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## Address before State Society Planning Conference, Atlanta, November 10, 1971

Leonard M. Savoie

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Leonard M. Savoie  
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Accounting is in the midst of several simultaneous crises. It is no longer an inconspicuous profession. As it has moved into much wider public consciousness and its activities have been shown to be highly relevant to the functioning of the economy, it has been exposed to criticism it never had to face before. That is the price of recognition, of acceptance, of success if you will.

Among the phenomena peculiar to our times are the demands for greater accountability being made on all elements of society. Everyone, it seems, is being called on to account for actions taken or not taken. Educators must answer for the quality of the education they impart; penologists for their effectiveness in reforming criminals; military leaders for the way they wage campaigns; and so on and on.

It's little wonder, then, that we, whose very reason for being is accountability, are not being spared the general reexamination. We, too, are being called to account for the way we conduct our affairs. This is reflected in questions and comments at legislative hearings, in proposed new laws and regulations, in newspaper and magazine articles, and also in court cases, which have found that our standards must not only be technically supportable but must meet the test of serving the public interest as well.

That we are responding affirmatively to our expanded responsibilities is demonstrated in many ways, including:

The stepped-up tempo of activities of the Accounting Principles Board and the Committee on Auditing Procedure;

The work of the Trueblood and Wheat study groups in their search for fundamental truths about financial reporting and the establishment of accounting principles;

The involvement of accountants in joint projects with members of other disciplines;

And the rapid growth of management advisory services.

These and many other developments illustrate, I think, our readiness to adapt -- to alter our outlook and expand our skills to meet new conditions, without the sacrifice of first principles.

Further solid evidence of this readiness may be found in the agenda for this planning conference. For the topics to be discussed here go to the very heart of the trend I mentioned. Predominantly, they look to the future, examining various answers to the question: What can we do -- What must we do -- to keep pace with a fast-changing world? In the 3 days ahead, you will be examining the advisability of restructuring our organizations to adapt them to the revised roles being played by our members and by their firms and to provide for more effective enforcement of our Code of Professional Ethics. You will also be exploring the question of

restating the Code. . .the complex problems of accounting legislation and how to deal with it. . .and the matter of mandatory continuing education. All of these subjects tie together -- all are part of a reappraisal of how the profession fits the needs of today and tomorrow.

The comprehensive schedule you have set for yourselves is most appropriate for a meeting such as this, with its broad representation of CPAs in every corner of the land. For the only way we are going to be able to contend with the challenges now facing us is through joint planning and joint action by all elements at all levels -- national, state and local.

New incursions by non-professionals into areas traditionally reserved to accounting are being encountered at every turn. Efforts to formalize and legalize such encroachments through political action can only be countered by political action.

Mr. Oliphant has announced the Institute's intention to step up its participation in Federal government activities in all areas where our expertise can be of help and our views should be heard.

More and more state societies are becoming politically active in their respective state houses, a trend worthy of encouragement and support. If all such programs are seriously pressed and adequately coordinated so different groups do not work at cross-purposes, they can be tremendously effective in

helping us accomplish our purposes.

In resisting encroachments from without and efforts to restrict our capacity for growth, our biggest asset will be the degree of professionalism we display. Only by living up to everything the word "professional" connotes will we be able to reach our goals.

Among other things, professionalism requires a strong concern for the public interest. It demands a code of professional ethics with real meaning, effectively enforced, and the continuous broadening of our knowledge and skills to keep up with the heavier loads we are being called on to carry. That means ongoing education.

So, with all these matters to be mulled over, you have undertaken a big assignment for the next three days. This meeting of leaders of the profession can be of deep significance to the future of accountancy. I wish you great success.

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