



Andrew Garner

View from the board: the future of accountancy

At least some of you are going to remember that famous line from *The Graduate*, where at Benjamin's birthday party, his uncle said there's a great future in plastics

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In a similar vein, I was told that, rather than become an economist or a CEO, which was my ambition, I should look to become a specialist in, for example, Belgian patent law. Now, you can't say that either of those pieces of advice viewed in the context of history has been very wide of the mark. What then of the future for accountancy? And, in particular, accountants?

I was involved in a piece of research a couple of years ago that was looking generically at the future of work. The hypothesis is that work will reflect those institutions or companies that are doing the employing. The theory then – now borne out by developments – was that the US will continue to be an entrepreneurial economy, Europe will be dominated by the state and Asia Pacific, particularly India and China, will reflect the US model.

The introduction of 'just-in-time' protocols in manufacturing and the role now fulfilled by the internet and modern telecommunications has given rise to outsourcing becoming a well established part of our life. What does this mean for the future of the professions?

It would be wrong to be complacent. Call centres in Bangalore and manufacturing in China, India and Brazil are not fads: they are here for the long term. The next competitive threat from these developing economies can be found in intellectual property and professional talent.

Restrictions to entry in conventional professional practice may well continue, but as margins tighten, the only place where costs can be cut will be with management and this includes professional costs.

Managers resent regulatory creep into their daily lives. I have been in boardrooms where certain issues prompted the response from the chairman or the chief executive, 'Ring Herbert Smith, Linklaters or PwC'. That call will still be made, but from where, in terms of location, will the response come?

Those of you who are qualified and working in practice or government, or any sector or industry for that matter, need to think very carefully about your career prospects. By the way, that includes your pensions planning.

Andrew Garner is chief executive officer of Garner International