

CLASSIFIED POST

HKICPA CAREER FORUM 2018

CHANGING TIMES

Adapting for the future demands of “Accounting Plus” is vital for CPAs, says HKICPA president Eric Tong, writes **WILSON LAU**

To further sharpen their competitive edge, young CPAs are encouraged to embrace “Accounting Plus”, and create business value for employers using high-order analysis skills and technical abilities in the ever-changing business landscape, all while handling the emergence of disruptive digital technological advancements.

Nowadays, CPAs are expected to go beyond traditional accounting/auditing to further elevate their contributions. Having acquired the essential professional skills and technical knowledge as well as strengthening their higher-order capabilities through work, CPAs are well positioned to diversify into other equally

essential value-adding roles or specialisations in their organisations, adding value to business in this “Accounting Plus” era. Eric Tong, president of the Hong Kong Institute of Certified Public Accountants, says these specialisations include risk management, forensic accounting, strategic management, and IT consultancy.

At the “HKICPA Career Forum 2018”, now in its 11th year, attendees will be able to build an understanding of the new career possibilities available to CPAs. Leaders in these various specialisations will share insights and provide updates on the latest developments in their fields. They will also discuss how young CPAs can equip themselves to excel in these diverse roles.

“To maximise the benefits of this annual forum, students should capitalise on the opportunity to give some thoughts to their future careers by developing a thorough

understanding of ‘Accounting Plus’ and gain an in-depth look at the diverse roles available beyond accounting and auditing,” Tong says. “They should also take the opportunity to get to know the CPAs attending the forum and explore the career exhibition to find out more about the profession and get some ideas about the corporate cultures of the various exhibiting firms.”

To equip themselves for the exciting possibilities brought about by diversifying roles, young and aspiring CPAs should first identify their interests and then map out the overall direction of their career path accordingly so that they will have the sustained passion to pursue their career goals. “The HKICPA has developed many programmes to support its member CPAs throughout their careers. For instance, our mentorship programme matches mentors and mentees, who do not work in the same organisations, based on their

experiences and personalities. The objective is that both mentors and mentees can feel at ease while sharing their experiences and the mentees will receive guidance, which is not confined to their own workplaces,” says Tong. He adds that the HKICPA organises many continuing professional development training courses that help its members enhance their knowledge and skill sets as well as organising a host of conferences and networking events that help members build connections.

Overall, Tong believes that CPAs are at an advantage to take up and excel in these diverse specialist roles under “Accounting Plus” because the nature of their work and training requires them to look at the big picture.

“For instance, in my line of business, auditors gain exposure to many industries, encounter different business models and consider a wide array of business scenarios, such as bad debt provision,” Tong notes.

“Through this exposure, CPAs adopt a forward-looking mindset by assessing various scenarios. Over time, auditing CPAs will accumulate experience and develop insights which they are able to draw on when they specialise in other roles.”

Regional initiatives offer good prospects for CPAs

The prospects for the accounting profession in Hong Kong are bullish, thanks to the city’s status as a global financial centre, its role as “super-connector” in the Belt and Road initiative, and the closer

ties and economic integration developing between Hong Kong and the rest of the Greater Bay Area.

Amid this optimism, the HKICPA Career Forum 2018

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Eric Tong, president, Hong Kong Institute of CPAs.



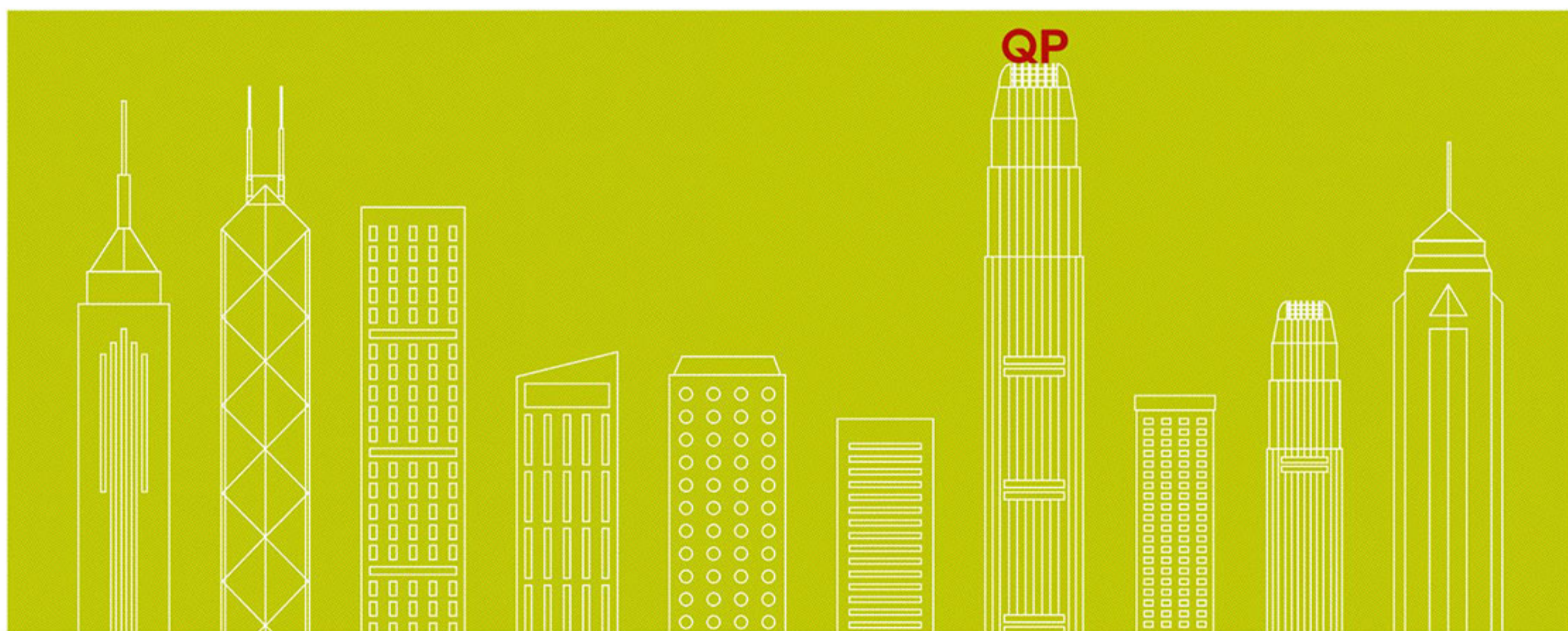
The HKICPA has developed many programmes to support its member CPAs throughout their careers



Jonathan Ng, acting registrar of the Hong Kong Institute of CPAs.



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SPECIAL REPORT

Technology can be a CPA's friend

Disruptive digital technologies with wide applications for the accounting profession help further enhance the quality of work delivered by CPAs, and open up a range of more exciting possibilities for professionals'

career advancement in their chosen fields. In artificial intelligence and robotics, CPAs with expertise in new technologies help clients implement robotic process automation and machine

learning, while blockchain has become a reliable and secure solution for rapid data transmissions, according to Stanley Yung, partner, advisory services, at EY. "Many large corporations use blockchain to manage transactions," says Yung. "The accounting profession leverages cloud computing like OpEx for IT projects and changes the business model. Professionals utilise data analytics for fraud detection in finance."

CPAs need to keep abreast of the latest disruptive technologies to deliver high-quality work because these technological advances alter the needs of businesses. The best way for CPAs to keep pace with the newest changes, adapt and acquire new skill sets is by embracing on-the-job learning and practice, he believes. Young CPAs should seize the opportunity to use cutting-edge technologies and solutions to help their clients and optimise the quality of their work of auditing and financial transactions, among others.

Support from the employers is also essential. Firms offer structured training and diverse platforms for learning and practising to familiarise CPAs with the latest technologies.

Successful CPAs are those who excel in leveraging advanced technologies to elevate work quality and efficiency. The coupling of such higher-order abilities, including professional judgment, critical thinking, problem-solving skills, with the "innovation mindset", which encompasses the drive for continuous learning, open-mindedness and the ability to collaborate, will help young CPAs to make good use of the latest technologies.

This enables them to create added value for their clients and employers as well integrating digital thinking into all aspects of the business operations, Yung says.

The accounting profession leverages cloud computing like OpEx for IT projects and changes the business model



Stanley Yung, partner, advisory services, at EY says disruptive digital technologies with wide applications for the accounting profession help further enhance the quality of work delivered by CPAs.

Equipped to lead

Equipped with the essential foundation accounting skills and technical knowledge, many CPAs have been able to develop insights into their employers' operations and become adept at envisaging the overall direction of their organisations' future developments. This is the prerequisite for strategic management.

Over time, these CPAs in accounting will excel at the business projection of their organisations and in formulating effective strategies to help their employers achieve growth in sales and profits, according to Patrick Kwok, general manager, Starbucks Coffee Singapore. "On top of the accounting skills and knowledge, CPAs who aspire to diversify into strategic management need to have a thorough understanding of their corporations as well as the sectors they are in," says Kwok. "Excellent communication and interpersonal skills are essential because effective strategic management executives should be able to collaborate with others and engage and motivate team members to work towards their shared goals."

"Before I work on the

consulting and analysis of a company's various business functions, I must develop a firm grasp of what each function does and then use the gathered data to analyse and provide forecasts of the likely impact of their individual business plans," Kwok continues. "In addition to CPAs' basic skills in financial reporting, strategic management executives are expected to take on the roles of consultant and analyst to clearly communicate the key points to the other decision makers and provide the viable solutions to improve growth further."

He adds that CPAs working on strategic management should also keep abreast of new developments at their competitors, the latest trends in the overall business environment and local, regional and global markets.

"Many CPAs these days have contributed beyond their traditional accounting and auditing functions. Through auditing, they have gained exposure to different industries and such insights enable them to diversify into other value-added functions like consultant and analyst," Kwok says.



Patrick Kwok, general manager, Starbucks Coffee Singapore says CPAs have the essential foundation skills and technical knowledge to become great business managers.

Many CPAs these days have contributed beyond their traditional accounting and auditing functions

forensic accounting is through case practice, Lee believes. "Each individual case is unique and forensic accounting features up to six broad categories. Young CPAs can get involved in cases in each of these categories to familiarise themselves with them and accumulate the relevant experience. Meanwhile, specialised targeted continuing professional education is also essential in sharpening and enriching one's skill sets."

aims to help attending students enhance their understanding of the profession, sharing with them the latest information about recent developments in the profession. This information is vital for students planning their career paths after graduation, says Jonathan Ng, acting registrar of the Hong Kong Institute of CPAs, the territory's only statutory licensing body for the accounting profession. "The forum is a one-stop-shop platform. As well as obtaining information, students can foster connections through direct interaction with the attending CPAs, who could very well be their future employers." The forum's theme "The Critical Piece" highlights the fact that CPAs, equipped with their essential foundation of professional skills and knowledge, are core to their organisation's operations and act as indispensable connectors and contributors of diverse value-adding business functions. It also highlights that many CPAs, with their experience and insights which accumulate over time, combined with their professional judgment, and analytical, critical and lateral thinking, have gone beyond the traditional roles of accounting/auditing and diversified into other crucial specialisations and functions, including valuation, forensic, risk and IT consultancy, and financial controllership. "Many CPAs have advanced to become the leaders of their organisations, as CEOs and CFOs, making decisions as part of the C-Suite," Ng says. The HKICPA's qualification programme (QP) is a holistic training platform that teaches the essential foundation accounting skills while also

cultivating the enabling skills and higher-order competencies needed in CPAs of the future. It also prepares students for specialising into a role which interests them. The institute is preparing for the release of the new QP, which further opens doors to the profession for non-accounting degree holders. "Although we are widening the entry channels, the exit channel - that of becoming a CPA - will be maintained at the highest level. The requirements for technical competencies as well as ethical standards are vital to maintain the consistently high quality of CPAs and the public trust in the profession," Ng says. The new QP will launch in 2020 and features three successive levels - associate, professional and capstone. "The highly flexible associate level was designed as the foundation for non-accounting degree holders. Based on their needs, individuals are able to study modules to make up for any shortfall in accounting or financial knowledge before advancing to the professional level," Ng explains. "To build the all-roundedness, the capstone level, comprising three-day workshop and a case study exam, will demonstrate genuine business scenarios, and allow students with several years of work experience to solve problems through integrating the technical skills and knowledge learned from the previous levels of the QP, their enhanced higher-order capabilities and their real-world perspectives developed through their work. As well as providing these technical, higher-order skills, the new QP continues to strongly emphasise the integrity and high ethical standards expected by employers."

Follow the money in forensics



Keith Lee, associate director, forensic accounting, at Deloitte China says forensic accounting is key to combatting fraud and financial malpractice, as well as helping with insolvency cases and financial investigations.

Forensic accounting has evolved from inquiries into insolvency cases to investigating fraud and financial irregularities conducted to identify various malpractices, including the so-called "cooking the books", inflating companies' revenues, and falsifying profits by misusing accounting methodology.

Nowadays forensic accounting also covers litigation support services in the event of disputes among company shareholders, according to Keith

Lee, associate director, forensic accounting, at Deloitte China. "We carry out analyses to help companies assess losses, quantify the quantum and advise on other related matters."

A growing number of CPAs, who excel in leveraging their professional accounting knowledge, coupled with higher-order analysis skills and critical thinking, have diversified into forensic accounting. Their expertise is in strong demand. "Many corporations, such as

banks, have adopted a proactive approach to addressing issues such as money laundering," Lee says.

"They seek assistance from forensic accountants in looking at their existing policies in such areas as internal compliance to identify loopholes and formulate remedies. Rapid technological developments have also prompted companies to actively conduct research and seek advice from forensic accountants. For instance, companies will enlist our help in looking at any deficiency in their control environments, identify the potential risks and implement risk-mitigating procedures."

With a detective's mind required, individuals who are inquisitive, curious and sceptical are likely to perform well in forensic accounting.

"They also should have good common sense and an attention to detail because we always examine in depth transactions under investigation and sometimes the small details, like dates and rounded off figures, are actually the keys to cracking a case," he adds.

The best way for CPAs to successfully diversify into

Many corporations, such as banks, have adopted the proactive approach to addressing issues such as money laundering

Risk experts in demand

The demand for CPAs with risk management expertise has been on an upward trend, driven by the increasingly complex regulatory landscape worldwide and the growing need among organisations to implement stringent corporate governance.

To sustain their long-term business development, companies need to heighten their risk awareness and strengthen their capabilities to develop the controls to mitigate them, believes Ken Lin, senior manager - risk advisory at Baker Tilly Hong Kong Risk Assurance. "CPAs can excel in risk management. To deliver their work properly, CPAs, auditors or accountants, need to identify the risks and the corresponding mitigation controls day in, day out. Over time, they can definitely draw on their experience and insights gained to help their organisations strengthen risk management."

While risk awareness is of fundamental importance, Lin thinks the traditional accounting and auditing skills and knowledge are helpful for CPAs to optimise risk management. "For instance, before an auditor provides the audit assurance, he has to consider all the risk factors involved," he says. "When an auditor has developed risk awareness, the learning curve is not too steep for him to diversify into risk management because the two functions are closely connected."

qualification programme (QP) transfers the comprehensive range of essential skills as well as updated knowledge of business developments for CPAs to carry out a host of business functions, including risk management, Lin says. "Equipped with the wide-ranging skills and knowledge covered in the QP, I embarked on my professional career at an audit firm. I accumulated the

relevant experience and diversified into risk management.

"This area is as exciting as it is forward-looking. It calls for the specialists to look at the big picture of the environment in which their organisations operate while paying attention to the minute details to identify the risks and formulate outside-the-box solutions to address them."



Ken Lin, senior manager - risk advisory at Baker Tilly Hong Kong Risk Assurance.

