



WIFI Österreich
Wirtschaftskammer



T.E.I. Thessaloniki
Greece



Department of Tourism
Management

UDC 657:640.4](497.4)

Original scientific paper

Received: 03.11.2005

ACCOUNTING SKILLS HOTEL ENTERPRISES NEED TODAY

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Abstract: The article presents a view of current happenings in the business and economic environment that are significantly influencing the knowledge requirements of modern accountants both worldwide and locally. First, we define the specific skills accountants are required to have apart from an in-depth expert knowledge of accounting. These skills have set the final boundary between accounting and bookkeeping. Later, the perspectives of certified accountants in Great Britain and Slovenia, as well as accountants working for Slovenian hotel enterprises are presented as regards the key factors influencing a change in accountants' tasks. Finally, the skills of modern accountants are presented, along with the underlying education and training system needed for gaining the title of a certified accountant.

Key words: accounting, accountancy, hotel enterprises, accounting profession, leadership, business skills, information technology, soft skills

Sažetak: HOTELSKIM PODUZEĆIMA DANAS TREBAJU RAČUNOVODSTVENE KVALIFIKACIJE. U članku se prezentira pogled na tekuće događanje međunarodnog i lokalnog značaja u poslovnom i ekonomskom okruženju, gdje se sve veće značenje pridaje znanjima modernog računovođe. Prije svega, definiranju se specifične računovodstvene kvalifikacije, koje temeljito treba svladati svaki suvremeni računovođa. Upravo te kvalifikacije su odredile konačnu granicu između računovodstva i knjigovodstva. Slijedi sagledavanje uloge računovođe s pozicija koju im daje certifikat ovlaštenog računovođe u Velikoj Britaniji i u Sloveniji, ali i kroz djelovanje u hotelima u Sloveniji, gdje se sagledavaju ključni činitelji i njihov utjecaj na promjenu uloge računovođe u poslovnom sustavu. Na kraju se obrazlažu znanja, vještine i kvalifikacije koje treba imati moderni računovođa, s naglaskom na sustav obrazovanja i treninga a u cilju stjecanja titule ovlaštenog računovođa.

Ključne riječi: računovodstvo, računovodstvena funkcija, hotelsko poduzeće, računovodstvena profesija, vodstvo, poslovne vještine, informacijska tehnologija, tekuće vještine.

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1. SKILLS OF MODERN ACCOUNTANTS AND FACTORS INFLUENCING THEIR CHANGE IN THEORY

1.1 Introduction

The idea of discussing the skills modern accountants need may initially seem peculiar. However, after dwelling on the topic a little the question turns out not to be at all easy. The accounting function has slowly and quietly outgrown the bookkeeping of and has clearly started to differentiate itself from the bookkeeping function. The times have passed when it was simply enough for accountants to post business transactions and events. Further, accountants are no longer ordinary (usually very unpopular) bureaucrats but have transformed into all-around business advisors without which orderly companies would be unable to function properly. Accountants of the future are thus moving further away from their former deeply rooted stereotypes.

Several factors have significantly influenced this transition. The most important ones are as follows (Allen, 2000, p. 5):

- globalisation – movements of people and other resources in the world are getting faster and distances are becoming shorter; national laws no longer represent an obstacle;
- communications – the speed, reliability and progress of communications enable the transfer of knowledge among people across the world;
- competition – few enterprises can still survive by merely doing business in their local markets since globalisation has caused the world to be a common market; an international competitive advantage is the key to survival;
- cost effectiveness – due to international competition and globalisation performance at the lowest possible cost level is a key factor of success; and
- specialisation – in many professions a shift from general knowledge and skills towards specialised fields can be noted with the purpose of concentrating on target demand areas.

The accounting profession is gradually making gains in terms of its appreciation and financial remuneration corresponding to the knowledge and skills which accountants have to master.

The skills modern accountants need can be broken up into the following four areas:

- in-depth expert knowledge;
- general business skills;
- soft skills; and
- information technology skills.

The precondition for all of the above is the ability of accountants to adapt to and embrace the continuous changes which we are today witnessing in this global and fast changing environment.

1.2 In-depth expert knowledge

Today, the posting of business transactions and events represents only a small part of accountants' tasks in bigger enterprises. We even dare to claim that this forms only 5-10 percent of their total workload. Of course, this figure is higher in a small or medium-sized enterprise but the size of a company should not mean that accounting stays limited within the bookkeeping framework and not develop any further. Frequently small enterprises offer

an even wider range of possibilities for an accountant to develop skills since they must perform several functions simultaneously.

Regardless of the fact that the percentage of accountants' time dedicated to the actual performance of operational activities is decreasing, accountants should not simply forget the accounting principles and throw away their collections of accounting standards. Not at all.

In fact, accounting standards remain the basic tool of this profession, whether they are international, American or some other. Accountants must not only know and appropriately use these accounting standards but they must also develop their use in the context of the enterprise in which they are employed. Local accounting standards are not sufficient any more, which is something accountants in Slovenia have started to notice. Changes (for example, EU accession) have made them prepare to use the international financial reporting standards.

The accounting profession is based on the analysis of financial statements, which can only be relevant if error-free. This can be achieved by setting up a system of internal controls. This means that the internal controls performed by an external auditor every few months or, in the worst case, once a year are not enough since they may occur much too late. The impact of this on financial statements can be catastrophic. Accountants must therefore be those who have an overview of happenings occurring in the general ledger. Hand in hand with their colleagues they must set up a system of a regular monthly check of individual items of the financial statement. Accordingly, accountants must be their own auditors.

Since accounting is gaining ever more strategic components, modern accountants must enhance their knowledge of standards and legislation in the form of planning: business, tax or business. Accountants are an important source of knowledge for making assumptions when performing business-planning activities. Based on the financial statements analysis which is performed monthly, they can set and develop models for accurate planning.

Accountants must also collaborate closely with treasurers as cash managers in decision-making regarding the investing of excess cash since they can provide information on expected cash inflows and outflows. Risk management is also important for cash flow planning. Foreign exchange risk, interest rate risk and credit risk are the most common risks that need to be managed. The recognition of these risks and knowledge of hedging possibilities is without doubt an advantage of good accountants since the effect of these risks on an enterprise's cash flows can be extremely significant.

Yet perhaps tax planning is even more important. Changing tax legislation can significantly influence a company's financial statements and its cash (out)flows in the form of future tax payments. In Slovenia, for example, a good knowledge of the law on value added-tax, the law on the tax procedure, the personal income tax law and the corporate income tax law is required. This must also be supplemented by the once much neglected double taxation agreements, whose understanding and practical application are very complicated.

1.3 General business skills

A single problem can have several solutions. The most obvious one may not always be the most attractive for the company because it may have very negative influences (e.g. on the profit and loss statement or the taxes payable). Accountants must therefore know the nature of the enterprise's business, establish formal and

informal information sources at different levels of the company and from the external tax, regulatory, legislative and market environments to ensure the appropriate decisions are made regarding how to set up the accounting framework for the company. Creative thinking and solution probing in the existing situation are very welcome, of course within the boundaries of the available possibilities. Again, it must be underlined that there is always more than one option. All of this makes modern accountants special kinds of strategists.

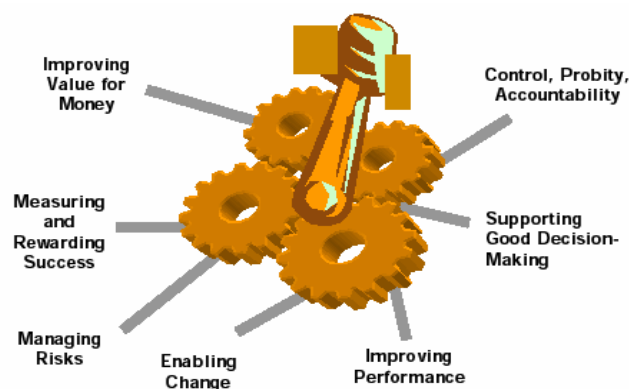
As mentioned, accountants' priorities have shifted away from bookkeeping and analysing past events, which become out-of-date within a few days due to the fast changing world. The role of accountants is proactive and future-oriented. Accountants act as strategic partners, advisors and information providers and they must therefore keep track of events in the economy and the enterprise itself in order to communicate to the management board how to make tomorrow better than today.

Accountants are no longer locked into their own world of the past. Their task is to set up business information processes enabling on-time and accurate information. The processes run in two ways: from the business information source to accounting and from accounting as the source of the combined accounting and business information to the decision-making level.

Accountants must understand the higher and lower placed functions in the company's particular hierarchy and their influence on the results, foresee the company's needs and develop solutions that positively impact on the profit and loss statement. To achieve all of this, accountants must have expert skills as well as management, marketing and operational skills. Accountants transform the information gathered from the company and its environment into knowledge which helps companies position themselves for future success.

Business information combined with expert skills help accountants identify possible risks to the business results. Based on this they advise the management board and thus significantly influence decision-making and consequently the presentation of events or transactions in the company's financial statements. Accountants are therefore located in the centre of events and their contributions can be seen in scheme below.

Scheme 1: The contributions of accountants



Source: Freer, 2002, CIPFA

The analytical skills of accountants are essential to strategic decision-making. This contention is supported by a perhaps amusing yet real quote from the framework of the Generally Accepted Accounting principles in the United States: 'Information cannot be useful to decision-makers who cannot understand it, even though it may otherwise be relevant to a decision and be reliable' (US GAAP Original Pronouncements, Concept Statement 2, 2004). The role of accountants is to present information to decision-makers in an understandable way.

To establish formal and informal information flows accountants must possess several types of knowledge. Formal processes can be set up by process knowledge and by acknowledging their importance for the company's performance. Modern enterprises have started to recognise the meaning of process identification and definition for performance, which leads to inventorying the existing processes and establishing which processes are needed but do not currently exist. Yet to acquire information at informal levels the officially defined processes are not of much use. For this purpose accountants must master certain soft skills like persuasion, diplomacy, negotiation and teamwork.

1.4 Soft skills

Accountants can use soft skills to their benefit not only when setting up informal information channels but also when leading and directing their subordinates (mostly bookkeepers). This helps develop their competitive edge. If a good accounting professional and/or strategist is not also a good leader, this can lead to worse results compared with the average accountant who is good in managing people.

Certain personal characteristics which make good leaders are given at birth. People not born with this gift can make up a lot through appropriate training. Leadership requires managing a series of skills and the introduction of new approaches when working with people. The leader's key role is managing the existing human capabilities and activating the employees' potential. For this they must have formal and social power, they must know how to express criticism and must be the master of complimenting and conflict solving (<http://www.okconsulting.si/sl/>). Leaders must know how to harness the power of teamwork, manage their own emotions and positively use the emotions of other employees. Accountants in a leader role must have good motivational and mentoring capabilities and must be persuasive enough to make people follow them.

When working with people, which comprises an important component of their work, accountants need organisational and time-management skills. Work in the accounting department must run according to established procedures in order to ensure the on-time and quality preparation of monthly financial information. Establishing certain processes is also necessary internally within the accounting department, not only with other departments and offices in the company. The organisation of work also includes the preparation of manuals and work guidelines that enable compliance with existing standards and legislation.

Since accountants communicate with everyone including the chairman of the management board, information technology specialists and project team members they need strong written and oral communication skills and presentation skills. These skills are becoming increasingly important as accountants are moving from the background to the foreground and are required to translate complex financial information to a commonly understandable language and give clear recommendations. For those working in an international environment, active knowledge of at least two world languages is also important.

1.5 Information technology skills

In the accounting field, technology and intellectual innovation is a common practice. Companies are implementing new systems for presenting financial statements and for monitoring costs, as well as new techniques for cost monitoring which require substantial information technology skills from accountants. The impact of modern technology on accounting is shown in the substantial simplification of preparation of the quantitative basis for business decision-making since it enables a quick simulation of the consequences of different decisions, a sensitivity analysis of target values to changes in the underlying decision-making parameters, risk analysis and the use of several other analytical tools which, without computer support, would require a lot more time and methodology knowledge from the users. Budgeting and tracking the deviations of actual versus planned values is easier and faster with computer support. This gives accountants the opportunity to perform more advisory and business management work in organisations (Korošec, 2004, p. 4).

Accountants must be able to use the modern tools of information technology and be able to communicate with software developers in the implementation of new solutions and enhancements of existing systems. This is connected to project management skills since many changes influencing accounting (for example, changes in tax legislation, first-time implementation of another set of standards etc.) are organised as a project. Accountants must know how to set deadlines, prepare a project plan, delegate assignments to project team members and control a project's execution in order to bring it to a successful and timely end.

2. SKILLS OF MODERN ACCOUNTANTS AND FACTORS INFLUENCING THEIR CHANGE IN PRACTICE

2.1 Introduction

We have already presented the skills modern accountants need, as extracted from the literature. However, the findings of theoreticians are alone not enough to change the profession. Accountants themselves must be aware of the same since otherwise they would not upgrade their knowledge. Many analyses have been conducted around the world regarding what accountants from every-day life facing the new challenges and requirements think of individual factors influencing the skills needed to perform their work.

Below we present the results of four surveys which investigated factors that mostly influence the work of accountants and the skills they have to master. The surveys were performed among certified accountants (CMA, Certified Managerial Accountant) from Great Britain (licensed by the CIMA), among Slovenian certified accountants (licensed by the Slovenian Institute of Auditors), accountants from Slovenian hotel enterprises (organised as joint-stock companies) and the survey by the American Ministry of Work. The latter was performed via the Internet among representatives of the following professions: Staff Accountant, CPA (Certified Public Accountant), General Accountant, Accounting Manager, Business Analyst, Certified Public Accountant and Cost Accountant). In all of these surveys a five-point scale was used for measuring importance, whereby 1 stands for the most and 5 the least important.

The results of the first two surveys were extracted from the article 'Accounting today' by B. Korošec (Korošec, 2003, pp. 43-160), the third was carried out for the purposes of this article, while the last was downloaded from the Internet

(http://www.careersteppingstones.com/jd/13-2011_01.htm. Although the surveys were performed at different points in time (the Great Britain survey in 2001, the Slovenian certified accountants survey in 2002 and the other two surveys in 2004), we believe that the answers are comparable. This assertion is based on the fact that in accounting the situation in the field of knowledge as well as the introduction of new methods is relatively slow. This is also shown by the survey on the state of development of accounting in Slovenian enterprises, which was performed twice (initially in 1997, then in 2002) by the Slovenian Institute of Auditors in co-operation of the Faculty of Economics and the Association of Accountants, Treasurers and Auditors of Slovenia. In the timeframe of five years the situation in Slovenian enterprises did not change significantly (for more, see Kavčič, Koželj, Odar 2003, pp. 161-175).

The first three surveys are based on equivalent questionnaires since B. Korošec performed the survey among Slovenian certified accountants by using the same questionnaire that was used in Great Britain, and we also based our survey on her questionnaire. In Great Britain, the questionnaire was sent to 1,000 certified accountants, with a response rate of 28%. In Slovenia, the questionnaire was sent to 58 certified accountants (that is to all of them), with a response rate of 31%. 29 accountants from Slovenian hotel enterprises (those that are joint-stock companies) listed in the IGV d.o.o database were interviewed, with a response rate of 76% (22 answers). The sample of those interviewed in the survey of the American Ministry of Work was constantly added to, therefore a cut-off of the sample population at the moment the survey results were downloaded cannot be obtained.

From the content point of view, the questionnaire used in the first three surveys was divided into four parts. The first part comprised those factors which influenced changes in the tasks and role of accountants, mostly from the business point of view in the last five years or those that will influence them in the next five years. The second part included techniques and methods which have or will be used by accountants for preparing information for decision-making. The third part explored the most important activities of accountants, while the last (fourth) part tackled the most important skills or knowledge that accountants have or will use. The survey of the American Ministry of Work only researched the most important activities of accountants.

2.2 Factors influencing accounting in the last five years

Accounting and the work of accountants are not done for their own sake. Accountants must respond to changes from the environment and adapt their own work so as to prepare the company to face new challenges, including in the field of information. In order to be able to do this accountants must know which factors are forcing them to change their own work. The surveys carried out show that the opinions of certified accountants in Great Britain and Slovenia regarding these factors are very similar. In contrast, the view of accountants employed in hotel enterprises in Slovenia is different.

The factors and differences in answers are presented in detail in Table 1.

Table 1: Factors influencing the work of accountants in the last 5 years

Change factor	% of answers from the British CMA	% of answers from Slovenian certified accountants	% of answers of accountants in Slovenian hotel enterprises
Information technology	73	72	55
Organisational restructuring	53	39	14
New accounting software solutions	41	39	73
Incentives for higher customer orientation	39	39	36
New/changes leadership styles	36	61	46
E-business	32	22	27
Requirements for external reporting	24	67	59
Globalisation	23	28	5
Mergers and acquisitions	20	33	27
Incentives for higher quality orientation	18	39	41
New accounting techniques	16	22	32
External consultants' advice	12	0	5
Manufacturing technologies	8	11	9

Source: Korošec (2003); Survey of Slovenian hotel enterprises (2005)

The data clearly show that, according to certified accountants from Great Britain and Slovenia, information technology is the most important for new work activities whereas accountants from Slovenian hotel enterprises regard changes in new software solutions as being the most important factor for change and rank information technology in third position. Slovenian hotel enterprises' accountants also ranked incentives for greater quality highly, whereas globalisation seems completely irrelevant to them. Where can we pinpoint reasons for these differences? The survey on the state of development of information technology in Slovenian hotel enterprises shows that in this field they are lagging behind their EU competitors (Ivakovič, 2004, p. 53). Probably, the fact that information technology in Slovenian hotel enterprises is less present than in other industries is the reason the accountants there feel they have less of an influence on their work than accountants in general. It is typical of accounting in Slovenian hotel enterprises that they use old technology and that the introduction of new software has only been a trend in recent years. Since new accounting software requires a different organisation and the preparation of work, it is logical that it could not have been done without having an impact on the work of accountants.

In general we can say that the work of accountants, regardless of the country or industry, is very dynamic since in Great Britain more than 20% of the respondents assigned a significant influence to 9 factors and in Slovenia to 11 factors (Korošec, 2003, p. 145). In addition, the accountants in Slovenian hotel enterprises stated 11 factors as being important yet those factors differed from those mentioned by the certified accountants. Hence, we must conclude that dynamics are present in accounting everywhere, except that their causes were different at the point of observation.

2.3 Techniques and methods of preparing information for decision-making

The methods and techniques used in companies can refer to all economic categories: those which show what the company has managed to sell and at what price (revenues); those which show what the company has spent for this purpose and at what price (expenses); how much the company has produced with its means and who has helped it gain the available means (assets and liabilities). From this it arises that a different methodology can be used for the valuation and presentation of revenues, expenses, assets and liabilities.

The analysis of the interacting effect of individual economic categories shows that their changes are always reflected in expenses. This is also the reason that those companies which lack in effectiveness concentrate on expenses and, through them, on other economic categories. It is logical that expense reduction is shown in the profit and loss statement. However, other qualitative factors are also reflected in the profit and loss statement. These are the ones which most attention has been paid to recently. Further on, we present the methods and techniques for analysing effectiveness and preparing information for decision-making.

Table 2: Most important methods and techniques of effectiveness analysis and preparing information for decision-making in the last and next 5 years

Methods and techniques	Last 5 years			Next 5 years		
	GB ²	SA ³	SH ⁴	GB	SA	SH
Budgeting	1	2	8	1	5	13
Deviation analysis	2	4	6	3	5	10
Rolling budgeting	3	7	16	4	4	13
Strategic managerial accounting	4	7	3	2	1	2
Fixed costs based valuation	5	-	16	9	-	17
Total quality management	6	-	5	7	2	5
Value added accounting	7	-	12	5	-	6
Economic value added (EVA)	8	-	10	10	8	10
Balanced scorecard (BSC)	9	9	9	8	4	10
Activity based costing (ABC)	10	9	4	5	10	2
Costs movement analysis	-	1	1	-	5	1

Source: Korošec (2003); Survey of Slovenian hotel enterprises (2005)

The target-costing method and benchmarking were also stated among the possible answers but only a few accountants from Slovenian hotel enterprises saw them as important. A comparison of the methods and techniques regarded as essential to the accountant shows significant differences in the view of each individual group. Budgeting was indicated as most important by both Slovenian certified accountants and the CMA of Great Britain, yet it was ranked in place 8 (for the past) and 13 (for the future) by

² British CMA

³ Slovenian certified accountants

⁴ Accountants of Slovenian hotel enterprises

accountants from Slovenian hotel enterprises. As a consequence, rolling budgeting also does not rank high since, without budgeting rolling, the preparation budgets is impossible.

It is well known that in the past ten years many Slovenian enterprises have experienced great difficulties as a consequence of the full establishment of a market economy. Bankruptcies have been a daily practice. For this reason it is not unusual that all Slovenian accountants believed that the most important techniques are cost movement analyses. Since effectiveness cannot be redirected so quickly these methods will also remain the most important ones in Slovenian hotel enterprises over the next five years, whereas other companies will put strategic managerial accounting in first place. Budgeting has recently been extremely important around the world: new methods have been introduced which enable companies to budget all possible goals as precisely as possible. The surveys in Slovenia indicate that knowledge of budgeting and its advantages (especially rolling budgeting) is comparatively speaking low. Only 20% of all hotels know rolling budgeting and use it for decision-making and acting (for more, see Ivankovič 2004, pp. 237-240). Most probably, poor knowledge (or no knowledge at all) of budgeting is the reason that accountants from Slovenian hotel enterprises dedicate so little attention it.

2.4 Most important activities of accountants in the last and next 5 years

As a fundamental information activity of a company, accounting is in constant contact with changes in the business and broader social environments. If a company wants to survive it must perceive the changes in its environment, understand them and adapt to them as fast as possible. In the past, the role of accountants was limited to collecting, gathering, recording and archiving information. Accountants as recorders of operations evidenced all the business transactions and informed the management board about the company's financial situation. In today's changed economic environment accountants have outgrown their fundamental mission. The role of recorders of business has developed to become the role of director and harmonizer of operations, the coordinator of different activities, the guardian of an appropriate business philosophy and the solver of business problems (Koletnik, 1996, pp. 199-214). Modern accountants draw attention to positive and negative processes in the company and its environment, study and value business decisions and consult individual departments or the whole company.

Siegel and Sorensen (1999) determined that, instead of preparing standardised reports, accountants are required to analyse the contents and interpret the information submitted. Accountants are a valuable and reliable source of business knowledge, thus becoming an equivalent member of the decision-making process. Their job comprises analysis, taking part in decision-making and other non-traditional activities. Accountants are not passive reporters anymore; they have become confidential advisors and business partners at the highest decision-making levels.

This was established in the survey 'Counting More, Counting Less – Transformations in the Management Accounting Profession' by Siegel and Sorensen in 1999. The survey states the following as the main characteristics of modern accountants: the improved image of managerial accountants in the eyes of other employees (accounts are business partners in the decision-making process); more frequent communication with other employees and decentralisation of the accounting function; increased extent of work in project teams and project team leading; changes in work activities (increased share of

working time dedicated to analysis and taking part in decision-making; increased extent of non-traditional accounting activities such as improvement of business processes, internal consulting, strategic planning; decreased extent of work time dedicated to preparing standardised financial reports). Most accountants estimate that their work will change at an accelerated speed in the next few years and some of them expect that the business partnership involved in the decision-making process will grow into a strategic partnership with the management boards of companies.

What the British CMA, Slovenian certified accountants and accountants from Slovenian hotel enterprises think about activities in the past and future five years is shown in Table 3.

Table 3: The ten most important activities of accountants - ranked according to the opinions of respondents⁵

Activities	Ranks for the past 5 years			Ranks for the next 5 years		
	GB	SA	SH	GB	SA	SH
Valuation of business results	1	7	-	1	3	-
Monitoring of financial effectiveness	2	1	1	2	-	1
Interpretation/presentation decision-making basis	3	3	-	3	2	7
Budgeting and planning co-ordination	4	3	8	5	3	-
Interpretation of operational (executional) information	5	3	6	10	3	-
Improvement of business effectiveness	6	-b	-	3	3	1
Usage/building of new information systems	7	8	5	8	10	7
Realisation of business strategy	8	-	-	7	-	7
Cost reduction	9	-	-	-	-	7
Valuation and controlling of investments	10	-	-	-	-	-
Strategic planning/decision-making	-	-	-	6	3	-
Value creation	-	-	-	8	-	-
External reporting	-	2	8	-	-	7
Management consulting	-	3	3	-	1	3
Tax planning and analysis	-	8	8	-	3	3
Investigation of financial situation	-	10	-	-	2	3

Source: Korošec (2003); Survey of Slovenian hotel enterprises (2005)

A comparison of the answers of accountants in Slovenian hotel enterprises and certified accountants shows that the activities stated by the first group have more of a short-term nature and represent the traditional activities of accounting. The following activities were stated as important: bookkeeping tracking of operations, costs monitoring, investigation of the financial situation and others.

That accounting is today more than recording business events is also proven by the survey of the American Ministry of Work (<http://www.careersteppingstones.com>)

⁵ The accountants had to choose 5 of 20 given possibilities. The ten most frequent answers for each question are stated.

/jd/13-2011_01.htm), which found the activities stated in Table 4 to be most important activities of accountants.

Table 4: The most important activities of accountants

Activity	Importance (from 1-5)
Acquiring of information	4.8
Analysing of data and information	4.8
Information processing	4.5
Communication with superiors, colleagues and subordinates	4.2
Identification of actions and events	4.2
Valuation of information for establishing compliance with standards	4.2
Consulting others	4.2
Documenting of information	4
Supervision and management of resources	4
Updating and usage of the relevant knowledge	4
Work with computers	4
Decision-making and problem-solving	3.8
Setting goals and strategies	3.7
Judging quality of goods, services and people	3.7
Interpretation of the meaning of information to others	3.5
Administrative activities	3.5
Organising, planning and setting work priorities	3.3
Valuation of products and events	3.3
Creative thinking	3.2
Establishing and maintaining of interpersonal relationships	3.2
Communication with people outside the organisation	3
Supervision of processes, materials or environment	3
Coordination of work and activities of others	2.8
Leadership, directing and motivating subordinates	2.8

Source: Career Stepping Stones,2005

2.5 The most important knowledge and skills of accountants in the last and next 5 years

Understanding the changed role of accountants in today's dynamic and unpredictable business environment is important for two reasons. Accountants can only perform the role of the director of operations, consultant and business partner at the highest decision-making levels if they have sufficient expert knowledge and, simultaneously, the ability to have an insight into the current economic and social reality. In order for accountants to face the new challenges successfully, they must possess the knowledge needed and master the techniques that produce appropriate results. This requires accountants to master those skills enabling them to face the new challenges and not act as an obstacle on the path to discovering the reasons for the ineffectiveness of operations. For this reason, the mentioned surveys also included

questions regarding the skills needed by the modern accountant. The results are presented in detail in Table 5.

Table 5: The 10 most important skills and knowledge areas of accountants in the last and next 5 years

Knowledge/skills	Ranks for the last 5 years			Ranks for the next 5 years		
	GB	SA	SH	GB	SA	SH
Analytical/explanatory	1	7	6	1	8	9
Broad knowledge of the business	2	1	1	3	1	1
Team work	3	5	7	7	5	9
Oral communication	4	-	7	-	-	-
Connecting of financial and non-financial information	5	2	2	4	1	3
Knowledge of information technology	6	3	3	2	4	1
Expert knowledge/ethics	7	5	5	-	5	8
Interpersonal	8	-	9	-	-	9
Presentational	9	-	9	10	-	-
Commercial	10	-	-	8	-	-
Management skills/change management	-	-	9	5	10	-
Strategic thinking	-	7	9	5	1	4
Problem-solving	-	4	4	-	8	6
Decision-making	-	9	9	9	5	7
Written communication	-	9	-	-	-	-

Source: Korošec (2003); Survey of Slovenian hotel enterprises (2005)

The comparison of answers shows that the necessary knowledge also depends on the state of the development of accounting in individual states. The responses provided by all Slovenian accountants (certified accountants and accountants of hotel enterprises) are very similar. It can be deduced that both are active in similar circumstances and therefore need similar knowledge. We must especially highlight the particularity based on the answers given by the accountants from Slovenian hotel enterprises. They were asked to define which of the following is more important: knowledge of operations in the industry they work in or skills and techniques of accounting. 50% of the respondents stated that knowledge of the industry is more important. This answer could also be connected to responses related to the importance of a broad knowledge of operations. All respondents stated a broad knowledge of operations as being most important, which is not surprising. Based on these answers we may conclude that training should concentrate more on the specialities of accounting in separate industries than on accounting as a science.

According to the position of accountants in Slovenia (and obviously throughout the world) we may deduce from the responses that accountants can hold a place equal to other employees in other departments only where, besides accounting, they know the activities that are otherwise the responsibility of other departments.

3. TRAINING

Research performed by Robert Half International Inc. (http://www.nextgenaccountant.com/research_hili/research_sum.html) shows that responsibilities lying outside of traditional accounting will take up to 37% of accountants' time in the next five years. This means that training must also be adapted to the newly emerging knowledge requirements which accountants of the next generation must possess.

This is even more important since training in this area is still performed as it was 20 or 30 years ago, which is the basic finding made by W. Steve Albrecht from Brigham Young University and Robert J. Sack from the University of Virginia (<http://www.aicpa.org/pubs/cpaltr/sep2000/supps/edu1.htm>). Training in the new way must be different not only as regards the content but also as regards the way of work since lectures for big groups are insufficient (Allen, p. 6).

Work in smaller groups is more appropriate since discussions between the lecturer and students can emerge. Work must run in groups in order for the students to develop teamwork capabilities and project work skills. Further, smaller groups allow students to learn about interdependence (in information-sharing, keeping deadlines etc.) and certain tolerance as needed when working with people in practice.

Among the necessary skills of modern accountants expert knowledge with an emphasis on professional ethics is still essential. Besides this, training must be directed to information technology knowledge, communication skills, general business knowledge, entrepreneurial thinking, creativity and leadership. Traditional accounting will probably eventually merge with a broader programme of business administration in order to prepare future accountants for both financial and general managerial questions. A project work orientation and a higher degree of interaction with practice are also key.

4. DISCUSSION

Traditional accounting knowledge is merging with non-traditional knowledge thereby making accounting ever more of an advisory function or, better put, a function of providing the service of knowledge. In-depth expert knowledge is essential since it provides accountants with the ability to adapt in order to perform a substantial amount of functions in the enterprise.

Along with profession development, many new fields of work are opening for accountants (e.g. forensic accounting, see <http://www.forensicaccounting.com>) apart from the common and well-known professions (such as an accountant, financial analyst, auditor, internal auditor, tax specialist etc.) (<http://www.careers-in-accounting.com/acoptions.htm>). In order for accountants to perform such new work they also need a specialisation in other fields such as information technology.

Accountants are and will remain a fundamental element of companies' operations, thus leading to increased demand for this profile in the job market. A survey by the American Statistical Office has shown that employability in this field will grow from 10 to 20% by 2008.

Accounting is a profession of the future. It is an honourable profession which must gain the acknowledgement it deserves. Today, opinions of accounting and accountants in our environment are very poor. Most people associate this profession with

boredom and the people performing it with paper-pushing bureaucrats. When accountants are appropriately acknowledged, they will become more responsible. Since accounting information is intended for the organisation itself as well as for those groups directly or indirectly linked with the organisation, the accountant's responsibility when creating information is twofold: to the organisation and to external users of the information. Awareness of the latter is currently much too low.

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