

# 48TH ANNUAL ACCOUNTANTS' CONFERENCE



## **Professional Accountants: Building a Greater Nigeria Through Innovation, Technology and Entrepreneurship**

*By*

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- Technology, Innovation & Entrepreneurship
- Professional Accountants and Nation Building
- Values that will Drive Corporate Nigeria to Excel in the Global Economy
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- Conclusion



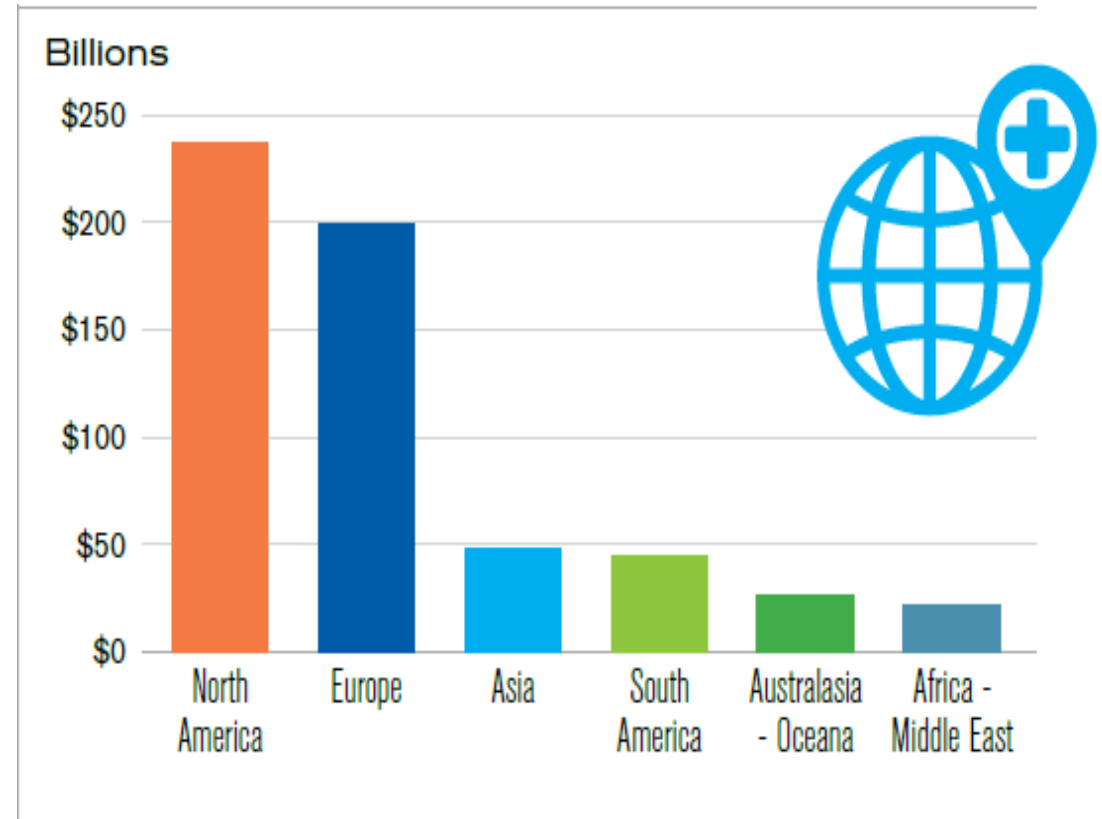
*“The successful companies of the next decades will be the ones that use digital tools to re-invent the way they work. These companies will make decisions quickly, act efficiently and directly touch their customers in positive ways. Going digital will put you on the leading edge of a shockwave of change that will shatter the old ways of doing business”.*

*Bill Gates – Business at the Speed of Thought*

# INTRODUCTION

## Accounting Profession's Contribution To Global Economy

- According to the International Federation of Accountants (IFAC) Nexus 2 study, the global Accountancy Profession contributes nearly US\$600billion annually to the global economy.
- Professional Accountants currently make the largest economic contributions in developed economies—particularly in Europe and North America

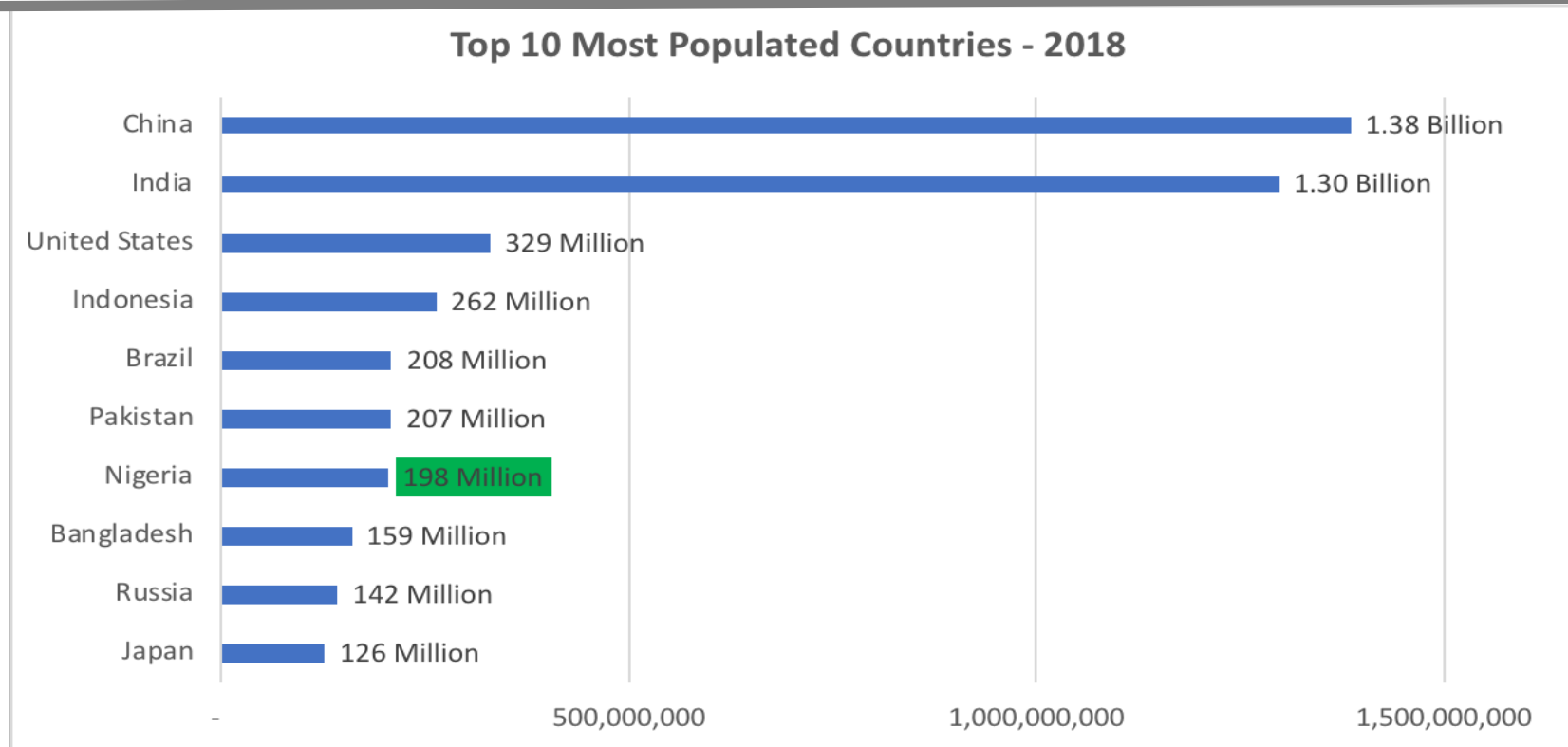


Source: International Federation of Accountants (IFAC)

# Introduction

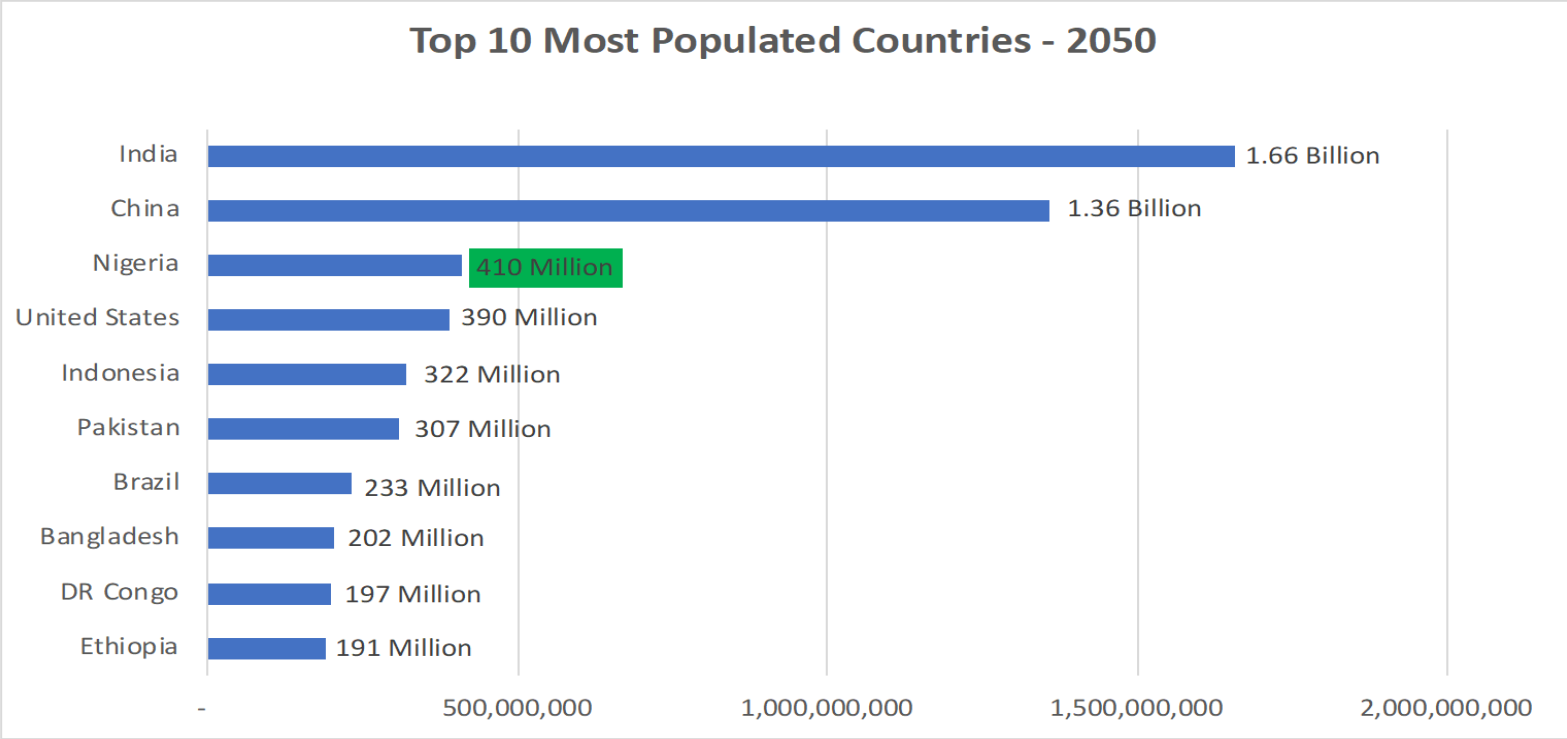
- Nigeria is supported by a passionate and engaging accountancy profession, led by this great body – ICAN.
- Nigeria has over 45,000 professional accountants playing crucial roles in building a stronger and greater Nigeria.
- As at early 2017, Zenith Bank is the highest employer of professional accountants in Nigeria employing 666 professional accountants. However FIRS overtook Zenith Bank late 2017.

# Nigeria's Demographics



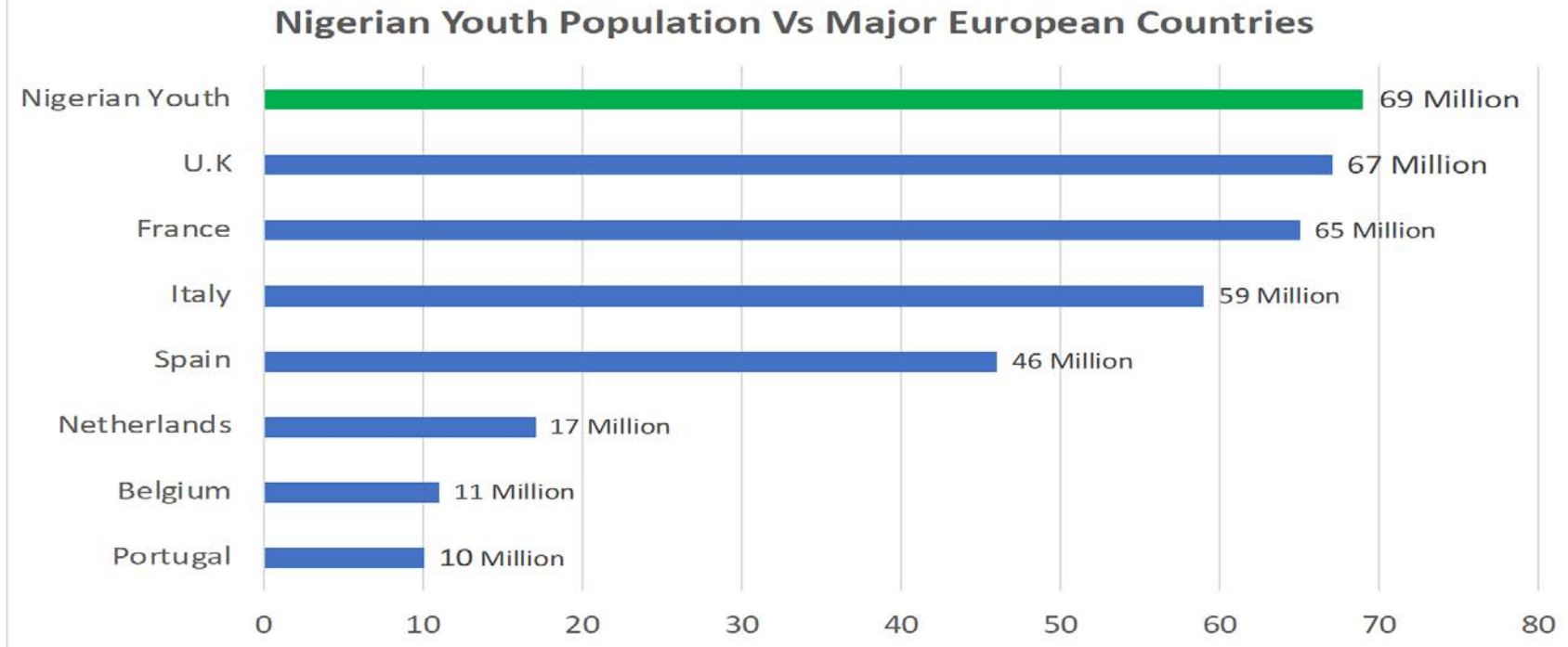
Nigeria is the 7th most populous country in the world with 198 million people (Males – 51%, Females – 49%); it is also Africa's most populous country and largest economy.

# Nigeria's Demographics



By 2050, Nigeria is projected to be the world's third most populous country with estimated population of 410 million

# Nigeria's Demographics



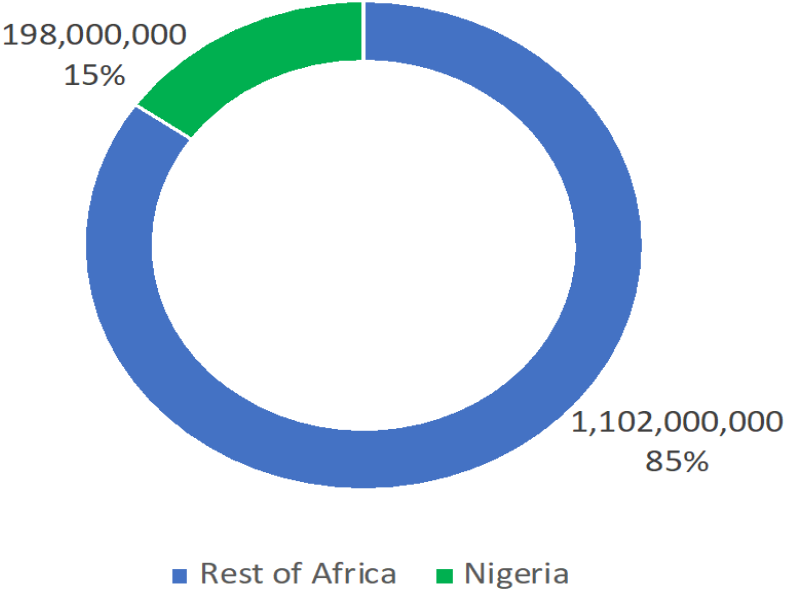
- Youth population in Nigeria at 69 million is larger than all European countries except Russia and Germany.
- According to the National Population Commission, overall youth literacy rate is 73%
  - Male – 80%
  - Female – 65%



# Nigeria's Demographics



Nigeria's Share of Africa's Population - 2018



Nigeria currently accounts for 15% of Africa's population

# Nigeria Demographics

- Nigeria is Africa's most populous country with nearly 200 million people.
- By 2050 Nigeria is projected to be the world's third most populous country with total population expected to exceed 400 million.
- Nigeria has 69 million youths, representing about 35 percent of the total population.
- Youth population in Nigeria is larger than all European countries except Russia and Germany.
- Nigeria's young and highly entrepreneurial population presents extraordinary advantages for future growth.



“Information technology gave Zenith Bank the ability to not only build our brand, but to begin to change the negative perceptions people had of Africa”

*Jim Ovia: Africa Rise and Shine*

# Technology, Innovation & Entrepreneurship

## Top 10 Companies Globally by Market Value as at Q3, 2018

Value Rank	Company	Market Value (Billion)	Sector
1	Apple Inc.	US\$1,091	Technology
2	Amazon.Com	US\$976.65	Retail/Technology
3	Microsoft	US\$877.40	Technology
4	Alphabet Inc.	US\$839.74	Technology
5	Berkshire Hathaway	US\$523.52	Financials
6	Facebook	US\$473.85	Technology
7	Alibaba Group	US\$423.60	Retail/Technology
8	Tencent	US\$388.08	Technology
9	JPMorgan Chase	US\$379.44	Financial
10	Johnson & Johnson	US\$370.65	HealthCare

Source: Fortune 500

- 7 out the 10 top companies in the world by market value are Tech-companies.
- There is a direct relationship between the most technologically advanced countries in the world and the most economically advanced.
- Technology is a key tool to economic development, it helps build confidence, attract investors and create jobs.

# Technology, Innovation and Entrepreneurship: Keys to Unlocking Nigeria's Potential

- In Nigeria, the following banks have used technology and innovation to improve their processes
  - Zenith Bank
  - GT Bank
  - Access Bank
  - First Bank of Nigeria
  - United Bank for Africa

# Innovation, Technology and Entrepreneurship: Keys to Unlocking Nigeria's Potential

- There are other upcoming start-up, that offer technological driven services in Nigeria:
  - Konga
  - Jumia
  - IrokoTV
  - Paystack
  - Flutterwave
  - TeamApt
  - Cellulant

# Professional Accountants and Nation Building

- Accountant play the following significant role in nation building:
  - Transparency
  - Accountability
  - Corporate Governance
  - Foreign Direct Investment

# Professional Accountants and Nation Building

- Accountant play the following significant role in nation building:...*Count..*
- Support accurate compilation of taxes
- Judicious administration of tax laws and implementation of same
- Revenue collection and economic growth
- Enforcing accounting standard as the component of institutional infrastructures



# Accounting Failure – Global Examples

- Failure of Professional Accountants to discharge their duties professionally and ethically can lead to catastrophic failure of businesses:
  - **Enron Corporation**
  - **Worldcom**
  - **Freddie Mac**
  - **American Insurance Group (AIG)**

# Accounting Failure – Global Examples *cont...*

- The Financial Times of September 30, 2018 reported that “the UK government has called for a sweeping review of Britain’s Auditing Industry, raising expectation that it will back reforms in scandal-hit sector dominated by the so called Big 4 Firms”.
- This is as a result of the role of audit companies played in the collapse of Carillion and retailer BHS

# Values that will Drive Corporate Nigeria to Excel in the Global Economy

- Discipline
- Transparency
- Leadership
- Mentorship
- Rule of law
- Knowledge
- Sacrifice

# Conclusion

- There is dearth of empirical research on the contribution of the accounting profession to Nigeria's economic growth and development.
- There is need for professional accountants to leverage innovation and technology to create new or improved services and address major developmental challenges.

“If you don't make a friend of technology, it may become your enemy. The trend towards rapid technological development will continue indefinitely. Make the presumption that the technology of tomorrow is accommodated in the plans you make today”

*Jim Ovia: Africa Rise and Shine*



# THANK YOU



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*...in your best interest*

