

Emerging Trends of Professional Accountancy

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This study attempts to expand the literature on emerging trends of accounting in Pakistan. As there researches available are not enough in Pakistani context. But much work has been done internationally. Data has been collected from Pakistani accountants and some others who are somehow connected with accounting profession. The questionnaire used for this purpose was structured based on established scale. To analyze the results SPSS software was used as this was the quantitative research - And hypothesis was tested through it. This research may be of particular interest to accounting researchers, practitioners and auditors since professional accountancy has become central to business matters. This study on professional accounting may prepare people for a career in senior level business management. It may enable people to expand accounting applications to a wide variety of business and financial settings and prepare for public and private accounting positions.

Key Words: professional accountancy, education and training, information technology, accountants

Introduction

Accounting is being used in different businesses whether small or large, formal or informal for many years ago, but with the passage of time it has been evolved and has become a profession. Professional accountancy trends are emerging. To study that how these emerging trends of professional accountancy are being affected, we have conducted a research on “Factors Affecting the Emerging Trends of Professional Accountancy”

In current era, accounting has become basic necessity of business world even for small businesses and Non-Profit organizations and is equally important for public and private sector. It's now a statutory obligation as well of companies to keep accounting records. Accounting portrays an organization's performance, its financial position and helps in decision making to its stakeholders i.e. management, investors, creditors, suppliers, governments etc. accounting includes recording financial information, summarizing it in an organized form, generating financial reports and tools of interpreting and analyzing the financial information to check the performance of business over a period and making future decisions. Accounting provides a base for financial management that includes techniques of project evaluation and investing and financing decisions.


In earlier times accounting was used only for book keeping. Now days, it has become a substantial representative of an organization's financial resources as it indicates the organization's operating performance, its financial position and its future perspective.

Forecasting involves three types of projections regarding revenue, expenses and asset needs in the future. Accounting with the help of financial management techniques helps in forecasting to meet customer demands and exploiting opportunities that will be available to the company in the future.

Accounting helps business's management to make future dedication of time, finance and other resources. Management accounting assists management to make such dedications that will maximize business profit and minimize its operating cost. It also helps in valuing its dedications and commitments through cash flow projection for future.

Use of accounting helps management in controlling function. It facilitates in measuring progress through making financial statements and comparing them with the targets using variance analysis tools and making decisions of corrective actions if performance departs from targets.

Over the times accounting evolved and flourished to fulfill business needs. First book on double entry accounting although was published in 1494 by Italian friar, Luca Pacioli, who was given title of father of accounting, but accounting was in existence thousands years before Christianity. Ancient Egypt, China and Greece used accounting to manage public finance. There are two opposite views regarding its evolution.

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Some argues that it developed as a result of changes in environmental and societal needs. Other argues that accounting has itself driven development of commerce as application of accounting methods and techniques enabled modern business to thrive, prosper and meet its stake holder's needs in efficient and effective way. Whatever is the motivator of its evolution, accounting provides a bird eye view over the history of economic and business and today is very important for every business and now day's new trends in accountings are emerging.

Accounting significantly contributes towards promoting the value of the firm. With the emergence of new trends in accounting the roles and responsibilities of accountants are increasing. In addition to their conventional responsibilities of maintaining records of overall operations and activities of the business and preparing financial reports, accountants and their work are extensively involved in decision making at executive level. They have to ensure the decisions being taken significantly contribute towards the long term value of firm. They have to manage for short term liquidity of the firm. They have to raise finance for the company in a way that will be cheaper for the business. As the significance and responsibilities are increasing some factors which are changing accounting trends needs to be addressed.

There are many factors which are affecting emerging trends of professional accountancy i.e. information technology, globalization of business, fast communication means, adoption of International Financial Reporting Standards, business objectives, statutory obligations, professional ethics, education and training etc. In this study four important factors have been taken into account, which are:

- Information Technology
- International Financial Reporting Standards
- Government Legislation
- Education and experience

New trends in information technology have also affected accounting system. Now day's companies are using Accounting Information Systems (AIS) either by devising the system through collaborative work of IT professionals and accounting professionals or by deploying customized accounting software like Quick-Books and Peachtree etc.

As globalization is taking place, accounting practices are also getting a trend of standardization over the whole world. Therefore International Financial Reporting Standards are being adopted in most of the countries. In Pakistan, almost all relevant IFRS are adopted in financial reporting.

Professional accountancy is also affected by statutory requirements as maintaining accounting records

and financial reporting is not optional but is an obligation by Federal Board of Revenue (FBR) and Securities and Exchange Commission of Pakistan.

Accounting education is getting more attention by the people and number of accounting professionals is increasing all over the world. Education and training is strengthening Time to time introduction of new accounting standards and practices are incorporated in education which has a positive effect on accounting profession. Professional accountancy and is enhancing its worth.

To check all these independent variable's affect on professional accountancy we are going to use questionnaire to collect the primary data, for this sample size is hundred. As concerned with secondary data literature review is searched from internet, books and from articles (references are mentioned at the end of the report).

Reason behind selecting this topic is that there is no research available on this topic in Pakistani context and we are going to develop a research paper that will add the value in the literature about the trends of accountancy in Pakistan and the factors that affect it positively or negatively.

Objectives

Change is the only constant thing in life. This statement is very true in accounting profession. We are conducting a research regarding factors affecting the emerging trends in professional accountancy and objective of our research are:

- To analyse the emerging trends of professional accountancy.
- To judge what are the factors due to which trends are changing of professional accountancy.
- To study the effect of government legislations on emerging trends of professional accountancy.
- To evaluate how the emerging trends of professional accountancy influenced by information technology.
- To explore that how the International Financial Reporting Standards influence the emerging trends of accountancy profession.
- To scrutinize the influence of education on emerging trends of professional accountancy.
- To examine the relationship between training and emerging trends of professional accountancy.

Literature Review

Professional Accountancy

Study reviews the history of the early development of the accountancy profession in the UK and the USA and describes the organization of professional accountancy bodies in both countries, concentrating particularly on events in the post-formation period. It also identifies the persistent struggle of UK and US accountants with the conflicting phenomena of economic self-interest and public duty. It shows how professional accountancy in the UK and the USA evolved from internalized disputes to externalized defenses of the professional mission. This evolution caused the actions of UK and US accountants to be scrutinized increasingly in public (Tom Lee, (1995). Entering into the 21st Century, financial professionals saw the emphasis of their responsibilities shift from recording various aspects of a corporation's financial health to joining top executives in a broad based partnership. Stereotypical accounting trend is out-of-date because accountant work was never accurate. Traditionally, accountants kept the books and assured that statutory requirements were met. The role of accountants became more complex with innovative organizational models and accumulation of new financial instruments. (Baskerville and Hay: 2010). Professional accountants are recognized by different designations around the world—for example, Chartered Accountant (CA) or Certified Public Accountant (CPA), Chartered or Certified Management Accountant (CMA),—the brand values associated with these designations are in the custody of the individual member bodies. As the representative of the global accountancy profession, IFAC acts as the custodian of the overarching common values implied by “professional accountant” for all member bodies, characterized by integrity, objectivity, transparency, and the commitment to achieve and maintain expertise and to behave ethically (international federation of accountants (PAIB committee) 2012). Now the question arises that who are Professional Accountants in Business and Where Do They Work?

IFAC uses the expression “professional accountants in business” to refer to all those members of the profession who are not primarily focused on performing the external audit of an organization's financial statements. They are a very diverse constituency, and can be found working as employees, consultants, and self-employed owner-managers or advisers in commerce, industry, financial services, the public sector, education, and the not-for-profit sector. Although always having this grouping in mind, the strategy and work plan refers simply to “professional accountants,” adding “in business” only where it is necessary to distinguish them from professional accountants in public practice. IFAC has a role in defining the values of all professional accountants (international federation of accountants (PAIB committee). The duties are specified for the professional accountants.

A professional accountant has a continuing duty to maintain professional knowledge and skill at the level required to ensure that a client or employer receives competent professional service based on current developments in practice, legislation and techniques. A professional accountant should act diligently and in accordance with applicable technical and professional standards when providing professional services (COE 2010). It's also included in the duties of the accountants to keep the record confidential. A professional accountant should respect the confidentiality of information acquired as a result of professional and business relationships and should not disclose any such information to third parties without proper and specific authority unless there is a legal or professional right or duty to disclose. Confidential information acquired as a result of professional and business relationships should not be used for the personal advantage of the professional accountant or third parties (COE 2010). The behavior of the accountant should be professional. A professional accountant should comply with relevant laws and regulations and should avoid any action that discredits the profession. Each of these fundamental principles is discussed in more detail in Sections 110-150 (COE 2010). The whole world is changing even with the passage of every single second; this emergence in the world is also affecting the trends of professional accountancy. Different researches are being conducted by the researchers to check the latest trends in accountancy. Different researchers have different views about the factors that affect the emerging trends of professional accountancy, “in 2012 Evans and Burritt said that in all countries, regardless of the general level of development, many people are involved in the accountancy profession, e.g., clerks and book keepers, accounting technicians, and experts in information technology. They possess many different skills and function in many different capacities. They work in public practice, industry and commerce, education and government. All are important and each group has distinct capabilities and competencies.

However, sustained development of the accountancy profession is best achieved by the creation of a professional accountancy body that will have as its key objectives to protect the public interest in all matters that pertain to the profession, establish professional standards, especially standards of professional conduct, and represent professional accountants and accounting staff.” In short, this paragraph is all about the factors that affect the emerging trends of professional accountancy. There are number of other important developments which affect accounting professionals. They involve new regulations; changing job responsibilities; emerging technologies and specialties and a more moderate hiring climate are few of the key issues. Individuals who adapt quickly to these trends will be in the strongest position for career advancement this year. Accountants continue

to assume broader responsibilities, undertaking more of an advisory role with their clients. They are expected to think big-picture and understand how financial data impacts every aspect of a business. To succeed professionally, accountants need to be strong oral and written communicators who can convey complex information to people outside of the financial field and foreign language skills will be valued as businesses continue expanding internationally (Messmer: 2003) Accounting professionals no longer focus on preparing financial reports and tax returns, but automatically download the data and they aren't just data collectors, but serve as advisory and planning consultants to their clients. Over the next decade, rapid change and continuous transformation in the accounting profession will lend itself to greater opportunities for growth and productivity. In 2020, accounting practitioners will not only have changed the way they work, but also the work they do. Consumers and businesses will turn to them for competitive strategies to navigate the global marketplace. (Intuit: Feb. 2011). The accountancy profession operates within an environment that is changing at a rapid pace. It is the responsibility of the profession to ensure that all its members (including future members) meet the expectations placed on them by the users of their services. Professional accountants need to stay relevant in this changing environment that may require them to change or adapt the services they offer to their clients. It is the responsibility of professional accountancy bodies to strategically plan for these changes to ensure that members that join the profession possess the required knowledge and skills (Philippus Lodewikus Wessels: 2006).

IFRS

IFRS adoption has also started in the world of accountancy that affects its results positively. Its adoption is an issue which is in process of its solution; however, some countries have started working in professional accountancy on the lines of IFRS. In (2011) Alves and Florence stated in their research paper that "IFRS adoption begins in 2002 when European Union required that all 7,000 European listed companies adopt IFRS in their consolidated financial statements from 2005. The current wave of countries adopting includes Brazil, South Korea, India and Canada. International convergence will be achieved only when the United States permits the use of IFRS. A decision should be made for implementation, perhaps, at the earliest, from 2015." According to Verhoef (2009) the accounting profession in South Africa developed South African General Accepted Accounting Practice since the early 1970s. Accounting standards for the domestic context were not developed in isolation from international accounting standards. Since the 1950s resulted in a very international footprint of the accounting profession in South Africa. Access to reliable financial

information on South African businesses was vital for international investors. This depended on the availability of 'decision useful' financial information, which was based on high accounting standards and internationally accessible and comparable accounting information. A persistent emphasis on high standards of accounting education and practical training, led to the formulation of SA GAAP of a sufficiently compliant standard, which enabled South Africa to be the first country to implement IFRS in 2005. This development had a positive impact on the globalization of South African professional accountancy. Its importance had been realized way before as Benzacar (2008) said anyone who either prepares or relies on financial results needs to understand the impact of IFRS on an organization. Financial employees and those involved in an IFRS migration need to understand the details behind IFRS. One thing can be said for sure that many people haven't heard about IFRS today and in a couple of years, it will become standard accounting terminology. Thus, it can be stated that in an increasingly global investment management sector and ever more competitive capital marketplace, the move to IFRS has been welcomed as an opportunity to improve the comparability of financial statements and help companies to compete for investment with businesses from other countries and industries.

The International Financial Reporting Standards (IFRS) are playing an increasingly important role in global financial reporting. As a result, colleges are incorporating the IFRS into their business curricula. Examining adoption of the IFRS from different perspectives allows students to explore the views of the various participants in the regulatory process, including investors, auditors, public, and private companies. This project encourages active collaborative learning and develops fundamental skills, including critical thinking and information literacy (Anna Alon 2012). After adoption of the IFRS a research was conducted by New Zealand in 2011 to check the impact of IFRS on their firms. Stent and Bradbury stated the findings that "The results show that 87 per cent of firms are affected by NZ IFRS. The median and inter-quartile ranges indicate that for most firms the impact of NZ IFRS is small. However, the maximum and minimum values indicate the impact can be large for some entities. The impact has considerable effects on common financial ratios." Shortly the literature proves that the IFRS have the impact on the financial statements and its adoption is also becoming necessity for the whole accounting world. The early research shows that companies or even countries adopt IFRS voluntarily because they can benefit from adoption. The first such study was carried out by Dumontier and Raffournier (1998) who showed a positive influence of size, internationality, listing status, auditor type and ownership diffusion on voluntary compliance with IAS, but they found no signifi-

cant relationship for leverage, profitability and capital intensity. Therefore, they revealed that firms which comply with IAS are larger, more internationally diversified, less capital intensive and have a more diffuse ownership. These lead to the conclusion that political costs and pressures from outside markets play a major role in the decision to apply IAS. IFRS since its introduction in 2001 had provided uniform accounting in financial reporting which would enable investors to interpreted financial statements with minimum effort. Implementation of IFRS would give rise to the benefits of; Uniform application of principles, Easy comparability of financial statements of two or more companies' worldwide, Tax authorities will find it easy to assess tax payers for payment and collection and Administrative cost of accessing the capital markets would be reduced for companies globally. In addition, time and money will be saved by international accounting firms in planning of accounting and audits.

Since free-markets of each nation expand their trading of shares to international buyers the need for a globalized standard of accounting systems has increased. The idea to create these standards began in 2001, and has gained footing ever since. Some of the greatest benefits of the switch to an international standard are (1) "the IFRS promises more accurate, comprehensive and timely financial statement information", (2) small investors have a more level playing field against professional investors on the international markets, (3) IFRS will eliminate the need for analytical adjustments made by investors to create a comparable standard between corporations operating under different standards, and (4) there will be an increased ease on the acquisition and integration of international components for corporations (Ball 2006).

Government Legislation

Among different factors which affect emerging trends in professional accountancy are law and the legal environment. Most schools have courses in business law, but such courses are inadequate. It is very important that professional accountants have a broader exposure to some of the problems of law and the legal environment particularly as they relate to the problems of financial disclosure, public reporting, auditors' liabilities, the securities environment, etc. There are special areas of the law which are both a necessary part of the professional accountant's background and sources of productive research topics (Burton). It can be understood that govt. legislation is also an important aspect that it affects professional accountancy. The scope of service provided by professional accountants is influenced by govt. legislation and case law as well as the dictates of a variety of government and private sector agencies. These entities

and self-regulatory organizations such as U.S. State Societies of CPAs and the American Institute of Certified Public Accountants and equivalent and emerging national bodies that exist in most developed and developing countries are among the emerging entities which attempt to coordinate the activities of professional accountants among sovereign nations. It is important for academics, students, practitioners, regulators and researchers to consider and study the role and relationship of such bodies with the practice and content of our discipline (Western Reserve University). The emerging trends of professional accountancy are being affected by the Govt. legislations because the Governmental authorities have to keep the check and balances in each and every field as well as in accountancy. In 2011, Salisu code the reference and added that "With the growth of corporate activity in the 20th century, the field of accounting has increased greatly in importance and has seen many improvements in theory and techniques. (Palmer 1977). He added that the chief causes of changes in accounting methods have been more complex tax laws and regulations and the need to keep uniform accounts for possible governmental or public scrutiny." The accountancy profession has to deal with a set of radical reforms proposed by politicians and regulators that could change the ground rules for accountancy firms. This includes developments in corporate reporting such as integrated reporting and the re-emergence of consulting and advisory services which are expected to contribute to growth in this sector. It is required to achieve greater harmonization of the rules that how financial instruments should be valued and how those should be reflected in the accounts of companies that hold them. (CIMA report: 2011). According to Severinson & Yermo, (2012) major developments have been taking place in accounting standards. Over the past decades, views on long-term investing have evolved following changes to regulations and accounting requirements, demographic shifts and lower market return expectations. Recent developments in accounting, in particular the introduction of fair value principles, have brought greater transparency and consistency to financial statements. By applying a common valuation methodology, investors and consumers can get a better sense of the relative financial condition of different institutions. In Nigeria, the professional accounting bodies always lead the way in the regulation and standardization of issues relating to accounting. The history of accounting in Nigeria can be traced prior to the establishment of professional accounting bodies in the country. The first professional accounting body in Nigeria is the Institute of Chartered Accountants of Nigeria (ICAN), which was established in 1965 by an act of parliament. ICAN was and is still responsible for the training and certification of professional accountants in Nigeria. In 1993, another professional accounting body was formed called Association of National Accountants of Nigeria

(ANAN). The association is also responsible for ensuring the best practices in the profession and also participates in the general regulation of accounting practice in Nigeria. And emerging trends in professional accountancy is due to these law regulating bodies (AbubakarSalisu: 2011). However, there are some drawbacks to it. Regulatory supervision and change is the most important issue that is currently being faced by the accounting profession.

Information Technology

Information technology (IT) has created significant benefits for accounting departments. According to the research conducted by Johnson, Kaplan (1987) the current changes in manufacturing technology and information technology has made accounting more advanced. The accounting system encourages and motivates managers and other employees for the use of information technology. It focuses also on customers' requirement by providing customer satisfaction to gain more profit and more customers. The evolution and adoption of accounting to meet the changing needs in today's world is much appreciated by many organizations. Accounting practices are likely to develop broad spectrum of cross-functional disciplines. Specific directions include performance management, intellectual capital management, environmental management, financial management, asset management, information management and strategic management. Information technology plays an important role in every field of life. Its positive effects can also be measured on the accountancy. Thompson (2006) stated that Information technology (IT) is pervasive in business, requiring the professional accountant to be competent in this technology. IT encompasses hardware and software products, information systems operations and management processes, IT controls frameworks, and the human resources and skills required to develop, use and control these products and processes to generate the required information. In a nutshell, information technology is very essential for the accountancy profession.

Information technology has also improved productivity. Accounting technology has increased individual productivity by using internal math checks and automatic account balancing features to limit input errors. This helps accountants to focus on verifying the accuracy and validity of financial information, rather than rebalancing the numbers to determine math errors. Accounting software also allows accountants to select various accounts and journals for financial reports, limiting the amount of time spent digging through countless pages of handwritten data.

There is a need to implement information technology in professional accountancy to cope up with changing environment. One of the objectives of accounting ed-

ucation at South African universities is to prepare students for positions as professional accountants. The bulk of current education at South African universities focuses on the acquisition of technical knowledge through courses or modules focused on financial accounting. The South African Institute of Chartered Accountants, which is the dominant professional accounting body in South Africa, is mainly responsible for prescribing the body of knowledge that is taught. However, current accounting education is challenged by major changes in the environment in which professional accountants are operating. One of the major factors that affect this environment is the impact of information technology on the accounting profession (Wessel: 2004). ACCA believes IEPS 2.1 gives comprehensive guidance to professional accounting bodies in accordance with the requirements of IES 2. The paper should recognize that although different IT roles are identified, there is scope for considerable overlap between these roles, particularly between the user role and the others. ACCA believes that some paragraphs in IEPS 2.1 could be more specific with reference to IT; for example, paragraph 21 and the paragraphs 23–27 on the whole area of control competences. These latter paragraphs could be improved by containing an introductory passage explaining broadly what IFAC means by IT control knowledge and competences. It would be beneficial if the IEPS elaborated on IES 2 in this area, as the IES deals with this only in broad terms. The emphasis on control competences in the IEPS is consistent with the requirements of IES 2, but the IEPS does not elaborate or expand on the IES 2 coverage in the context of the application of controls to personal systems. The assumption is that the accountant will require IT control competences mainly in the role of assurance provider and evaluator, or possibly in compliance and internal control, but some control competences could also fall under particular user roles. IES 2 in Section 30 requires competence in a 'user' role and 'at least one of' the roles of manager, designer and evaluator, or a combination thereof. It is made clear in Paragraph 33 of IES 2 that these competences can be obtained:

- by integrating IT into the organizational and business knowledge component
- by integrating IT into the accounting and accounting-related knowledge component
- through pre-qualifying work experience
- through post-qualifying continuing professional development that is specialist IT courses or qualifications (Thompson 2006).

Education and Training

Development of higher education in accounting in most of the TWCs higher education in accounting was initiated by colonial powers during the periods of their rule. Even after gaining independence most of High Income

Oil Exporting Countries (HIOECs) countries could not free themselves from the influence of their respective colonial powers. For example, the influence of British accounting is still highly reflected in the Indian, Pakistani, Sri Lankan, Nigerian and Malaysian accounting education and practice. Similarly, accounting education and practice in former French colonies like Algeria, Tunisia, and the West African states basically follow the French system of accounting (Briston, 1978; Enthoven, 1977).

But HIOECs, where higher education in general and accounting education in particular are relatively recent phenomena, have a different sort of influence on their accounting education which cannot be called 'colonial'. In all these countries, the need for higher education in accounting was seriously felt only after the oil boom in the early seventies. To meet this need, most of the High Income Oil Exporting Countries (HIOECs) started establishing higher educational institutes for accounting and other business disciplines in the seventies and eighties Yapa and Wijewardena (1995) and Burton (1974) states that there is considerable evidence that the accounting field is one in which there are a large number of unsolved problems which require new approaches, and therefore, require scholarship rather than training techniques. This is one of the major arguments for increased emphasis on higher accounting education. Regina and Okafor (2012) provided the literature review about education and training of accountants that "Accounting education in a university incorporates a package of instructional programs designed to educate "would be" accountants, to make them versatile and adaptable to any of the numerous roles they may be called upon to play after graduation (Anao, 2009). Such education, among other things, seeks to develop concepts, rules, skills, procedures, theories and general knowledge for solving accounting problems (Andersone, 1985). It emphasizes the ability to differentiate and integrate alternative problem solving perspectives, the ability to identify accounting related information resources, the ability to structure solutions to problems and develop communication skills as well as the ability to analyze, and interpret problem situations and figure out lasting solutions (Baker et al, 1995)." By this literature review we can say that from many decades emerging trends of professional accountancy are being adopted by the accountants. Accounting and finance professionals looking to advance their careers need not only solid technical skills, but increasingly they also need soft skills, according to Accounting Management Solutions (2007). "...Technical skills refer to general accounting and financial reporting knowledge, and SEC reporting expertise for public companies. They also include internal audit and financial analysis skills, knowledge of software systems and competencies in tax planning and code compliance. Soft skills include written, verbal, presentation, and interpersonal capabilities." Professional accountants can, with more specialized training, work in

more complex information technology related areas, such as information systems design, information systems management, and control and information systems evaluation. IEPS sets out the knowledge and skills professional accountants may require in formulating the questions to be answered by specialists such as the IT auditor, and to understand the outcome of the activities of such specialists (International Federation of Accountants) Professional accountancy trends are changing due to which employers expect professional accountants to be confident communicators, with good teamwork and leadership skills. In fact, more and more employers are in need of accounting professionals who are critical thinkers; who are not only technically proficient, but can tackle the 'bigger picture' as well. This is the reason due to which there is the rapid growth in suppliers of accounting education, with many new providers, including vocational education and training providers, private higher education providers, public, private and corporate universities, and professional associations and this applies not only in Australia but globally (Elaine Evans, Roger Burritt and James Guthrie, 2012). The study of Evans, Burritt and Guthrie (2012) provides the pathways to accounting a formal, structured route which, once traversed, lead to an inevitable destination. One of the major factors that affect this environment is the impact of information technology on the accounting profession. The purpose of this article is twofold: firstly, to investigate the extent of the changing environment in which professional accountants will need to operate in future, focusing specifically on information technology; and secondly, to determine the need for future research that will identify strategies for closing the gap between the current education of accountants at South African universities and what will be expected from them in their profession in future (Wessels 2004).

Research Method

The study intends to investigate that how different factors like govt. legislation, information technology, IFRS, education and training affect the emerging trends of professional accountancy. Thus this study will determine the relationship (positive or negative) between independent and dependent variable.

The population considered for this study is the accounting professionals related to all fields of accounting. As we can exactly gather the desired information for our study from these people, who

Structured standard questionnaire is adapted under likert scale to get the information and to measure the variables. The questionnaire is developed in English as the respondents are from middle class background and are educated enough to comprehend this language and can easily answer the questions.

Based on Mark's (1996) recommendations, the questionnaire used fixed-alternative or closed-item questions because they are easy to code and tabulate. Mark stated that fixed-alternative questions are advantageous to the research effort in that "measurement is uniform across respondents and reliability is enhanced because each respondent's answers must fit into clearly defined categories" (p. 246). The response categories in the questionnaire will be assigned numerical values to facilitate their use in testing the study's hypotheses and for supplementary analysis purposes. The items in questionnaire are divided into different segments according to the dependent and independent variable, so that the relationship among these variables can be checked. The questionnaire includes total 17 items and these are sorted into 5 five capability scales: lifeboat, legislation, information technology, IFRS, education and training affect the emerging trends of professional accountancy.

For dependent variable, emerging trends of professional accountancy, there are three questions. For independent variables, information technology, there are three questions, for IFRS four questions, for Govt legislation four questions and for education and training four questions.

Four independent variables are adopted: govt. legislation, information technology, IFRS, education and training for the study. All measured on a 5-point Likert scale, 1 representing strongly disagree and 5 as strongly agree.

The reliability tells that the scale used for research is consistent or not. It is a scale which represents that the instruments used for research purpose provide the same result of sample at different level or not. It also

explains whether the data we obtained through questionnaire is reliable to run further analysis to conclude the findings or not. The reliability of our research shows that the Cronbach's Alpha is 0.569 which is aptly equal to 0.6 which means that the input we get through the questionnaire and the scale we choose is providing approximately same results of individual at different level in research tool.

Results

According to the analysis there is no multi-collinearity between variables as there is no correlation of 0.90 between any two variables. Pearson correlation shows that dependent variable that is Emerging trends of professional accountancy has positive correlation with government legislation, information technology and education and training where as negative correlation with IFRS. Independent variable government legislation is positively related with all three independent variable and one dependent variable. The IFRS (independent variable) is positively correlated with govt. legislation, information technology and negatively correlated with education & training as well as with the professional accountancy. Information technology is positively correlated with variables but education & training is negatively correlated with IFRS where as positively related with others. Correlation shows that whether the independent variables have impact on other independent variable or not means how much the independent variable corresponds to each other. So this shows that independent variables are accurate to know its impact on dependent variable as no multi-collinearity exists between them.

Table. Correlations

		government_ legislation	IFRS	information_ technology	education_ training	professional_ accountancy
government_legislation	Pearson Correlation	1	.365**	.247*	.084	.079
	Sig. (2-tailed)		.000	.013	.407	.432
	N	100	100	100	100	100
IFRS	Pearson Correlation	.365**	1	.078	-.042	-.061
	Sig. (2-tailed)	.000		.442	.679	.544
	N	100	100	100	100	100
information_technology	Pearson Correlation	.247*	.078	1	.319**	.470**
	Sig. (2-tailed)	.013	.442		.001	.000
	N	100	100	100	100	100
education_training	Pearson Correlation	.084	-.042	.319**	1	.312**
	Sig. (2-tailed)	.407	.679	.001		.002
	N	100	100	100	100	100
professional_ Accountancy	Pearson Correlation	.079	-.061	.470**	.312**	1
	Sig. (2-tailed)	.432	.544	.000	.002	
	N	100	100	100	100	100

** . Correlation is significant at the 0.01 level (2-tailed).

* . Correlation is significant at the 0.05 level (2-tailed).

Regression

The model summary of our research indicates that the R2 which is 0.509 means is less than R2 which shows that our variables are 50% variant means there is sig-

nificant variation in regression present in data. And adjusted R2 indicates that how the dependent variable is affected by independent variable which is about 23% in this research and less than the R2. So our research shows that regression is strong as data spread on both areas of regression line.

Table 2. Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.508(a)	.258	.227	2.84939

a. Predictors: (Constant), education_training, IFRS, information_technology, government_legislation

ANOVA shows the significance of (0.000) which means the significance of our research is 100% that

our independent variable has strong impact on dependent variable.

Table 3. ANOVA

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	268.134	4	67.033	8.256	.000(a)
	Residual	771.306	95	8.119		
	Total	1039.440	99			

a. Predictors: (Constant), education_training, IFRS, information_technology, government_legislation b. Dependent Variable: professional_accountancy

Coefficient tables shows that there is strong relationship between information technology and emerging trends of professional accountancy so we accept the hypothesis H1 that information technology positively affect professional accountancy with the confidence level of 99% at significance of 0.000 which is less than

the 0.001 where as the other independent variables have significance level above the 0.001, 0.05 and 0.10 so we accepted the Hypothesis H0 that the govt. legislation, education & training and IFRS have no impact on Professional accountancy as P- value level is greater than the all three levels of significance.

Table 4. Coefficients

Model		Ustandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	9.072	2.604		3.484	.001
	government_legislation	-.010	.100	-.009	-.097	.923
	IFRS	-.098	.112	-.084	-.877	.383
	information_technology	.423	.096	.424	4.420	.000
	education_training	.193	.104	.174	1.860	.066

a. Dependent Variable: professional_accountancy

Conclusion

We have selected accounting research topic of emerging trends in professional accountancy as this topic has a great scope and is quite recent topic because the world is changing day by day and way of practicing accounting procedures are also changing to keep pace with modern world and also to remain in better competition with organizational competitors. In addition, we analyze the influence of independent variables which are information technology, international financial reporting standards, government legislation and fourthly education and experience on our dependent variable of emerging trends in professional accountancy. Objectives of our research were to analyze and determine the emerging trends in professional accountancy, to check effect of independent variables on dependent variable and to make it operational for further researchers as well. As the trends are changing so it is essential for company’s financial information to be consistent and comparable by keep pace with changes and it is our significance of research topic. Our research will be further applicable for accounting researchers, managers and for students. As concerned with methodology used in our research is that participants taking part in our research includes accountants of different organizations and a standard questionnaire is utilized by using a Likert scale. At last we have run SPSS for checking reliability of our research. It can be concluded from SPSS analysis that our research is reliable as alpha value is 0.59 approximately equal to standard alpha value and as concerned to correlation

analysis we have reached on the conclusion that there is no multi-collinearity between any two variables which shows that the independent variables we have chosen are quite effective and exact. In addition, by running correlation analysis we can conclude that there is significant variation in regression of our data, ANOVA is showing 100% reliability of our research and the final result is that only one independent variable that is information technology which positively influence the dependent variable of emerging trends in professional accountancy.

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