

## ABOUT THE SKILLS OF A SUCCESSFUL ACCOUNTANT IN THE PANDEMIC CONTEXT

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### **Abstract**

*The accounting profession is experiencing unprecedented challenges, but also opportunities worldwide. Although the new technologies have recently threatened the traditional skills of the professional accountants, there was still some time available for them to face it. But the pandemic context forced the accountants to embrace these changes earlier than expected. Therefore, the aim of this paper is to analyze the impact of COVID-19 on the skills an accountant needs in order to remain relevant and competitive. The starting point of this analysis was represented by the competencies which were relevant before this worldwide crisis. Furthermore, we explored how these skills would emerge based on the changes caused in the society and also in the business environment by the pandemia. The results would contribute to shaping the new profile of the professionals in the accounting field, which will be clearly affected by the new ways of conducting business. This paper could be considered as the starting point of a more detailed analysis, once the effects of this virus on the business environment could be more accurately measured. However, this goal could be achieved only after a significant period of time. Until then, one can only issue opinions and make assumptions as the new context unfolds.*

**Keywords:** accountant, skills, competencies, pandemia, COVID-19

**Clasificare JEL :** M40, M41, O15

### **1. Introduction and context of the study**

Crisis inevitably produce some major changes in the fields they affect, but COVID-19 is causing a worldwide situation and its impact can affect a wide range of services. Accounting is one of them and while there is an urgent need of tough decisions, the time is not in our favour. The accountants must face changes that were planned to be implemented a few years from now, and the shift is not undertaken in any favourable context.

The aim of this paper is to emphasize the changes that accountants should face in the pandemic context. The changes analysed in this paper refer mostly to the skills the accountants need in order to remain relevant in their field. Therefore, in the first part of the paper, we analysed the main skills needed by the accountants in the top five companies from Europe before the pandemic. After establishing which were the main skills, we continued by analysing the results of different reports and articles regarding the skills accountants need during and after this crisis. In the last part of the paper we presented the conclusions regarding the differences between the traditional skills and those needed in order to remain relevant and competitive on this totally changed business environment.

### **2. Tasks and skills of an accountant before COVID-19**

The skills of an expert in general refer to those abilities needed in order to perform his or her tasks, and the analysis of these skills have been of great interest lately [1]. The abilities of the traditional accountant have dramatically changed in the last years. The accountant nowadays must possess interpersonal skills, demonstrate proactive attitude orientated towards the business [3],[7],[9] – [10]. While analyzing the profile of the traditional accountant, he was seen as an independent specialist who knew very well the standards and regulations of its field [6], but nowadays the accountants are familiar with concepts from a wider range of activities, such as legal, fiscal or human

resources. The services offered by accountants start from bookkeeping and may vary to compiling financial statements, payroll services, support in budgeting and forecasting process, consulting services, tax advisory or personnel accounting [8]. Therefore, the accounting profession has continuously evolved into becoming a complex and important profession within the society.

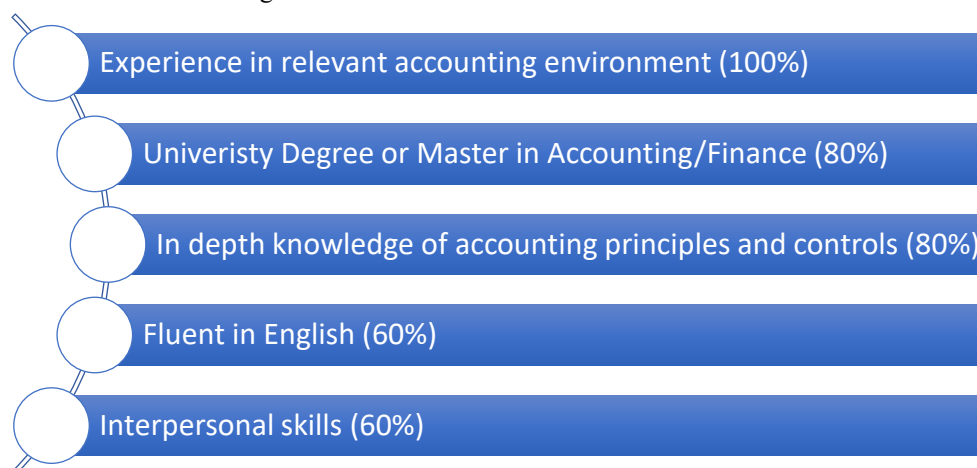
In order to ensure a better understanding of the skills accountants need, we took into consideration the skills demanded by the top five employers in Europe in 2018, before any signs of COVID-19 were available. The top five companies were chosen taken into consideration the total revenue amount, as shown below in Table no.1

Table no.1 Top five companies from Europe in 2018

Company	Revenue amount in 2018
1. Royal Dutch Shell	311,9 mld \$
2. Volkswagen	260 mld \$
3. BP	244,6 mld \$
4. Glencore	205,5 mld \$
5. Daimler	185,2 mld \$

After a thorough analysis of the skills required by these companies, it was concluded which were the main skills and qualifications which were common, along with their percentage of appearance in the job descriptions. The results of this analysis are shown below in Figure 1.

Figure 1. Skills of accountants before COVID-19



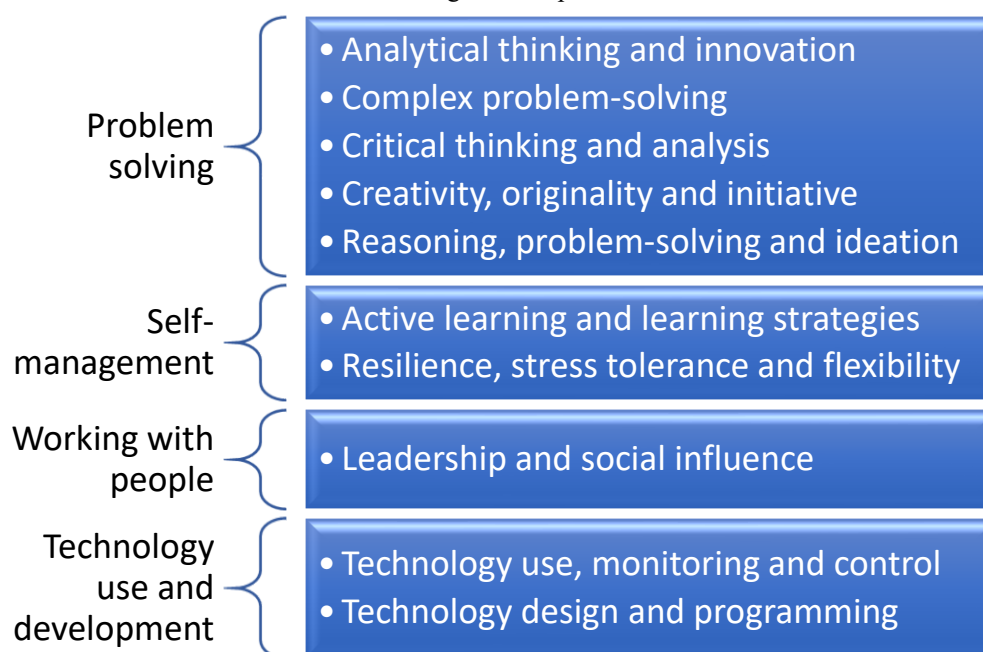
As seen above, the main focus was on skills regarding the accounting principles, as well as relevant experience in the the field. Some companies also stressed the importance of interpersonal skills and English fluency, but only one company mentioned that accountants need the ability to manage time and patience during high pressure cutoff situations or to have a flexible and proactive attitude.

### 3. Tasks and skills of an accountant after COVID-19

The devastating impact of the COVID-19 is affecting not only the public health section, but also it has implications in the financial development of the countries which were affected by it [8]. What is difficult to measure, is the dimension of the impact it will have from a financial point of view, as it is a new situation that the world was not prepare to face.

During the Job Reset Summit, it was stated that 50% of the employess will go through a process of reskilling by 2025 due to an increase in the adoption of technology. "We have the means to reskill and upskill individuals in unprecedented numbers, to deploy precision safety nets which protect displaced workers from destitution, and to create bespoke maps which orient displaced workers towards the jobs of tomorrow where they will be able to thrive." [12]. As previously said by Prof. Klaus Schwab, the positive side is that we do have the necessary means to proceed with this reskilling and we should consider this whole process as an opportunity rather that a disadvantage. The main skills that were mentioned during the Jobs Reset Summit were critical thinking and problem-solving. It is expected that their proeminence will grow in the next five years. Moreover, due to the isolation during this pandemic, people should pay attention to self-management skills such as active learning, resilience, stress tolerance and flexibility [11]. As it is better to embrace the change, the leaders at the Jobs Reset Summit presented which would be the main ten skills needed in 2025, grouped in four main categories, as presented in Figure 2. In order to remain relevant and competitive on the marketplace, people worldwide should try to gain most of the skills listed below.

Figure 2. Top skills of 2025



Source: The Future of Jobs Report, World Economic Forum

Like all the professions, accountancy will have been changed dramatically after COVID-19 [5]. Accountants should be accustomed to the digitalization of the processes, which were thought to happen in the next 10 years from now. However, this situation should be perceived as an opportunity to rapidly transform in order to surpass it. In the same report mentioned before in this paper, there is a list of the jobs for which the demand will grow and the jobs for which the demand will decrease, as presented in Figure 2. As it can be seen, the first positions from the list of the jobs with low demand are represented by the accounting field. The authors of the report argue that these jobs are on the top of the list due to their high rate of automation. Although this may seem like a catastrophic scenario for an accountant, one can use these red flags to its own advantage by reskilling or by trying to adapt

his or her work to the new conditions. Continuous learning should be the most powerful way to face these new changes that arise [13]. One cannot only wait for the new conditions the world will face, but try to be part of that change and embrace it in its early stages. Moreover, this job disruption will be counter-balanced by the creation of jobs within related fields, the so called *Jobs of Tomorrow*. “Over the coming decade, a non-negligible share of newly created jobs will be in wholly new occupations, or existing occupations undergoing significant transformations in terms of their content and skills requirements” [12], as listed below.

Figure 3. The top 10 jobs in increasing and decreasing demand by 2025



Source: World Economic Forum

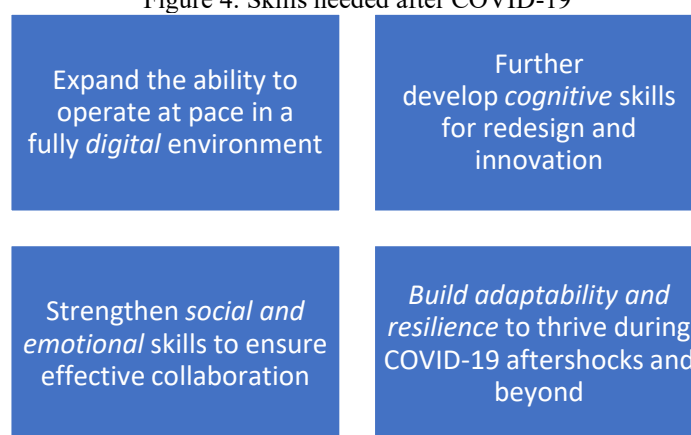
Taking into consideration the ideas mentioned above, accountants should learn as much as possible from what happened during this pandemic. For example, the challenges that came from the lockdown of various regions or countries should encourage accountants to have a more flexible attitude. Specifically, when accounting firms are no longer tied to a specific office, they can hire more diverse talent from different geographical areas.

While the core skills of the accountants have remained the same, the profession itself is developing, forcing accountants to quickly adapt and embrace new skills [8]. One important lesson from this crisis would be that accountants should rethink and evaluate the manner in which they remain relevant and adapt to new circumstances in order to be fully prepared for uncertainty. Another skill that should be imperative for accountants is the ability to use different tools and applications [2], [13]. Although before the pandemic digitalization was identified as a strategic point of interest, during 2020, we were forced to work mostly using technology. The traditional services offered by accountants should now be adapted to this new context, where we should not only passively adopt the changes we face, but to proactively seek opportunities that technology offers.

The skills mentioned above were summarized in a report published by the McKinsey&Company, which highlights the skills employees need after COVID-19 (Figure 4). The

first and most important one is the ability to work in a fully digital environment, as “a degree of technological skill will be essential to each employee” [13]. Digital skills will ensure an easier and faster communication between accountants and their customers. Moreover, it will facilitate the process of transmitting the necessary documentation in a timely manner. Secondly, the new working environment will require the development of cognitive skills for redesign and innovation. Even though accountancy is a precise field, a certain level of creativity and innovation is needed in order to increase the efficiency of the process itself. Thirdly, there is a need to strengthen social and emotional skills in order to ensure an effective collaboration and management. The collaboration between an accountant and his or her clients is imperative to the accountancy profession. “To maintain strong professional ties – despite distances – and create and grow client relationships, drive change, and support employees remotely, leaders will need advanced communication and interpersonal skills, including empathy” [13]. Eventually, as it has already been mentioned before, one of the most important skills during this unprecedented situation is to build adaptability and resilience. Flexibility has always been an extremely valuable skill, but now is the perfect time to benefit the most from its advantages.

Figure 4. Skills needed after COVID-19



Source: McKinsey & Company

Therefore, during this pandemic, accountants should embrace a flexible attitude and adopt new ways of working, align their previous objectives with the current context and seek every opportunity which arises from the use of the technology and digitalization [13]. Moreover, the technological disruption that is currently transforming the jobs worldwide is also the one that can be the key of creating new ones, which should encourage us develop new and complex skills [11]-[13].

## 5. Conclusions

During this unprecedented period of uncertainty related to the COVID-19, every sector is affected and there is a need of a general shift both in the way things are done, but also in the attitude of the people. When referring to the skills of the accountants, we can argue that before the pandemic the main focus was on their knowledge and experience in the field. Their professional competency was seen as the most important asset. However, after the pandemic, it seems that this is no longer enough to remain relevant as a professional accountant. There is a need of a shift in the attitude. The accountant after COVID-19 must be more flexible and have an open attitude towards change. It should surpass the traditional manner of providing services and seek every opportunity that arises. Moreover, he or she should learn how to cope with the new tools and emerging technologies, as digitalization will be a pillar of paramount importance in the near future.

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