

## Foresight: The CPA Podcast

### Episode 2: The Big Shift. What Jobs Will CPAs Have in the Future?

**David McGuffin:** Hi, and welcome to Foresight, the CPA podcast. A podcast produced by CPA Canada that explores the future of the accounting profession. I'm your host, David McGuffin.

In each episode, we'll reimagine what CPAs do, how they do it, and the impact they have around the world. This podcast is part of the Foresight Initiative from CPA Canada, aimed at setting a new strategic direction for the Canadian accounting profession. So let's get started.

In 2021 change is the new normal. We see this everywhere, in the global economy, in our working worlds, in our physical environment. The accounting profession is no exception. Over the last two decades, we've seen changes within the profession that have necessitated new skills and the adoption of new ideas and technologies.

So, when we look to the future of accounting, what does the profession itself look like? What are the jobs of the future and how do we best equip ourselves to excel in these new rules? To discuss this, I'm very happy to be joined by Tim Jackson. He is the chair of the Competency Map Task Force, which is responsible for the creation of CPA Canada's new competency map. A document that lays the foundation for the CPA certification program, including education, accreditation, examinations, and practical experience requirements.

So Tim, thanks so much for joining us today.

**Tim Jackson:** Thanks, David, for having me on.

**David McGuffin:** So much going on in the world right now and so much going on in the accounting industry. How important is it that accounting adapts to these changes, and what are the risks if it doesn't?

**Tim Jackson:** Clearly, the world is changing. And so we would be naive as a profession if we didn't say we have to change along with it. So change, quite frankly, is critical, and it's not just change for change's sake. The World Economic Forum does a job survey every four or five years. And in the most recent version of that came out last year, they identified which jobs are on the increase and which jobs are on the decrease.

And I think it's a bit of a wake up call for the profession because when you look at the decreasing jobs, number one was data entry clerks. Number two was administrative assistance. But number three was accounting, bookkeeping, payroll clerks, number four was accountants and auditors. And so that is a huge wake up call for the industry. And perhaps even more concerning is the previous report, which was four years prior, had accounting and auditing and bookkeeping at number seven. So what it's saying is, our jobs are becoming less and less relevant and we'll be in less and less demand. So we have to change, otherwise... we have to adapt and evolve.



Now the good news is, when you look at the increasing jobs, the number one is data analysts and scientists. Number three is big data specialists. So I view that as an opportunity. There's an opportunity for the CPAs and the profession to say, "we can play a role in that."

If you think about the traditional accountant, we've been dealing with data throughout our history. People think about it as the numbers and the financial statements and the data that goes into financial statements. Well, perhaps there's actually a role for us in validating, opining on data that goes beyond just pure financial data.

**David McGuffin:** So, to take that a step further from a career development perspective, what should CPAs be thinking about in order to protect their relevance? And I think you've touched on this a bit, but what sort of value added things do they need to look at in this evolving landscape?

**Tim Jackson:** I think there's no question, one of the most important things that any CPA can do at any point in their career is they need to learn how to learn. Which is the sense of being able to adapt to a changing world. There's some really interesting work that's been done by RBC that looks at youth, for example. And it's some guidance they provided youth and saying, what would the job market look like? And so they've identified that 25% of Canadian jobs will be disrupted by technology in the upcoming decade, and more than half will see an overhaul of the skills required.

Well, that translates to accountants just as well as it does to any other profession. And so there's this idea that you constantly have to be up-skilling, I think you constantly have to be thinking about micro-credentialing you have to be thinking about how do I learn, how to learn to change. RBC...

One of the other findings they had in that report was that all job openings of the future will put some importance around judgment, decision-making and two thirds of new jobs will require an ability to manage people and resources. So what that says to me is that as our profession thinks about the future, yes, there are things that are going to be taken over by machines, and yes, there are things that are going to be automated, but that idea of judgment and decision-making is going to be so critical for our profession.

And so when we think about the new CPA and what should the CPA of the future have? Has to have that technical base and competencies, but it also has to have that ability to provide judgment, to think critically and to provide value, add to those that they're reporting to, or those that they're working for.

**David McGuffin:** So you talk about new skills that are needed. I mean, can you be specific about that? A little more specific about what skills and competencies are needed for the CPA of the future?

**Tim Jackson:** Yeah. I think you break the skills and competencies into three buckets. And so you have what I would call the technical skills. Those are the things that people probably think about when they think about accountants. So, we understand what an asset is. We understand the difference between asset and a liability. We understand how to keep order with data and financial stuff. So, you have that technical competencies. And that's what makes us accountants, as opposed to some other profession.

You then have a second set of skills that are what makes us a profession versus a non-profession. So those are things like understanding ethics, acting in the public interest, adding value. So those are the ones that differentiate us as a profession. So now you have an accountant who is in a profession that is self regulated. So there's an external acknowledgement that we are different than someone who is unregulated.



But then the third piece is this big critical piece, which are the human centric skills or values. And these are the things that I think we have not necessarily traditionally thought about when we think about accountants. And these are things like being curious, being adaptable, being collaborative, thinking about inclusivity. So how does ESG fit into decision-making? And communication skills. So, those are the things that a machine can't do. So those are the things that differentiate us from machine. So if you put those three things together, that's what I think the accountant of the future needs to look like.

**David McGuffin:** And if you were to direct a young CPA into how to gain those skills, where would they learn them, where would they acquire them? What's the best place for them to be looking?

**Tim Jackson:** I think there's a couple of ways to unpack that. One is that this new competency map that you referred to will actually drive how post-secondary institutions get students ready for the certification process in the profession. So part of this, we assume will continue to be learned at the post-secondary level. But one of the challenges the profession has generally had, in the last little while, with our post-secondary institutions is we have been very prescriptive. And we have said to them, "you must teach all of these things for someone to be qualified, to be a CPA." And it's meant that those schools at universities, colleges that are teaching future accountants, have had no flexibility to be able to provide what you might consider to be electives or non-core courses.

So, number one is we're going to free up some capacity at those post-secondary institutions, with the new competency map that we're going to release. So, yes, there will still be technical knowledge. That's important, but we're also going to say to those post-secondary institutions, you need to figure out a way to bring ESG, for example, into the curriculum. You need to figure out a way to bring group work into the curriculum. So number one, is the students will learn... The part of their post-secondary education journey will look a little bit different and we'll help equip them for those skills.

The other piece is, the profession is going to have to deal with, where do we learn certain things? So, in other words, there's things that will be learned at university or college, but there will be other things will be learned on the job. And those might be through internships. Those might be through co-op placements, or they might be post-certification employment.

And so I think we have to be helping employers provide tools and resources to allow employees to learn on the job. Because not all this stuff can be learned in a classroom, in a theoretical sense, it needs to be hands-on. And so part of this overhaul of the profession is not as simple as just saying here's the things a CPA needs to know, but it's also saying, so what's the role of the post-secondary institutions? What's the role of the profession, in terms of ongoing professional development? What's the role of the testing or the process to evaluate? So, there's a whole change going on within the CPA profession and I think it's going to set us up well for the future.

**David McGuffin:** And I mean, if you had to pinpoint the main danger spots coming towards us now, what would those be?

**Tim Jackson:** I think when people think about automation of many of the practices that we have traditionally done, it's a huge, I think, area of concern for the sector. And so this is where I think we need to adapt, and we



need to be thinking more about, how do we think about the future versus the past?

And so when you think about automation, for example, many of the roles that, when I was going through as a CA student and an articling student, a lot of the things I did, today are just automated. They are literally, push a button and it happens. So that doesn't exist anymore. And quite frankly, there'd be no value add that I can provide over and above a machine. But when you get to things like interpreting data, if you get thinking about how you use past data for the future, that's where I think the profession will really shine.

And I think that's where the value of the designation that where someone can say, "there is value in having a CPA." If you think about today, for example, public companies, charitable organizations, for-profit, nonprofit will typically say, "we want our audit committee chair to be a CPA. We want our CFO to be a CPA." And that's because there's an assumption that the profession brings a certain rigor, a certain set of criteria and credentials.

So, while those roles may change, I still think it's important that the profession will be seen as, "we want the CPA in that role." It just may be some of the data that CPA's working with differs today than it did 10, 15, 20 years ago.

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**David McGuffin:** Mm-hmm (affirmative). I just want to touch to you on the idea of automation and artificial intelligence. And I mean, obviously there are issues with that, but are there also opportunities that open up?

**Tim Jackson:** Yeah, I think there's huge opportunities. I've referenced this idea that certain things that we used to do, may be automated. But the computers, they can't do the analysis the way that I think a human can. They can't communicate the way a human can and they can't take a set of data and then put some intangible characteristics around it to say, "with this set of data, I'm now going to provide some guidance as to what can happen in the future."



So yes, they can interpret, but I think the reality is a human can interpret it in a context probably better than a machine can. There's no question that automation has helped and change the profession. And we've seen some of that through the pandemic. But at the end of the day, you still are looking for people to interpret. And when I think about sitting around the C-suite, whether it's in a corporate sector or whether it's in the non-profit sector, people want people to tell them what to do. People want people to help them interpret what has happened. So, the computer may spit out a set of results, but then I need to go in or someone needs to go in and say, "here's what this means. And here's the implications for us moving forward."

**David McGuffin:** I'm intrigued just by what the idea of an increased focus on what doctors would call bedside manner, almost. And I'm wondering, is that something that gets worked into curriculum? Are there actually courses on dealing with empathy and with different ways of brainstorming or working with clients that needs to be more of a focus?

**Tim Jackson:** Yeah, I think so. I think we do need to make that a bigger focus. And I think the great thing about the curriculum that we're proposing and the competency map, is that post-secondary institutions will have some ability to differentiate themselves. And so I think this ability to say, "we're going to put students into, perhaps even non-accounting courses, non-accounting situations and, start to show them some of these communication skills, for example, or analyzing a problem, doing it in group work."

When I went through and I'm going to date myself, I studied the handbook and I studied the tax act. And for the most part, I could get all the way through and get my CPA, in theory, without ever having interacted with somebody. But the reality is, if we want to add value to our client, whether that's an internal client or external, you have to be able to work with other people.

And one of, I think the things that universities and colleges can do is encourage people to be working in groups. As I always say to students, "you don't get to pick your coworkers." And so it's no different than in a university or college situation, you may be thrown into a group with people that you don't know, and you have to work together to solve a problem.

And so I think we have to be showing people as they go through the early stages of coming into the profession, how to do that, how to work with people that you might not get along with, or how to work with people that you didn't know before. Because let's face it, you go into the workforce, that's what's going to happen. You don't get to pick your coworkers.

**David McGuffin:** Yeah, that's absolutely true. So for a new CPA or someone even considering a career in accounting, what advice would you give them at this point?

**Tim Jackson:** I think the biggest thing they have to think about is embracing the idea of learning how to learn and embracing the fact that technical knowledge today will be dated a year from now, two years from now, five years from now, 10 years from now. And therefore there's a constant need to up-skill. There's a constant need to learn. And I think at the end of the day, curiosity is probably the biggest asset they can have is, thinking about what's next. And what's the future. Trying to stay ahead of it.

I think that, for the CPA of the future, it's all around adding value. It's not so much focused on historical information, which is traditionally what people... When people think about CPAs or accountants, they typically



think about someone who is dealing with historical data. And I think what we're seeing as a profession is, we're shifting to say, "that historical data is important, but it's really what do we now do with it for the future?"

And so this idea of interpreting, analyzing, and then making recommendations. So to your specific question, a student coming in, or a young person coming into the profession needs to be curious, needs to think about, how do I take a set of specific information and think about how I add value moving forward. And, they do that in large part by understanding the world in which they live in. But I think that idea of curiosity and saying, I need to constantly be learning will serve them well.

**David McGuffin:** That's great. And I can't let you go before I asked you a question about the topic that's on everyone's mind right now, which is the pandemic. And I'm just curious to think what you think COVID-19 has illuminated in terms of the changing nature of accounting.

**Tim Jackson:** I think like many things it's both been positive and negative. In many ways, it has forced the profession to accelerate certain activities or actions. So when this first started, 15 or so months ago, I think people thought, "well, I can just delay things for a little bit." So take an audit, for example, if we look at the audit side of the profession, "so I'll just delay my audit and then when this is over, I'll get it done."

Well, 15 months later, you had to have an audit done at some point during that process, because we're now well over a year. And so what that meant was that audit firms had to adapt. Client said, "so how are you going to audit my business when I can't have anyone in the office?" And so I've been amazed at the number of organizations I'm involved with as a board member or volunteer, ranging from small non-profits to a Canadian bank who all had their audit work done without the auditors ever stepping foot into the client premise.

So some firms were ready for that. Some firms weren't. Some firms probably had a two or three-year plan to go paperless. They had to accelerate that and their two or three-year strategy suddenly became a two to three month strategy. So, that has been a huge change. And in many ways has accelerated the, adoption of technology by the profession.

On the other hand, it has made some things tougher. So, I will talk to people who have been out doing audits, and yes, part of doing an audit for example, is making sure the numbers are accurate and verifying against source documents. But a large part of an audit is also interacting with a client and getting a sense as to, "is there a bias in there? Is there not a bias?" And so they've had to learn how do you do that over Zoom or video conferencing? Where you can't see someone's hands, you can't see all of their body language. And so some of the things that you would normally pick up by just being on a client's premises for perhaps a week, two weeks at a time, they've had to find other ways to try to get the answers and read the intangible parts of responses.

The other piece though, that I think has been a big shift for the profession is this idea of where you can work from. And so if you take a company that might have been based in Winnipeg, who has traditionally said, 'well, my entire accounting department has to be based in Winnipeg because I need them to be local.' And suddenly they've added people and they find that well, "we've got someone who's working from home, whose our controller. We've got someone else in the accounting department, who's working from home." And they now realize it doesn't matter whether those people live five minutes away from the office or five hours away from the office. So for the profession, I think it opens up a ton of doors on both sides. So for people looking for work, that there's now many more opportunities, and for companies, governments, non-profits, anybody who's hiring now says, "oh, I can



actually employ people from, right across the country or across the world." I'm amazed that who would've thought pre pandemic, but there are companies and organizations who have hired CFOs, CEOs, and those people have never set foot inside the premise of the organization they're working for. We wouldn't have seen that pre-pandemic. So I think that there's been some downside to it, but there's also been some upside. And I think once we get through it, the profession will be stronger because of it.

**David McGuffin:** Well, that's a positive note. I think we can leave it at that. Thanks Tim. Thanks so much for joining us on the podcast.

**Tim Jackson:** You're very welcome, David. Thanks for having me.

**David McGuffin:** That's Tim Jackson. He is the chair of the Competency Map Task Force.

Foresight, the CPA podcast is created by CPA Canada in partnership with Podcraft productions. For more information about the Foresight Initiative, head to [foresight.cpacanada.ca](https://foresight.cpacanada.ca). I'm David McGuffin. Thanks for joining me. See you next time.

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