

THE CHALLENGES FOR THE PROFESSION OF ACCOUNTANT IN THE CHANGING GLOBAL ECONOMIC ENVIRONMENT

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Abstract. Nowadays we observe dynamic growth in the global economic environment and rapid changes in information and communication technologies. These factors have a strong impact, they cause changes in the expectations of parties involved and greatly impact the conditions and competencies of any profession. Technological progress and the importance of behavioral competencies, both ethically and legally, exercising professional judgment and emotional intelligence will bring many challenges and opportunities for those who have chosen the profession of an accountant. The professional organizations of accountants are organizing different workshops and open discussions where participants exchange their experiences, share examples of best practice and the vision for the future. The purpose of the article is to explore the latest tendencies of development of the profession of accountant in the context of the changing global economic environment and to make recommendations for improving professional skills and competencies of accountants. The study is based on theoretical aspects of scientific researches that were carried out in different countries and the guidelines developed by the major professional organizations for education of the accountants, as well as on empirical research results. The study underlines the main key points regarding the skills and competencies of professional accountants – abilities to use information technologies in combination with expertise regarding accounting standards, economics, tax laws, as well as respect for professional ethics and maintaining professional competence. The challenge for professional accountants will be finding new ways to add value for their customers. During this research widely accepted quantitative and qualitative methods of economic science were applied including synthesis and logical constructive methods. The article has theoretical and practical significance, it provides recommendations which will allow to identify the directions for improvement in the education system of professional accountants.

Key words: *accountant, profession, education, competence, ethic.*

JEL code: M41, M49

Introduction

The profession of an accountant is typical representation of service industry where knowledge, skills and competencies are the core factor for surviving and success. Growing dynamic and types of changes in social, technological and market environment, like globalization, demographic changes, development in information and communication technology, together with growing importance of intellectual property, human resource management and changes in expectation of parties involved, have strong impact on conditions and requests that the accountants need to face (Cerne K., Zenzerovič R., 2007). The rapid changes in information and communication technologies rise the question regarding competencies that modern accountants should have. During the last few decades we have witnessed major macro changes in world economies. Most former socialist countries, such as Russia, former Eastern European countries and China, have taken major strides towards introducing economic reforms leading to reducing state ownership, establishing property rights, promoting private ownership and setting up financial markets. Other countries that have not undergone major political changes have begun to develop quickly into dynamic economies, such as Brazil and India. The impact of these

developments has been enhanced by the demands of globalization, evidenced in particular in the pressures exerted on transitional and emerging market economies by the World Bank, the International Monetary Fund, big international audit companies and the International Accounting Standards Board (IASB), and the demands of foreign venture capitalists and multinationals to develop accounting and financial systems similar to those used in advanced capitalist economies. In particular, these institutions have been calling for greater convergence of accounting practices around the globe with respect to financial reporting, auditing and management accounting (Ezzamel.M., Zezhong X. J., 2011).

Research in the scientific literature shows that one issue is still current: issue of harmonization of the methods of accounting and evaluation of the accounting on the international level and the question regarding the most appropriate accounting technologies to apply so that the financial reports would show the information that the users need. In addition, the professional qualification of the accountants, their knowledge, skills and competencies are the subject of many researches. The professional organizations of accountants are organizing different workshops and open discussions where participants exchange their experiences, share examples of best practice and the vision for the future.

The travel of accounting ideas from advanced capitalist economies to transitional and emerging market economies is then a fundamental research issue. Number of questions could be raised in this regard. For example, how does a national culture mediate Western accounting technologies used in transitional and emerging market economies? How do managers and accountants in companies in transitional and emerging market economies unlearn previous ways of doing things and embrace imported Western ideas? What difference does the adoption of Western accounting technologies make to the effectiveness and efficiency of adopting companies? (Ezzamel.M., Zezhong X. J., 2011).

The accounting and auditing profession operates within an environment that is changing at a rapid pace. It is the responsibility of the profession to ensure that all its representatives meet the expectations that the users of their services have of them. In order for professional accountants to remain relevant, they may have to change or adapt the services they offer to their customers. It is the responsibility of professional accounting bodies to plan for these changes to ensure that members who join the profession possess the required knowledge and skills to be relevant and to remain relevant (Wessels, P L. 2008). The results of the research done by Ismail Tekbas show that in the 21st century, the profession of the accountant needs a new model that is able to respond to technological changes and developments in the process of digitalization and e-transformation so that the profession of accountant is more effective. Considering technological developments and changes, this modeling should prepare the profession of the accountant for the future by rebuilding from A to Z in fields such as thought, education, culture, and technology (Tekbas, 2018). The role of higher education institutions and Universities in the development of the profession of an accountant is equally big. There are many discussions among scientists and educators about the future of accounting and about the improvements needed in the study programs of accountants in order to secure valuable and effective accounting services.

The issue of whether universities prepare ‘work-ready’ accounting practitioners is a perennial debate. In some countries entry to the profession via a business or accounting degree is the most common route (e.g., in Australia and in the USA), but in other countries (such as the United Kingdom) a broader range of degree programs is accepted. The comparative advantage of a university accounting program that necessarily is seeking to prepare students for diverse career paths must be a focus on the traditional objectives of creating critical, independent thinkers who can reflect upon their experiences and learn for the future. The place of accounting technical knowledge is to help provide a context for the application and practice of these skills, not to treat the technical knowledge as an end in itself. The rapid pace of change in accounting practice quickly makes such rule-based knowledge obsolete. Educators, accounting companies and Professional bodies need to reassess their approach to the appropriate development requirements for accountants after the graduation. This will require: (a) greater communication between parties in terms of the content and pedagogy of the learning programs developed, (b) transfer of strategies and expertise to facilitate a structured approach to the future

accountants, and (c) the creation of a workplace environment that enables graduates to build on and transfer acquired knowledge and skills (Howieson B. & et.all, 2014).

The purpose of the article is to explore the latest tendencies of development of the profession of accountant in the context of the changing global economic environment and to make recommendations for improving professional skills and competencies of accountants.

The study is based on theoretical aspects of scientific researches that were carried out in different countries and the guidelines developed by the major professional organizations for education of the accountants, as well as on empirical research results

During this research widely accepted quantitative and qualitative methods of economic science were applied including synthesis and logical constructive methods.

The role of professional organizations in the improvement process of the educational content of accountants

The profession of the accountant has many aspects. Accountants shape the largest amount of information in a company and play an important role in the activities of a company. This profession is highly regulated, very responsible and usually includes a wide range of topics, including but not limited to different spheres of accounting, formation of accounting policies, or even information system for companies (Subaciene R., Senkus K., 2017). In order to enhance the prestige of the profession, improve the professional qualification and the quality of services, as well as for the co-ordination of activities, the representatives of each profession already in ancient times united into professional unions. The first union for accountants was “Collegio dei Raxonati”, founded in 1581 in Venice. The concept “a professional accountant” nowadays has a significantly broader meaning than it was at the beginning of the development of this profession. Today a professional accountant is a specialist who has studied economics and accounting at a higher educational institution and, perfecting one’s professional knowledge, he/she has specialized either in auditing or accounting, or taxes. The significance of the profession of an accountant is proved also by the procedure for the preparation of professional accountants, developed in each economically advanced country. Nowadays the number of the national professional organizations of accountants has exceeded several hundreds; therefore, they have united into international and regional organizations. The national associations, depending on the jurisdiction of a particular country, function as independent organizations or they are supervised by a governmental structural unit. The membership in such associations may be either voluntary or mandatory. According to the professional orientation, the accountants, auditors, tax consultants unite into individual associations. There are countries where there are mixed-type associations, for example, the association of accountants and auditors or the association of auditors and tax consultants. One of the most influential and significant professional organizations of accountants is “the International Federation of Accountants” (Sneidere, 2012).

International Federation of Accountants (IFAC) is the global organization for the profession of the accountant dedicated to serving the public interest by strengthening the profession and contributing to the development of strong international economies. IFAC is comprised of over 175 members and associates in more than 130 countries and jurisdictions, representing almost 3 million accountants in public practice, education, government service, industry, and commerce. The vision of IFAC is that the global profession of the accountant would be recognized as essential for strong and sustainable organizations, financial markets, and economies. The Strategic Plan of IFAC, “Charting the Future of the Global Profession”, identifies opportunities and risks for the profession within the context of the current and anticipated environment, while highlighting the unique position and economic benefits of the activities of IFAC, as well as planned activities of IFAC in response to macro trends with significant implications for the profession (IFAC,2018). In order to

secure the realization of the strategic goals, several Councils and Committees have been established at IFAC that work with the educational and developmental issues of accountants: International Accounting Education Standards Board (IAESB) un Professional Accountancy Organization (PAO) Development Committee.

The task of the IFAC PAO Development Committee is to help IFAC to achieve strong, sustainable professional organizations of accountants around the world – the most effective, efficient, and sustainable source for advancing the profession of the accountant. The committee serves as an important strategic advisor to IFAC, actively contributing to the strategic goals of IFAC and assisting with implementation. This includes increasing the understanding of, and identifying solutions to the challenges facing the development of strong PAOs as well as promoting, establishing, and strengthening PAOs in support of the public interest (IFAC,2018). IAESB is working since 1977 and the result of the work of this organization are the International Standards of the education of accountants (IES) that are reviewed from time to time to implement corrections according to the changing economical situation. The draft for the last changes was prepared and published for discussions in 2015.

IAESB has published a Consultation Paper, “Meeting Future Expectations of Professional Competence: A Consultation on the IAESB’s Future Strategy and Priorities”. It presents the proposed vision and strategy for the next five years that builds on the completion of its newly revised International Education Standards and its work to support the implementation of these standards.

By issuing this Consultation Paper, the IAESB recognizes that professional accountants are operating in an environment that is continuously changing. This has an impact on the initial and continuing professional development needs of professional accountants and the demands placed on professional accountants globally (IAESB, 2015). In contemplating how best to respond to the changing accounting education environment and the need to protect the public interest, the IAESB envisages its priority activities as follows: enhancing existing standards, developing new standards to fill identified gaps in professional accounting education, preparing material to support adoption and implementation of the IESs and facilitating thought leadership on relevant issues. Feedback was especially encouraged from IFAC Member Bodies in all jurisdictions; stakeholders in public policy, regulatory, public accounting and other relevant communities; professional accountants in business, government and academia; and employers of professional accountants (IFAC, 2015).

IFAC member bodies shall regularly review and update professional accounting education programs that are designed to achieve the learning outcomes set forth in this IES (IAESB, 2017).

It was commented by 42 different organizations from many countries in total, among others there were auditing companies, associations of certified accountants and Higher education institutions. Based on the recommendations given by these organizations, in 2015 the IES was revised and “the Handbook of International Education Pronouncements” was published. It contains the IAESB’s suite of the revised and redrafted International Education Standards (IES) 1-8 as well as Framework for International Education Standards for Professional Accountants and Aspiring Professional Accountants Description of levels of proficiency. Learning Outcomes for Technical Competence includes following areas: Financial accounting and reporting, Management accounting, Finance and financial management, Taxation, Audit and assurance, Governance, risk management and internal control, Business laws and regulations, Information technology, Business and organizational environment, Economics, Business strategy and management. This International Education Standard (IES) prescribes the learning outcomes for professional skills that aspiring professional accountants are required to achieve by the end of Initial Professional Development (IPD). Professional skills are the (a) intellectual, (b) interpersonal and communication, (c) personal, and (d) organizational skills that a professional accountant integrates with technical competence and professional values, ethics, and attitudes to demonstrate professional competence. The Standards also include the compulsory requirements: maintenance of professional competence (CPD). CPD applies to all professional

accountants, regardless of sector or size of the organization in which they operate, because: (a) All professional accountants have an obligation to provide due care to their clients, employers, and relevant stakeholders, and are expected to demonstrate their ability to competently discharge this responsibility; (b) Professional accountants in all sectors are subject to public accountability and the maintenance of public trust; (c) The public is likely to rely on the designation and professional standing of the professional accountant. Professional accountants carry a professional designation. Lack of competence of a professional accountant has the potential to damage the reputation and standing of the professional accountant, the employer, and the profession as a whole; (d) Rapidly changing environments may impact the relevance of a professional accountant's competence; and (e) Employers recruiting professional accountants rely, to some extent, on the professional designation as proof of professional competence (IAESB,2017).

In this respectable IFAC Latvia is represented by two professional unions: the Union of Sworn Auditors of Latvia and the Association of Accountants of the Republic of Latvia. Our opinion are, the task for the professional unions of the accountants of Latvia is to cooperate with the educational institutions and to make sure that these educational standards are implemented in the educational programs.

The second important organization of accountants is “the European Accounting Association” (EAA), which unites the accounting scholars and researchers since 1977. Their main aims are to study and deal with the problems of accounting theory and to develop the guidelines for the education of accountants regarding both content and teaching methodology. At the annual congresses, organized in close collaboration with the world leading universities, there are 500–600 reports presented on the topical themes of accounting theory, taxation policy, analysis and audit. The best reports are published in the prestigious publications “European Accounting Review” and “Accounting in Europe” (Sneidere, 2012).

The EAA mission states that it aims to link together the Europe-wide community of accounting scholars and researchers, to provide a platform for a wide dissemination of European accounting studies, and to foster and improve research and teaching skills in order to ensure the development and the promotion of accounting. Past literature has stressed that relatively few educators are familiar with the activities of IAESB aimed to achieve convergence of accounting education standards around the globe (Cameran M. & Campa D, 2016).

The experts of EAA have also given their opinion regarding the document prepared by IAESB: “Consultation Paper “Meeting Future Expectations of Professional Competence: A Consultation on the IAESB’s Future Strategy and Priorities”. The comments suggest a reinforcement of the entry requirements that would include a proper education background, advanced levels of both some technical competences and interpersonal/communication skills as well as a very strong ethical commitment. They also recommend a more thorough development process for the continuous education of accountants, a stronger link between practitioners and academia, insights for new IESs and more effective communication strategies about IAESB activities (Cameran M. & Campa D, 2016).

To remain relevant in an environment of rapid change, professional accountants increasingly must demonstrate skills beyond today's typically-recognized competencies of accountants. International Accounting Education Standards Board recognize that today's macro-trends have direct implications for the approach of the profession of an accountant to accounting education. To ensure that the profession of an accountant can address the challenges posed by a rapidly changing environment, IFAC and the IAESB in August announced a new path forward for international accounting education. Consequently, a model is being developed based on the benefits to be realized from a comprehensive and integrated approach to international accounting education (Model). The Model will start operating by July 1, 2019.

Accounting and Information Technologies

Although the educational Standards for the accountants have been developed and elaborated, providing fundamental knowledge and skills necessary for the profession of an accountant, there is still a discussion going on about what competences and skills need to be developed further in order for the accountants to be able to offer services with additional value.

During the IFAC Professional Accountancy Organization (PAO) Development Committee meeting in New York in October of 2018, committee members, many of whom have worked for or closely with PAOs and accounting regulators at national, regional and international levels, discussed the future-ready PAO and what this means for capacity building. As a result of many discussions, the participants of the meeting came up with the following main conclusions:

Technology looms large for the future of the profession of an accountant. Instead of fearing it, PAOs should embrace it and explore how to tailor its products and services – including education – to incorporate technology and prepare members to offer value-added services. Moreover, and equally important, PAOs should be prepared to enhance the skills of professional accountants that cannot be done by technology – those that will still require human thinking and knowledge. This might include relationship management, creative thinking and problem solving and communication. Furthermore, new technologies will facilitate greater and greater cross-border interactions without even leaving the town. This means that professional accountants can more readily provide services across borders – and will need transferable skills. *PAOs should take advantage of signing and implementing mutual recognition agreements so that the competencies and skills of professionals are well-known and established.* The future is bringing new opportunities for the profession to better serve businesses, economies, nations, and push the world toward collective sustainable development goals. To be future-ready, PAOs must be prepared to think and act differently right now (White L.2018).

How can professional accountants use their skills to anticipate the future? Tom Hood talks about the top skills accountants need in this age of artificial intelligence, robotics, and machine learning. The number one skill? Empathy and relationships, with collaboration and anticipation coming as next (Hood T.2018).

Professional accountants working in business and the public sector constitute the overwhelming majority of the professions working within and beyond finance teams. The future attractiveness of the profession is very much dependent on the value these accountants create to secure interesting and expanding job opportunities and career pathways inside organizations. A golden opportunity to create new value is presented by the automation and digitalization of finance and accounting processes. The rapid reduction of manual processes particularly at the transaction and reporting levels is allowing a more significant focus on contributing directly to business decisions. Grasping this opportunity is essential if accounting is going to remain an exciting and value-added profession in the business world and in the public sector (White L.,2018).

Latvian and Lithuanian scientists are also making research about the important competences for accountants. Required competences and skills are supplemented by such competences as communication, cooperation, coordination, collaborating and knowledge in different spheres (Subaciene R. &et.all,2017).

Also in the social media, which is one of the modern technology tools, there are discussions where Latvian researchers and accounting professionals share their opinions. One of the themes of the discussion is the question whether the profession of an accountant will be replaced by the artificial intelligence.

Anton Mislevich, one of the experts of Microsoft in the area of artificial intelligence and machine-learning, in his interview with the newspaper “Diena” shares that there are many workplaces where the work could be done by machines. However, the expert is speaking more about the simpler tasks. A machine would be able to do different tasks, but there will be a need for people to train and monitor them, because “the machines are not so good in creative tasks”.

The artificial intelligence is a fast-growing area at the moment, and in the future, it will allow the companies to completely change the way of cooperation with the employees and clients, shares the Manager of the Latvian branch of “Accenture” Maksims Jegorovs at a conference about this subject. “In the same time, it needs to be stressed that the maximum gain will be made by those companies which will not replace people with technologies but instead find a way for the employees to maximize their use of the artificial intelligence for their benefit” (Vilūns R. 2016).

The Manager of the Business development of the company “Tildes Jumis” Viesturs Slaidiņš is convinced that the implementation of artificial intelligence solutions in the outsourced accounting services will reduce the amount of time spent for the routine processes. Many work tasks will be made automatic, and the accountants will only have to do the intellectual work and not entering of data. The legislation of the country is being changed and supplemented on a regular basis, therefore the accounting outsourcers have to be able to follow the changes and continue to provide quality services. It is especially challenging to those working with the clients from different spheres. If they miss changes in some declaring processes or calculations of taxes in any of the areas, they risk losing customers. In essence, accounting is a profession where you never stop learning (Sauka A.,2018).

Anda Ziemele writes: “The artificial intelligence could check if the accounting data are accurate/precise, check the most typical book entries, generate some reports or at least remind the dates when reports need to be submitted, maybe also process invoices that are received electronically without the participation of a person etc. Although many consider the artificial intelligence as something very far and out of reach, in reality it is already present in many ways in our daily lives, for example, in smart homes or smart appliances. The artificial intelligence makes our lives easier, and we must learn to work with these technologies” (Ziemele A., 2018).

The Product Development Manager of “Visma” Artūrs Ernštreits on his part thinks that “accounting will experience more and more of so-called blockchain technologies when all systems are inter-connected through single security mechanism securing that all data in all systems will be synchronized in real-time. It is the economy of the real time, where complete transparency has been achieved and where there is solution for the illegal economy. Those who will be able to change and adapt and learn the use of the new technologies will persist. A manager of financial technologies is something/somebody that will be needed. As I already mentioned before, the main limiting factor is our ability to use the technologies. In the near future there will still be need for financial management that is able to analyze and interpret data and provides support in the business decision-making process” (Ernštreits A., 2017).

Overall, we can conclude information technologies come into the daily workflow of an accountant faster and faster. They reduce the manual input of data, thus making the standard accounting functions easier, but the intellectual work will still be in the hands of the accountant: to follow the changes in legislation regarding accounting and taxes and the opportunities provided by information technologies. Accountants, who will be able to change and adapt and learn the use of the new technologies will survive and develop their own business.

Competencies of accounting professionals

After summarizing the opinions of several scientists and accounting experts mentioned in the previous chapters about the development tendencies of accounting in the 21. century and the requirements towards the profession of an accountant, the authors came to the conclusion that it would be useful to provide a deeper research about competences that are important for an accountant from the point of view of employer. According to the register of Study programs currently in Latvia there are only 2 certified study programs securing the professional education of accountants (AIC, 2018). Currently it is very crucial time for perfection of the study programs so that the programs of higher education institutions would pass the upcoming accreditation. For this research the Authors created a questionnaire and – with the goal of improving

the study program – asked the respondents to give their answers to several questions regarding the competences that the student will acquire upon graduating of this program. The questionnaire was done in December of 2018 in cooperation with the Association of Accountants of the Republic of Latvia and using their database. The modern technology was used and the questionnaire form was prepared on the Google Survey online platform; link was sent to 510 respondents – outsourcing companies of accounting services registered with the Association of Accountants of Latvia, certified professional accountants, who are Board members in the companies. 103 respondents filled in the questionnaire, therefore according to the opinion of the authors the results can be considered representative.

In the questionnaire 13 different competencies were included, and the participants were asked to evaluate and mark their significance in their opinion: fully agree (A), generally agree (B), partially agree (C), do not agree (D) and no answer (E). The participants were asked to give their opinion regarding the following 13 competencies that are formulated according to IES: 1. to select and apply the methods of processing of economical information in the analysis of economic data; 2. to be adapted to the usage of different accounting information systems; 3. to prepare the financial reports and statistical analyses for the company; 4. to apply tax rates to different types of business activities and prepare tax declarations; 5. to analyze and evaluate the results of economic activity and to foresee a possible insolvency; 6. to select and apply the methods of solving of economical disputes; 7. to analyze and evaluate the economic problems of Latvia and the perspectives in the international context; 8. to participate in the process of improving the management processes of the company; 9. to use the information systems according to the security requirements; 10. to make scientific research in the field of economics and to present the results; 11. to respect professional ethics; 12. to communicate with cooperation partners in English or in other language of EU; 13. to make sure that the requirements of occupational safety, fire safety and environmental safety legislation are observed.

The results of the questionnaire have been summarized in Table 1.

Table 1

Results of the questionnaire about the competences that are important for the profession of an accountant, %

Competences/answer options	A	B	C	D	E
1	38.8	41.7	15.5	1.0	2.9
2	65.0	27.2	6.8	1.0	
3	90.3	9.7			
4	88.3	8.7	2.9		
5	63.1	25.2	11.7		
6	18.4	28.2	43.7	8.7	1.0
7	12.6	33.0	38.8	15.5	
8	35.9	19.4	40.8	3.9	
9	53.4	29.1	14.6	2.9	
10	4.9	21.4	39.8	24.3	9.7
11	87.4	10.7	1.0	1.0	
12	35.0	37.9	25.2	1.9	
13	16.5	24.3	29.1	25.2	4.9

Source: author's calculations based on results of the empirical research

The analysis of the responses shows that the most important competences from the point of view of the employer is the ability of the accountant to prepare the financial reports and statistical reports of the company, since 90,3% of the participants have marked this option with “fully agree”. Respondents considered the competency to apply tax rates to different types of business activities and prepare tax declarations, as well as respecting the professional ethics as a high priority: 88,3% and 87,4% of the participants respectively have selected “fully agree”. Participants have seen the ability to adapt to the usage of different accounting information systems as a significant competency – 99% generally agree, as well as the ability to analyze and evaluate the results of economic activity and to foresee a possible insolvency – all participants generally agree (fully agree 63,1%). There are two competencies that are marked as less significant. One of them is the ability to make scientific research in the field of economics and to present the results, where 24,3% do not agree that the graduates of accounting studies should need this competency, but 9,7% of participants do not have any answer to this question. However, a remark should be added that part of participants – 21,4% generally agree and 39,8% partially agree that this competency would be significant for the graduates. These different opinions can be explained because part of the potential employers see the graduates as employees for a specific work assignments where scientific activities are not needed. Those participants who generally agree that such a competency is necessary, see the potential employee with a long-term thinking: will they be able to improve and develop their skills and competencies in the changing economical situation and technological environment. There is another competency where 25,2% of participants do not agree that it would be necessary but 4,9% of the participants do not have any answer: it is the ability to make sure that the requirements of occupational safety, fire safety and environmental safety legislation are observed. However, there needs to be a remark that development of such competences is set forth in the regulations of the Cabinet of Ministers about the content of study programs. Evaluating the results of the questionnaires in general about competences that are important for the profession of an accountant, it can be stated unambiguously that the majority of participants (75%) generally agree that the competences included in the form of the questionnaire are significant for any professional in the accounting.

According to the requirements set forth in the IES Standards, professional accountants have to continue their education and improve their professional competencies also after they graduate their study program. This is why it will be more and more significant that the employers, accounting professionals and the professors of Universities and higher education institutions are able to cooperate.

In our opinion, there is still one question to be discussed: will the fundamental theoretical knowledge and skills of the profession of an accountant be integrated in the specialty of a programmer and will there be a new profession – a programmer-accountant? Or maybe the profession of an accountant will continue to develop, improving the competences to use the opportunities offered by the Information technologies?

Conclusions

1. By summarizing the results of the research, we can conclude that rapid changes in the information technologies raise the question today about the competencies of today's accountants and about the future of this profession. Today the profession of an accountant needs a new model able to respond to technological changes and developments in the process of digitalization and e-transformation so that the profession of an accountant is more effective.
2. In the international practice IFAC and its IAESB play a huge role working with the issues of the professional accountants. They started to work actively in 1977. The result of their work are the international educational Standards for accountants (IES) that are revised from time to time to make corrections corresponding to the

tendencies of economic development. The draft for the latest modifications was prepared and offered for a discussion in 2015, and the latest publication of IES is “Handbook of International Education Pronouncements 2017”. In this manual, skills and competencies for professional accountants are defined and there are requirements regarding maintenance of professional competence (CPD). CPD applies to all professional accountants, regardless of sector or size of the organization in which they operate. *The work to improve the educational standards for accountants continues*, to ensure that the profession of an accountant can address the challenges posed by a rapidly changing environment, IAESB in August of 2018 announced a new path forward for international accounting education.

3. Information technologies come into the daily workflow of an accountant faster and faster. It allows for the accounting services to be offered remotely, also to companies in other countries. Therefore, there is a significant question about replantation of the profession of an accountant so that the requirements and competencies required from the accountants would be known and understandable to everybody.
4. Automatization and digitalization of accounting will reduce the manual input of data, thus making the standard accounting functions easier, but the intellectual work will still be in the hands of the accountant: to follow the changes in legislation regarding accounting and taxes and the opportunities provided by information technologies. Empathy and relationships, collaboration and anticipation will be the competencies that accountants will need in the future.
5. Results of the empirical research allow to make a conclusion that the competences that are stated by IES are the same that the employers consider significant, including the ability to adapt to the usage of different accounting information systems.

Proposals

1. For the profession of accountant to be able to continue development, the Association of accountants of Latvia, which is a member of IFAC, needs to take the leadership in cooperation with the employers, accounting professionals and professors of higher education institutions.
2. The professors of the higher education institutions must be ready to improve the skills of professional accountants which can not be improved using technologies – skills that still are and will be requiring human thinking and knowledge. Study programs need to be improved so that they would also include management of relationships, creative thinking and problem-solving as well as communication skills.
3. The Association of accountants of Latvia in cooperation with government institutions need to find a solution regarding the professional reglementation of accountants, so that accounting service providers would be competitive in the international environment.

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