Accounting during Pandemic: Challenges and Opportunities for Accounting Technicians

July 2020
By Jamiu Olakisan (HND, B.Sc., ACS, FCA, FCCA)
Disclaimer

► This material has been prepared for general informational purposes only and is not intended to be relied upon.
► The views expressed by the presenters are not necessarily those of EY.
► This presentation is © 2020 EY. All Rights Reserved.

EY is a global leader in assurance, tax, transaction and advisory services. The insights and quality services we deliver help build trust and confidence in the capital markets and in economies the world over. We develop outstanding leaders who team to deliver on our promises to all of our stakeholders. In so doing, we play a critical role in building a better working world for our people, for our clients and for our communities.

EY refers to the global organization, and may refer to one or more of the member firms, of Ernst & Young Global Limited, each of which is a separate legal entity. Ernst & Young Global Limited, a UK company limited by guarantee, does not provide services to clients. For more information about our organization, please visit ey.com.
“We won’t return to the old normal ever.”

40 chief executives who are members of Fortune’s CEO Initiative

Agenda

1. Background
2. Economic impact of COVID-19 pandemic
3. COVID-19 and new ways of working
4. Challenges for accounting technicians
5. Opportunities for accounting technicians
Background
The COVID-19 pandemic, also known as the coronavirus pandemic, is an ongoing pandemic of coronavirus disease 2019 (COVID-19), caused by severe acute respiratory syndrome coronavirus 2 (SARS-CoV-2). The outbreak was first identified in Wuhan, China, in December 2019. The World Health Organization declared the outbreak a Public Health Emergency of International Concern on 30 January, and a pandemic on 11 March 2020.
Background

The threats posed by the coronavirus outbreak are not stopping. More countries have imposed travel bans on millions of people and more people in more locations are placed with quarantine measures. Businesses are dealing with lost revenue and disrupted supply chains. The disruption to global supply chains due to factory shutdowns has already exposed the vulnerabilities of many organisations.

The outbreak has also resulted in significant volatility in the financial and commodities markets worldwide. There are already signs that the virus has significantly impacted the world economy.
Economic impact of COVID-19 pandemic
Business activities have been disrupted globally as Covid-19 pandemic intensify. World-Wide conferences, legal gatherings, sporting events, political rallies, economic transactions, have all been affected by the outbreak.
Economic impact of COVID-19 pandemic

- Substantial increase in unemployment
- Capital flight
- Possibility of insolvency and default
- Significant contraction of FDI
- Trouble in global value chains and supply chain contagion
- Impact on production and trade
- The demand shock
- The supply shock

Accounting during pandemic: Challenges and opportunities for accounting technicians
COVID-19 and new ways of working
COVID-19 and new ways of working
COVID-19 and new ways of working

This pandemic which has taken the world by storm, has completely changed our lives, especially with the drastic measures being churned out by various governments across the globe, including Nigeria.

COVID-19 has ushered in a new kind of economic reality where digital plays a greater role, giving a boost to the development of the Digital Economy.
Six ways COVID-19 will change the world of work

1. Remote work will become a widely accepted alternative to location-based work.
2. Finding talent will become easier as new hires will be available globally via remote work.
3. Virtual learning will expand dramatically so that employees can develop their skills in less time.
4. Virtual reality will advance so that employees can work more collaboratively through common viewing.
5. Telemedicine usage will spread as companies and employees recognize the value of distance care.
6. Employers will become more fiscally conservative than they were in the 2010s.
Challenges for accounting technicians
Challenges for accounting technicians

Global accountancy professional body continue to encourage employers and its members to always keep an open mind and continue to learn and relearn to be future-ready, especially in this challenging period of COVID-19.

Individuals that are able to use technology well to maintain operations and adapt business models by fast-tracking digital transformation will be more competitive.
Challenges for accounting technicians

Lack of the following skills hinder performance during pandemic:

- General business knowledge
- Specialized experience
- Adaptability and flexibility
- Up-to-date technology expertise
Opportunities for accounting technicians
Opportunities for accounting technicians

Accountancy careers in the 2020s

Global trends are transforming the world of work and reshaping the future of the accountancy profession. This is the story of how careers in the profession will adapt, how skills will transform and how learning in the profession will evolve as the profession takes centre stage in building and protecting businesses and organisations in a future sustainable global economy.
Opportunities for accounting technicians

The five exciting career zones of opportunity that will emerge in the future of accountancy and contribute to building a sustainable business are:

- The assurance advocate
- The business transformer
- The data navigator
- The digital playmaker
- The sustainability trailblazer
Opportunities for accounting technicians

**The assurance advocate:**

- Using digital tools and technologies to transform the risk, reporting and internal control landscape to create and preserve value
- Using digital to support responsible business practice, and drive transparency and trust in the business organisation

**The business transformer:**

- Digital is the catalyst for business transformation.
- Advisory services continue to go from strength to strength.
- Size does not matter anymore – smaller players can leverage on digital to compete with big players
Opportunities for accounting technicians

**The data navigator:**

- Acquiring smart data becomes a growing imperative.
- Data sources present exponential growth in opportunities for more and better insight.
- Ability to develop and apply rich data sets and analytical tools to provide real-time insights become very critical.

**The digital playmaker:**

- Digital adoption is key.
- Digital technologies continue to transform the smart automation agenda.
- Deeper expertise in automation and cognitive technologies is increasingly prized.
- Can act as technology evangelists, identifying the potential of robotics and machine learning to transform finance, and working with tech teams to drive productivity and better decision support.
Opportunities for accounting technicians

The sustainability trailblazer:

- Stakeholders demand better explanations of value creation and delivery of organisational outcomes.
- In a world of increasing constrained resources and disrupted business models, value is created by more than just financial capital.
- Can set frameworks that capture, measure and report on activities that truly drive value, providing more meaningful and transparent information about the organization’s performance.
Traditional accounting capabilities

Statutory Audit
Internal Audit
Accounting Operations
Accounts Payable and Receivable
Bookkeeping
Corporate finance
Tax Management
Financial reporting

Future accounting roles

Data Science and Analytics
Digital Tax Management
Artificial Intelligence
Machine Learning
Financial Modelling
Risk Modelling
Cloud Accounting
Blockchain
“We stand on the brink of a technological revolution that will fundamentally alter the way we live, work, and relate to one another. In its scale, scope and complexity, the transformation will be unlike anything humankind has experienced before.”

World Economic Forum, 2016
Disclaimer

► This material has been prepared for general informational purposes only and is not intended to be relied upon as accounting, tax, or other professional advice. Please refer to your advisors for specific advice.
► The views expressed by the presenters are not necessarily those of EY.
► This presentation is © 2020 EY. All Rights Reserved.

EY is a global leader in assurance, tax, transaction and advisory services. The insights and quality services we deliver help build trust and confidence in the capital markets and in economies the world over. We develop outstanding leaders who team to deliver on our promises to all of our stakeholders. In so doing, we play a critical role in building a better working world for our people, for our clients and for our communities.

EY refers to the global organization, and may refer to one or more of the member firms, of Ernst & Young Global Limited, each of which is a separate legal entity. Ernst & Young Global Limited, a UK company limited by guarantee, does not provide services to clients. For more information about our organization, please visit ey.com.