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CORE VALUES REMAIN CONSISTENT AND CONTINUOUS WITH TIME

A view into the future of the CPA profession cannot be complete without an understanding of where the profession has been—and naturally, where it is today. During the visioning process, core values are examined to review the beliefs that guide work, behavior and relationships. In fact, the one, stable piece of the puzzle that will never change is the core values themselves.

The first step in determining what the profession must change is understanding what cannot be changed. No one can predict the future, but we can come close to a model by defining what makes us better individuals, both in work and society. Think of core values as those qualities we are unwilling to change, even if that decision places us at a competitive disadvantage. Core values stand the test of time.

Think about the qualities that make you a good CPA, and you're probably naming many of the core values discussed in the Future Forums. Future Forums are grassroots dialogues with CPAs across the country who use visioning exercises to reach a consensus on what the CPA profession will be like 15 years into the future. Twenty-four potential core values are reviewed and discussed during the Forums, and participants reach a group consensus on the values needed to take the CPA profession into the next century. Among others, the list includes integrity, flexibility, life-long learning, trust and respect, competence, and creativity.

CPAs in Future Forums are finding the discussion of core values the most surprising one of the day. Many report that their own vision of where the profession is headed changes dramatically by the end of the day, yet the single



element that cannot change is core values. Realizing that core values remain consistent, participants develop a much better grasp of how core competencies, issues and services can and must change to adapt to the future of the profession.

"During the Forums, values seem to be the thread that holds the profession together because the values important today did not change much on people's projections into the future," said Bill Fowler, a CPA and head of Abilene Christian University's Accounting Department in Abilene, TX. "That was an insight to me because it says the values of the profession are what will hold the profession together, rather than what we do or what we are going to do."

Which core values do you see as most important? Ask 25 people and you'll get 25 opinions, but most groups agree that integrity is the top consideration, an attribute that many believe strengthens the CPA designation and sets the profession apart from others.

"In the future, CPAs are going to be doing different things for different audiences, and as a result, will need significantly different competencies than are around today," says Fowler. "In the end, you won't see that same shift in values."

CPAs who did not participate in Future Forums can review and rank their own set of core values, competencies and issues through the CPA Vision Project's Web site, www.cpavision.org.

Stephen King: The Virtual World of Outsourcing

He's not the master of horror, he's a CPA with a great idea.



Conducting business in cyberspace takes on a fourth dimension at Virtual Growth (VG), a New York City-based consulting firm owned by Stephen King, CPA. VG delivers traditional accounting services—all in the virtual marketplace—to companies and other CPA organizations.

What sets him apart from others working in the paperless environment is the market and approach. How fitting that his name is legendary for keeping clients on the edge of their seats.

THE NEW MEDIA NICHE

In its 20 short months of existence, more than 127 corporate clients have outsourced their accounting needs to VG, with 90 percent working in what Steve calls "new media industries:" electronic communications, Web site development, CD-ROM programming and any Internet-related activity.

The heart of the business is simple. Steve and his network of CPAs provide tax, accounting and business planning services to companies who either do not have the people on staff to handle financial management or want their controllers and related staff to spend time in basic financial operations. These businesses would rather

invest more capital into growth, enabling these positions to provide value-added skills rather than concentrating on the nuts and bolts of financial management, a concept Steve is banking on for success.

PUBLIC PRACTICE OR FINANCIAL MANAGEMENT? KING SAYS BOTH

"We have replaced basic financial operations because we're positioning VG as a resource in the accounting industry," he says. "Any business needs to have a good handle on their financial condition, but may not have, or want to spend, the time in reporting or managing their accounting needs. We step in, function as a company's CFO and become a value-added advisor to a company or other accounting firm."

Steve developed his business plan based on the ADP (Automatic Data Processing) model, because ADP derives its business by hiring a CPA firm as a value-added component to its own core services. And, his overhead is low because he uses a network of advisors rather than having them on staff.

However, VG's concentration in high-tech isn't rooted in notions of working in cutting-edge or trendy scenarios. Steve focuses in new media because companies within this industry understand e-commerce and file transfers. More importantly, they believe the Internet is a secure place to share information.

"As a virtual accounting department, high-tech companies understand the way we use technology. They have no hesitation transferring a file over the Internet. There still are many traditional small business owners who do not yet feel comfortable doing everything virtual."

NEW ROLES FOR THE CFO

Steve's services range from his Virtual Controller and Virtual CFO programs to accounting system design, tax services and other consulting. However, this Ernst & Young veteran and former CFO of Amnesty International is careful to point out that the role of the CFO and similar positions within an organization cannot be eliminated.

(continued on page 4)



NOTEWORTHY PRINTINGS

Spotlighting Publications Dealing with the Future

Cybercorp: The New Business Revolution by James Martin, AMACOM, October 1996, available at the CPA Vision Web site's online bookstore, www.cpavision.org.

This book argues that corporate survivors are those who harness the power of the cyberspace revolution and network-centric computing, not in simply using technology, but incorporating it into every part of its operations. Readers understand how to prepare for what's coming tomorrow by reviewing many examples of companies that possess the characteristics required to conquer the challenges ahead.

With each chapter broken into short segments, this book is a good read for busy people. Martin describes his ideas in a fast-paced, punch book where one idea follows another in machine-gun fashion.

One reviewer commented, "Most business owners/operators do not understand the basic shifts of business caused by information technology (IT). Cybercorp gives a cognitive understanding of the shifts and how to begin using IT."

Editor's Note: We invite readers to submit reviews of their favorite future-focused books to horizon@cpavision.org.

1 In 1997, business-to-business Internet revenues are projected to reach \$600 million, and could go as high as \$66 billion by the year 2,000 (source: Forrester Research).

2 The number of bank loans to small business dropped 50 percent over the past four years due to an increase in credit cards as the primary source of capital (source: *Arthur Andersen/National Small Business United Report*).



BITS AND BYTES

TRENDS AND INNOVATIONS FOR BUSINESS AND THE ACCOUNTING PROFESSION

3 Innovations in voice recognition now enable consumers to talk into computers more efficiently

with products that have a dictation speed of 70 to 100 words per minute, a 64,000-word vocabulary and even the ability to "speak" corrections without typing or using the mouse (source: IBM).

WWW. WEB SITES WORTH VISITING

YOUR VIRTUAL ASSISTANT FOR THE FUTURE

Many use the Internet to locate customers, other CPAs, friends and even distant cousins. The following online address services offer more than meets the eye.

VIRTUAL PBX

Switchboard lists names, snail-mail and e-mail addresses for businesses and individuals, and offers users their own listings through password entry. This site also features the ability to send formal cards or letters, a great service to those who travel and can't get to a printer. www.switchboard.com

MAPPING THE COORDINATES

In addition to a searchable database of e-mail addresses, telephone numbers, government phone numbers and even celebrities, Four11 features a mapping service that provides visual and physical directions for any trip. www.four11.com

WHO'S ON FIRST

The business side of the popular site, WhoWhere, provides company profiles, business news, pricing and portfolio information from Reuters, as well as EDGAR filings from the SEC, and specific information on public companies. www.whowhere.com

WATCH OUT BELOW

Check out Bigfoot, where you can register for their own Bigfoot e-mail address that can be filtered to your regular e-mail account. Users are listed in an enormous searchable database, and can subscribe, some for a fee, to various features, such as e-mail reminders for birthdays, anniversaries and other events. www.bigfoot.com

Got a great Web site? Do you know of visionary-related sites? E-mail suggestions to horizon@cpavision.org

STEPHEN KING, CONT.

Instead, he believes the CFO or related positions must function on a higher level in understanding the financial picture once he/she has been provided with the necessary information. The CFO can then use accounting experience and hard information to further strengthen the business and make it grow.

"While our goal is to become the largest, national outsourcing operation, companies soon realize how much money they save by working with us because we provide a good alternative to basic financial operations by

eliminating the labor and space that dragged down their margin. Controllers and CFOs become a much more important entity to the company because they can concentrate on other arenas of business growth."

Send Steve your own ideas and questions by e-mail to sking@vgrowth.com or visit his Web site at www.virtualgrowth.com.

We are interested in receiving tips on future Pathfinder Profiles. E-mail suggested comments to pathfinder@cpavision.org.



**OF THE
MONTH**

**WHAT WOULD YOU
NOT CHANGE ABOUT
THE PROFESSION
EVEN IF IT MEANT A
LOSS IN INCOME?**

Send comments to horizon@cpavision.org; all responses will be published on the CPA Vision Project Web site, www.cpavision.org.

HORIZON PERSPECTIVES BY E-MAIL

Tired of shifting through paper piles? Receive *Horizon Perspectives* electronically next month by providing us with your e-mail address. Access the Web site at www.cpavision.org/horizon.htm and give us your request.

Back issues of *Horizon Perspectives* are available on the Web site by following the links from the current issue. We welcome your comments, suggestions and solutions. Contact horizon@cpavision.org.

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