

Challenges faced by professionals

- A chartered accountant's perspective

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स्वगृहे पूज्यते मूखः स्वग्रामे पूज्यते प्रभुः
स्वदेशे पूज्यते राजा विद्वान् सर्वत्र पूज्यते

- A foolish person is respected in his own house;
- A landlord / town leader is respected in his village;
- The king is respected in his entire kingdom;
- But a Vidhwan (a scholar) is respected all over the world

Challenges faced by professionals

- Information technology competency and updation

Bring on the personal trainers

Probability that computerisation will lead to job losses within the next two decades, 2013
(1=certain)

Job	Probability
Recreational therapists	0.003
Dentists	0.004
Athletic trainers	0.007
Clergy	0.008
Chemical engineers	0.02
Editors	0.06
Firefighters	0.17
Actors	0.37
Health technologists	0.40
Economists	0.43
Commercial pilots	0.55
Machinists	0.65
Word processors and typists	0.81
Real estate sales agents	0.86
Technical writers	0.89
Retail salespersons	0.92
Accountants and auditors	0.94
Telemarketers	0.99

Source: "The Future of Employment: How Susceptible are Jobs to Computerisation?" by C.Frey and M.Osborne (2013)

Probability that computerisation will lead to job losses in next 2 decades

- Recreational therapists – least probability of computerisation – 0.0028
- Actuaries – 0.21
- Insurance underwriters – 0.99
- Insurance claims and policy processing clerks – 0.98
- Insurance appraisers, auto damage – 0.98
- Claims adjustors, examiners and investigators – 0.98

Challenges faced by professionals

- Competition from non-accounting professions

Qualified privilege
Can accountants own and control law firms?*

Yes in:	
Australia	Mexico
Britain	

No, but can collaborate and share costs in:	
China	Italy
France	Japan
Germany	Spain
Ontario, Canada	

No in:	
Brazil	India
United States	other Canadian provinces

Source: *The Economist* *Global accounting networks

Economist.com

- Clients look out for one-stop solutions
- Barring regulatory restrictions, convergence of law firms / accounting firms in to 'professional services firms' looks imminent
- These could lead to further consolidation and providing other financial / legal / consulting services in times to come

Challenges faced by professionals

- Change management (learn, unlearn and re-learn)
 - Changes in technical aspects – laws and regulations (Ind AS, Companies Act 2013, Bankruptcy code, GST, Service tax, International taxation, transfer pricing)
 - Changes in nature of practice – new areas (forensic auditing, mergers and acquisitions, corporate restructuring, valuations)
 - To specialise or to remain a general practitioner
 - Changes in societal expectations – fraud reporting

Challenges faced by professionals

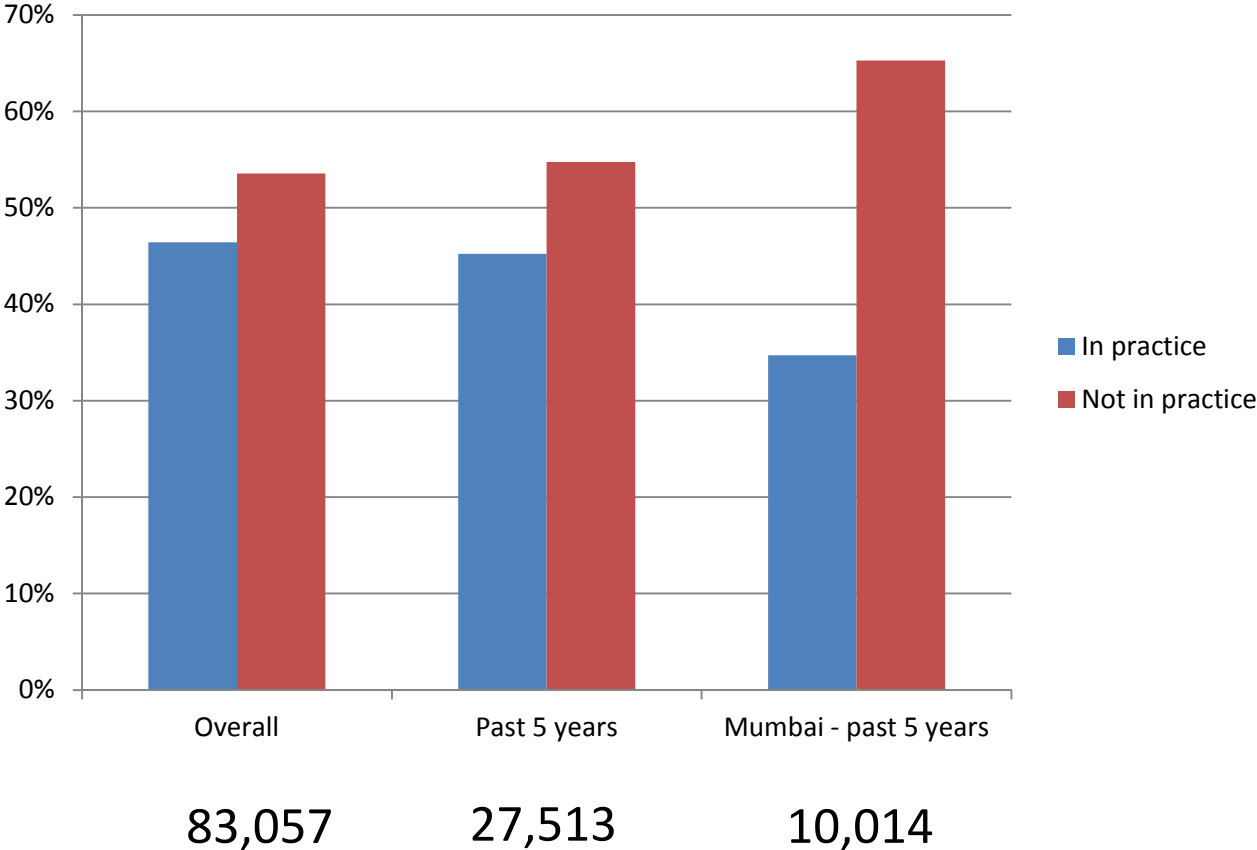
- Expectation management
 - Internal financial controls
 - Companies Act 2013
 - Audit rotation
 - Accounting standards & auditing standards – what is written vs. what is practised
- Doing something because it is expressly allowed vs. doing something because it is not expressly disallowed

Challenges faced by professionals

- Ability to work with people – especially true to highly qualified and highly intelligent people
- Balancing work – life
- Impression about the profession in general is created not by the brilliance of the few but by the competence of the many
- Profession vs. business – how to run a profession when competition runs it as a business

Challenges faced by professionals

- Whether to join employment or whether to practice – CA perspective



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- Summarising professionalism & professionals
 - Credibility
 - Honesty
 - Avoiding Intellectual corruption

“In India today there are shortages of many commodities, but nothing is so scarce as intellectual integrity. Closer contact with the world will convince you that intellectual integrity is a much rarer quality than financial integrity”

– Nani Palkhivala, Convocation address, University of Bangalore, 1972

THANK YOU!

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