Society first:

Shaping the profession

Contents

Executive Summary

ICAS' Shaping the Profession (StP) strategic programme of work envisions a future for accountancy where we can best address the needs of society, recognising that the main purpose of the profession is to serve individuals, businesses and the wider public.

Given this core purpose, it is critically important for professional accountants[1] to be given the skills and support needed to make sure that we 'do the right thing'. Accountants must always seek to find the right balance between this moral duty and the commercial realities of serving clients.

This report sets out the summary of the findings from research we conducted to uncover future societal needs, from a cross section of society and our members. We combined eight qualitative focus groups and a quantitative survey of over 1,000 UK citizens from diverse backgrounds. At the same time, we conducted discussions with ICAS members across four UK locations using the same methodology - running focus groups with our members - and also surveying them. We did this to make sure that our findings reflect both public and professional perspectives on trust, challenges and future opportunities for the accountancy profession.

While the findings presented do not necessarily reflect ICAS' views, they are informing our thinking, starting with our recommendations and will help us to shape a profession that is relevant, trustworthy and valuable to society. The findings break down into four key themes:

Trust

Trust in the profession is high, especially among those familiar with the profession, but challenges still exist.

Key findings:

- Trust in the accountancy profession is generally high, with 78% of those who are more closely engaged with accountancy expressing trust. However, this reduces to 58% for those less familiar with the role of accountants.
- Trust is anchored in expertise and experience and is underpinned by emotional drivers such as honesty, transparency and the belief that accountants are acting in their clients' best interests.
- 81% recognise accountants as experts in their field, with 70% highlighting that they are trusted advisers and 68% think that accountants communicate clearly and transparently.

Implications:

A generally positive set of results, with room for improvement.

- While only 5% distrust accountants outright, 28% are neutral on the topic, being unsure whether they trust a profession perceived as increasingly tarnished by high profile scandals.
- The research shows that 30% do not necessarily view accountants as trusted advisers.
- Concerns are growing among accountants themselves (33%) that core technical and interpersonal skills are declining because of overreliance on technology, and that self-serve accountancy tools and outsourcing threaten perceptions of value of the profession (57%).

Recommendations:

- The profession needs to improve its communication and articulate its value to society, by curating real life stories and case studies, demonstrating how accountants act with honesty and add tangible value to society.
- Make sure that accounting education syllabi, continuous professional development (CPD) and mentoring programmes contain strong guidance on interpersonal skills, particularly for trainee and recently qualified accountants to support accountants to develop the emotional intelligence needed to build those emotional drivers that support trust.
- Continue to strengthen ethics training for both trainee and qualified accountants, and make sure future accountancy syllabi can keep up to date with modern day ethical challenges, for instance those arising from increasing use of technology.
- Consider how accountants can simplify the language used in accountancy communication and encourage greater use of Plain English, where this is appropriate.

Perceptions

Public perception challenges persist, with enduring stereotypes and misconceptions resulting from a limited understanding of the role of accountants.

Key findings:

- 50% of the public do not understand what accountants do, and 55% believe that they mainly ‘cater to the wealthy’.
- Many outside the accountancy profession still associate it with mainly tax and bookkeeping activities.
- Most accountants (56%) believe that the profession should focus on optimising its core role and activities such as financial management and reporting, and assurance.
- However, 57% agree that staying relevant is the main challenge, as technology solutions enable a more self-serve approach to accountancy.

Implications:

Public perception of the profession is generally positive but there is limited understanding about what accountants do and persistent stereotypes exist.

Recommendations:

- Highlight the many specialisms, range of services and the diversity of roles that accountants undertake and where their careers can go, using simple language, examples and case studies.
- Showcase the tangible value that accountancy delivers in tackling modern business and wider societal challenges, such as sustainability and inclusive financial progress, to help shift the ‘traditional’ stereotype.

Challenges

When asked to imagine issues and challenges society may face in 15 years, a range of pressures and expectations arise.

Key findings:

- Wider society respondents predict future challenges, primarily around managing household finances (53%), long-term financial planning (40%) and coping with financial unpredictability (20%).
- Those closer to the profession (our active respondents), highlight managing tax responsibilities (31%) and small business management (32%) as concerns.
- Accountants themselves see staying relevant as the profession’s main challenge (57%) partly because of technological changes and disruption, followed by concerns that the profession is seen as overly complex and difficult to understand (41%) and reputational damage from sector scandals (36%)

Implications:

Beyond the support that can be provided by accountants, personal financial planning and management appears to remain challenging for individuals.

Recommendations:

- Recommend to governments and other stakeholders the need to build financial literacy into the curriculum in primary, secondary and tertiary education, to increase and improve financial skills across UK society.
- Raise awareness of financial wellbeing services, how financial advisers can help, where to find them and how to make sure they are appropriately qualified.
- Guide and support smaller clients and firms through the digital transformation.

Future outlook and opportunities for growth

While the majority of accountants believe the profession should focus on its core role, there are opportunities to better meet society's future needs.

Key findings:

- Half of respondents think that accountants are equipped to offer broader services to respond to emerging societal needs, such as advice on sustainability, ethical leadership and support for individuals and businesses to better navigate uncertainty.
- Across all our respondents, supporting small and medium size businesses (68%), acting as financial wellbeing advisors (61%) and serving as ethical advisors (53%) are the top priority roles for the future.
- ICAS members see AI and data analytics as the biggest future opportunity for the profession (54%), followed by sustainability reporting (17%) and ethical leadership (10%).
- Human accountability, auditing, advisory services and leadership and coaching are all predicted to remain relevant.
- Routine accountancy tasks, however, are expected to become more automated, thereby increasing the importance of advisory, interpretive, and strategic functions.

Implications:

- There is a lack of understanding of the role of accountants vs. the role of financial advisers.
- Technology, AI and data, represents the biggest opportunity for the profession.

Recommendations:

- The roles of accountants and of personal financial advice and management needs to be clarified through education.
- Continue to expand into sustainability reporting and assurance, and take a holistic view of what businesses need.
- Increase the skill set and ability of accountants to interpret, assess and use technology and AI, as well as identify and address tech-related errors, as reliance on AI and technology increases.
- Make sure that our syllabus, coaching, mentoring and CPD address the new skills needed as they arise, including around sustainability and technology.
- Consider how the profession can implement innovative assurance practices, such as externally assuring organisational culture and ethics.

Conclusion

The profession benefits from a strong foundation of trust and expertise, with clear opportunities to improve the quality of engagement to build more understanding and trust across wider society.

While we recognise that the specific roles performed by accountants vary, and that one-size-fits-all approaches are impractical, the successful implementation of our recommendations will be central to making accountancy feel clearer, closer, more human and relevant to society, ensuring the profession continues to deliver value and meet evolving societal needs.

Summary table

Theme	Key Points	Recommendations
Trust	High trust levels (78% for those closely engaged, 58% for less familiar)	• Curate real life stories and case studies demonstrating how accountants act with honesty and add tangible value to society • Make sure that our syllabus, continuous professional development (CPD) and mentoring programmes contain strong guidance on interpersonal skills, particularly for trainee and recently qualified accountants to support accountants to develop the emotional intelligence needed to build those emotional drivers that support trust • Expand the existing ethics training for both trainee and qualified accountants, and make sure the syllabus in the future can keep up to date with modern day ethical challenges, for instance those arising from increasing use of technology • Consider how accountants can simplify the language used in accountancy communication and encourage greater use of Plain English, where this is appropriate • Highlight the many specialisms, range of services and the diversity of roles that accountants undertake and where their careers can go, using simple language, examples and case studies
	Trust drivers: expertise, honesty, transparency	
	Recognition of expertise: 81% see accountants as experts, 70% as trusted advisers	
	Only 5% distrust accountants outright, although 28% are neutral on the topic and 30% do not necessarily view accountants as trusted advisers	
	Challenges: declining core skills, self-serve accountancy tools and outsourcing threatening perceived value of the profession	
Perceptions	Public perception challenges: stereotypes, misconceptions	
	Limited understanding: associated mainly with tax and bookkeeping, and misunderstanding of the role of accountants vs. the role of financial advisers	
	Professional views: focus on core role, relevance challenge	

<table>
<tr><th>Theme</th><th>Key Points</th><th>Recommendations</th></tr>
<tr><td rowspan="3">Challenges</td><td>General respondents: concerned about managing household finances, long-term financial planning and coping with financial unpredictability</td><td rowspan="8">Showcase the tangible value that accountancy delivers in tackling modern business and wider societal challenges, such as sustainability and inclusive financial progress, to help shift the ‘traditional’ stereotype
Governments to build financial literacy into primary, secondary and tertiary education curriculum, to increase and improve financial skills across UK society
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As part of any education activity the roles of accountants and of personal financial advice and management needs to be clarified
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Increase the skill set and ability of accountants to interpret, assess and use technology and AI, as well as identify and address tech-related errors, as reliance on AI and technology increases
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<tr><td>Respondents more familiar with accountancy: see challenges around managing tax responsibilities and supporting SMEs</td></tr>
<tr><td>Accountants: stress staying relevant due to tech disruption, perception of complexity and reputational damage from scandals as the main issues</td></tr>
<tr><td rowspan="5">Opportunities</td><td>Accountants are equipped for broader society roles</td></tr>
<tr><td>Top priority roles: supporting SMEs, acting as financial wellbeing and ethical advisers</td></tr>
<tr><td>ICAS members’ view: the main future opportunities are AI and data analytics, sustainability reporting and ethical leadership</td></tr>
<tr><td>Continuing relevance: human accountability, auditing, advisory services and leadership & coaching</td></tr>
<tr><td>Automation impact: routine tasks expected to be automated, increasing the importance of advisory, interpretive, and strategic functions</td></tr>
</table>

1. Introduction

ICAS’s Shaping the Profession (StP) programme is an ambitious initiative, launched at a time when different economic, political and social elements have combined, resulting in more scrutiny about the evolving expectations of the accountancy profession[1] and of financial services more widely.

While many businesses focus on immediate survival due to the cost-of-living crisis, increased tax burden, and US tariffs, it’s crucial to also consider the long-term outlook to ensure the profession’s resilience as well as making sure that the profession is adapting to the changing needs of society.

The programme seeks to address these challenges, acting proactively to make sure that professional accountants continue to deliver relevant and high value activities, operating in the public interest by serving the needs of society across all sectors of the economy and communities.

StP seeks to map out an ambitious future for the accountancy profession, as well as identify how ICAS and other relevant professional bodies can best guide and support the accountants of tomorrow.

Accordingly, we set out five key priorities to address:

1. **Societal and stakeholder needs**
   The anchor of our programme, asking first and foremost what society needs from the profession and how we can continue to create best value for all.
2. **What is a professional?**
   Defining what a 21st-century professional should and might look like.
3. **The impact of technology, including AI**
   Exploring how technology is redefining the accountant’s role, how it might look in the future and how the profession will need to adapt. The programme also seeks to explore the impact of technological advancements on professional judgement and the potential upskilling required to harness the capabilities of current and future technology tools.
4. **Building an exciting and fit-for-purpose profession for future generations**
   Equipping the accountants of the future with the necessary skills, capabilities and knowledge to ensure accountancy remains a valued, purposeful and attractive profession for future generations and fulfils the needs of society and the economy.
5. **Regulation**
   Exploring how proportionate and purposeful regulation can keep up with, and become an enabler of, positive change.

Overall, the programme is a forward-thinking initiative designed to shape the future of the accountancy profession so that it remains relevant, valuable, trusted and ready to meet the demands of society in the future.

[1] For the purpose of StP, the terms ‘accountancy’, ‘profession’, ‘accountancy profession’,‘professional accountant’ and ‘accountant’ are used interchangeably and are defined as those who are professionally qualified, educated, and/or a member of a recognised professional accountancy body

1.1. Understanding societal needs

We said from the start that StP's anchoring principle would be to spotlight societal needs, as the primary motive of the profession is to deliver services and activities of value to, and in the best interests of, the public, in its widest sense. The profession supports individuals, businesses, other organisations, the economy and therefore society at large.

Looking at societal needs allow us to understand and address those needs, which is fundamental in building trust and ensuring relevance and value from the profession.

This has meant taking a comprehensive approach to the research. We have spoken to ICAS members, through a series of CA Conversations, but critically also sought the views of representatives of UK society at large, to provide a balanced and thorough understanding of societal needs.

UK Society

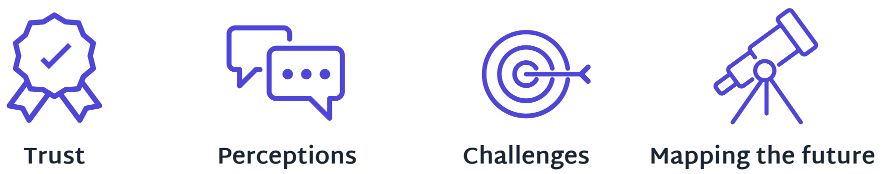
We commissioned a methodologically rigorous research exercise to identify what is needed from accountants, in the next 10 to 15 years, exploring themes such as trust, accountancy perceptions, and future challenges. Eight qualitative focus groups were held, along with a quantitative survey of over 1,000 respondents. Participants were selected to broadly represent UK society, from different socio-economic backgrounds, locations, ages, occupations and levels of familiarity with accountancy[2] to ensure a comprehensive understanding of societal needs.

CA conversations and members survey

To ensure comparability, CA conversations with ICAS members were conducted using the same methodological framework. These involved four sessions, three of which were face-to-face in London, Glasgow, and Edinburgh, and one online. Again, this approach ensured that the sample was representative of different geographical areas, roles and perspectives from our membership. Finally, we also surveyed our members in November 2024.

1.2. Purpose of this report

This report combines the main themes and findings which emerged from the various exercises, organised along the four topics of:



Further information obtained from our members' quarterly quantitative survey in November 2024 is also included where relevant. The survey solely tested views on pain points and opportunities, and reactions to seven potential 'Mapping the future' scenarios which had been identified from the initial qualitative research exercise.

Importantly, what is presented in this document is a summary of the key views and opinions we have gathered, which do not necessarily represent those of ICAS. The development of ICAS' own thought leadership on what the profession of the 21st century should look like to meet the profession's public interest mandate will be developed based on this societal needs' exercise and the delivery of all five StP priority themes.

[2] Different levels of familiarity may be referred as 'outsiders' or 'passives', and 'insiders' or 'actives' within the body of this report.

2. Key findings

This section of the report explores in turn the four themes of trust, perceptions of accountancy, pain points and challenges, and future scenarios. The original intention was to highlight the commonalities and identify the differences of views and opinions between CAs and UK society at large. As a spoiler alert however, in the main, there isn't much difference between the opinions of the two groups. While ICAS members are, unsurprisingly, more technical in outlook, both groups agree that client and societal interests must be at the heart of what accountants do, and of the prevalence of technological advancements.

2.1. Trust

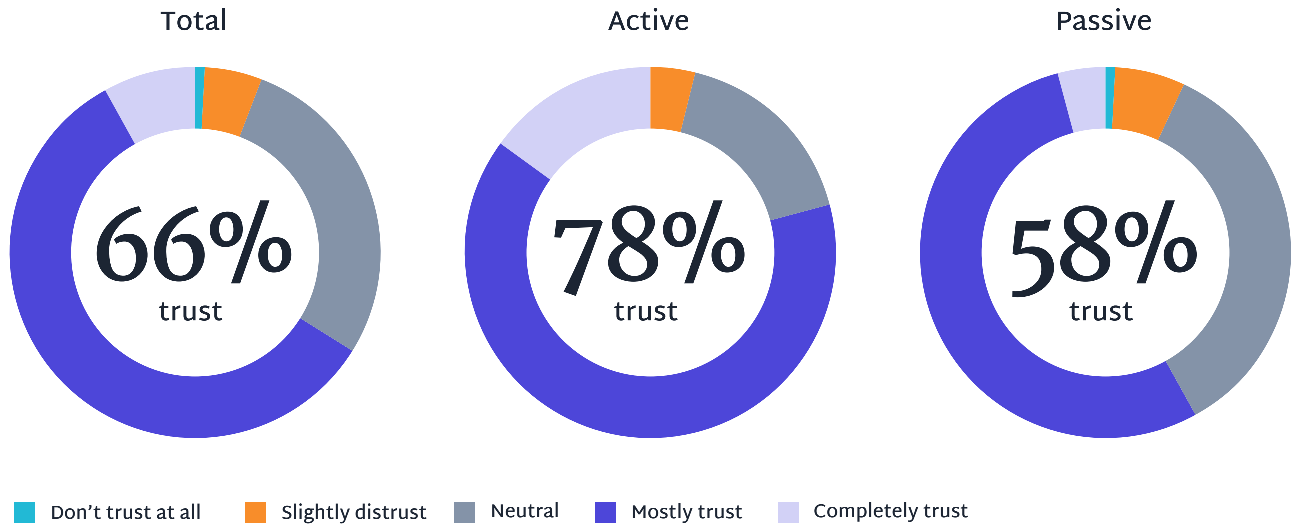
Considering what the accountancy profession of the future will look like, the purpose of the research was to explore the roles of 'trusted advisors' and 'trusted information sources' in the lives of the public and wider society; how 'trust' is defined, how trusted is the profession now and to what extent can accountants be intermediaries to help build 'trust'.

Overall, trust in the profession is very high, stronger for those who are closer to it ('Actives') at 78%. Just 5% distrust accountants, although there is a not insignificant grey area (neutral opinion 28%) which the profession needs to be aware of.

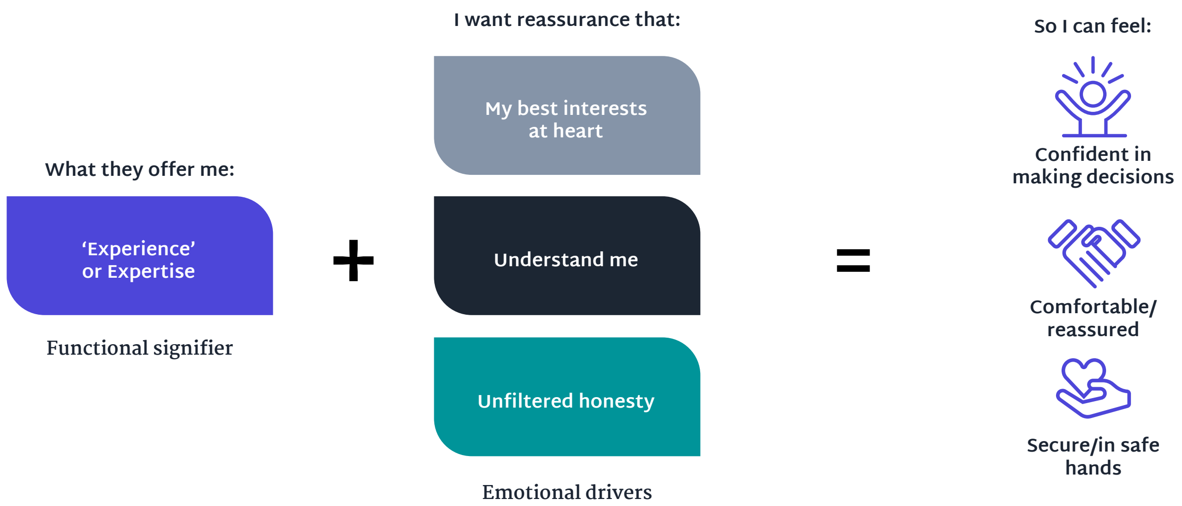
Trust in the profession is (very) high

66% trust the profession at a total level. Trust is higher among the Active group (78%) compared to the Passive group (58%), but this difference is driven by a significantly higher proportion of 'neutral' scores among Passives, rather than any significant levels of distrust. There are no significant differences across age groups. A strong starting point.

How much do you trust the accountancy profession?

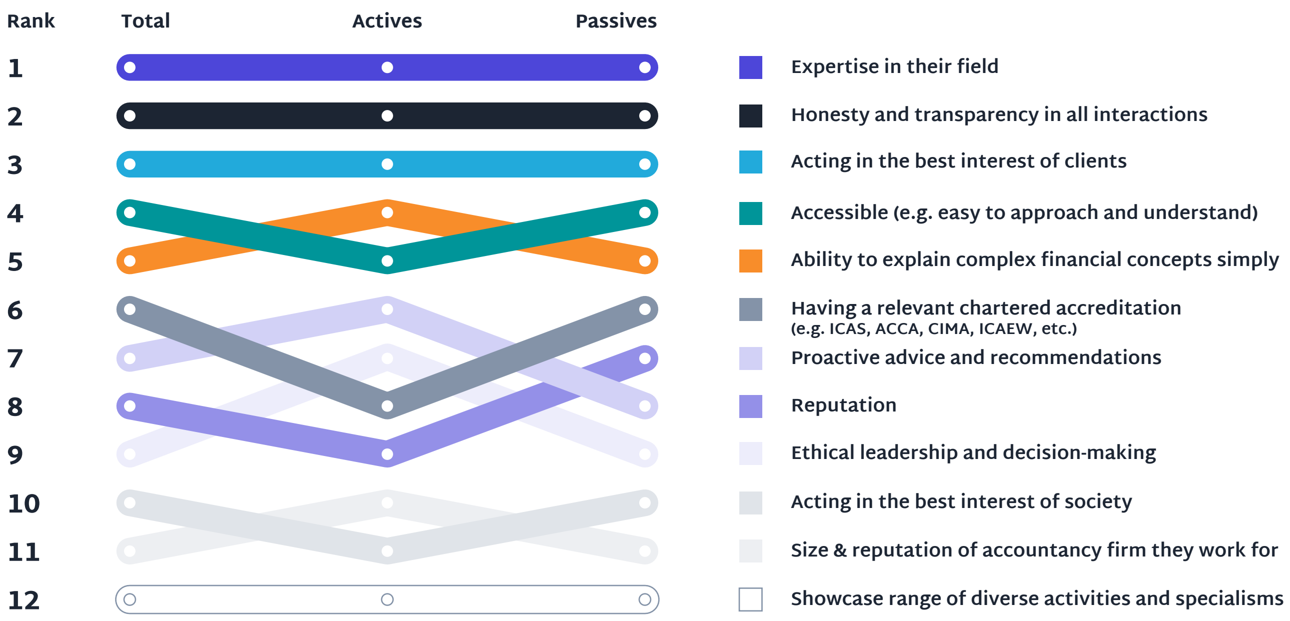


We found that the perception of trust in the profession is anchored on 'expertise' or 'experience', underpinned by three emotional drivers that help to build and maintain these trusted relationships. The emotional drivers are shown below. The greater the number of those emotional drivers in a relationship the more 'trusting' that relationship is, building feelings of confidence, comfort and security around the decisions and actions people take as a result.



There is consistency in the highest ranked drivers of trust across audiences: expertise, honesty & transparency, and acting in the best interest of clients (internal and external) are consistently viewed as the top three.

Ranked drivers of accountant trustworthiness



In percentages, underpinning the above:

		Functional signifier		
81%	AGREE that accountants are **experts in their field**	'Experience' or Expertise #1 driver of trust	70%	AGREE that accountants are all **highly qualified**
		Emotional drivers		
84%	AGREE that they associate maintaining **confidentiality and trust** with accountants	Unfiltered honesty #2 driver of trust	68%	AGREE that they associate providing **clear and transparent communication** with accountants
70%	AGREE that accountants are **trusted advisers**	My best interests at heart #3 driver of trust	62%	AGREE that they associate **ethical and honest behaviour** with accountants
79%	THINK accountants play a **critical role** in supporting SMEs	Understand me #4 driver of trust	50%	AGREE they have a **good understanding** of what accountants do

The percentages in this table are an average of active and passive responses.

There is very little disagreement about both the expertise and trustworthiness of the profession, and the high level of qualification accountants hold.

	Active			Passive		
	Agree	Neutral	Disagree	Agree	Neutral	Disagree
The accountancy profession is one that is generally trustworthy	**74%**	**22%**	4%	**61%**	**32%**	7%
Accountants are trusted advisors	78%	20%	2%	64%	32%	4%
Accountants are experts in their field	**83%**	14%	2%	**80%**	19%	1%
Accountants are all highly qualified	72%	22%	7%	68%	25%	7%
By using an accountant, you can be sure that your finances are being managed properly	**75%**	19%	7%	61%	33%	6%

- Almost three quarters (74%) of actives believe the profession is trustworthy and 75% are confident that finances are being managed properly by accountants
- >80% of the population view accountants as experts in their field
- Passives scores are generally more neutral than others

However, where trust in the profession is being challenged falls into three key areas, with corresponding opportunities to address.

Ethical practice

"Accountants are in an unusual position, a sort of limbo. They're both the experts in the accountancy and finance sector but also have been at the forefront of accountancy and financial scandals."

- Stephen, Future Voice, Gp1, Pre-task

Trust Challenge

- Confidentiality breaches, financial scandals and high-profile tax cases are undermining 'expertise' pillar and trust perceptions
- The most fundamental challenge to accountancy's broader societal role/stance as ethical leaders

Opportunity

Champion accountants societal role and ethical practices/ expertise

Digital transition

"It's about the value... they just think 'I can do this myself, I don't need an accountant'. And by the time they realise they do, they've got a right mess, they've got a pile of fines, they've done it all wrong, and it's actually harder to unpick."

- Julie, Gp3, Finance Experts

Trust Challenge

- 'Insiders' reflect on the challenges (smaller) businesses face in making this digital transition resulting in some poor adoption/ practices
- Increased automation, more self-serve accounting/ outsourcing has potential to 'devalue' accountancy services

Opportunity

Focus on supporting digital transition & trust credentials in digital space

Core skills

"Young people have got to bring young ideas forward, but you've still got to have the backbone there. You never really hear of people saying, I'm doing bookkeeping or reconciling manually... now the computer says 'yes'."

- Kirsty, Finance Experts, Gp3

Trust Challenge

- A concern amongst some experienced professionals is that the core 'backbone' of accountancy skills/practices are being lost
- Will Next Gen accountants have core accountancy / interpersonal skills to manage client relationships as they seek this trusted advisory role

Opportunity

Focus on core competencies & building 'softer' skill set

2.2. Perceptions of accountancy

The perceptions of accountants are generally positive, but a lack of understanding of their services and activities is having an impact. As a telling quote from one of the qualitative research participants:

"It's a bit mystical, really, as to who these people are and what exactly it is they do. So, I think they need to unshroud it, really, and make it more accessible and put it out there exactly what they do"

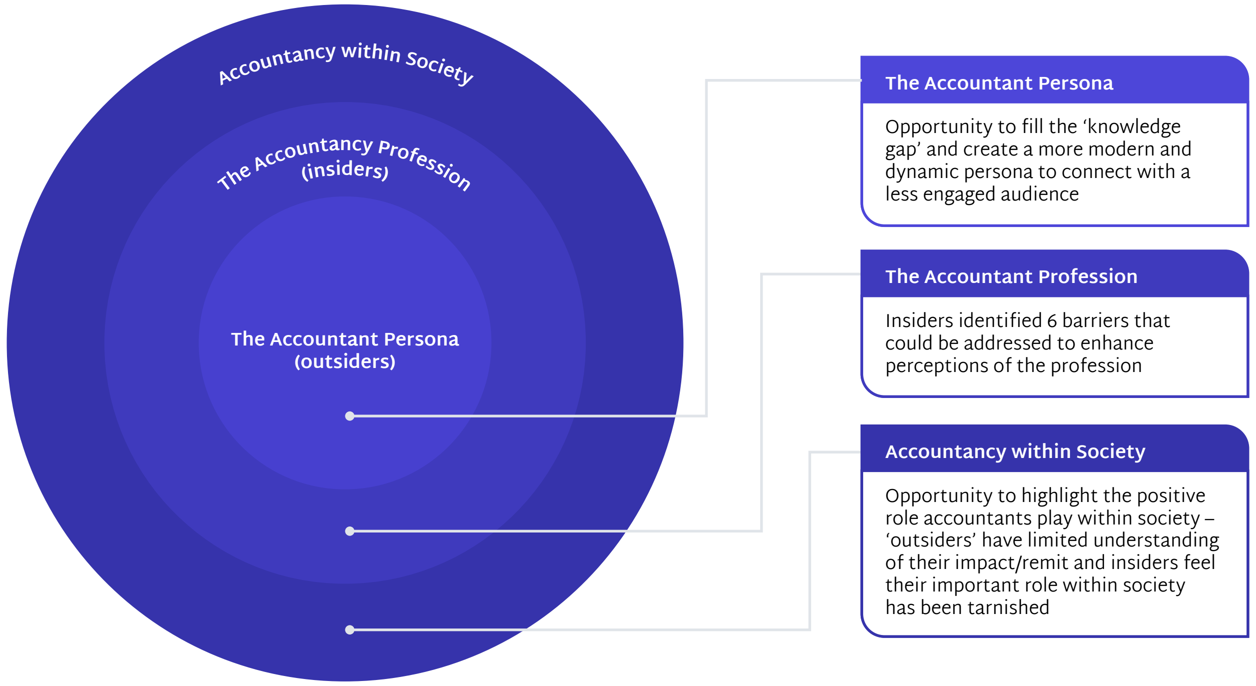
We found that 50% of UK society does not have a good understanding of what accountants do, highlighting a clear opportunity to improve understanding and 'demystify', even among those more actively engaged.

	Active			Passive		
	Agree	Neutral	Disagree	Agree	Neutral	Disagree
I have a very good understanding of what accountants do	71%	**21%**	**8%**	36%	**36%**	**28%**
Accountants mainly just provide tax advice	25%	19%	55%	15%	29%	56%
Using the services of an accountant would NOT be value for money	17%	22%	62%	21%	43%	37%
Technology these days makes it much easier for people to do their own accounting	**66%**	27%	7%	**69%**	27%	4%

- Understanding is very low among Passives (28%), who were also much more neutral (36%)
- Interestingly 29% of Actives did not agree that they had a very good understanding of what accountants do (8% disagree, 21% neutral)
- Both audiences mostly disagreed that accountants "mainly just provide tax advice", however it is less clear what they do
- Two thirds of the total audience agreed that technology makes it easier for people to choose a self-serve approach to accounting

Unsurprisingly as a result, the following six trust barriers were identified with insights into opportunities to address them.

These can be segmented into three key areas around the accountancy persona, profession and the role of accountancy within society. These core associations and perception 'barriers' need to be addressed when considering the future of the profession.



'Mystical & Complex'

Qualitative Barrier

Complex industry that doesn't feel accessible

Qualitative Opportunity

Accessible

'Unshrouding' the profession, defining variety of roles and services, making access and evaluation of these easy, simplify the language, tools and support available

Quantitative Finding/Opportunity

- There is a lack of understanding of the role of accountants. This is considerable among Passives (just 36% agree they have a very good understanding).
- There is also evidence that a significant number of Actives don't fully understand what accountants do (29% neutral/disagree).
- **Improving understanding is key to improving perceptions generally, and 'demystifying' the profession.**

Trust Erosion

Qualitative Barrier

Increasingly synonymous with high profile scandals and questionable accounting practices

Qualitative Opportunity

Trust Enhancing

Reinforce trust credentials (via trusted advisor pillars), communicate 'honesty and transparency' values and bring to life the impact the profession has on the 'everyday' across business communities/society (via business case studies and advocates)

Quantitative Finding/Opportunity

- Counter to some qualitative insight, trust is high among all audiences (68% trust).
- Crucially, very few see it as untrustworthy (6%), with many just being unsure (28%) – higher among Passives.
- **Opportunities to further enhance trust through more actively demonstrating the role accountants play more broadly – filling the 'uncertainty' gap.**

Traditional

Qualitative Barrier

Old fashioned and entrenched stereotypes undermining the modern/dynamic industry that many insiders work within

Qualitative Opportunity

Evolving & Dynamic

Reflect the modern world of accountancy and emerging areas of development and thought leadership (reflecting the key areas of business/personal challenges)

Quantitative Finding/Opportunity

- Among Actives, there is a sense that accountancy is good at adapting to digital transformation & automation (71%).
- Passives are much less sure (50% neutral/unsure).
- Traditional perceptions of the profession e.g. 'mainly catering to the wealthy' are also evidenced in the data (55% of Passives agree).
- **Sticking to core competencies preferred, but opportunity to show how the profession is advancing.**

Narrow Focus

Qualitative Barrier

Many outside the sector associate accountancy with book-keeping/tax rather than the rich array of specialisms

Qualitative Opportunity

Breadth & Depth

Showcase range of diverse activities and specialisms ('beyond book-keeping' esp. for the less engaged)

Quantitative Finding/Opportunity

- Understanding of what accountants do is mixed but all agree that it is about more than just tax advice (56% disagree they mainly provide tax advice).
- There is **scope to shape exactly what accountancy is associated with**, in line with improving understanding.

Inward Looking

Qualitative Barrier

Desire for the industry to look outside confines of the sector to inspire, engage and collaborate with other experts to help shape the future (tech has 'freed up time' to explore new avenues)

Qualitative Opportunity

Outer directed

Highlight knowledge sharing and partnerships across teams/specialisms industry, academia AND the important role the accountancy profession plays in society

Quantitative Finding/Opportunity

- Most (56%) Super Actives believe that accountants should focus on their core roles rather than moving beyond.
- But, staying relevant is seen as the main challenge as new tech solutions allow for a more self-serve approach (57% agree main challenge).
- **Offering strategic consultancy services, coaching, and being part of super consultancies are seen as the most valuable opportunies, that also feel close to current core competencies.**

'Corporate' Brand Prestige

Qualitative Barrier

Small businesses feel 'left behind' on their ability toinvest in AI/new technologies, corporate packages, hospitality therefore defining their value proposition is a focus

Qualitative Opportunity

Equality for the small/niche

Support for small businesses who feel this sense of inequality and drive value perceptions around our 3 emotional trust drivers and 'values' (e.g. trust intermediaries, taking the burden, helping to simplify)

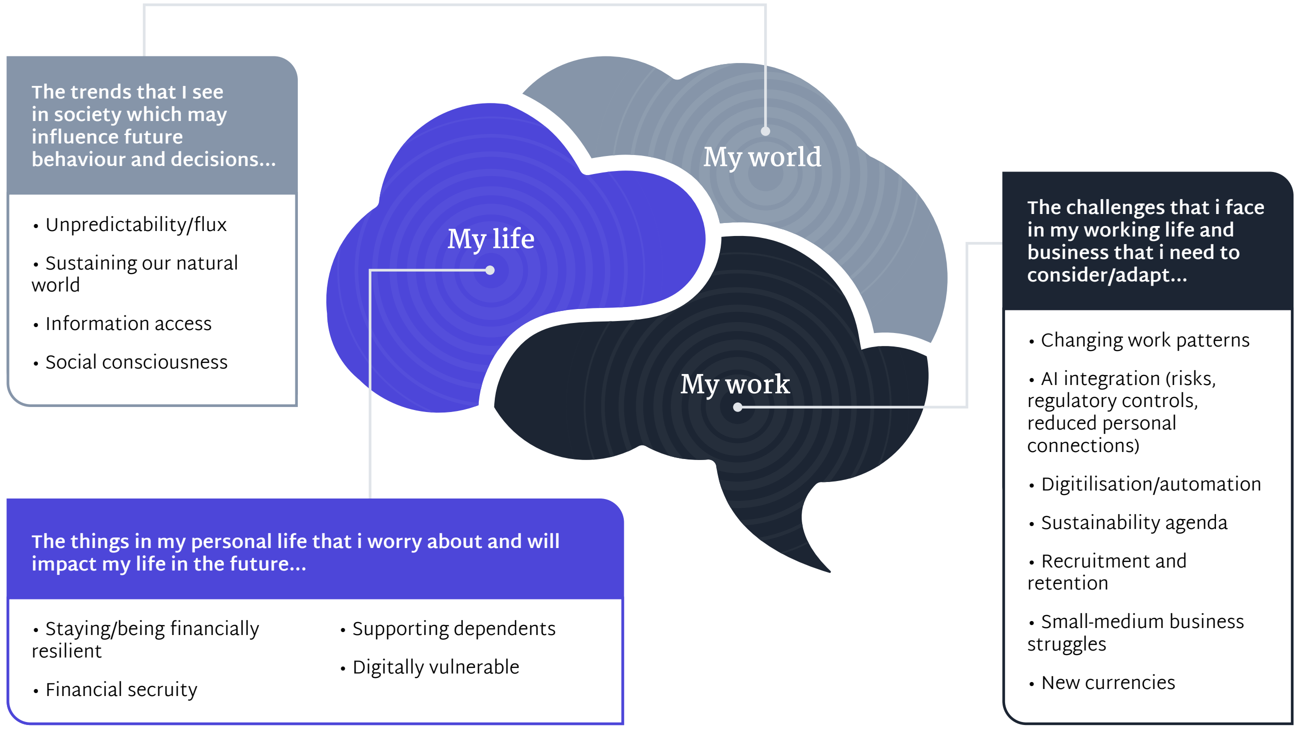
Quantitative Finding/Opportunity

Whilst we did not focus on differences between corporate and small accountancy business...

- There is a need for new tech solutions to be demystified for the end user (43% of our active audience can imagine using an accountant in the future for this purpose).
- **A potential value proposition for smaller accountancy businesses to provide sign posting, hand holding and confidence.**

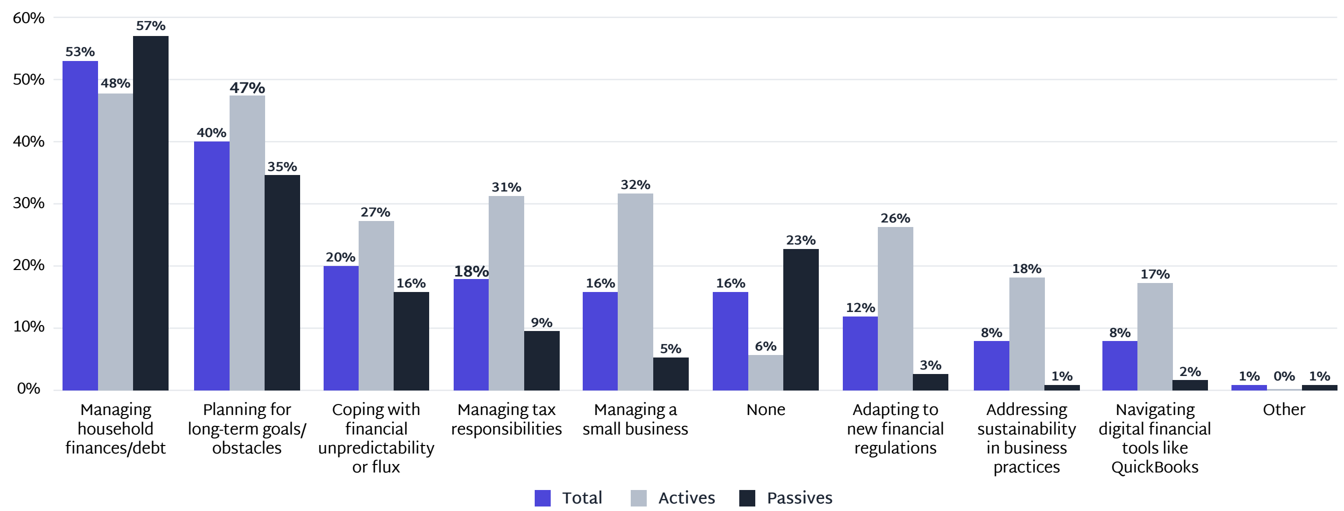
2.3. Pain points and challenges

A simple framework allows us to understand the key pain points, or challenges, articulated by participants in the UK societal research exercise. This can then be used as a springboard for developing future ideas and identifying areas where support from accountants would be valuable. We asked those participants to imagine what life could look like in 15 years' time and to think about some of the challenges they might face.



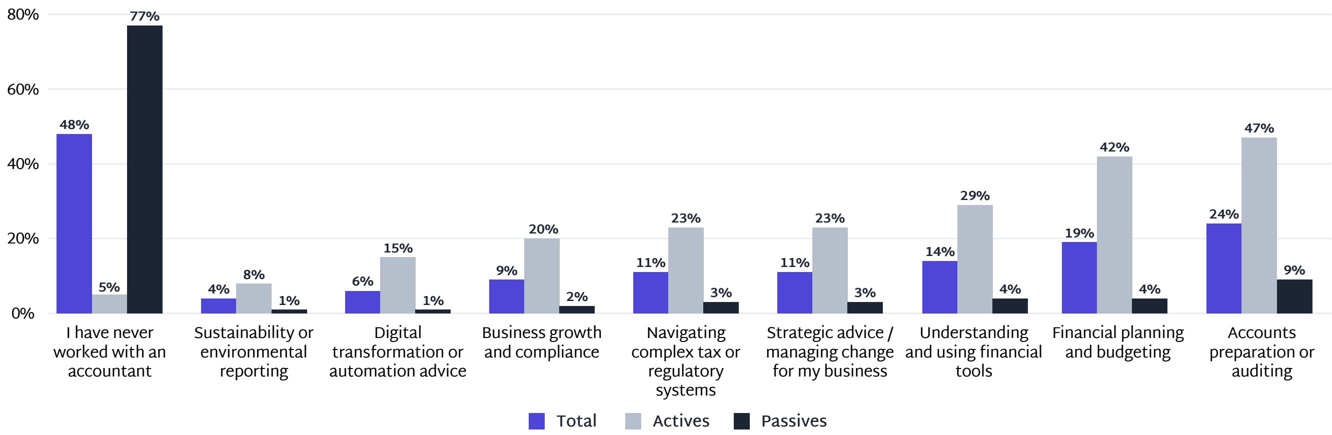
Quantitatively within the 'My Life' theme, household finances are high on the list of financial challenges for most, followed by long term planning and financial unpredictability.

What financial challenges are most relevant to your current situation?



Most respondents had minimal interactions with accountants in general and levels of familiarity and usage of financial tools was low among the total population. Those who had engaged with accountants had typically done so for account preparation and financial planning, with far fewer having had any experience of services and activities relating to sustainability or digital transformation. Most passives had never worked with an accountant.

If you have previously worked with an accountant, what services did they provide?



For the super actives, those working closely with accountants or are accountants themselves, staying relevant is perceived to be the biggest challenge facing the accountancy profession. More than half (57%) believe staying relevant is a challenge, as more people use online tools and apps to assist with accounting. Being seen as too complex (41%) and negative public perceptions (36%) are also seen as secondary challenges.

In your opinion, what challenges do you think accountants or the accountancy profession face today?

In summary, when asked to imagine issues and challenges society may face in 10 to 15 years' time:

Wider society respondents predict future challenges **primarily around managing household finances**, long-term financial planning and coping with financial unpredictability;

Those closer to the profession (our active respondents), **highlight managing tax responsibilities** and small business management as concerns; and

Accountants themselves see **staying relevant as the profession's main challenge** partly because of technological changes and disruption, followed by concerns that the profession is seen as overly complex and difficult to understand and reputational damage from sector scandals.

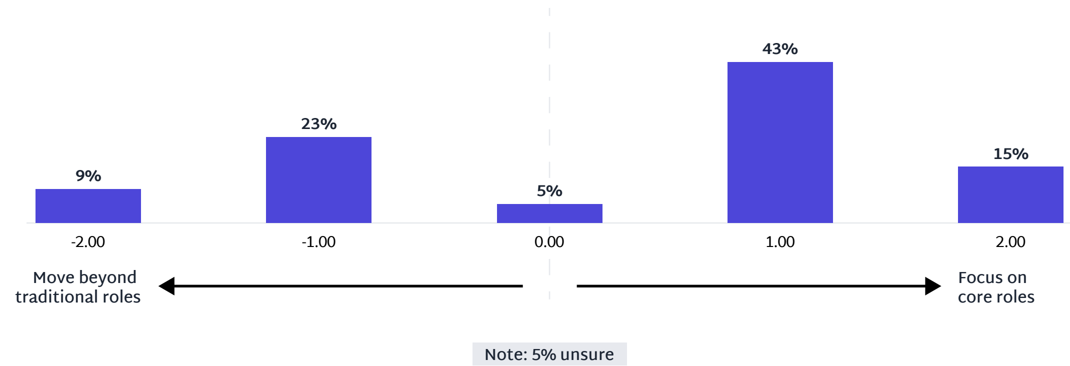
2.4. Mapping the future

UK Society research

Looking into the future, there is a sense that accountants should continue to focus on core roles, although clear opportunities exist to evolve the profession to meet future needs.

Most (58%) Super Actives believe that accountants should focus on optimising core roles such as financial management and reporting, and assurance, rather than move beyond traditional services and activities.

Move beyond traditional roles vs focus on core roles



However, 50% also believe that accountants are prepared to take on broader societal roles.

How well do you think accountants are currently prepared to take on broader societal roles?

- Not at all prepared
- Not very prepared
- Neutral
- Unsure
- Somewhat prepared
- Very prepared

Active participants highlighted some key areas to evolve and grow. Some of these are fully defined and consistent across the discussions, but there are others that will require further exploration.

Advisory role
- Strategic advice
- Financial advisory role

Data & AI
- Digital transformers
- AI mediators & thought leaders

Diversification
- 'One stop shop' or 'super consultancy'
- Broadening of services and specialisms

Building trust & enhancing skills
- Coaching/Continuous professional development (CPD)
- Focus on core competencies

"You really need somebody to interpret it (zero/Quickbooks outputs) and go, oh, you know, your GP has dropped 4% in the past six months, or do you know your wages percentage has gone up?"

- Tony, Finance experts

"AI might be able to do some of the mundane tasks and accountants then become even more specialist, almost checking the AI, but kind of then using what AI may produce"

- Ollie, Young Passive

"Although you have those connections in your network, I imagine there'll be someone somewhere thinking, why not just bring them all in house and make one sort of super finance company that's got everything, financial advice, R&D and then you've got all under the one tree."

- Marcus, Future Voice

"AI/Technology is becoming ever more important. Already many finance professionals are taking classes / doing qualifications for coding and other software building techniques"

- Stephen

"People are scared their jobs may be replaced on AI, therefore I think business communities need to be considerate and reassuring, and find ways to increase efficiencies and up skill people to retain jobs"

- Alison, Future Voice

Participants were provided with a list of roles that the accountancy profession currently undertake, and some other roles that could be provided by accountants in the future. They ranked supporting small and medium businesses (68%), financial wellbeing advisors (61%) and trusted ethical leaders / advisors (53%) as the most desirable roles for the future. Surprisingly perhaps, roles relating to digital transformation, sustainability and AI ranked lower.

Which of the following roles do you think accountants should prioritise in the future?

Roles	Ranking (most prioritised)	Top 3 selected	1st choice	2nd choice	3rd choice
Supporters of small or medium businesses	1st	68%	28%	22%	18%
Financial well-being advisers	2nd	61%	21%	19%	21%
Trusted ethical leaders and advisers	3rd	53%	21%	17%	15%
Strategic business advisers	4th	45%	12%	16%	17%
Digital transformation specialists	5th	33%	11%	12%	10%
Sustainability advocates	6th	25%	5%	9%	11%
AI Advisers	7th	16%	3%	5%	8%

Actives are looking for a tech-driven, analytical and advisory service at a fair price, while Passives preference is for advice, support and some education going forward.

How could an accountant provide value through the services they offer (going forward)?

Active respondents' top priorities:

29%
Cost and value for money
Lower fees, transparent pricing, offering discounts for loyalty, and ensuring the value provided outweighs the cost.

21%
Technology and automation
Accountants leveraging technology, such as AI and automation, to improve efficiency and accuracy is important.

8%
Financial planning and analysis
Providing detailed financial planning and analysis to help businesses make informed decisions.

7%
Compliance and risk management
Ensuring businesses comply with regulations and managing financial risks was another key area where accountants can add value.

6%
Client education
Accountants educating their clients about financial matters to empower them.

6%
Advisory services
Offering strategic advice to help businesses grow and navigate financial challenges.

Passive respondents' top priorities:

29%

Advisory services

Importance is place on accountants offering strategic advisory services, such as financial planning, risk management, and business strategy.

23%

Technology integration

There is a need for accountants to integrate and leverage new technologies, including automation, AI, and data analytics, to improve efficiency and provide deeper insights.

18%

Compliance and regulation

Ensuring businesses stay compliant with ever-changing regulations and tax laws was another key area where accountants can add value.

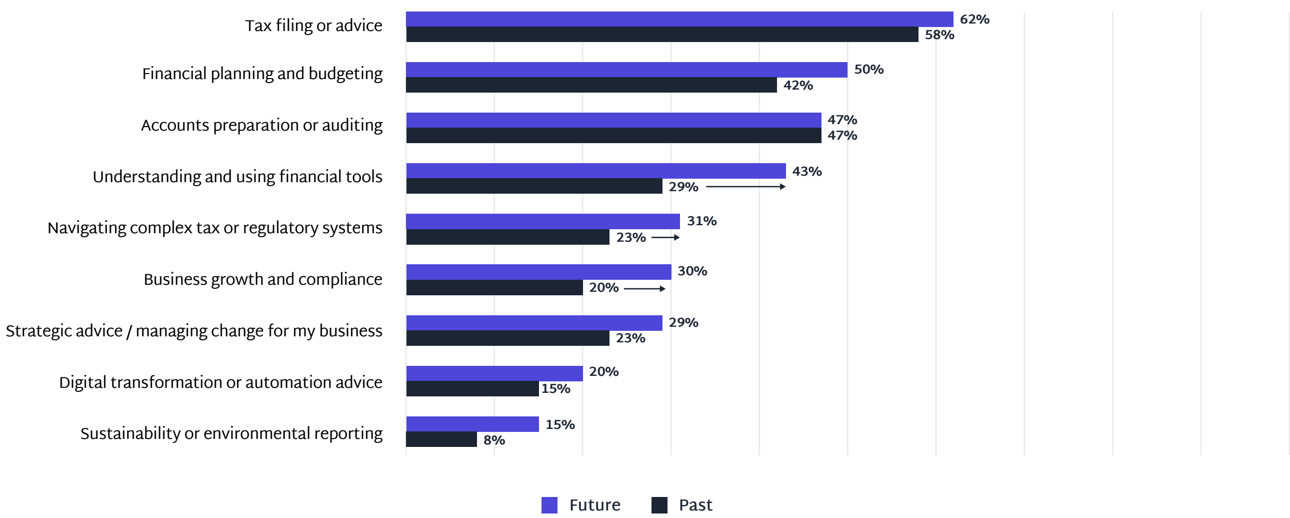
12%

Education and support

There is a growing importance for accountants to help businesses with sustainability initiatives and environmental, social, and governance (ESG) reporting. The role of accountants in educating and training clients on financial literacy and best practices would be valued going forward.

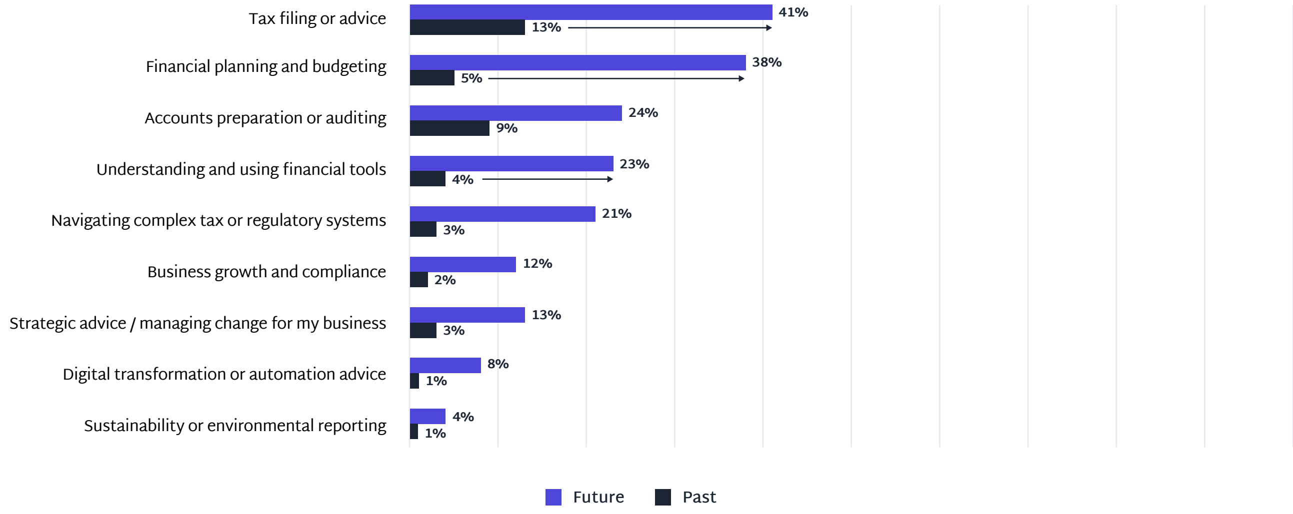
Drilling into further details, for Actives, the biggest change from past usage to perceived future usage is in understanding and using financial tools, navigating complex tax and regulatory systems, business growth and compliance. These are clear areas for growth within the industry, with a definite opportunity to promote how accountants can support their clients in these key areas.

If you have previously worked with an accountant, what services did they provide? Which of these areas do you think accountants could help you with in the future? (Actives responses)



For Passives, those who had used accountants did so mainly for tax filing or advice and accounts preparation or auditing. The most selected areas of future usage are tax filing or advice, financial planning and budgeting, and accounts preparation or auditing. Given the low uptake, an opportunity exists to make accountants feel more accessible to those with less or no experience, and particularly for financial planning and budgeting, and tax filing or advice.

If you have previously worked with an accountant, what services did they provide? Which of these areas do you think accountants could help you with in the future? (Passives responses)

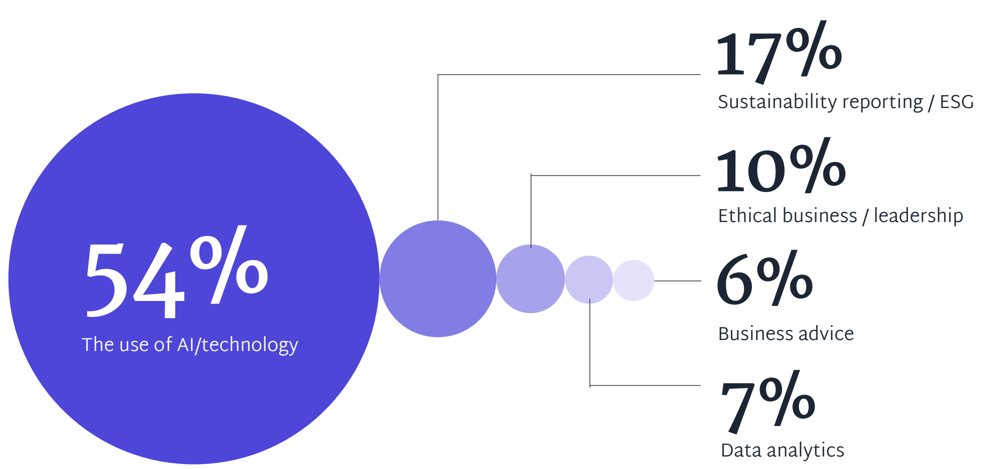


ICAS members' views

Perhaps unsurprisingly, the future of the profession is where the view of CAs differs most from that of wider society.

By far the most notable opportunity highlighted by respondents to the ICAS November 2024 quantitative members survey, when asked 'Thinking about the future of accounting and accountancy, what do you think are the biggest opportunities for the profession?', 54% responded the use of AI / technology, with a further 7% selecting data analytics.

Thinking about the future of accounting and accountancy, what do you think are the biggest opportunities for the profession?



4% Improve the audit process

3% Inclusion and diversity

1% More flexible working

1% Social media / marketing

1% Combating fraud

The CA Conversations held with ICAS members echoed this view, with participants expecting AI to play an increasingly significant role in the profession, despite current limitations due to these technological capabilities still developing, data availability and concerns about robustness. Consequently, it's felt that there is a sizeable opportunity for accountants to help facilitate digital transformation as data guardians and data transformers. A future role as data assurers was also highlighted.

In the ICAS quarterly members quantitative survey, respondents were also asked to provide feedback on seven 'future scenarios', developed using insights gathered from the qualitative research. Respondents were asked two questions on those future scenarios: (a) how similar or different they felt when thinking about the current role of accountants, and (b) how easy or difficult they felt it would be for accountants to assume these different roles or work across those areas.

Table 1 shows that two scenarios appear very "familiar" to members, those being accountants as coaches and accountants offering strategic consultancy services, while one scenario feels like a major departure from the norm: accountants as AI mediators.

For (b) (Table 2) the same two aspects are therefore highlighted as appearing very simple to achieve, accountants as coaches and accountants offering strategic consultancy services, while accountants as AI mediators feels more challenging.

Table 1

How similar or different does this feel when thinking about the current role of the accountant, and the accountancy profession more broadly?

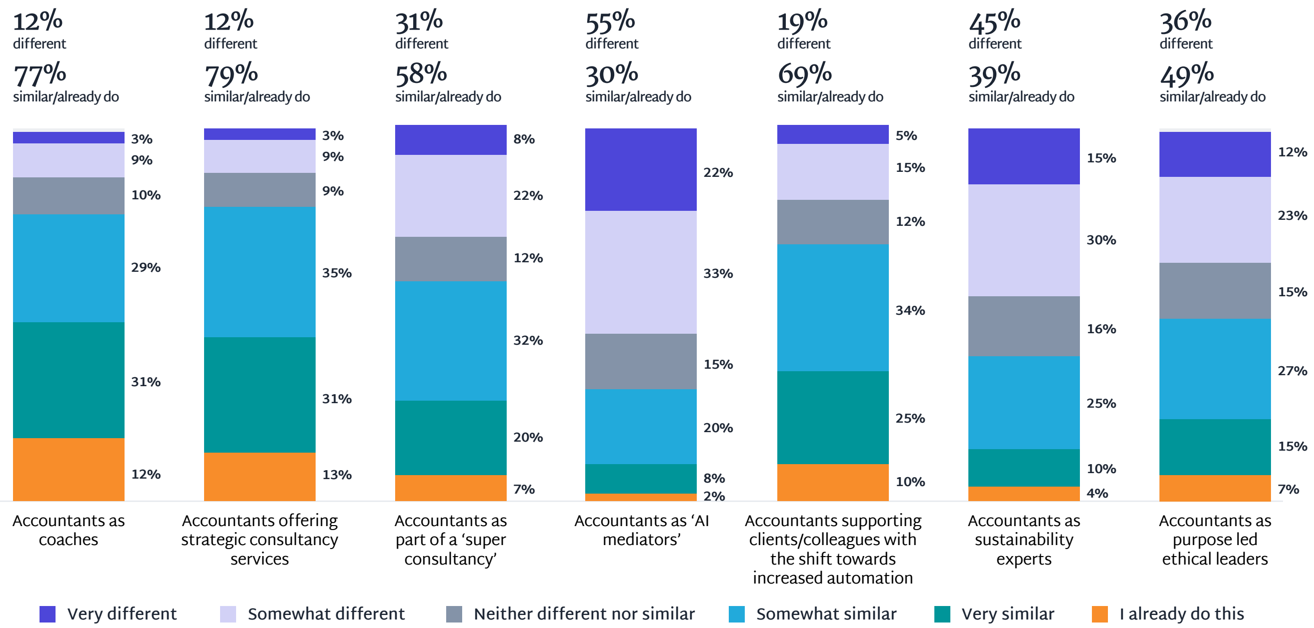
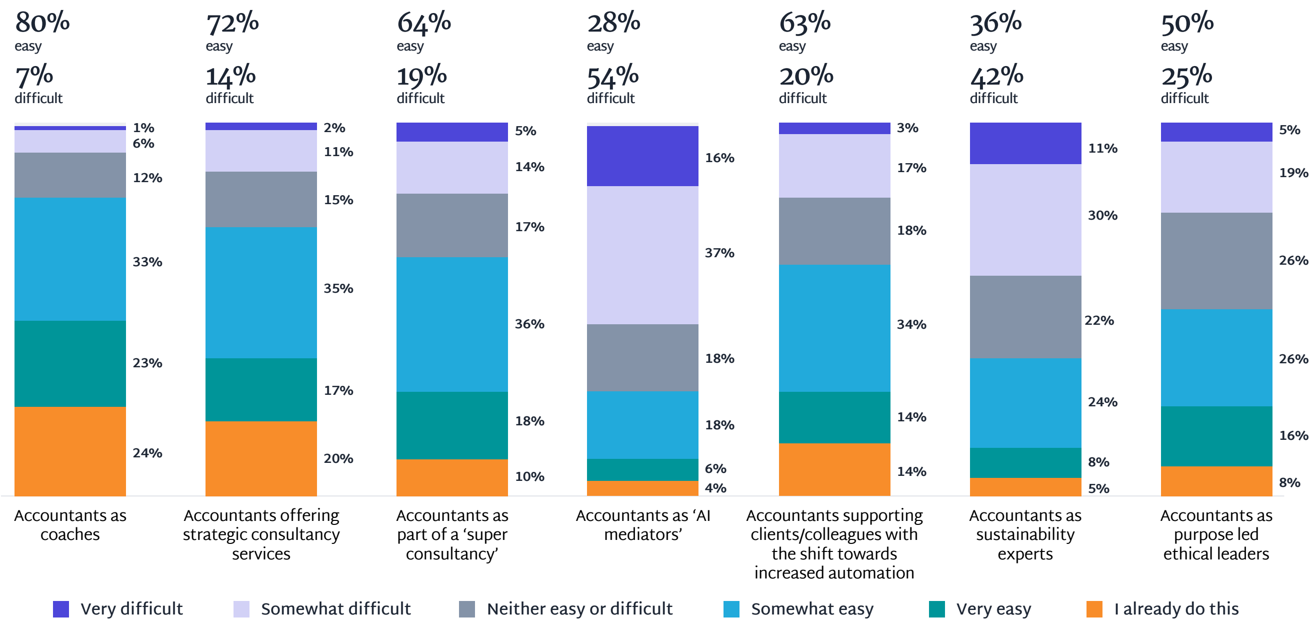


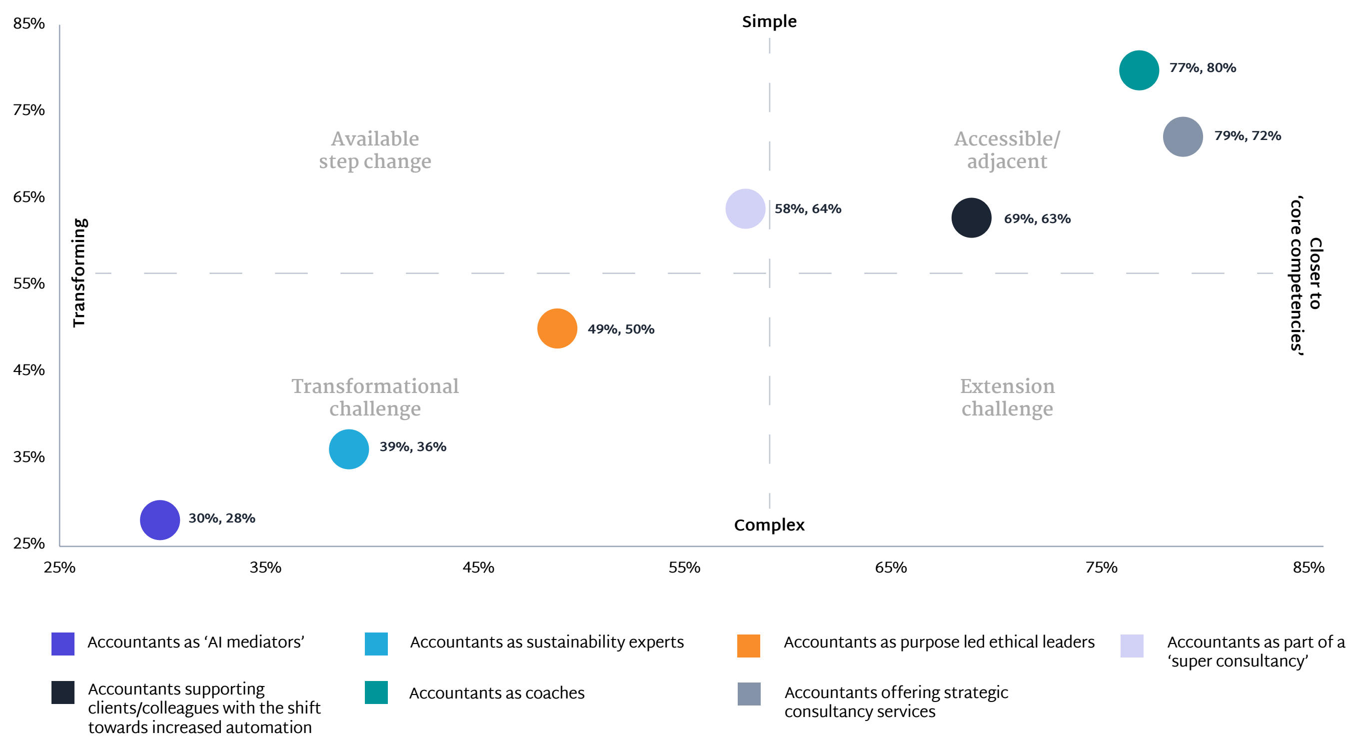
Table 2

How easy or difficult do you think it would be for you, as an accountant, to take up these different roles/work across these areas?



The biggest potential win could therefore be to focus on what is seen as simple[3] yet transformative. One scenario meeting this criterion is accountants as part of a 'super consultancy', while the most transformative scenario, but one which is also seen as most complex was accountants as AI mediators (Table 3).

Table 3



[3] Note that this evaluation of simple vs. complex is that suggested by participants. It can for instance be argued that the 'super consultancy' concept is instead complex given, for example, the associated regulatory hurdles to overcome.

Super consultancy: It is worth contrasting however, that when presented with those future scenarios, the CA Conversations participants expressed mixed reactions, particularly to the idea of accountants in practice becoming a one-stop shop or super consultancy, reflecting a range of perspectives on its feasibility and benefits. Some participants saw it as beneficial, as it would avoid the need for clients to consult with multiple different parties. However, challenges such as attracting top talent to enable the provision of such service, cost-effectiveness, potential regulatory issues and conflicts of interest were noted. Others viewed this idea as unrealistic or reminiscent of outdated models, particularly highlighting the latter point of the need for independent regulatory barriers. Regulations around non-audit services and conflicts of interest pose significant hurdles to the one-stop-shop model. A network of professionals is considered by CAs to be more practical and effective than a one-stop shop, as it allows for specialised referrals to provide a comprehensive suite of services.

Finally, discussing the evolution of accountancy services and activities, the CA Conversations highlighted a spectrum from those which are anticipated to become obsolete, to those which are likely to grow in importance.

1. Technological replacement:

- Many of the more basic or standard accountancy services historically provided, such as payroll, book-keeping and tax, can already be better handled by computers, reducing the need for human involvement. However, human oversight will remain necessary. Technology can make errors, hence why human oversight will remain vital.

2. Continuing relevance:

- Human accountability, despite technological advancements, will remain crucial for interpreting data, decision-making and ensuring integrity of the data. There is still merit in having someone asking the challenging and sometimes obvious questions, who can look into someone else's eyes to assess the reliability of the response received. And even supercomputers can make errors, therefore emphasising that there is still a need for a human to be held accountable and to take responsibility for decisions based on automated systems.
- External auditing is expected to remain relevant but will likely require fewer people due to the efficiency of technology. Technology will handle most of the data gathering and evaluation, but humans will need to exercise professional judgement on key matters, including the final audit opinion. By contrast however, it is recognised that the market could be significantly disrupted by new entrants and technological advancements within the next five to ten years if major technology firms, like Amazon, enter the field, leveraging their existing data and technological capabilities. This could conceivably include fully automated audits with 100% assurance.
- Advisory and consultancy services will continue to be crucial, with a shift towards interpreting data provided by AI and technology. Human input will still be required to interpret data and provide insights, as technology may not always be reliable. The specific role of AI mediation is however seen as an activity to ensure data accuracy and combat the threat of misinformation. Given its nature, this activity is perceived as a significant departure from traditional accounting roles. The desirability of this activity being provided by accountants can be questioned.
- Importance of leadership, coaching and mastery: Leadership skills are emphasised, with references to Andrew Carnegie's ability to manage egos and the importance of effective communication and team management. Effective leadership involves more than just intelligence; it requires the ability to manage and motivate a team, a skill often understated in professional training. The importance of coaching and continuous professional development (CPD) is also highlighted, focusing on the need to bring a human element to these roles.

3. Areas for growth:

- Sustainability and non-financial reporting, including assurance of these are expected to evolve significantly.
- AI and Data Support, within organisations, will become increasingly significant, requiring professional accountants to interpret and validate AI-generated data.
- The need to identify and address tech-related errors will grow as reliance on AI and technology increases, requiring highly skilled professionals to ensure accuracy of data and reported information.
- Holistic business snapshots: There is a call for more comprehensive business assessments that include factors beyond traditional financial metrics, such as staff turnover and management culture. Focus should be placed on inputs and not just outputs, looking to provide assurance on these as they are key to results. Accountants should provide strategic business support and contribute to economic growth by ensuring effective management of inputs that lead to successful outcomes.

3. Summary and key opportunities

Strong foundations exist in relation to trust in the accountancy profession, with clear opportunities for development in areas of emotional intelligence.

- **Expertise is well established:**
  81% agree accountants are experts in their field
- **Honesty and ethics show room for growth:**
  Only 62% associate accountants with ethical behaviour
- **Understanding is the weak spot:**
  Only 50% say they understand what accountants do (drops to 36% among passives)
- **Perception gap remains a barrier:**
  Cost, complexity and unclear value proposition are major blockers

Trust isn't broken. It is underdeveloped in key emotional areas, with a push required on making accountants and accountancy feel clearer, closer and more 'human'.

- **Maintain & reinforce expertise:**
  Showcase specialist knowledge and accreditation
- **Push transparency to unlock trust**:
  Simplify pricing, lead with visible ethics
- **Own the education and understanding gap:**
  Use simple language and more visual explainers
- **Lean into 'best interests at heart'**:
  Highlight financial wellbeing services and client stories

And as far as future outlook and opportunities for the profession are concerned, while the majority of accountants believe the profession should focus on its core roles, there are opportunities to better meet society's future needs.

- Accountants need to consider offering broader services to respond to emerging societal needs such as advice on sustainability, ethical leadership and support for individuals and businesses to better navigate uncertainty
- Across all respondents, supporting small and medium size businesses, acting as financial wellbeing advisors and serving as ethical advisors are the top priority roles for the future
- ICAS members see AI and data analytics as the biggest future opportunity for the profession, followed by sustainability reporting and ethical leadership
- Human accountability, auditing, advisory services and leadership & coaching are predicted to remain relevant
- Routine accountancy tasks, however, are expected to become more automated, thereby increasing the importance of advisory, interpretive, and strategic functions.

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