

What does the Future Hold for Accounting and Finance Professionals?



Over the years when I have taught undergraduate and MBA students, I always provide a perspective on career opportunities and development. After all, that is the objective of getting a business degree. This year, as I prepared for the session, I was struck by the pace of change and the impact that change was likely to have on these student's future careers. As I looked back on the changes during my 40-year (and counting) career in finance and then looked to the future. This is what I shared...

Changes during my Career

My undergraduate students have an estimated mean age of 20 years. As we worked through the Corporate Finance material, I was constantly reminded that these students never lived in a time without cell phones, YouTube, Google and the like. In contrast, looking back over the 40 years since my graduation in 1978:

- In college, the computers filled large buildings and our efforts in "Computer Science" involved "punching" cards and having them read and then waiting for a printout of the simple program we wrote.
- At Coopers & Lybrand (now PWC), we actually dragged around large trunks of audit workpapers, with analysis and documentation and covered with Tick Marks. We used big paper spreadsheets, sometimes having to tape several together to accommodate a consolidating trial balance for a company with 45 subsidiaries. Footing and cross-footing with a "10-key" adding machine was an essential skill.
- My first job in industry was the Accounting Manager for a Tech company. We wrote out manual journal entries and submitted them to the Data Center to be keypunched by a "data entry clerk". Overnight the general ledger was re-cycled, and if the entry was

keyed correctly, we could print a trial balance and then manually prepare financial statements.

- There was no Excel®... in the mid 80's we began utilizing VisiCalc® on Apple computers, followed by Lotus and Symphony and then Excel®. Our files were stored on floppy drives with limited storage capacity.
- There was no Powerpoint®...presentations were likely word/numeric oriented pages typed on an IBM Selectric typewriter and then copied on a clear cellulite slide to be presented on an overhead projector.
- There was no Turbo Tax® or Quickbooks®. Many accountants were employed in "Write-Up" work, preparing basic financial statements from a client's checkbook. Tax returns were prepared manually on pre-printed forms.
- No cell phones, voice mail, video conferencing, internet, Google, Amazon, laptops, cable TV, HDTV, navigation systems...

These recollections seem incredible in hindsight!

Looking to the Future

I am not a futurist. Even those that profess to be so often fail in predicting direction, events and timing of future changes. Here is what I do know: change is inevitable and the pace of change is accelerating.

- Technology will continue to drive and enable change.
- The age of Artificial Intelligence, algorithms and bots are has already arrived. Particularly interesting (and threatening) is that even some simple algorithms outperform humans in diagnostics, prediction and decision making.
- Employment cycles are shortening and more of us participate in the "Gig Economy," requiring us to be employable/marketable and be able to market our services.
- Clerical, manual and repetitive tasks will continue to be automated or eliminated.
- Geopolitical, Economic and Demographic trends and events will continue to lead to change and required adaptation.

Preparing for the Future

Since we don't know exactly how all this plays out over the next 10, 20, 30 or 40 years, what is the best advice to be prepared to adapt to future changes?

1. **Accept responsibility for your Career Development.** An executive offered me advice during the mid-1980's that is still relevant: The individual must own their own career direction, development and progression. Do not rely on your organization or profession for your personal development.

2. **Become a Continual Learner.** I believe the primary value of education is to learn how to learn. The ability to recognize, seek out and internalize new fields, techniques or practices is critical. Go to conferences, participate in webinars, read great books!

3. **Keep your Eyes and Ears wide open.** Monitor trends in your organization, industry and profession. For example, technology and process improvements in the 1980's to 90's reduced the manual effort in processing transactions, and other "clerical" or bookkeeping functions. At the same time, new opportunities began to arise for finance professional to contribute as business partners and in the emerging field of Financial Planning & Analysis (FP&A). Seek to stay where the action is: What are the hot areas for employment (e.g. FP&A) and what functions are valued within my organization? What activities are being expanded in my organization?

4. **Work on your Agility, Flexibility and ability to contribute.** These broad skills will position you to effectively deal with changing environments.
 - Continual Learner (See #2 above).
 - Good Communicator and Presenter. These skills may be the #1 area of required improvement in finance and will always be valued.
 - Analytical. The ability to review transactions, events and other data and identify and explain trends, determine future impact and distill order from complexity.
 - Intellectual Curiosity. Ask why? I wonder if?
 - Expanded focus: from Finance to Business. Understand the business model, industry and competitive forces.
 - Team Player. Be a contributing member to any activity.
 - Develop a reputation as a "Go-to" person, willing and able to execute.
 - Understand Process Management and Improvement
 - Project Management and Execution Focus. Develop the ability to plan, execute and monitor projects to achieve goals and objectives.
 - Flexibility: Open and receptive to change and new roles and responsibilities
 - Positive Attitude. It makes all the rest much easier!

While some of these may be viewed as natural talents, most can be improved on with effort. Seek rotational and project assignments. Participate in external activities and organizations to broaden your experience. Learn to benchmark and identify best practices, both for your profession and the organization you serve.

Summary:

You will see dramatic changes over your career. Change is inevitable. Seek it out, embrace it and drive it. As the great hockey player, Wayne Gretsky said: "I don't skate to where the puck is, I skate to where the puck is going to be."

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