



The Accounting Podcast Series

S01E06: Mary Clarke and

Sarah Yang Spencer

Transcript

Albie: Welcome to TAPS, [The Accounting Podcast Series](#). I'm Albie Brooks, and working with me is Abbey Treloar. Our guests today are [Mary Clarke](#) and [Dr Sarah Yang Spencer](#). Mary is currently Principal at DXP Consulting. Her recent previous experience includes the role of Head, Education Policy at CPA Australia, and some of her current professional areas of interest include influencing education policy and practice, skilled migration policy, indigenous success, and the relevancy of the professions. Mary holds an Executive Masters in Public Administration and an Honours Degree in Economics. Welcome to TAPS, Mary.

Mary: Thanks, Albie.

A: Sarah is currently a senior lecturer here at the University of Melbourne, having moved here in 2018 from a senior role at CPA Australia in the management of their certification programs. Sarah's research focus and areas of expertise include business strategy, strategic management accounting, organisational learning, management control systems, the scholarship of teaching and learning, and curriculum internationalisation. She currently teaches predominantly in the areas of management accounting and capstone areas. Welcome to TAPS, Sarah.

Sarah: Great to be here.

A: I'd like to explore two broad areas during our conversation. First, the role of accounting and accountants into the future, and the education of accountants for this role. Second, if time permits, I'd like to briefly explore some of the issues around regulation and accreditation of accounting programs. First, Mary, notwithstanding the various subdisciplines of accounting, how do you see accounting education evolving to meet the needs of organisations into the future?

M: That's a good question. There's probably four points I'd like to make. The first one is that we don't know what roles will look like in future organisations. New roles are being born, and old roles are dying at rates we haven't seen before and we'll probably never see again. It's just going to accelerate. But probably just as significantly if not more so, existing roles will not be a constant. They are not a constant. One recruiter talks about chief performance officers in place of what we've traditionally known as chief financial officers, so that's changing the whole dynamic from being reactive to looking for performance drivers, from being responsive to looking for strategic thinkers, for looking for accountants to be enablers, for them to be more like business partners in the organisations. They're looking for flexibility, they're looking for collaboration and communication. So

the challenge for accounting educators is to support students to become work-ready and not job-ready, which I suggest is an important distinction because jobs are coming and going. It's around having those transferable skills that graduates can take from role to role. The second point I would make is that with the changing models of business, outsourcing and offshoring, and with digital advancements, it heightens demand for two things: one, the things as humans that give us distinct competitive advantage – things like creativity, for instance, or our interpersonal skills. They're also looking – the second thing is digital dexterity. So don't get me wrong, technical accounting skills are always going to be important, but they are baseline. They're necessary; they're not sufficient. If you look at Seek data for the top skills that they're looking for in various accounting roles, there you're looking for Excel skills, digital skills, that's throughout all the roles. But importantly is those what we call "soft skills", which is an awful word; I think they're hard. It's things like communication, problem-solving, people skills, self-management, teamwork. So there you have those transferable skills that you can take from role to role. The third point I'd like to make under this header is that employers are disillusioned. They no longer have faith in the formal qualifications. Increasingly, you're seeing employers like the big four who are placing less – I did a paper shuffle, sorry – less and less emphasis on qualifications. So EY has gotten rid of them altogether. PwC has relaxed them. If you go for a job at Deloitte, they are now blind to what university you went to. So if you've got a Melbourne University qualification, you don't get an added premium from going to Melbourne University. The challenge, therefore, is how do you help your graduate signal that they are meritorious? That's what employers are looking for, merit over qualifications. So how do you do it? That's where things like microcredentials might come in, preferably in digital badges where you might have metadata that sits behind those badges that actually gives you insights into transferable skills that employers are looking for. It might be recognition awards for "wonderful presentation given" or the like. It might be references from past employers, or it might be things like detailed transcripts that are not just focusing on, "You passed Management Accounting 10201," or whatever it is, but actually says you passed it but you achieved these grades for these types of skills that employers are looking for. Fourth and final point is compliance. With the banking commission and other developments, employers are looking increasingly for compliance, in which investigative skills become important, but more than that – or at least as important as that – is that the accountant's interpersonal skills are at an absolute premium, because they have to talk internally to their senior executives. They need to whip them into shape; that's not an easy thing to do. And they're often the voice and the face that's in front of external parties. That's probably enough for that question.

A: So what does all of this mean for individual accountants, do you think?

M: Probably at least four things again. The first thing I'd say is the absolute importance of agility and resilience, so it's a mindset thing. It's an attitude. The changing nature of work is not something to be dreaded. It should be something viewed with excitement, because who wants to come into work each day and do the same thing day in and day out? To me, that's exciting. And accountants are transforming themselves. So yes, those transactional jobs are going because of outsourcing, because of the automation of jobs that can be automated. They're going. But on the upside, accountants are transforming themselves into advisors, into business partners, into strategists, into what we talked about before, chief performance officers, which are exciting. You're in the core of business, core within the organisation. And the net effect of this transformation – and don't just take it from me, there are official forecasts from government and from esteemed academics that say this – is that the demand for accountants is increasing and will continue to increase. But it's the demand for the right type of accountants, quality accountants who have invested in themselves, which is a nice segue to the second point I'd like to make, which is don't stop learning. Learning never stops. Don't stop at the point of achieving your qualification or your professional accounting designation. Accountants

need to look for learning, and it doesn't have to be in a formal learning context. It might be, but learning occurs in all sorts of contexts. It might be on the job. It might be in discussion with mentors. Mentors are extremely important. It might be doing along to a conference or a seminar. They need to be positively embraced. If I look at my own experience, I've been working in the gig economy, if you like, as a consultant, and I've just climbed an extremely steep learning curve. And it's been fabulous, and I've been an absolute tart for turning up to whatever conference or seminar or opportunity where I can learn. The related point I would say is say yes. Say yes to things that are scary, that you haven't done before. This podcast is a classic example. It's scary for me. I've never done a podcast before. But it's an opportunity to give it a go, to grow, and actually say, "I've done that," and just broaden your skillsets. The final point I would make is to look for ways that you can evidence the skills you've earned. So that might be seeking a reference from an employer, getting somebody to acknowledge your skills on a LinkedIn profile. It's one of the lessons, again, I've learnt as a consultant, is there's nothing more powerful than external validation. You can say all sorts of wonderful things about yourself, but it carries a whole lot more weight if someone else is saying it.

A: All right, excellent. If we turn our attention to the education side, what should universities be doing to better prepare students? So you've made reference to changes in the way large accounting firms view student credentials. You've made reference to the term "soft skills" – which, I agree with you, is a terrible term, but I'm not sure what a better one is – but these non-technical skills and the importance of those.

M: Yep.

A: So any thoughts around what universities could be doing better to better prepare our students?

M: It's a good question. So I think in the previous questions I've focused on the what. Here's the how, and I think Sarah's probably got a few good points she can chip in here for. I think a couple of things. One is – well, probably three things – for universities to continue to do many of the good things they're doing. So bring along guest lecturers from industry to talk, capstone subjects that cover all of the skillsets learned, opportunities to engage in real projects for real live employers who have got real issues, employer networking events, making them available – or pointing them in the direction of where they are available with, say, the professional accounting bodies.

A: Well, along the lines of those things, if I could just bring you in, Sarah, for a moment, because it's connected directly to what Mary's just referenced. You've been working on an interesting project that works towards engaging students in their learning and preparation for the future. Would you like to elaborate on that?

S: Of course, Albie, and it couldn't be better timing. So recently in the accounting capstone subject for integrated accounting studies, we deviated from the traditional way of delivering the teaching content, and we hosted an accounting symposium called The Future of Accounting: Technology Demystified. So before the symposium, the students were given a reading list. And the reading list was grouped by economists. I mention economists because I know Mary is one. So what did the economists say about technologies and future work? And we also have another theme: what do the professional bodies say about this topic, and then what are the big four firms saying about technologies and the future of accounting? And then through this reading list, what we wanted to do is to open the students' eyes to the outside world, from our normal ivory tower that we are in, have a feel at the impact of technologies and also imagine what the future can unfold for our students.

Then we continued the conversations at the symposium where 200 students and stakeholders of the University of Melbourne gathered and explored the future of accounting with a panel of industry

experts. And these experts included our very own Nicole Fraser, who is an industry research assistant working at Melbourne University; Anna Cooshna, who is the director of Deloitte's auditing transformation team, and a business development manager from CPA Australia, Kit, and also one of the finance managers from the University of Melbourne, and also Jared, who is the CEO of Outcome.life. So these guest speakers used their personal experience to validate the important role of accountants in the future. And their valuable insight actually has helped shape the visions of the future for our accounting students.

In the end, our students were required to write reflections explaining their views on the future of accounting after taking in all this information, and also discuss how they are going to embrace technology in order to have a rewarding career. So from their reflections we can see many of the students came to the realisation that the roles of accountants, under the challenges of technologies, will not be diminishing. Instead, they are going to become more and more irreplaceable. However, they also realise that the landscape of accounting is changing, and the skillset expectations from employers are getting higher and higher.

And I know that we often use this quote quite a lot. It's from Richard Riley, former US Secretary of Education. He used to say, "We currently prepare students for jobs that don't yet exist, using technologies that haven't been invented, in order to solve problems we don't even know are the problems yet." And so, I think that university is a perfect place for the student to gain expertise and develop their abilities and also to come of age. And it is a perfect place for us as educators to try to build great humans intellectually and also emotionally. So I think that being educators, our job is to really prepare our students with the mindset and also the capabilities that they can be adaptive, whatever life throws at them.

- A: Excellent example of a new innovation inside our programs, because one of the things that we always, as educators, struggle with is to create the time and space for additional activities to take place within the 12 weeks that are available to us in a semester, and we do at times get bogged down in content and not always trying to find ways to fit these other things in. So you've done a great job here with integrated studies in making sure that this becomes an integral part of the activities of the subject, which is great. Now, I interrupted you, Mary.
- M: No, that was good.
- A: You had a couple of other points to talk to.
- M: I think that beautifully illustrated the second point I wanted to make under this header, which was we often hear a lot about work integrated learning. I think the opportunity is for more learning integrated work, and that's recognition that a lot of learning takes place in the workplace. And the challenge is how do you capture those learnings and assess those learnings and give credit for those learnings? And I think some of what you're doing, Sarah, actually fits in with that.
- S: Yes, exactly. And I also couldn't agree with you more with what they need to do, really, to prepare themselves. Yes.
- M: The final point I would make under that is to include the future skills that we've been talking about, those soft skills, those transferable skills, whatever name you want to give it – the digital skills – into the assessment rubrics for your students. Human behaviour being what it is, is that it will gain greater attention and effort if it is measured. It will be valued.
- A: Excellent. I think the programs and the kinds of activities that Sarah is using in integrated studies does go a long way to try and enhance the broader range of awareness and skills and mindset, as

you call it, in our students. If we move away from the university program for a moment to something like the CPA program, which you've both had experience with – but it might be any professional accounting program – how do we think these might need to evolve over the coming years to help continue to develop and prepare our professionals?

M: I'll jump in first, though in jumping in first I should acknowledge Sarah's going to be a whole lot more insightful an expert than I am on this one. But I'll say a few things and I'll hand over to Sarah. And what I have to say is I'll again focus on the what and then the how. So on the what front, a couple of things I would say is that the professional accounting programs, they need to continue their focus on IFAC, international education standard requirements. So they are absolutely core and essential, because this is what supports the global mobility of your accounting graduates, it's what supports the mutual recognition of their designations, because it's what underpins the professional designations right around the world. The second point, though, is that the first point is necessary but it's not sufficient, and the opportunity is to look for ways to integrate the broader skillsets that we have just discussed. So the experience requirements that are part of achieving professional designations, they are at least as important as they have ever been. But also the challenge is how do you integrate them throughout the program? How do you bring in things like data analytics and the like? And I don't have all the answers; Sarah might have a few. On the how, some thoughts are there's an opportunity to modularise the learnings a whole lot more. They are offered a modularised block, but actually to modularise and credential the separate blocks of learning that can be stacked up towards a professional designation, because maybe not everybody wants the full professional designation. Maybe they just want to focus on particular areas and to have a credential or something to show that they have achieved expertise in an area such as tax, for example. But then it could go beyond that and offer modules that extend and create specialisations in areas. I think there's absolute opportunity to do that and to show that. Another point I'd make is there's an opportunity – and I see it happening within both professional bodies – to provide further guidance to learners about their pathways. And this could take the form of your capability frameworks and to help steer pathways which might be different for somebody who wants to be a taxation expert versus somebody who wants to be an expert in integrated reporting. It could show those pathways and link you to the modules of learning that steer you along those pathways and helps you to evidence it. Just a couple of further points. Just tying into the point I made before about not all learning takes place in a formal setting. A lot of candidates might have learned a hell of a lot on the job, so greater opportunity to recognise prior learning. I think that's essential. And linked to that is – and I don't have quite the – I've got the idea but not how it might land – is that not all assessment needs to be in the form of exams, particularly if you've had on-the-job learning. Are there ways to – there are ways, certainly with the advancement of AI, certainly with advancements in thinking about assessment, to assess the learnings of candidates. Again, I'm not an expert, but Sarah is a whole lot better with this.

A: A brief comment, Sarah?

S: Yes, love to have that. And I really like this opportunity to talk about the professional program even though I have been away for one and a half years. And I actually quite agree with Mary on a high level, that the content should be really closely aligned with the international accounting education standards, because that's where that building block is. But I also have another view about the program. I think that content-wise I don't think that – and I would also expect not to see a lot of changes, because from my view, core is core. The building blocks for the accounting knowledge are really the foundations that make this professional unique and different from any other jobs. So I think the emphasis on the core knowledge we cannot de-emphasise. But, that said, I do expect to

see changes in the delivery of the program to be more relevant, more flexible, and more personalised and relevant. That's possibly tied in to what Mary just said about the content needing to be more relevant for their jobs, and I think that professional bodies these days are doing to bring in data analytics into the content. And AICPA in 2020 are going to change their exam format. They are going to give data sets to the candidates so that they have to use Excel skills, e.g. pivot table so that they can answer the questions. So that is what the professional bodies are trying to do to make the content more relevant to develop the right skills for future employers. And talking about having the program flexible, but in some way I think 'flexible' is a two-edged sword. It is in one way making the exam more flexible for the candidates and the delivery more flexible. That's a good thing. But at the same time, we all know that we need certain pressure to study. If you allow them to extra stretch their start time, then less and less accountants will be able to finish their designations in the time that we require. And to be more personalised – and I do think that professional accounting programs like the university program were designed around a model of education that remained fairly constant for a long, long time. But we cannot deny that we are in a moment of disruption and change, catalysed in part by the growth of online technologies and also educational technologies. So currently many learning designers and subject matter experts are looking at this model with a fresh pair of eyes, and the potential disruptions posed by online learning will allow us to question how time, space, expertise, accreditations, and also the candidate's agency may intertwine together and create changes in the professional learning space. And we can see many of these parts of the candidate experience are ripe for reinvention. And we will see more and more small changes, but these small changes will eventually trigger big changes along the way.

A: Excellent, thanks, Sarah. I think we could do this for an hour or so, but time doesn't allow us to do that.

M: It's one of our pet subjects.

A: We may have to get you both back and push a little bit further on some of these issues. We really have just touched the surface in some ways. Two questions I'd like to finish with. One relates to the university student, and then the second one relates to policy settings, if I may. So if I could frame the question for the individual student. Let's say that on day one of their degree that you get an opportunity to have a chat to them. They want to do a BCom or an accounting degree, emphasis on accounting, so that's kind of set in stone. They're looking for some advice from you. So what they can do to – apart from go to class occasionally, what can they do over and above classes that will enhance their preparation for work? So you've got the chance here to make one suggestion.

M: One?

S: One? Wow.

M: Well, I had three.

A: Let's go with one. What's the top one?

M: All right, I'll go for one. I'll go for capture your skills and don't underplay them. Whatever way you do that, whether that be your CV, your resume, an e-portfolio, when you do that, don't just capture your technical skills. That's essential, but you've got to go a lot further. So, speaking to the new student, don't just record, for example, that you worked at a bar. That doesn't tell your potential employer a whole lot. What you need to do is reflect upon and capture within whatever format the people skills that you've developed by working in the bar, the interpersonal, the communication

skills. Play those up, because you want to make it as easy as possible for employers to surmise that you have the experience and the skills that they are looking for.

A: All right, excellent. Sarah, have you got one?

S: Wow, that's difficult. I have two.

A: Two? Well, Mary had three. You get to talk about one.

S: Okay. Solid technical skills and communication skills, that's a given. That's no questions about it. But I think, to come back to my point just now, the mindset – being aware and being agile, and to take up the leadership. I think that is quite important.

A: All right, excellent. And brief as well. Good work. In a sentence, did you want to give us, our audience, the other two?

M: The other two – well, two in a sentence?

A: Well, you get one sentence for each.

M: I think – all right, first one: take maximum advantage of the opportunities availed to you, whether that's guest lectures or networking event. And the second – or the third point I think I'm up to – is if there's not an opportunity to integrate work with your learning, create those opportunities for yourself, whether that be doing a part-time job or volunteering, because not only does that demonstrate your – help grow your knowledge of the Australian workplace, it also demonstrates your well-roundedness and your ability to juggle, and that matters mountains for employers.

A: Excellent. That was a long sentence, but excellent.

M: Thank you.

A: Now, to conclude, you are a policy expert, so perhaps if we could conclude with just a comment from you about your views on policy settings that impact accounting education and where these should be at, if you like, going forward.

M: Right. I have a lot here and the time is short, so I'll just focus on a couple. One is we've just had the Australian Qualifications Framework review. Now, that was an opportunity to recognise shorter-form credential and bring them into that framework so there's a basis for verifying the standard and facilitating the liquidity, and by that I mean trading and stacking of credentials. We didn't quite get there with the review panel recommendations. We've got advice around how universities might give credit for microcredentials, so that's a step in the right direction. It is, however, only a first step. So there's a couple of other things I would suggest that needs to happen in the policy content. One is that funding support needs to change, and needs to change to an environment where students have agency over their learning and therefore have an envelope of funds that they can spend over their lifetime, not necessarily on just a bachelor degree or a first qualification, it's over their lifetime to facilitate their continuous learning. The last point I'd make is that governance needs to change to facilitate those learning pathways. In your vocational, your higher educational, your non-traditional education settings, governance needs to change to remove the TEXA-ASQA dichotomy. You need a national quality credential – I don't even know what the word is.

S: Framework.

M: Yes. Not just framework, but a regulator. You need a regulator who regulates the framework and ensures that – whether it be a shorter-form credential or a mesa clustered credential or a full qualification – it's maintaining the standards across that. And that's probably enough on that.

A: Excellent. Great conversation, Mary and Sarah. Thanks so much for joining us here at TAPS, and we look forward to the opportunity of maybe having you back and exploring some of these issues a little further. But thanks again.

M: Thank you.

S: Thank you, Albie.