



The digital accountant: Digital skills in a transformed world

Whatever role you carry out in the accountancy and finance profession you can make a difference in this technological world.

THE DIGITAL CHALLENGE

Digital transformation is one of the key conversations across businesses at present. The amounts invested by organisations are significant; the benefits substantial. The evolution of the business model has an impact on us as accountancy and finance professionals from the way that we collect, verify and utilise the increasing volumes of data. Businesses models are fundamentally shifting towards customer centricity. As accountants and finance professionals we need to be on top of these evolutions and ensure that our skill sets develop appropriately.

HOW DO WE RATE OUR DIGITAL SKILLS?

In the over 4,200 responses to a survey of ACCA members, affiliates and students 89% responded that digital skills were either necessary or very necessary in their industry. Whilst there were some variations by age in the response level this should be considered against how people in different age ranges interpret an adequacy of digital skills. In the responses to the survey 63% indicated that they considered that they had the right level of digital skills for the role that they perform.

WHAT DO WE CONSIDER CONSTITUTES OUR DIGITAL SKILLS?

In 2016 ACCA defined a range of quotients that represented the skills that the accountancy and finance professional needs to develop to ensure that they remain relevant in the future. One of these is the digital quotient. This is defined as 'the awareness and application of existing and emerging technologies, capabilities, practices and strategies'.

In evaluating the range of potential skills that may be representative of the capabilities that support each of these components of quotient noted above, the survey respondents recorded a higher level of ability in the more traditional areas of spreadsheeting (81% indicated an expert ability level) and enterprise resource planning solutions (72%) in contrast to more emerging technologies such as blockchain and artificial intelligence and machine learning, both of which recorded 20%.

However, our digital skills should not only comprise knowledge of applications but also the techniques needed to implement them. In the transformed business world, we are increasingly using agile project management methodologies to deliver

rapid customer response. Our respondents recorded a 50% level of expert ability for this and for data governance. In considering the practices that support the development of the transformation only 13% considered coding to be important.

Digital transformation increases the integration of data flows across the organisation. No longer are there separations between operational and departmental strategies. Yet when asked to consider the level of expertise required in finance systems strategy 69% suggested expertise was required in contrast to 37% for the target operating model; the view of the business processes and procedures that support future strategic growth.

THE DIGITAL FUTURE – NOW

The evolution of technology and the digital landscape will continue. The pace of change that we have seen in recent years may well be eclipsed by the operationalisation of technologies such as 5G and hyperautomation. The business model of today is likely to be far from the business models of five to ten years' time. The integrated workplace of smart systems, smart cities, smart workplaces and flexible working lives is becoming a reality.

Discover the full report:

www.accaglobal.com/gb/en/professional-insights/technology/The_Digital_Accountant.html

EMBRACING DIGITAL – BECOMING THE DIGITAL NATIVE

The accountancy and finance professional cannot be ambivalent to the changes in the workplace that this digital transformation brings.

With the unique combination of accounting and ethical principles, business acumen and digital skills the future for the profession is bright. The unique ethical lens of the accountancy and finance professional provides us with a perspective that few have but adds substantial value to organisations. It is imperative that we invest in each of these areas. It is the unique combination that provides the basis for the value that, as a profession, we add. It enables us to appraise the commercial advantage that transformation can give to ensure that organisations do the right thing.

Having expertise in each of the areas of the digital quotient to the level needed to perform our roles is important, yet it is the combination of these skills with those that we develop from the other quotients that enable us to use data in the right way, for example, to solve the problem, to analyse the issue, to effectively present the conclusions. The digital quotient, rightly, exists in a context.

DEVELOPING THE DIGITAL QUOTIENT

Developing and maintaining our digital quotient is an important part of our continuous learning objective. It is important to be mindful that such an objective includes not only the technologies themselves but also the ways in which they are applied to create commercial advantage. The tools and techniques of implementation and optimisation. Losing sight of the business model at this crucial time would mean that we fail to capitalise on our unique set of skills.

A word of caution, focusing on the peak of enthusiasm when a technology comes to the fore can often overemphasise our appreciation initially and mean that when it becomes reality in business application, we are cynical as to its value. Blockchain could be considered an example of this.

Taking time to invest and monitor relevant technological and practical advancements is necessary. Not losing sight of this growing evolution is fundamental. Utilising certifications such as ACCA's Certificate in Digital Innovation for Finance to develop knowledge and skills is essential.



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