

The 2nd Chapter Seminar (SA) Exploiting Business & Professional Opportunities Abroad

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Credibility

Professionalism

AccountAbility



You want to get your accounting firm's name in front of potential clients on a global scale. What's the best way to fuel opportunities?

- a. Focus your theme as narrowly as possible.
- b. Create a content strategy.
- c. Exploit the power of LinkedIn, blogs, Twitter, and other social media.
- d. Seek opportunities to get your content published in trade publications.
- e. All of the above.



e. All of the above



You have your eye on a potential client, a U.S. subsidiary of a Japanese company, but nobody in your office has a contact. What's the fastest way to get a referral to the subsidiary's CFO?

- a. Seek help from a managing partner in your firm whose office is located near the target company.
- b. Do a Google search of the parent company and send an email in Japanese.
- c. Check your LinkedIn network.
- d. Find the CFO on the company's website and call him or her.
- e. Call the U.S. trade representative nearest the parent company.



c. Check your LinkedIn network.



As the number of potential international clients increases, Professional Accountants will encounter different business cultures. How does that change business development?

- a. To win the sale, you need to demonstrate respect for your prospect's culture and engage in customary business practices even if the discussion is in English.
- b. You need to bring an appropriate gift to win a sale.
- c. The European/American style of doing business is accepted worldwide, because most of the world has adopted English as a standard business language.
- d. Social media has become a great tool for overcoming cultural barriers.



a. No shortcut to establishing trusting and valuable long-term relationships. Be culturally sensitive. Familiarize yourself with prospective client's culture.

Japan - business cards can speak volumes. Must be of a high-quality. Whenever cards are exchanged, receive with both hands, read over carefully, and then place on the table in front of you, or in a card holder. Avoid dropping it in your pocket, as this may be considered disrespectful.

Brazil - often considered rude to start business discussions before your host does. Allow the host to take the lead and decide when to transition from chit-chatting and relationship building to business discussion.

In many countries you are likely expected to be on time, if not early, for a business appointment, even though your hosts may arrive late.

Gifts can be legally problematic.

eg:



Your accounting firm wants you to recruit new international clients, and you have a good understanding of the kind of companies you're supposed to target. What effort is most likely to elicit inquiries into the specific services your firm could provide?

- a. You attend social events, such as annual chamber of commerce dinners, where you can meet executives of companies and hand them your business card.
- b. You start a monthly newsletter that addresses accounting and tax issues your target companies care about, and you email it to them.
- c. You conduct regular webinars about accounting and tax issues that companies care about.
- d. You offer monthly seminars on accounting and tax issues in various locations, and you use a contact in each location to invite your target companies to attend.



d. Seminars cost more than webinars and newsletters, but not only do they attract companies seeking help, they also provide the face-to-face contact necessary to build the kind of trust that attracts new international clients.



Your accounting firm wants you to recruit Chinese companies that are considering a local expansion. You get the name of a company from the trade office, alliance partners, or other Chinese players, such as investment bankers. What's the course of events most likely to happen next?

- a. You work your LinkedIn network to find a contact in China who will refer you to the target company and arrange a face-to-face meeting with the top executive.
- b. You get on a plane and visit your Chinese contacts, who will arrange a face-to-face meeting with the target company's top executive. The first meeting goes well, so your boss goes to Shanghai to sign the new client.
- c. On one of your three or four annual trips to China, one of your contacts there gives you a referral. You sign the new client after visiting the target company repeatedly during your next several trips to China.
- d. All of the above.



c. In China, business relationships are built on trust, which requires multiple face-to-face visits to show your commitment. In the beginning, the same person should visit the target company each time, and it helps a great deal if that person speaks the local language or dialect and is familiar with local customs.

Source: Journal of Accountancy

So Far, So Good!





What do these items have in common?















Sources: The Future of Employment: How Susceptible Are Jobs to Computerisation? and CFO Innovation

Are you NEXT?









Sources: The Future of Employment: How Susceptible Are Jobs to Computerisation? and CFO Innovation

Hold on! Are you becoming REDUNDANT?





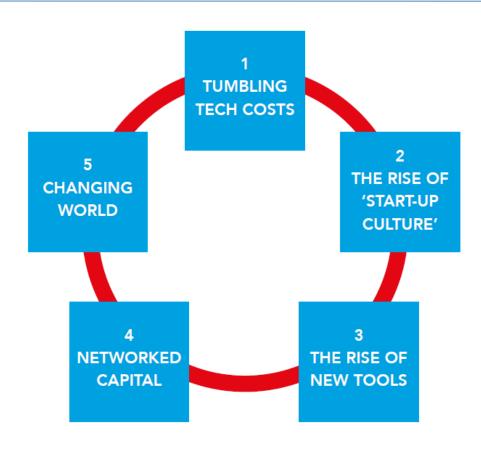


	Probability of computerisation	
Most Likely to be Replaced		
Tax Preparers	0.99	
New Accounts Clerks	0.99	
Data Entry Keyers	0.99	
Loan Officers	0.98	
Procurement Clerks	0.98	
Credit Analysts	0.98	
Bookkeeping, Accounting and Auditing Clerks	0.98	
Payroll and Timekeeping Clerks	0.97	
Cashiers	0.97	
Budget Analysts	0.94	
Accountants and Auditors	0.94	

Sources: The Future of Employment: How Susceptible Are Jobs to Computerisation? and CFO Innovation

The World Is Changing

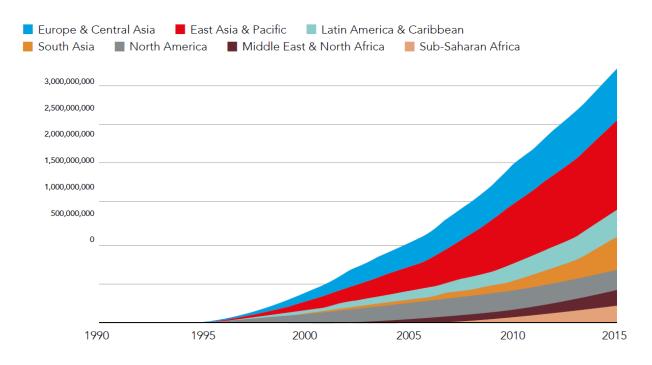




The World Is Changing



Figure 1: Number of internet users by world region, 1990 to 2015



Effect on Labour Market



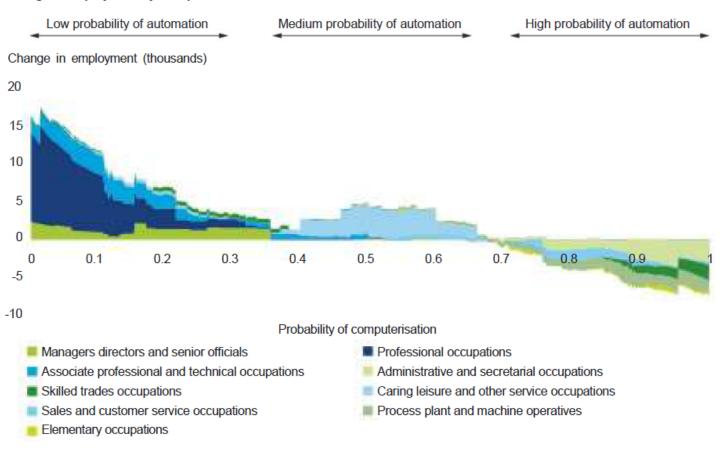
Occupations with the largest growth or decline since 2001

Occupations with largest fall in employment	Probability of automation (%)	Change in jobs by occupation ('000s)	Occupations with the greatest rise in employment	Probability of automation (%)	Change in jobs by occupation ('000s)
Personal assistants and other secretaries	85	-204	Care workers and home carers	50	271
Typists and related keyboard occupations	99	-108	Teaching assistants	56	235
Bank and post office clerks	98	-83	Nurses	1	186
Retail cashiers and check-out operators	97	-72	Secondary education teaching professionals	1	131
Shopkeepers and proprietors, wholesale and retail	16	-69	Sales accounts and business development managers	16	122
Postal workers, mail sorters, messengers and couriers	80	-65	Business and financial project management professionals	11	115
Assemblers (electrical and electronic products)	94	-60	Teaching and other educational professionals n.e.c.	1	113
Business sales executives	60	-58	Primary and nursery education teaching professionals	56	110
Metal machining setters and setter-operators	79	-51	Chefs	57	103
Sewing machinists	89	-47	Property, housing and estate managers	25	101

Source: Frey and Osborne, Deloitte analysis 2015





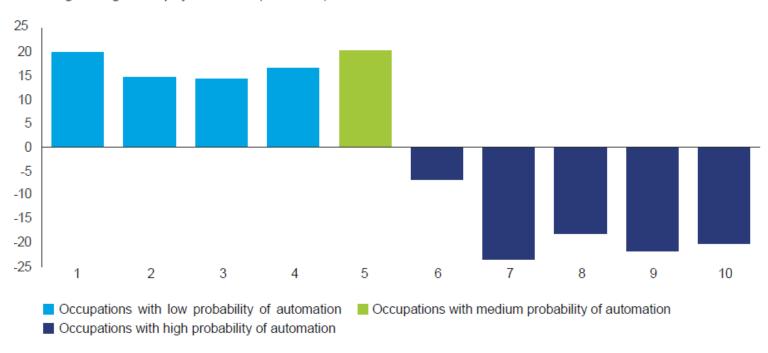


Source: Frey and Osborne, ONS, Deloitte analysis 2015



Change in employment by probability of computerisation

Percentage change in employment share (2001-2015)



Source: Frey and Osborne, Deloitte analysis 2015

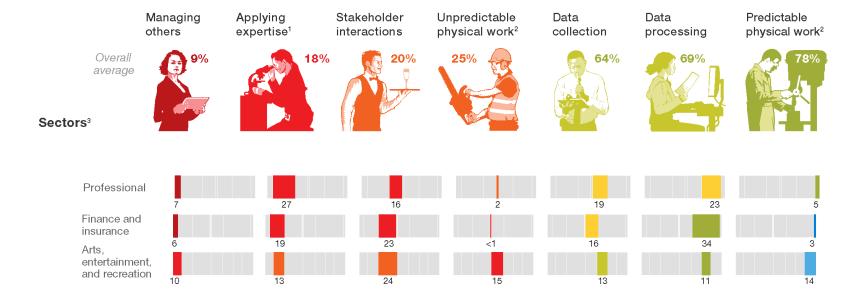


The technical potential for automation in the US

Many types of activities in industry sectors have the technical potential to be automated, but that potential varies significantly across activities.

Technical feasibility: % of time spent on activities that can be automated by adapting currently demonstrated technology







Caveat:

- •Just because something can be automated doesn't mean it will be Cost vs benefit considerations
- Certain physical jobs have the highest potential to be automated.

Workers won't necessarily be out of the job, but their roles may very well change. Reskilling may be necessary

Robots aren't great at making beds — yet.

activities that require physical movement or operating machinery in unpredictable settings are relatively challenging to automate

Time to become a teacher?

education among the least susceptible to automation. machines, so far, unable to automate complex interactions with other people

Benefits of automation greater

value of new jobs created outweighs jobs lost

Source: McKinsey

How to respond?



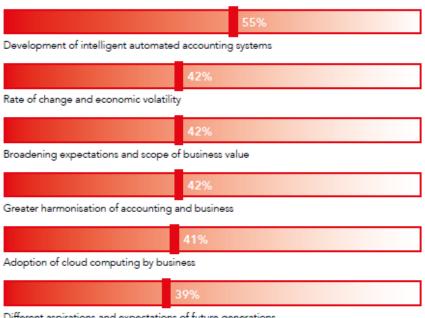
how do you chart a steady course for your business when the only thing we know for certain is that nothing is certain?

Industry Perspective – **Drivers of Change**



Medium Term

Figure 1: The external factors expected to have the most impact over 3 to 10 years



Different aspirations and expectations of future generations

Industry Perspective – Drivers of Change



Long-Term

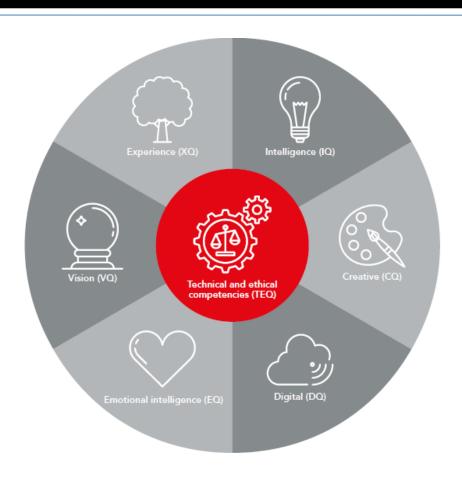
Figure 2: The external factors expected to have the most impact beyond 10 years



Changing social expectations and evolving scope of what is considered accounting and the role of the accountant

Industry Response – Professional Quotients





Professional Quotients



- Technical and ethical competencies (TEQ): The skills and abilities to perform activities consistently to a defined standard while maintaining the highest standards of integrity, independence and scepticism.
- Intelligence (IQ): The ability to acquire and use knowledge: thinking, reasoning and solving problems.
- Creativity (CQ): The ability to use existing knowledge in a new situation, to make connections, explore potential outcomes, and generate new ideas.
- Digital quotient (DQ): The awareness and application of existing and emerging digital technologies, capabilities, practices, strategies and culture.
- Emotional intelligence (EQ): The ability to identify your own emotions and those of others, harness and apply them to tasks, and regulate and manage them.
- Vision (VQ): The ability to anticipate future trends accurately by extrapolating existing trends and facts, and filling the gaps by thinking innovatively.
- Experience (XQ): The ability and skills to understand customer expectations, meet desired outcomes and create value.

Impact on Business Lines



Specific Challenges:

<u>Audit</u>

- expand their understanding of emerging technologies and their application to audit
- •enhance their interpersonal skills in response to working with auditors from different countries and cultures

Corporate Reporting

- More regulation, increased and more frequent corporate disclosures
- More skill to present big picture without drowning people in data

Financial Management

•Team work, language skills, multicultural awareness and ability to collaborate, influence, persuade, speak articulately and present to others inside and outside finance will be vital for tomorrow's financial leaders

Impact on Business Lines



Governance, Risk and Ethics

- •a more all-inclusive approach to corporate governance
- •a more integrated approach to risk management
- •Professional accountants need to become accomplished users of business intelligence and data analytics technologies
- •essential in order to better identify, manage and mitigate risks in the business Strategic Planning and Performance Management
- •Role extends beyond the finance function; more proactive than reactive; partner, collaborate and network; and develop and manage relationships with a broader range of stakeholders

In Summary



Professional Accountants can provide a multidimensional set of skills that allow for opportunities to be realised:

1. Technology:

Opportunities and challenges presented by technology require an evolving level of digital literacy and an understanding of the new interconnections between digital components of the operating environment.

2. Legislation:

From a legislative perspective, new business models present opportunities for professional accountants to provide relevant advice on shifting regulatory landscapes that is both sector specific, and often, in an increasingly interconnected world, multijurisdictional.

3. Value:

key role to play in reporting on how new types of value is created, which will demand growing set of competencies. This could be related to, for example, social impact assessment, environmental accounting or other non-financial capital valuation techniques





Thank You

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