Digital Transformation – A Quickly Changing Profession

James C. Bourke, CPA – Managing Director Advisory
October 2019
About the Speaker

Jim Bourke  
CPA.CITP.CFF.CGMA

- Partner at WithumSmith+Brown
- HLB’s Global Technology Advisory & Digital Solutions Service Leader
- Responsible for overseeing all technology issues and operations for the Firm’s 19 offices and over 1,300 employees
- Managing Director – Advisory Services
- Named by *Accounting Today* as one of the Top 100 Influential People in the Accounting Profession
- Named by *CPA Practice Advisor* as one of the Top 25 Thought Leaders in Public Accounting Technology
- Past President NJSCPA
- Past AICPA Board Member & Member of AICPA Council
If there’s one word to describe the state of the accounting profession today, it’s “speed.”

Technology is transforming the world at a remarkable pace. Huge advancements in blockchain, artificial intelligence (AI) and data analytics spell out dramatic ramifications for traditional accounting firms, demanding new structures, business models and paradigms. Incremental change, once lauded as progress, is no longer enough in today’s rapidly changing environment—and, if anything, can pave an even faster pathway to irrelevance. To thrive, accounting firms must be bold and fast in their actions and strategy.
Forward-looking firm leaders are examining the effects that advances in data analytics, artificial intelligence (AI), and blockchain technology may have on the way they do business and the NEW opportunities that will be created!
“In the Next 5 – 6 Years I think the Accounting and Auditing Profession will Change more than it has in the last 30!”

Cathy Engelbert, Deloitte CEO
“Accounting firms are likely to be profoundly different in 10 years — and perhaps in as few as five years”

Barry C. Melancon, CPA, CGMA
CEO & President - AICPA
2,500,000,000,000,000,000,000 bytes of data are created every day.
The World Is About to Change Even Faster

Having trouble keeping up? The pace of innovation and disruption is accelerating.

By Barry Silbert
July 9, 2017 12:45PM EDT
S&P 500 CONSUMER-CENTRIC COMPANIES

Since 2000

41%

have been acquired or gone out of business

Source: Accenture, 2018
2006: Dominated by Energy Companies

2016: Dominated by Technology Companies

1955 v 2017: Only 60 Remain

**World’s Largest Companies**
(by market capitalization)

**2006**
- Exxon Mobil
- General Electric
- Gazprom
- Microsoft
- Citigroup
- Bank of America
- Royal Dutch Shell
- BP
- PetroChina
- HSBC

**2016**
- Apple
- Alphabet (Google)
- Microsoft
- Berkshire Hathaway
- Exxon Mobil
- Amazon
- Facebook
- Johnson & Johnson
- General Electric
- China Mobile

Indicates companies with R&D centers in Israel

Source: Bloomberg, 2016
Robotics is predicted to automate or eliminate up to 40% of basic accounting work by 2020.

Source: Deloitte | Accenture
The job landscape in 2022

Global change by 2022: 75 million

Top 10 declining roles

1. Data entry clerks
2. Accounting, bookkeeping and payroll clerks
3. Administrative and executive secretaries
4. Assembly and factory workers
5. Client information and customer service workers
6. Business services and administration managers
7. Accountants and auditors
8. Material-recording and stock-keeping clerks
9. General and operations managers
10. Postal service clerks

The job landscape in 2022

Global change by 2022

133 million

Top 10 emerging roles
1. Data analysts and scientists
2. AI and machine learning specialists
3. General and operations managers
4. Software and applications developers and analysts
5. Sales and marketing professionals
6. Big data specialists
7. Digital transformation specialists
8. New technology specialists
9. Organizational development specialists
10. Information technology services

Before Automation
OnPoint PCR combines AICPA methodology and guidance with CaseWare’s dynamic new cloud platform, to transform how preparation, compilation, and review engagements are done.
A “Vision”

Current

Methodology Tools
Non-Integrated Manual Process

Platform Tools
Non-Integrated Manual Process

Research

Potential Future

Dynamic Audit Solution Methodology

External Data
Industry data, adverse news feeds, external client information

Client Big Data
Structured and unstructured

Research:
FASB, GASB, PCAOB, YB, IAASB, AICPA

Financial Statements

Nano-learning & CPE

Dashboards: Quality, etc.

Tax Export

Value Add

HLB
The future of audit and accounting, now.

Financial data analytics software that helps your accounting firm deliver more valuable services. Because accountants can do more than count beans.
Thank You!

Jim Bourke, CPA.CITP.CFF.CGMA
Jbourke@hlb.global
@JimBourke