

Meet the Future Accountant

Five Essential Qualities the Industry Expects



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Throughout my years as an accounting professor at Villanova School of Business (VSB), I have seen so much, but 2020 has certainly been a year like no other. As the accounting industry continues to undergo dramatic changes, the world outside of accounting is changing as well, as the COVID-19 pandemic has made all too clear. Today's new accountants face a world that is more uncertain than just a few months ago. Expectations for new accountants are higher than ever.

These are challenging times, to be sure. But rather than be daunted by what lies ahead, I advise students to equip themselves with the right skills and education so they can successfully navigate a rapidly changing world.

Many students hope to fulfill the credit requirements for a CPA as undergraduate students, assuming this to be the most efficient use of their time and resources. I routinely caution students to consider more than just the quantity of credits – quality is imperative. While a strong undergraduate accounting foundation is important, the industry needs an accountant who is versatile, multi-skilled and well-rounded. Pursuing a graduate degree in accounting is the key to meeting these needs; it has the best potential to convert a strong

THE LIST OF QUALITIES:

- TECHNICAL ACUMEN
- CREATIVITY
- ABILITY TO WORK IN A DIVERSE ENVIRONMENT
- AGILITY
- ETHICS

undergraduate accounting foundation into the well-rounded accountant the industry is seeking.

Specifically, employers are looking for professionals who possess five essential qualities needed to navigate a changing workplace and world: technical acumen, creativity, ability to work in a diverse environment, agility, and a strong ethical foundation.

Technical Acumen

Technological advancements have fundamentally changed the accounting industry. In an article that appeared in this publication last year entitled “Artificial Intelligence: The Next Frontier in Auditing,” I explained how accounting was being swept up into the “Fourth Industrial Revolution” of rapid advances in technology. Accounting firms today are relying increasingly on Artificial In-

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telligence (AI) in the audit process.

One form of AI, Robotic Process Automation (RPA), has automated many of the repetitive tasks in the audit process, such as reviewing physical ledgers and reports. According to EY, “By leveraging RPA, companies can greatly reduce, if not eliminate, the time spent data crunching, leaving employees to use their analytical capabilities to support management in decision making.”¹

While RPA can handle some of the more mundane accounting tasks, machine learning is being increasingly utilized for more complex tasks. KPMG explains “Along with RPA, machine learning is arguably the biggest new technology already at play in the audit. On top of RPA processes, we are also applying machine-learning techniques where, through complex algorithms, the technology can scan information, model it against thousands of assumptions drawn from external scenarios and highlight risks and insights.”²

Accountants need not fear that their jobs are being replaced entirely by robots and machines. Rather, AI is allowing accountants to focus on more strategic work that demands higher level thinking and skillsets.

Data, analytics and technology are now prerequisite skills to be a success-

ful new accounting professional. Data and analytics are improving audits, tax work, and financial reporting and allowing businesses to make more strategic decisions. According to Deloitte, “Many business experts suggest that the future of AI in...decision-making actually lies in a partnership, with humans defining the questions to be asked, or problems to be tackled, and having a final say on the best answer for their business, while AI is used to analyze large volumes of data to provide a basis for the decision.”³

This integration of data and analytics into accounting is one of the main reasons we created the Master of Accounting with Data Analytics (MACDA) at VSB. We knew our students needed an interdisciplinary approach to meet the new demands of the accounting industry.

“The MACDA program exposed me to the importance that technology is playing in the accounting profession as companies have more data at their disposal than ever before,” explains Matthew Ade, a 2019 graduate. “I was introduced to various software packages that are used by professionals in their analysis of big data. By having this experience prior to entering the profession, you can make an immediate impact on your engagement teams to drive value and uncover new insights.”

Creativity

Creativity would probably not be the first word that would come to mind

if you asked an accounting student to describe themselves. After all, many believe accounting is based solely on logic and numbers and facts. However, as the industry changes, creativity is increasingly becoming an in-demand skill. It is one thing to know accounting fundamentals but quite another thing to be able to apply them. Experiential learning makes these fundamentals come alive by enabling students to get hands-on accounting experience using technology and business applications.

Industry partnerships often bring those opportunities to us. For example, we worked with KPMG to develop a cutting-edge curriculum that later served as a foundation for the MACDA program.

Experiential learning happens at the undergraduate level, but our MACDA program helps to bring everything together. Classes are designed to develop more well-rounded skills and the camaraderie of the student cohort enhances shared learning and networking opportunities.

According to ShirBriya Fletcher, “as a research assistant in the MACDA program, I had the opportunity to view hundreds of 10-Ks and analyze valuation methods and revenue recognition practices. Most of the courses in the program were infused with applications such as Alteryx, Qlik Sense, Capsim, IDEA, etc. which allowed us to examine and strengthen our analytical skills. My employer provides trainings on Alteryx, but through my experience at Villanova, I am using the trainings as a refresher rather than learning how to use it for the first time.”

Ability to Work in a Diverse Environment

At VSB, we consistently hear from employers who are looking for students who know how to work with and learn from individuals who come from different backgrounds and life experiences. As Generation Z (those born after 1997) enters the workforce, it is becoming in-

¹ Yedavalli, Vasu. “Are Robots Helping or Hurting the Future Workforce?” CPA Journal, April 13, 2018, <https://www.cpajournal.com/2018/04/13/are-robots-helping-or-hurting-the-future-workforce/>

² Hogggett, Eileen, Dubois, Simon, O’Connor, Shane, Jamieson, Richard. “Machine Learning and the Audit. Rise of the Machines?” April 2, 2019, <https://home.kpmg/au/en/home/insights/2019/04/audit-technology-machine-learning.html>

³ “Artificial Intelligence Innovation Report.” (2018) Deloitte. <https://www2.deloitte.com/content/dam/Deloitte/de/Documents/Innovation/Artificial-Intelligence-Innovation-Report-2018-Deloitte.pdf>

creasingly diverse. According to the U.S. Census Bureau, “the population of people who are two or more races is projected to be the fastest growing racial or ethnic group over the next several decades.”⁴

Knowing how to work with a diverse workforce and in a global business environment is critical in accounting firms today. One needs to possess the empathy and emotional intelligence to understand the feelings and experiences of others, whether that be a client on the other side of the world, or a coworker from a different race or upbringing. The cohort structure of the MACDA program and VSB’s commitment to diversity, equity and inclusion provide a learning environment that cultivates one’s ability to work successfully in a diverse environment.

It is important to note that although the workforce at large is becoming more diverse, the accounting industry historically has not been diverse. However, the recent trends among graduates are headed in the right direction. The percentage of non-white graduates of accounting programs has increased from 32% in 2007 to 42% in 2018, according to the American Institute of CPA’s 2019 Trend Report.⁵

Most importantly, employers have been showing their commitment to improving diversity and inclusion. Many firms are working to increase awareness of the accounting field among Generation Z, with outreach programs starting in high school. At the college level, the major accounting firms offer diversity internship experiences. For example, PwC offers the Start internship for college sophomores and juniors who identify as members of traditionally underrepresented minoritized groups. Programs such as these allow students to learn about the field, develop a strong network and ease the transition to the workplace.

Agility

Today’s accounting students must be able to think across multiple business disciplines in order to understand various business processes. It’s why we have worked so closely with KPMG over the years to give our students a unique perspective on the industry. Students should begin to think about the impact of accounting across finance, marketing, operations and systems. This type of thinking is exceptional in higher education.

The CPA Exam, which many undergraduate courses focus on, is not currently designed to cover some of the cross functional topics and skills that new accountants must deal with today. These include broad analytics topics, extensive risk management issues, performance measurement, valuation, technology and other topics which are emphasized in targeted MACDA courses.

Agility is a critical skill because it opens students’ minds to thinking beyond the bounds of their area and fosters the idea of constant learning and growth that will advance their career.

Ethics

VSB develops business leaders for a better world through the Augustinian values of truth, community, caring and leading through service. These values are ingrained in many facets of the MACDA program. As part of orientation, students are offered the opportunity to participate in a service trip, which not only helps them get to know one another but is a great reminder of the importance of effecting positive change in one’s community. Students in the program work in a cohort environment which fosters a strong sense of unity and camaraderie and leads to a culture of collaboration and cooperation. The program also includes a leadership course which brings all of these values together as we strive to develop students who are ethical, influential leaders.

The importance of ethics in the pursuit of knowledge is underscored in the

various learning modules offered in the MACDA program. Our students gain the knowledge and tools to face the ethical issues in the accounting industry today, such as earnings management and fraud. This commitment to ethics is what makes me proud to watch our students pursue the truth long after they leave Villanova. As the industry evolves, and the role of accountants transforms, a strong ethical foundation will serve as a guide for all facets of your professional life.

The Future is Now

The technology revolution is here to stay and today’s accounting professionals wear multiple hats. Competitive pressures in accounting mean that accounting firms and companies need exceptional talent. The risks are too high and the costs too great to hire those who cannot add value.

Undergrads are eager to make their mark in the real world. Making an investment in a graduate program will not only ensure success in today’s dynamic environment but will pay dividends in one’s career for years to come.

The Villanova Master of Accounting with Data Analytics

Designed with direct input from global accounting firms, the Master of Accounting with Data Analytics (MACDA) is an innovative program that integrates data analytics with other essential skills—valuation, risk, tax, fraud, and qualitative skills—to prepare accounting students to become multi-dimensional business professionals. Students become equipped with the skills needed to meet the real-world, real-time challenges of today’s accounting industry.

For more information, visit macda.villanova.edu.

⁴ <https://www.census.gov/content/dam/Census/library/publications/2020/demo/p25-1144.pdf>

⁵ <https://www.aicpa.org/interestareas/accountingeducation/newsandpublications/aicpa-trends-report.html>



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