FINANCE AND ACCOUNTING (F&A) FUNCTION OF THE FUTURE

MEGATRENDS

What is happening?



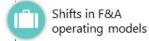
Dynamic business requirements



Digital disruption



Greater regulatory oversight and focus on sustainability





IMPACTS

What are the opportunities and changes in the next 2 to 5 years?

F&A job roles will undergo changes in job tasks

2 face High impact Need to strengthen technical knowledge to better manage process exceptions

9 face Medium impact

Need to develop technical and digital expertise to leverage technology in driving insights

5 face Low impact Continue business partnering to provide insights

F&A job roles

displacement

at risk of

tasks to automation



Need to pursue upskilling and/or reskilling for adjacent role transition or take on more value-added tasks. Affected job

- · Accounts Executive/ Accounts Assistant
- · Accountant/Senior Accounts Executive
- · Accounting Executive

Due to susceptibility of job

· Management Accountant/Financial Planning and Analysis Analyst/Business Analyst

New job roles will emerge

Data & analytics roles in managing data and performing in depth analysis





CALL TO ACTION

What is next?

The CFO as a driver of change



- 1. Inspire and motivate
- Alleviate individuals' concerns
- Adhere to a clear vision
- Encourage feedbacks and ideas
- 2. Embrace technology
- · Gain greater technology exposure
- · Balance resources and
- Agile implementation
- 3. Develop talent
- · Collaborate with HR
- · Develop workforce plan to ensure enough resources to support F&A transformation

SCAN TO READ

Train F&A professionals

F&A functions



- 1. Invest in digital technologies to move up the levels of sophistication
- 2. Redesign F&A job roles and bridge skills gaps
- 3. Reimagine F&A operating models to include new and emerging capabilities

Government initiatives* are available for:

- ✓ Advice on financing, available technologies and implementation
- √ Free and easy-to-use technology tools
- ✓ Advice on the approach to redesigning. jobs, and the efforts involved
- Training courses and resources

F&A professionals



- 1. Progress up existing job functions by deepening technical and digital expertise
- 2. Transition to adjacent F&A job roles by acquiring skills in new areas
- 3. Explore and transition to new and emerging roles

Government initiatives* are available for:

- √ Advice on the skills needed, and available training courses for upskilling or reskilling.
- √ Training opportunities with partnering organisations through employment or work attachment.
- ✓ Income supplements in the form of a training allowance when undergoing training

*Note: Please refer to the government agency websites 1. https://www.edb.gov.sq for more information of the various initiatives available. 2. https://www.enterprisesq.gov.sg/

https://www.sac.gov.sq

IMPACT OF EMERGING TECHNOLOGIES AND MEGATRENDS ON THE ACCOUNTING PRACTICES SECTOR



Emerging technologies & megatrends impacting the sector



Net jobs1 are projected to be created in the accounting practices sector due to:



Hence, upskilling the workforce in technology and soft skills is key

FIVE EMERGING TECHNOLOGIES

Artificial Intelligence (Al) & Analytics	Intelligent AutomatiOR	Blookohalfi	Cyberseourity	Cloud Computing
£%.	泰	\$21	3	4

FOUR KEY MEGATRENDS

Changing public/	Move fowards outsourcing & offshoring	COVID-19	Workforce challenges
ollent expectations	& orthorning	*	ric .

Of which, there are 4 key drivers impacting the sector



2 key technology trends

- Intelligent Automation
- Cloud Computing



key megatrends

- · Changing public/client expectations
- Workforce challenges



The trends will result in 3 key implications



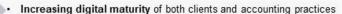
Technology will act as an enabler for practitioners to increase productivity, allowing for greater focus on advisory tasks



Trends have created opportunities for practitioners to learn new skills



Trends have enhanced sector appeal to talent and managing workforce challenges becomes a priority



- · Changing client expectations to demand for more advisory services
- Increasing emphasis on non-financial metrics in valuing businesses

¹An additional 1,700 jobs would be required by 2025

The sector is projected to have an average CAGR# of 1.9% To meet the needs of the sector, accounting practices should:

- Enhance talent attraction and development efforts
- Adopt a mindset shift to explore wider talent supply sources (e.g. midcareerists)
- Identify growth areas and upskill the workforce to be future-ready as job tasks evolve



Growth is expected across all functional tracks at varying degrees

*Accelerated growth is expected for:

Tax

*Note:

Risk Advisory##

for the next 5 years

- Mergers and Acquisitions**
- Financial Forensics

affect the sector's growth trajectory

Business Valuation

- Assurance
- Restructuring and Insolvency**
- Corporate Secretarial
- Internal Audit

*Continuous growth is expected for:

- Financial Accounting

- Interpretation
- · Robotics and

3 key themes to focus for sector upskilling



There is a pressing need to upskill in technology skills as job tasks evolve



Soft skills such as communication and teaming in remote settings are becoming more critical due to COVID-19



Practitioners need a mindset shift where they need to be agile and proactive in continuous upskilling to be future-ready

Skills to build for the sector

Technology skills:

- Artificial Intelligence Application
- Cloud Computing Application
- Data Analysis and
- Automation Application

Soft skills:

- Adaptability
- Creative Thinking
- Customer Orientation
- Decision Making
- Digital Fluency
- Global Perspective
- Learning Agility
- Problem Solving
- Sense Making
- Transdisciplinary Thinking

Led by ...

in collaboration with

In partnership with...









#CAGR refers to compound annual growth rate in headcount, from 2021 to 2025

##Risk Advisory represents the Enterprise Risk Management functional track in Skills Framework for Accountancy

Headcount growth is for roles in accounting practices and has taken into consideration supply constraints that may

Accelerated growth: Functional tracks whose upper range of estimated growth rate is more than or equal to 4.5%

Continuous growth: Functional tracks whose upper range of estimated growth rate is less than 4.5% for the next 5

**Note: Indicates slower growth due to economic uncertainty resulting from the COVID-19 pandemic. However, industry players shared that there is potential for a greater degree of growth post-COVID-19

IMPACT OF EMERGING TECHNOLOGIES AND MEGATRENDS ON THE ACCOUNTING PRACTICES SECTOR



Emerging technologies & megatrends impacting the sector



An impact analysis was conducted for 38 job roles to assess impact of key drivers in the next 5 years



Recommendations for the way forward

FIVE EMERGING TECHNOLOGIES

Artificial Intelligence (Al) & Analytics	Intelligent AutomatiOR	Blookohalfi	Cyberseourity	Cloud Computing
1%	泰	111	1	4::

Changing public/	Move towards outsouroing	COVID-19	Workforce challenges
ollent expectations	& offshoring	*	40

Of which, there are 4 key drivers impacting the sector



2 key technology trends

- Intelligent Automation
- Cloud Computing



2 key megatrends

- Changing public/client expectations
- Workforce challenges



3 emerging job roles are seen across multiple functional tracks in the sector



IT Auditors

(Assurance, Risk Advisory# and Internal Audit)



Ethical Hackers

(Financial Forensics)



Environmental, Social & Governance (ESG) Specialists

(Financial Accounting and Business Valuation)



7 job roles will experience a HIGH degree of change in

job tasks and require

major job redesign

- · Significant proportion of the job tasks will be automated by technology
- Highly impacted by megatrends
- Job role will likely be enlarged, reconfigured or enriched and upskilling or reskilling is required



21 job roles will experience a MEDIUM degree of change in job tasks and require moderate job redesign

experience a LOW

tasks and require

degree of change in job

minimal job redesign

- Small proportion of the job tasks will be augmented by technology
- · Moderately impacted by megatrends
- Job role will transform to take on additional duties beyond what is expected, with moderate upskilling



Job role will continue to deliver outcomes, with minimal upskilling required

"Risk Advisory represents the Enterprise Risk Management functional track in Skills Framework for Accountancy

3 strategic thrusts to work on

Strategic Thrust #1: **Embracing** Technology



Strategic Thrust#2: **Investing in** Capability Building for the Industry

Strategic Thrust#3: Uplifting Sector Image

5 recommendations

- 1. Encourage adoption of emerging technologies to drive workforce productivity
- 2. Drive job redesign adoption to maintain long-term competitiveness and agility
- 3. Embrace talent from a wide range of talent supply sources to meet the sector's manpower demand
- Re-assess the current workforce's skills and create a roadmap for acquiring future skills, to build a future-ready workforce
- 5. Elevate the accounting practices sector's image and appeal to attract the best talent

Led by ...

In collaboration with

In nartnership with







