

Crushing stereotypes

MANY say accountants are “bean counters”. I would not lie by saying they are not. All good accountants are “bean counters” at some stage of their career. It is an essential part of their core training to be able to count, compile, calculate, analyse, assess, reconcile, tally and balance the numbers. However, with more experience and exposure, accountants will and should grow to be more than that. History has shown that accountants grew to be corporate advisors, chief investment officers, chief internal auditors, chief risk officers, chief digital officers, CFOs and ultimately, CEOs and even board members. Some have also grown to head large accounting firms.

The phrase “bean counter” brings certain stereotypes to people’s minds and they are often negative. Let us think about it. Without “bean counters”, how would we know the exact number of “beans” we actually own and whether the value and condition of the “beans” are well preserved and protected? In real life, this may apply to all our investments in pension funds and unit trusts, our savings and fixed deposits in the banks, our investments in start-ups and private businesses, and our shareholdings in public listed companies. Someone has to count them and tell us that the money is there.

In many ways, the accountancy profession is not much different from the medical profession. We visit our doctors or physicians to seek opinions on our physical health. By carrying out physical check-ups, reviewing our medical and family history, asking about our diets, exercise regime and risky activities, and conducting blood and urine tests, doctors make their assessments and diagnosis on our state of health. We will then either be issued a clean bill of health or prescribed medications and treatments to assist towards our recovery.

Accountants do similar things, just not on human beings. They instead perform health checks on businesses, enterprises, partnerships, corporate entities and organisations by carrying out the same process of information gathering – analysis of financial information, review of organisation history, review of business activities and operations, assessment of risk areas and discussions with operations teams and line management. These enable accountants to assess the state of health of organisations and provide advice and recommended “prescriptions” to senior management for further improvements and future financial sustainability.

The future world is said to be moving fast towards freelancing as a main source of employment and livelihood, coupled with rapid growth in small and medium enterprises. With this, there is already increasing realisation that our financial health is as important as our physical health. Hence, just as we need doctors to help us keep healthy and live a good long life, we will need accountants to help us and our businesses to be financially healthy and sustainable.

I sometimes ask the honest question, “Why do we respect doctors but not accountants? They are doing the same thing, aren’t they? Health checks”. Doctors and accountants take around seven years on average to complete their respective professional training and be qualified. This shows that access to privileged information and ability to perform health checks are great responsibilities, as they require public trust in the duties, obligations and opinions rendered by the profession. The training must be rigorous enough to develop professionals who are capable, trustworthy and possess high integrity. This trust in the profession and its integrity, I believe, is the greatest strength of the accountancy profession.

We often hear the famous saying, “what gets measured gets done”. Accountants are trained to measure financial performance and trusted to measure what is done and what is not. To put it simply, besides helping to keep financial health in check, accountants also help in getting things done.

Watch out for Part 2 which talks about the accounting profession of the future with the advancements in technology.

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