across all sectors



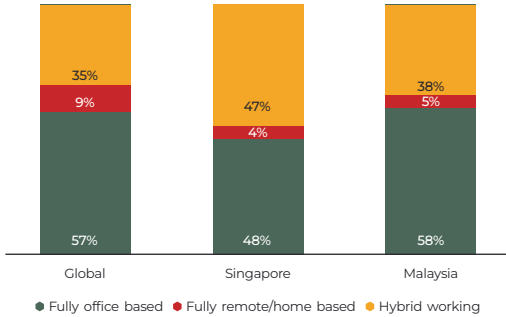
Big 4 Accounting  
(Based on a net top-five ranked scoring system)

## Joy of Remote

Also top of the list of significant concerns was remote and hybrid working. Over half of respondents say their organisations are not

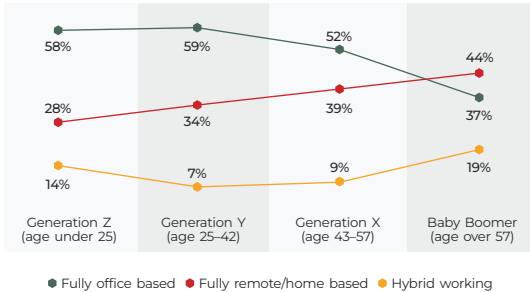
currently embracing these flexible working practices, even though most employees (70%) say they are more productive working remotely, and some are happier doing so.

#### Current working pattern



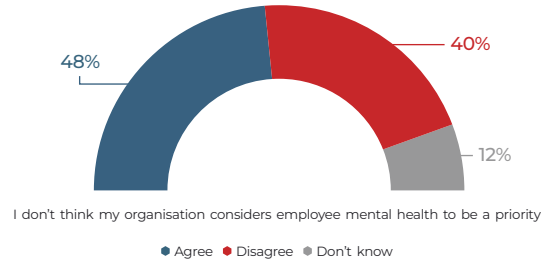
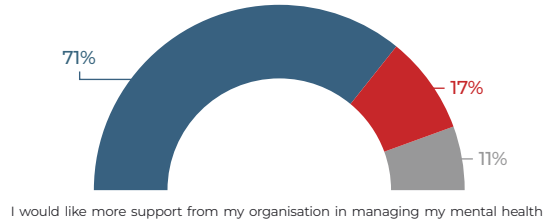
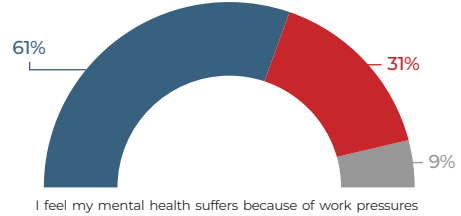
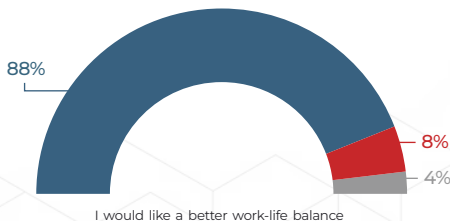
Responses varied somewhat by generation

#### Current working pattern by generation



But any greater flexibility in the workplace does not appear to be alleviating key mental health pressures, which is the second highest-rated work concern for the future. More than 60% report that their mental health suffers because of work pressures, and more than 70% want more help from their organisations in managing their mental health.

#### Well-being challenges facing employers



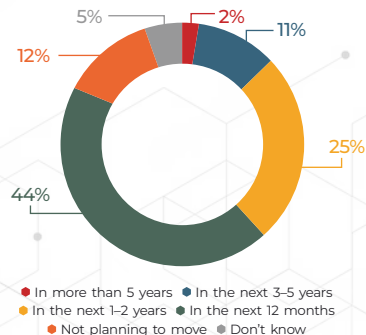
Younger people are more likely to say their mental health is suffering because of work pressures and are also more likely to want more support from their employers.

#### Eying the Exit

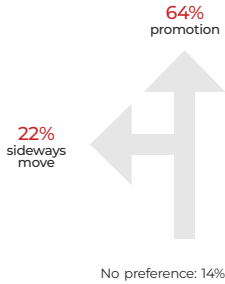
Almost half of respondents (44%) expect to move roles in 12 months, rising to 69% over the next two years.

#### Desired mobility across the profession

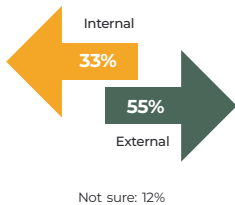
Are you planning to move? All employed



### Promotion vs sideways move All employed and planning to move

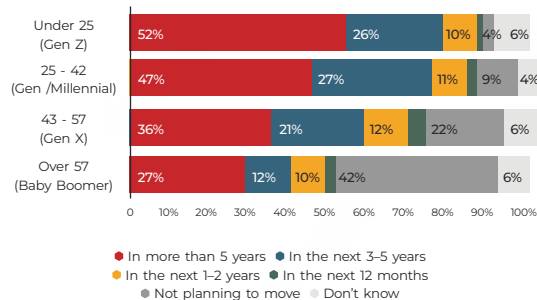


### Internal vs external move All employed and planning to move



Gen Z are the most mobile age group, but over 50% of Generation X respondents (age 43–57) also expect to move role within two years.

### How soon would you like to move to your next role?

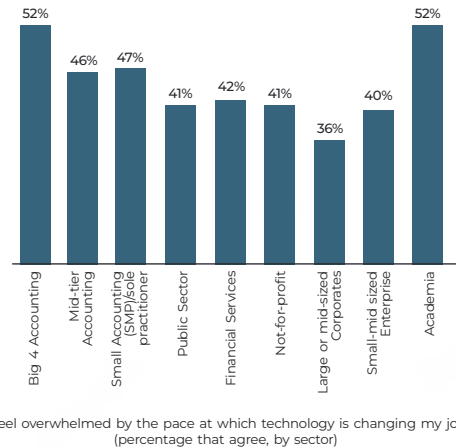
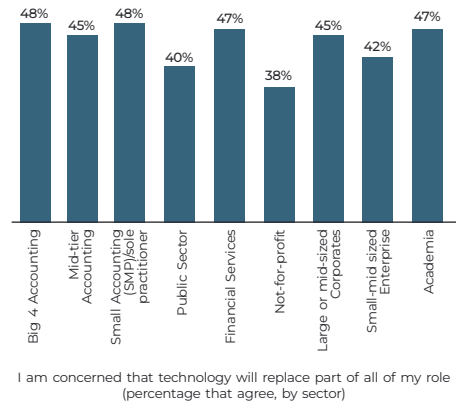


### Tech Troubles

Although respondents say they understand how technology helps them add value, 86% want more training support from

their employers, and 42% say they are overwhelmed by the pace of technological change, including younger employees. Those in the Big Four accounting firms and in academia were the most likely to voice concerns about the speed of change.

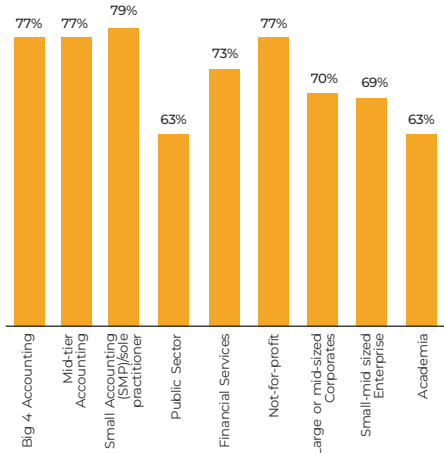
### Technology concerns



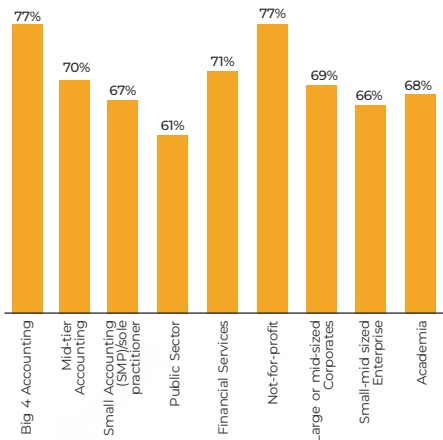
### Inclusivity Up

Employees believe their organisations are making progress in the accessibility and integrity of their leaders, and inclusive organisational cultures, although the public sector performs notably less well.

## Inclusivity and integrity



I believe the leaders in my organisation have integrity  
(percentage that agree, by sector)



I believe my organisation is inclusive  
(percentage that agree, by sector)

Social mobility appears more challenging, with almost half of respondents (49%) indicating that a low socio-economic background is still a barrier to career progression in their organisation.

## Prized Career

A career in accountancy is still seen as a smart choice for those seeking long-term career prospects and in challenging economic times. The opportunity to acquire a professional qualification that affords cross-sectoral and international mobility adds further to the attraction.

There's also good news about the perception of the broader contribution accountants can make to society and the environment.

Purpose and impact rank lower in terms of attraction factors to the accountancy profession for Gen Z

|                 |                                                             |  |
|-----------------|-------------------------------------------------------------|--|
| 1 <sup>st</sup> | Long term career prospects                                  |  |
| 2 <sup>nd</sup> | Opportunity to gain a recognised professional qualification |  |
| 3 <sup>rd</sup> | Opportunity to continually acquire new capabilities         |  |
| 4 <sup>th</sup> | Financial rewards                                           |  |
| 5 <sup>th</sup> | Moving careers across different regions/countries           |  |

Watch ACCA's [‘Are we facing a talent crunch?’](#) webinar on demand.



## New Age of Technology for Accountants

**MICPA**  
MALAYSIA

This article is reproduced from the MICPA's Malaysian Accountant Journal (MAJ). It was published on MICPA's website under 'Technical Insight' as well as in MICPA's digital magazine 'Malaysian Accountant Journal (MAJ)'.

The article was written by the Technical Department of MICPA.

**T**echnology disruption sounds like a scary thing. Maybe the word 'disruption' is what makes things so chilling. Technology has become an important enabler to businesses and is now a critical success factor for enhancing their value and ensuring their continuity. Many believe that the integration of technologies makes a product or service increase its market competitiveness.

The emerging and established technologies such as artificial intelligence, augmented and virtual reality, big data analytics, cloud computing, cybersecurity, mobile technology, payment gateways, robotics and social collaboration are changing the ways in which businesses and accountants consume information technology resources, share knowledge, and access products and services. These technologies are now rapidly reshaping businesses and have become the 'new normal'.

As part of The Malaysian Institute of Certified Public Accountants' ("MICPA") efforts to prepare accountants to be future-fit professionals, MICPA wishes to highlight that accountants have roles to play in this area and need to be agile in adapting to the new normal in which they collaborate with those in the businesses they work

with and for, and shaping new approaches to work. Leveraging on the emerging and established technologies to run businesses will help them eliminate time-consuming and repetitive work and enhance the efficiency of processes.

No business is immune to technological advancement. Accountants, as trustworthy advisers to businesses they work with and for, are expected to be cognisant of emerging and established technologies, consider cost-benefit perspectives of technologies, assess their implications to the finance function of businesses, and advise employers effectively. This article shares the types of emerging and established technologies and their potential implications to accountants with a focus on:

- Artificial intelligence
- Augmented and virtual reality
- Big data and analytics
- Cloud computing
- Cybersecurity
- Mobile technology
- Payment gateway
- Robotics
- Social collaboration

## Artificial Intelligence (AI)

AI is commonly used to refer to intelligence exhibited by machines that mimics human intelligence. Through AI, a system is created to learn from its surroundings and typically demonstrate some of these attributes associated with human intelligence, such as planning, learning, reasoning, problem-solving, knowledge representation, perception, motion, social intelligence, and creativity. Common repetitive tasks can be taken over by AI which improves efficiency and performance in the workplace and frees up the human workforce to do what they are better equipped for. AI is widely used in industries to analyse large volumes of data at high speed, which is beyond human capability. Accountants should leverage on it to perform complicated tasks, reconcile data, respond to enquiries and other tasks. AI can speed up the process and ensure accuracy.

## Augmented Reality (AR) and Virtual Reality (VR)

AR and VR are relatively new technologies which are built to enhance the interactive experience of users. Following the rise of IR4.0, one of the technology recommendations is to utilise VR which provides visual information in a virtual format and AR which combines the physical world with the virtual world. AR and VR are rapidly gaining traction in manufacturing and other industries. Currently, VR is being used by forward-thinking manufacturers to improve their approach to predictive analytics. AR and VR allow businesses to spot a design flaw quickly whereas finding flaws in a product design manually could take weeks of analysing data. Safety is another area where VR can be successfully applied. It is possible to identify dangerous manoeuvres in advance if businesses simulate the production processes digitally. Accountants are expected to be

cognisant on how AR and VR works so as to determine whether it fits the business models of businesses. Both technologies allow enhanced ways to connect remotely. By providing context to each user's setting and allowing for realistic collaboration, AR and VR become better ways to communicate with employees and business partners.

## Big Data and Analytics (BDA)

BDA has gained traction lately. It can be defined as a new generation of technologies and architectures which are designed to extract value economically from enormous volumes of data. BDA software generally comes with comprehensive capabilities that are able to deliver powerful data mashing functionality, multi-source connectivity, customisable interactive dashboards and mobile optimisation. BDA software is able to provide high-velocity capture, discovery and analysis and also helps businesses create a systematic way of working in this age of technology. In the current market, BDA software includes Helical Insight, Power BI, Sisense, SuiteAnalytics, Tableau, QlikView and many others. Accountants have increasingly been making use of big data capabilities. The exploitation of BDA allows us to expand the understanding of businesses' operations and help businesses automate manual processes to improve operational efficiencies.

## Cloud Computing

Cloud computing technology has progressively grown through the years. A simple description of cloud computing technology is the use of computer resources such as server storage databases, without direct active management by the user. Cloud computing technology provides an alternative to the on-premise data centres. Rather than owning or leasing their own physical data centres, businesses

can opt to rent access to a space from a cloud service provider. The cloud has gradually replaced the traditional way of storing data in physical data centres which has helped businesses avoid the high cost of maintaining data centres that are costly. The common services offered by cloud service providers can be categorised into three main forms, i.e. software as a service (SaaS), platform as a service (PaaS) and infrastructure as a service (IaaS). SaaS is software that is hosted by a service provider in the cloud and customers are given access to it over the internet. PaaS offers a platform (combination of software and hardware) which allows customers to develop applications over the internet. Lastly, IaaS is the more basic service that normally offers the cloud facility for data storage and networking. Accountants are expected to understand the availability of cloud computing services so as to provide the appropriate advice to businesses to exploit this technology.

## Cybersecurity

In today's world, every facet of our lives has become dependent on electronic devices and data. While businesses enjoy access to data via technology, this inevitably exposes businesses to cyber risks, such as cybercrime, cyber fraud and cyber terrorism. Computer viruses, hacking and phishing are common types of cyber threats. To address cyber risks, businesses have begun to look into security protection to prevent their systems from being accessed by hackers. Accountants are expected to ensure that policies and procedures are in place, enforced, and are regularly reviewed against new cyber threats. Proper policies and procedures should consist of but not limited to identifying cybersecurity risks, developing plans to address cyber risks, establishing a management system to manage and detect targeted cyber risks, forming a cybersecurity incident response team to

tackle cybersecurity matters, and developing relevant procedures in preparation for damage due to cyber incidents.

## Mobile Technology

Mobile technology is a technology that follows the user's whereabouts. The global network that connects billions of electronic devices called the internet has now become essential to people around the world to access any information they need and connect with other people at any time. There are no more geographical boundaries as people are interconnected in their professional and personal lives using a laptop, tablet, or smartphone where they can communicate virtually. Accountants are expected to utilise mobile technology to maintain their business relationships with colleagues, clients, stakeholders, and employers and stay connected with them whether they are in or out of office. Netsol conducted research which shows that the adoption of mobile technology gains productivity and flexibility for employees resulting in cost saving for businesses. In recent years, enterprise mobility solutions are gradually welcomed by businesses as it allows employees to work remotely. Simultaneously, cloud services and other technologies can be easily accessible with the use of mobile technology.

## Payment Gateway

Thanks to technology advancements, people have shifted from making payments manually to electronically. The traditional payment method, like cheques or bank transfers, are slowly being phased out. With the emergence of electronic payment gateways, it has fueled the rise of e-commerce, as online transactions can now be made timely. The electronic payment gateway is a payment platform that accepts digital payment like credit or debit cards online or via an automated clearing

house. It provides greater convenience to businesses, customers and other stakeholders. Hence it appears to be the most revolutionary method that changes how businesses operate today. Accountants as trusted advisers to businesses should consider embracing an electronic payment gateway as part of their financial system so as to ease their business transactions. Businesses can either set up their own in-house payment systems or subscribe to payment solutions from external vendors. The latter is the more popular option as it is easier to adopt and more cost-effective for businesses.

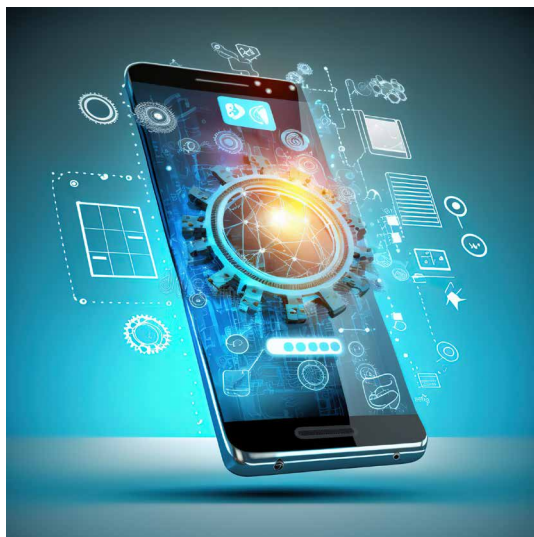
### **Robotics**

Robotics is an interdisciplinary sector of engineering dedicated to the design, construction and use of mechanical robots. One of the technologies highlighted in IR4.0 is robotic process automation (RPA), which is the software embedded in machine learning capabilities to mimic people, however, it can perform high-volume and repetitive tasks. Accountants are expected to understand business processes and identify those suitable for automation. Thereafter, they can either engage an external service provider to build bots or purchase builder software off the shelf to programme it themselves. A bot is generally designed to perform routine tasks that were previously performed by an employee.

### **Social Collaboration**

Social collaboration is commonly referred to stakeholders working together via the internet. A common platform for social collaboration is social media, which has become a part of our lives. Apps such as Facebook, LinkedIn, Instagram, Messenger, Snapchat, Telegram, Twitter, WeChat, WhatsApp and many others provide a platform for interacting with stakeholders, soliciting community-based input, sharing

content, marketing content, providing a means of collaboration and communication. Businesses also leverage on social media as a marketing platform to promote their products and services. The use of social media has become the 'new normal' to businesses, government bodies, charities and other organisations. Accountants are encouraged to use social media to achieve their goals, such as engaging with clients, reconnecting with colleagues and soliciting community-based input, marketing content for business opportunities. In fact, businesses can leverage on social media to increase their brand through a meaningful social media presence.



# Accounting Must Transform to Appeal to Digital Natives



The Association of  
Accountants and  
Financial Professionals  
in Business



**Josh Heniro, Ph.D.**  
Managing Director, IMA Asia Pacific

The world of finance and accounting is undergoing a transformative shift as technologies like artificial intelligence, blockchain, and advanced data analytics make manual processes obsolete. This shift is coinciding with another large-scale trend, a talent shortage in the accounting profession. In the [report](#) by the Singapore Accountancy Commission, Singapore is facing a talent shortage due to declining birth rates and intense competition for talent across industries. The Asia-Pacific region also faces difficulties finding and retaining talent, hindering businesses from meeting demand, as highlighted in [Mercer's 2023 Global Talent Trends](#) study. Fifty-four percent of HR leaders in this region say “they will struggle to meet demand with current talent models, due to high staff turnover, increase in quiet quitting, and difficulty hiring the right talent at the right price quickly enough.” Singapore was identified as the second fastest-growing market in the Asia-Pacific (APAC) region by number of organizations hiring – a trend that is expected to continue.

But there is a challenge Singapore and other nations face, many young people (aged under 40) are overlooking accounting and finance as a profession because they want to gain the technology skills

associated with AI, blockchain, robotic process automation, and data analytics and do not believe accounting and finance will provide them with these skills. This digitally native population (who grew up with the Internet and mobile phones) have higher expectations for technology at prospective employers than previous generations.

The [Deloitte Global 2023 Millennial and Gen Z Survey](#) revealed that young workers fully expect AI and automation to eliminate manual processes in accounting and to transform job functions and roles (37% of Gen Z and 38% of Millennial respondents agreed with this expectation). This trend is why they want to work for employers who have been early adopters of advanced technology so they can learn the most valuable technology skills. Many have opted for careers in technology for this reason (according to [Cloudbees](#), three in every 10 members of Gen Z say software developer is the role they are most interested in after graduating college). To attract them to finance and accounting roles, learning and development opportunities, as well as the use of advanced technology by prospective employers, is imperative. Employers they consider digital laggards will not be able to attract, much less retain, these workers.

Studies by Dell Technologies and others find strong evidence that Millennials and Gen Z are extremely selective when it comes to their jobs. According to [Dell's recent global survey](#) of over 15,000 members of Gen Z, "80% of Gen Z want to work with cutting-edge technology, and 91% said technology would influence their job choice." This concerns many in the finance and accounting profession who believe practitioners have not properly articulated the connection between accounting and technology. Many believe a rebranding of finance and accounting work is in order to attract younger generations. In a recent [CFO.com article](#) on the worker shortage in accounting roles, Patrick Villanova, chief accounting officer, BlackLine, said, "The profession should be rebranded as a technology profession because that's what it is."

So what can employers do to demonstrate that they are as savvy with technology as the younger workers they are trying to attract?

### **Promote the Organization's Technology Learning and Development Opportunities**

Gen Z and Millennials are reputed to be serial job hopppers, but what many employers fail to grasp is that these workers would be more engaged (and inclined to stay in their roles) if they were actively learning and developing new skills. According to [LinkedIn's 2023 Workplace Learning survey](#), 31% of those in the 18 to 34-year-old group said "opportunities to learn and develop new skills" were the most important factor in seeking a new role. Employers need to take the time to explain the specific technologies they are using in finance and accounting processes and then emphasize how they will be able to upskill through in-house learning and development programs.

### **Build Training Programs with Interactive Modules and Gamification**

Immersive environments and virtual reality may seem like science fiction to some, but they are familiar terrain for Gen Z and Millennials. They want learning to be fun and on their terms. A recent article in [eLearning Industry](#) underscores what is needed to fully engage younger generations in corporate learning and development programs – "In 2023, organizations will need to adopt approaches to training that are more personalized and individualized, using data and analytics to understand the needs of their employees and deliver targeted, relevant training content."

### **Eliminate Outdated and Inadequate Technology to Create a Smart-Enabled Office**

According to PwC's [2023 Annual Global CEO Survey – Asia Pacific](#), Asia Pacific CEOs have made investment in upskilling (73%) their number one priority, followed by automation (71%) and deploying advanced technology (67%). CEOs know that inadequate technology is a major pain point for Gen Z and Millennials so they are investing in technology to demonstrate their commitment to providing the most innovative technology solutions across the organization.

The perfect storm of digital transformation coupled with an accounting worker shortage (fueled by younger workers opting for tech roles in lieu of finance and accounting ones) is posing an existential question to the finance and accounting profession, namely "Can we transform in time to attract more young people to the field or will we miss the opportunity to reach them?" The stakes are high. Recognizing this urgency, IMA's Research and Thought Leadership team is currently studying Asia Pacific talent retention challenges with a report due to be



published in September 2023 that may yield important insights for attracting younger workers to accounting and finance.

Without new talent, the finance and accounting profession may languish. All finance and accounting leaders interested in the future of the profession should be champions of technology as well as learning and development opportunities to attract and retain the youngest members of the workforce.

IMA is dedicated to supporting finance and accounting professionals in their journey to embrace technology and bridge the talent gap. Through our comprehensive courses and resources, including certifications like the U.S. CMA® (Certified Management Accountant) and professional development programs, we empower professionals with the skills they need to thrive in the digital age. Together, let's transform the accounting profession and secure a prosperous future for finance and accounting in the Asia Pacific region.

# The Urgency to Re-think, Re-strategize, Re-skill, Re-organize, and Re-invest (5Rs) for the Profession to Stay Relevant



IKATAN AKUNTAN INDONESIA  
Institute of Indonesia Chartered Accountants



**Deny Poerhadiyanto**  
National Council Member, IAI

**T**he accountancy profession is an intriguing field, particularly because of its high profit margin. However, not everyone today may agree with this statement, especially with the current economic and geopolitical landscape, demographic composition, increase in competition, and advancements in technology post-pandemic.

In the recent Future of Jobs Report (May 2023) by the World Economic Forum (WEF), some key findings highlighted the following:

- At the beginning of 2023, the global economic situation was shaped by a combination of vulnerabilities that caused high global inflation at 8.8% in 2022. These vulnerabilities include the monetary and fiscal expansion that eased pressure during pandemic lockdowns but enabled higher inflation. Several central banks have taken measures to counteract these trends by increasing interest rates.
- Technology is altering the way we work but also changing job content, skills in need, and which jobs are being displaced. Understanding how technologies will impact labor markets is

crucial for determining whether people will be able to transition from declining occupations to the jobs of tomorrow.

- The potential scope of automation and augmentation will further expand over the next few years, with AI techniques maturing and finding mainstream application across sectors. It remains to be seen how technologies going through the most rapid changes, such as generative AI technology, may further change the make-up of automatable tasks over the 2023–2027 period, with some recent studies finding that large language models can already automate 15% of tasks, and this share may increase to 50%.

Furthermore, the impact of those on the labor accountancy-related jobs market looks grim; accounting, bookkeeping, and payroll clerk are among the top three largest job declines within the next five years, as stated in the report. With technological advancement as the main driver of the job decline, it is no wonder there is a substantial decline in the number of new accounting majors entering universities across ASEAN countries.

## **To Boldly Go Where No One has Gone Before: Re-think, Re-strategize, Re-skill, Re-organize, and Re-invest**

Richard Susskind and Daniel Susskind provide a clear picture of the future of the professions in the era of artificial intelligence in their book “The Future of the Professions”. The book explains the process of transitioning the business of the profession. In the first phase, the use of AI-aided tools is limited to process innovation, focusing on improving efficiency. The subsequent phase involves transforming the business model of the profession by maximizing the use of AI-aided tools to generate new revenue streams.

For accountants, the required skill set has also shifted. Accountants today are expected to have strong analytical skills, creativity, agility, adaptability, and resilience. These skills are not typically provided in mainstream accounting education curricula, but they can be acquired through Professional Accounting Organizations (PAOs) for members who wish to develop these new skill sets.

Perhaps the year 2023 will be the last year for us accountants to quickly engage in re-thinking, re-strategizing, re-skilling, re-organizing, and re-investing as a response to the post-pandemic year, which is shadowed by recession concerns and advancements in AI and AGI technology. We must act promptly, but it is important to react wisely. Making the wrong move or not taking any action at all could have fatal consequences.

### **Trust is The Key**

To start the process of 5Rs, we need to clarify one important trait of an accountant. Trust is an essential attribute for accountants as it ensures that the services provided can solve existing problems, fully

benefit clients, and not create new problems in the future. To establish trust, accountants need integrity, ethical behavior, competency, and a long-term commitment to their role.

To gain and develop trust, the first step is to identify features, benefits, and value (FBV). For accountants, this can be understood as follows:

- Features: skills and competencies
- Benefits: The advantages that these skills and competencies can provide
- Value: The high-value benefits that these skills and competencies offer to users of accounting services

Once we have identified our FBV, the next step is to communicate it effectively to others. Communication is crucial as it helps public understand an accountant's skills and competencies. However, the most important aspect of this communication process is to create an experience that allows people to utilize the skills and competencies offered by accountants.

Indeed, besides being carried out by individual accountants, the 5R process requires support from stakeholders and other constituents to ensure its successful implementation. Collaboration and cooperation among various parties play a crucial role in the effective execution of the 5R process.

### **IAI as a Facilitator for Change**

IAI is aware that, as a PAO overseeing 32,000 members spread across 34 provinces throughout Indonesia, it must collaborate with the government and other constituents to support a transparent, efficient, and sustainable national economy. IAI's tangible contribution to the national economy lies in its role as the standard

setter of Financial Accounting Standards and Sharia Accounting Standards. Soon, IAI will establish the Sustainability Standards Board, which will serve as the developer of Sustainability Standards referencing the ISSB's sustainability disclosures standards.

IAI continuously provides the necessary infrastructure to keep its members relevant, particularly through the IAI-Lounge, a web and app-based membership portal that serves as a one-stop-service platform for IAI members. The app provides facilities such as information, membership registration and updates, CPD (Continuing Professional Development) registration and CPD data updates for IAI members, registration for IAI certification exams, free access to professional accounting standards, and other supporting references for professional activities. For the public, IAI Lounge also provides information about accounting service firms and information about IAI members, facilitating interaction between potential users of accounting services and their consumers.

IAI also continuously updates content and references in line with national and international economic and business developments. Another facility provided by IAI to all its members is a personal email address with the domain @akuntanindonesia.or.id. This email facility is expected to support the career development of accountants in Indonesia and provide moral support to aspiring accountants who are IAI members in their journey towards becoming professional accountants in the future. IAI is making efforts to increase interest in becoming a Chartered Accountant through social media platforms such as YouTube, Instagram, Facebook, and LinkedIn. By providing relevant and up-to-date content on topics related to business, accounting, taxation, and education, IAI can engage a wider audience and generate interest in the field of accounting. Social media platforms

offer an effective way to reach and connect with aspiring accountants, students, professionals, and other stakeholders. IAI is committed to support its members as they navigate the evolving landscape and ensure the continued growth and excellence of the accounting profession in Indonesia.

## The Future is Now

The accountancy profession finds itself at a crucial crossroads, where the need for transformation has become imperative. The challenges and opportunities presented by a rapidly evolving business landscape require a comprehensive approach that goes beyond mere adaptation. It is time for the accountancy profession to embark on a journey of 5Rs.

By **Re-thinking**, accountants can break free from traditional practices and embrace innovative solutions that leverage technology, automation, and data analytics. This shift enables them to provide more valuable insights, real-time reporting, and predictive analysis, contributing to better decision-making processes for businesses and clients.

**Re-strategizing** empowers accountants to align their goals with the evolving needs of the marketplace. By identifying emerging trends, embracing regulatory changes, and understanding the expectations of stakeholders, accountants can shape their strategies to drive sustainable growth and maintain a competitive edge.

**Re-skilling** is a continuous journey that enables accountants to remain relevant in the digital era. Technical proficiency alone is no longer sufficient. Accountants must cultivate critical thinking, creativity, and adaptability. Continuous learning and upskilling become paramount to adapting to the evolving demands of the profession.

**Re-organizing** involves restructuring processes, workflows, and organizational structures to enhance efficiency, collaboration, and client-centricity. Embracing a culture of agility and innovation enables accountants to respond rapidly to changing circumstances, foster collaboration, and deliver tailored solutions that meet the unique needs of their clients.

**Re-investing** signifies the allocation of resources towards the future of the accountancy profession. This includes investing in research and development, advanced technologies, talent acquisition, and fostering a culture of creativity and innovation. These investments lay the foundation for sustainable growth, ensuring that accountants are equipped to navigate the challenges and seize the opportunities of tomorrow.

The accountancy profession stands at a pivotal moment in its history. It cannot afford to remain stagnant. The need for re-thinking, re-strategizing, re-skilling, re-organizing, and re-investing is not a luxury but a necessity. It is the key to unlocking new horizons, driving innovation, and staying ahead of the curve.





# Embracing Technology:

## The Path to Attracting and Elevating Audit Talent



**CA Kiran Bafna**

Managing Director Asia & Emerging Market of Confirmation, part of Thomson Reuters

In today's dynamic and rapidly evolving professional landscape, the audit industry must harness the potential of technology to maintain relevance and appeal to the younger generation. The auditing field has witnessed a remarkable transformation through technology integration. This article explores the appeal of the auditing profession and emphasises how embracing technology can better attract the younger generation to this vital field. We will delve into two key perspectives: attracting talent through audit tech to enhance audit quality and the importance of developing a comprehensive audit technology strategy while fostering its adoption.

### Attracting Talent with Audit Tech and Elevating Audit Quality:

Audit firms face increasing pressure to drive productivity with a shrinking workforce. While millennials and Gen Z are now the dominant demographic in the workplace, technology-powered processes play a central role in attracting this digitally savvy workforce looking for cutting-edge tools and streamlined processes.

Technology enables better allocation of limited resources, reduces workloads and redundant tasks, enables people to

automate tasks, and provides enhanced analysis in appropriate areas easily. By leveraging technology, auditors can ensure accuracy and consistency in their audits, yielding superior outcomes for both auditors and clients.

In light of shifting workplace demographics, firms that persist in the manual, non-digital, and labour-intensive environment will struggle to attract and retain top talent. It is crucial for organisations to identify training needs and upskill their existing workforce to effectively leverage technology-enabled audit processes, conduct guided audits with precision, and proactively identify risk areas. User-friendly technology platforms are crucial for upskilling initiatives and driving greater digitalisation within audit firms.

By integrating technology, the auditing profession has transcended its traditional image of mundanity and now offers exciting opportunities. Advanced tools and software enable auditors to streamline processes, automate repetitive tasks, and focus on higher-value activities. This empowers auditors to engage with complex data, perform advanced analytics, and deliver valuable insights to clients.

The younger generation, often called digital natives, possesses inherent tech-savviness and thrives on innovation. We can capture their attention by showcasing the dynamic nature of the auditing profession and the opportunities technology brings. Audit firms can emphasise how technology enhances efficiency, accuracy, and effectiveness, enabling auditors to work with cutting-edge tools that augment their skill sets.

Moreover, by embracing audit tech, the profession can elevate the overall quality of audits. Advanced software and data analytics tools empower auditors to gather and process vast amounts of data, leading to more comprehensive and insightful audit findings. Integrating artificial intelligence and machine learning enables the identification of patterns, anomalies, and potential risks, thereby enhancing the overall reliability of audit processes.

### **Audit Technology Strategy and Adoption:**

To attract the younger generations, audit firms must establish a robust technology strategy. This involves investing in the right tools and systems that align with their organisational goals and addresses the evolving needs of the profession. A well-defined technology strategy ensures that auditors have access to the latest advancements and can harness them to deliver exceptional results.

To promote technology adoption, audit firms should prioritise comprehensive training and support for their employees. By offering continuous learning opportunities and fostering a culture of innovation, firms can empower auditors to embrace new technologies confidently. Additionally, creating collaborative environments that encourage knowledge sharing and experimentation with emerging technologies will further attract the younger generation.

Audit firms can leverage technology to improve work-life balance and flexibility. By integrating remote auditing capabilities and flexible work arrangements, auditors can achieve better work-life integration, which is highly valued by the younger workforce. Emphasising these aspects can significantly enhance the profession's attractiveness.

As we acknowledge that next-generation auditors need cutting-edge technology solutions, developing a well-defined strategy for implementation becomes imperative. It is worth noting that the failure rate of digital transformation projects, falling short of their intended goals, has been reported as high as 70% to 95%, with an average of 87.5%, according to Harvard Business Review. Hence, a strategic approach becomes crucial to ensure the successful integration of technology in the auditing profession.

Developing an effective audit technology adoption strategy requires attention to key areas such as:

- Leadership and governance capabilities of the service provider, ensuring clarity on security, confidentiality, availability, processing integrity, and privacy commitments to user entities;
- Assessing software capabilities and scope of service from the technology platform to ensure it can fulfil required activities with the least possible effort;
- Implementing clearly documented policies and procedures to facilitate smooth change management, including documenting changes to technological resources such as operating systems, computing hardware, networks, and application maintenance;
- Establishing a robust, comprehensive, and highly secure information security management system to protect sensitive customer data at rest and in transit;

- Comprehensive privacy and confidentiality features, including access authentication and authorisation, access requests, and access revocation;
- Maintaining an agile maintenance process with clear patch management policies for up-to-date software and minimal downtime;
- Implementing comprehensive data protection policies, including disaster recovery and backup plans, data encryption and formal incident response procedures;
- Robust business continuity plan to reduce risk and assist in the management and handling of operations;
- Obtaining certifications that demonstrate commitment to quality control and adherence to standard privacy and security practices, such as SOC Examinations and ISO 27001 certification.

The role of auditors in the next generation has undergone significant evolution, enabling them to create enhanced value for their clients. In addition to their traditional responsibilities, auditors now play a crucial role in attracting, retaining, and training staff. They also keep pace with emerging technologies for better client engagement and to mitigate fraud risks.

In an increasingly technology-driven world, the auditing profession must adapt and embrace innovation to attract the younger generation. By showcasing the exciting opportunities that audit tech offers and the potential for career growth, audit firms can appeal to digital natives who seek dynamic and future-focused professions. By implementing a technology strategy, providing ongoing learning opportunities, and fostering a supportive work

environment, the auditing profession can unleash its full potential and elevate the quality of audits. This, ultimately, will benefit both auditors and their clients.



As the auditing landscape continues to evolve, embracing technology is no longer a choice but a necessity. By blending traditional practices with innovative solutions, the auditing profession can create a compelling and attractive career path for the next generation of auditors. Together, let us forge a future where auditors and technology work hand in hand to bring about positive change and progress in the auditing landscape.

# Easy, fast confirmations. Every time.

CONFIRMATION is the world's leading provider of online audit, legal and financial data confirmations.



- **Bank Confirmation**
- **Debtor/Creditor Confirmation**
- **Legal Confirmation**

**16K+** audit firms (including the Big 4)

**200K** auditors

**4K+** responding banks and departments  
(including 23 Indian banks)

**1.5M** users

...all trust Confirmation for confirming financial data

Contact us now: **[CONFIRMATION.COM](https://confirmation.com)**

[Dee.Guitton@thomsonreuters.com](mailto:Dee.Guitton@thomsonreuters.com)