

■ BY MAJELLA GOMES



# BUILDING CAPACITY, ENHANCING COMPETENCY

**MALAYSIA NEEDS MORE ACCOUNTING PROFESSIONALS TO SUPPORT THE ECONOMY, AND BUILD THE NATION.**

STATISTICS show Malaysia currently has about 36,000 accountants but needs 60,000 by 2020. Accounting remains one of the most in-demand jobs but the number of students taking up accounting in institutions of higher learning is falling, said Leong Mun Foong, Manager, Education, MIA, moderating a

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**Leong Mun Foong**  
Manager, Education, MIA

panel session on capacity and competency building at the MIA National Accountancy Educators Convention 2017. From a graduate high of 6,102 in 2013, the number declined to 5,944 in 2015. But there has been no decline in demand for finance managers, finance directors, financial controllers, auditors, tax consultants, financial analysts, fraud specialists or transfer pricing personnel.

## QUALITY AND QUANTITY

It isn't just a case of making up the numbers. MIA is pushing for competency and quality aligned with global professional standards and practices. Given the constraints on resources and time, universities and institutes of higher learning face tremendous pressure to deliver to stakeholder and market expectations. The conundrum is that they are expected to impart soft skills along with technical knowledge, and this is tough to achieve in three or four years of higher learning.

"As far as universities are concerned, we follow the syllabus offered by all universities in Malaysia," explained Assoc. Professor Dr. Mahfudzah Mohamed, Director, IPAC Education. "We also listen to industry, and try to make graduates ready for market. Graduates need to be trained but they also have to be trainable because they will be working in different industries.

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Educators teach with the intention of training accountants to be able to apply skills but students need more, like critical thinking, problem-solving skills and the ability to apply what they have learned. We are becoming increasingly concerned that they are not developing these “soft” skills.”

According to the Committee to Strengthen the Accountancy Profession (CSAP) Report, the skill sets required for accountants in Malaysia range from understanding core technical concepts and technical and communication skills for graduates, to application of advanced technical concepts at professional level, to understanding strategy and specialised technical skills at senior management level, and strategic thinking, advanced leadership and communication skills at the highest level.

Are new accountants able to deliver on these requirements? “Students who enter industry are not up to standard,” stated Novie Tajuddin, Chief Operating Officer, Education Malaysia Global Services. They may be technically sound but generally lack ‘soft’ or people skills. “They are good students but they are not good ‘people’ persons,” he continued. “Most of them are rigid

and find it difficult to articulate, which is unfortunate because articulation and the ability to communicate are integral to good leadership. They need to say the right thing at the right time; they need presentation skills to do forecasting, answer questions, interpret, strategise, plan, discuss. They have to do this fast and flexibly – and they need to be able to think critically.” Teresa Chong, Member, Education Committee, MIA agreed, adding that extra skill sets need to be nurtured, but the burden should not be shouldered by educators alone. “Firms usually provide upskilling and reskilling because jobs develop over the years,” she explained. “They need different skills as they progress so upskilling is a continuous process.”

**TRAINING THE TRAINERS**

Dr. Mahfudzah stressed that quality students required quality lecturers. “The challenge for lecturers is how to transfer knowledge effectively to students who have come through a completely different school system to begin with,” she stated. “Lecturers themselves have to constantly keep abreast of developments and methods of teaching,

as well as changes in exam questions.” “Continuous professional development has become as essential to lecturers as it is to other professionals, agreed Leong. “Accountants are expected to deliver a certain standard of services, so there has to be constant updating (of academicians),” Chong insisted.

“It would be a good thing if lecturers themselves had different kinds of exposures,” suggested Novie, raising the possibility of lecturer internships. “This may be necessary to enable them to impart the right kind of knowledge directly from industry itself, and ensure that students learn what is really relevant,” he concluded.

**TALENT DEFICIT**

The brain drain is a key factor behind the declining number of accounting graduates, resulting in a talent deficit.

Why is this so? Novie opined that the brain drain can be explained by the better compensation given in other countries, as well as globalisation and porous borders. “It is possible to work from anywhere now; the rise of shared service centres is testament to this. MNCs like Shell and BP are already taking this route.” Another reason is that some firms in Malaysia tend to skimp on costs and talent in investment, and lose talent because of it. Companies need to have a different, more flexible approach to develop and engage staff.

On the bright side, the Malaysian government’s efforts to promote Malaysia as an education hub could be a means of attracting and retaining talent in the country, said Chong. Looking ahead, mutual recognition of ASEAN CPAs could provide access to more quality accountancy talent for talent-starved markets in the region, including Malaysia. ■



*L-R: Teresa Chong, Assoc. Professor Dr. Mahfudzah Mohamed, Novie Tajuddin and Leong Mun Foong*