

"...no longer business as usual...

Governments are facing rapid changes and unprecedented challenges..."



The need

- Research has shown there is a greater demand for accountability and transparency in the Public Sector
- Increased need for professional accountants as organisations seek to professionalise the finance function
- Increased donor funding and Big4 focus for developing capability and capacity in the Public Sector
- Public Sector organisations want support to make the shift as progress is variable



"There is high demand for innovation in public services... ...a need to develop strategic thinking & enhance financial expertise"

Public sector shares many challenges with private sector

<u>Challenges unique to the</u> <u>public sector:</u>

- 1: Attracting high-calibre finance talent.
 - 2: Need for best practice and insight on public sector challenges.
 - 3: Liaising with a complex stakeholder group.

Challenges common to public and private sectors:

- 1: Contraction of finances, cost control and drive for efficiency.
- 2: Pressure for accountability and transparency.
- 3: Building capacity and skills.

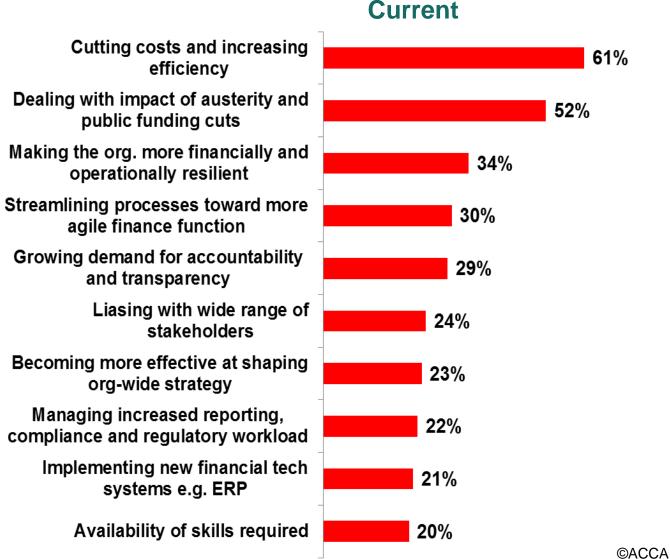
Biggest challenges facing the public sector –

now and in the future

Current

Change in

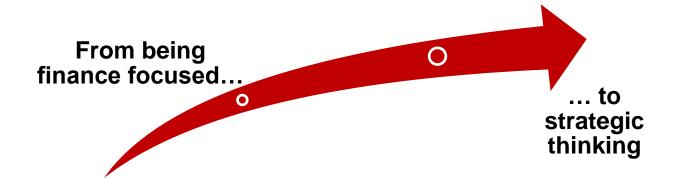
Future expectation



53 % -5 47 % -2 32 % 29 -1 % 28 % 16 % 24 % 27 % 15 % 28 %

Think Ahead ACCA

What does this mean for public sector finance teams?



- Technical skills & knowledge
- Cash accounting systems
- Manual systems and processes
- Compliance-driven reporting
- Clear delineation between private and public sector and their needs

- Technical skills plus professional skills
- Move to accrual accounting systems
- Increased use of technology
- Future-looking, flexible reporting: becoming a business partner
- Greater commercial collaborations



Gaps between skills demanded and skills offered

A major gap / significant concern Minor concern Not a concern	Competency	Where do skills gaps exist for public sector finance functions?		
		Junior level	Mid-level	Senior level
Essential – a hygiene factor for recruitment at all levels	Technical skills – knowledge and application			
	Professionalism and ethics			
	Soft skills / professional skills			
Valued – important skills particularly for mid and senior level professionals, but not essential for recruitment at a junior level	International experience and outlook	N/A		
	Business and strategic thinking			
	Leadership and management	N/A		

What does this mean for finance profession

- Developing capacity and capability to develop the skills required to meet current and future demands
- Professional accounting bodies working with government to play a bigger role in development & recruitment
- Demonstrate value of greater transparency and accountability to key stakeholders

"The spot light is on the profession...

The finance professional in public service must have the right skills to deal with the challenges ahead"

Source: Setting high standards for public services around the world, 2015 (ACCA Global)

Questions?

