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He delivers old-fashioned services in new-fashioned ways.



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TRENDS AND INNOVATIONS FOR BUSINESS AND THE ACCOUNTING PROFESSION

Words to Set a Course for the Future

"I define Strategy Innovation as the ability to reinvent ... competition within existing industries and to invent entirely new industries. It will be the next fundamental competitive advantage ... In an increasingly nonlinear world, only nonlinear strategies will create substantial new wealth."

--- Gary Hamel in *Fortune*

Future Forums Use Visioning to See the Future

Life is uncertain. Yet, most of us never take the time to consider how the world will change and how this change affects the CPA profession.

The CPA Vision Process and its Future Forums will facilitate this complex, thought-provoking process by giving more than 4,000 CPAs the unique opportunity to pause and view our world 15 years from now. Future forums aren't focus groups that concentrate on opinions about specific products or services. They are dynamic, interactive meetings of CPAs who use globally focused visioning tools to analyze how the roles, services and skills of the CPA will change.

Beginning in September and continuing through mid-December 1997, more than 170 Forums were held throughout the United States. Participants spent eight hours with peers in understanding how the visioning process contributed to insights about the future. Future Forums were hosted by state CPA societies, and professional facilitators moderated each session.

One of the most important aspects of the process is making certain all CPA voices are heard and recognized no matter where the individual works or lives, or what opinion each participant may have about the profession. State societies have gone to great lengths to ensure Forums have representation from members in public practice, industry, government and education, as well as an appropriate split of age ranges and gender.

Open minds are requisite to success. CPAs review, rank and discuss global forces, significant issues, core values, CPA services and core competencies—all components of the vision process. By looking at examples and scenarios, participants actually craft a model of the profession 10 years into the millenium.

For example, one exercise focused on services provided by all CPAs. Groups were asked to review a list of services and determine which ones will be the most important to the future of the profession. One group might confirm that tax compliance and assurance services are key, while others may argue that management consulting is the answer. In fact, there are no right or wrong answers; the goal is consensus-building to create a profession that must deal with life in the year 2011.

CPAs found themselves questioning the effect of the business marketplace, political and social concerns, and their own profession's reputation and position as the day progressed. Perhaps the most exciting aspect of the Forums was the last exercise in which a vision statement was written based on the day's discussions. Groups

questioned whether the world can survive without the CPA profession, and what would participants *not* change even if it meant a loss in income.

Forum participants and all Interested CPAs can involve themselves in the vision process by logging on to the CPA Process [Web site](#), and using the site's tools and discussion points.

The purpose of each Future Forum was to bring ideas and results to the National Future Forum. Data collected from all Forums was used to draft a CPA Vision Statement. After the national future forum, the statement was circulated for review and comment, culminating in a final report given to AICPA Council in October 1998.

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Pathfinder Profile

Phil Lange: The Business of Marketing



Phil Lange delivers old-fashioned services in a new-fashioned way

Phil Lange likes to upset the apple cart and shake things up. This Maryland CPA serves his clients by providing traditional CPA services, but doesn't believe in going about it in the usual way. He is a self-described "devil's advocate" in a quest to have his clients analyze and comprehend where they are headed, offering a value-added component to solving the business puzzle.

Three Ingredients to Survival

Phil's mantra is rooted in keeping his clients on-track with where they want to go. He follows three rules to successfully operate a business: understand the market, remain customer-focused and stay cost-efficient.

"The public doesn't know what to expect from their accountants, and there still is the image of bean counters and eye shades," he says. "I think that image is changing. We are now providing more than just traditional services. Owners and clients are getting more sophisticated and demanding."

On any given day, Phil is writing a business plan, developing a customer satisfaction survey or developing benchmarking models for cost containment. "I try to make sure my clients understand what market they are in and the need to remain customer-focused," he says. "I urge companies to get feedback from customers on services and products, as well as what customers would like to see in the future."

Analyzing trends and meeting needs aren't new objectives, but Phil believes these concepts are new to the small CPA practice and knows he must gain an edge over competition by constantly emphasizing the science of marketing. He has maintained his own practice for four years,

and prior to that, spent 13 years in industry with a vehicle management and leasing company. That combined experience led him to realize that CPAs can do more than just partner with business to provide real-world, tangible advice.

"My clients expect me to challenge their business," says Phil. "I'm always asking them what services they need, and throw out ideas, suggestions and questions to consider for improvement, such as 'do you really understand your customers 'needs?'"

Medical Challenges

Phil has most recently applied his slant towards CPA services in the medical community. He now serves as a consultant and project manager in opening a new outpatient ambulatory center, and hopes to soon expand his practice even more into the medical industry. His visionary approach to meeting customer needs enables him to keep a watchful eye on operating as a business and market leader rather than simply remaining another service provider.

"The medical profession is being turned upside down trying to gain control of costs, and doctors are being hurt because their fees are questioned," says Phil. "Managed care has become a market player, and requires providers of medical services to be customer-focused and efficient. I see opportunities for CPAs in this industry and that's why my focus is currently in medicine."

This is another story about innovative techniques CPAs are using, either in their practice, or in business and industry. We are interested in receiving tips on future Pathfinder Profiles. E-mail suggested comments to pathfinder@cpavision.org.

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CPA Vision Process Timeline

September–December 1997

- More than 160 grassroots Future Forums, professionally facilitated throughout the United States and its territories.
- AICPA Leadership and state society Ad Hoc Forums conducted across the country

January 1998

- National Future Forum conducted in Tucson, AZ

February–March 1998

- All research and forum results consolidated and statement of direction drafted, along with preliminary report
- Validation process begins

March 1998

- Statement of direction and draft Vision Report shared with AICPA Council, state societies and other strategic partners

April–May 1998

- Vision report refined, adjusted and presented at AICPA Spring Council meeting

May–September 1998

- Summary, draft report is widely distributed; road shows held and comments solicited

October 1998 +

- AICPA Council asked to adopt final vision and statement report
- Report released to profession at-large
- Implementation phase launched, beginning with a new National Professional Strategy Conference.

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**Noteworthy
Printings**

**Spotlighting
Publications
Dealing
With the
Future**

The Art of the Long View: Planning for the Future in an Uncertain World

by Peter Schwartz, Bantam Doubleday Dell Publishing Group, Inc, 1996
(Source: amazon.com, available at the CPA Vision Website's [online book store](#))

Right-brain enthusiasts will have a great time with this innovative approach that applies intuitive skills used by artists and musicians to navigate the future. Peter Schwartz, one of the world's leading futurists, has served as a consultant to clients as diverse as Volvo and the White House.

Contrary to popular theory, Schwartz uses the "intangibles" of life--hopes, fears, beliefs and dreams--rather than "tangible" aspects of a company's spreadsheet to demonstrate a path to preparing for a better future. Schwartz outlines the "scenario" approach, giving readers the tools to develop a strategic vision within business. Schwartz describes the new techniques, originally developed within Royal/Dutch Shell, based on many of his firsthand scenario exercises with the world's leading institutions and companies, including the EPA, BellSouth and the International Stock Exchange.

From the publisher:

"Forget number crunching, says our foremost futurist; it's vision that makes things happen -- and this guide to his ideas is a vital tool for planners, managers, entrepreneurs, investors, or anyone interested in tomorrow."

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BITS AND BYTES

**TRENDS AND INNOVATIONS
FOR BUSINESS AND THE
ACCOUNTING PROFESSION**

- Prudential Securities believes in maximizing its investment. The company spends between \$60,000 and \$100,000 for each new trainee and payoffs are huge. Successful trainees who stay with the firm generate an average of \$14.5 million of client assets each.
- In a recent issue of *Bottom Line* (Sept. 1, 1997), mutual funds expert Sheldon Jacobs predicted that the Dow could reach 10,000 by the year 2000, and 21,200 by 2010.
- Advertising spending on the Internet is expected to skyrocket from \$301 million in 1996 to an estimated \$7.7 billion in 2002, according to a report from Jupiter Communications.

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