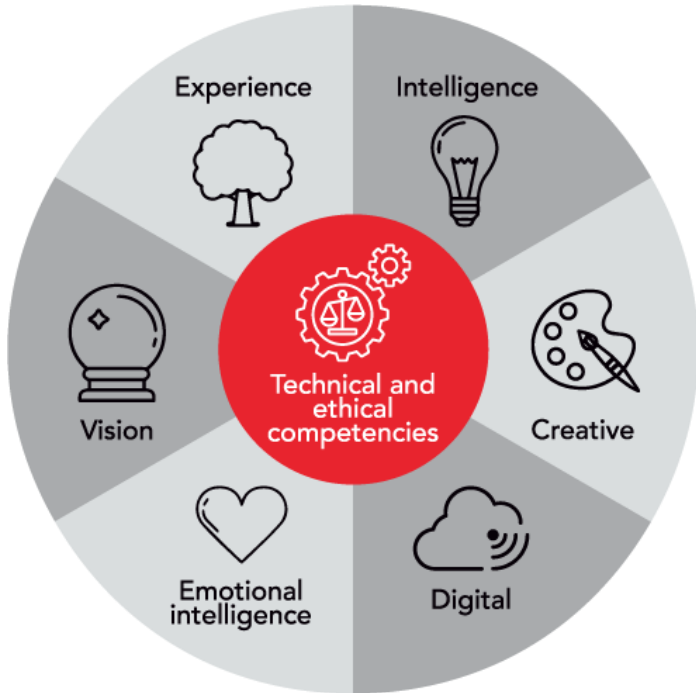




Think Ahead

# The seven quotients:

Equipping tomorrow's accountants for success



## Our profession is changing fast

Our profession is undergoing unprecedented change. It's the result of many factors, but ground-breaking research conducted recently by ACCA together with its members, employers and partners has identified the four key drivers:

### As well as challenges, change will bring benefits:

- Technology will enable near real-time reporting, support predictive vs retrospective analysis, and highlight links between financial and non-financial factors.
- It will also give accountants more time for long-term strategic planning.

1

Increased regulation  
and stronger  
governance

2

Advances In  
digital technology

3

Higher expectations  
of the  
business value

4

Continued  
globalisation

## Seven quotients for tomorrow's world

In the face of all this change, ACCA's research highlighted seven professional competencies or quotients that tomorrow's accountants will need to progress their careers and add most value for employers and clients.

These seven quotients are at the core of the evolved ACCA Qualification.

Along with 'typical' competencies, ACCA's quotients include three 'softer' skills and interpersonal behaviours that will be increasingly called for in future.

### Typical Skills



Technical and ethical



Intelligence



Digital



Experience

### Soft Skills



Creative



Emotional intelligence



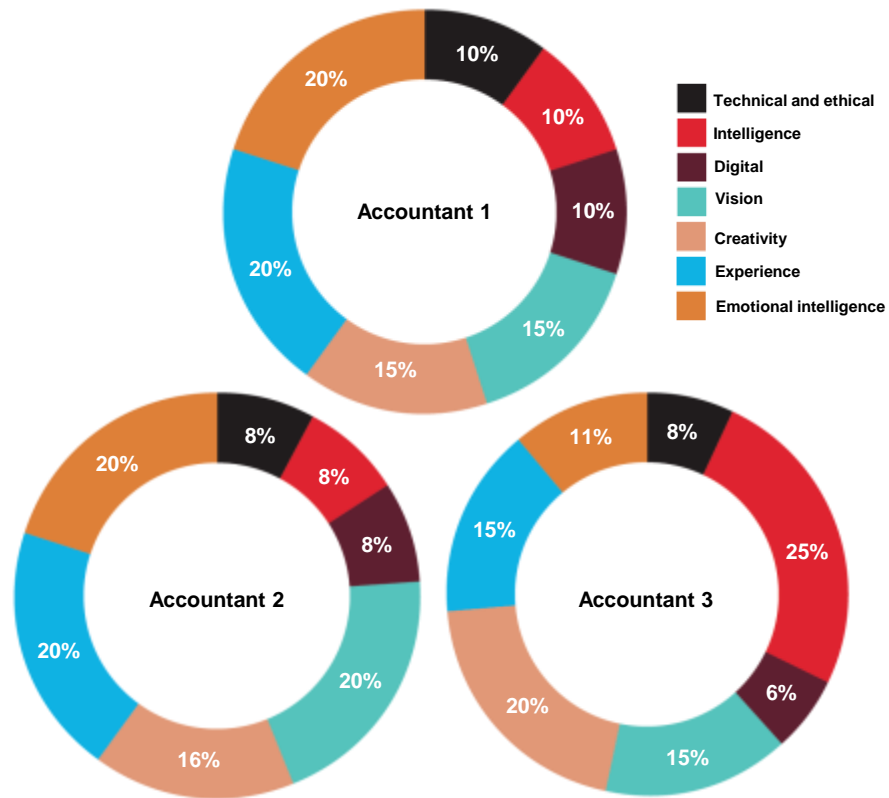
Vision

## What's the right mix?

The optimal mix of individual quotients will vary according to role, responsibilities, career stage and industry developments. As an example, three ACCA members ranked the quotients for relevance to them.

Interestingly, while the mix varied, the three respondents consistently ranked less typical quotients higher for giving their careers a competitive edge.

- **Technical and ethical, intelligence, digital:** ranked less important.  
“These are basic skills every accountant should already have.”
- **Creative, experience, emotional intelligence, vision:** ranked more important.  
“These skills can set someone apart from their colleagues.”

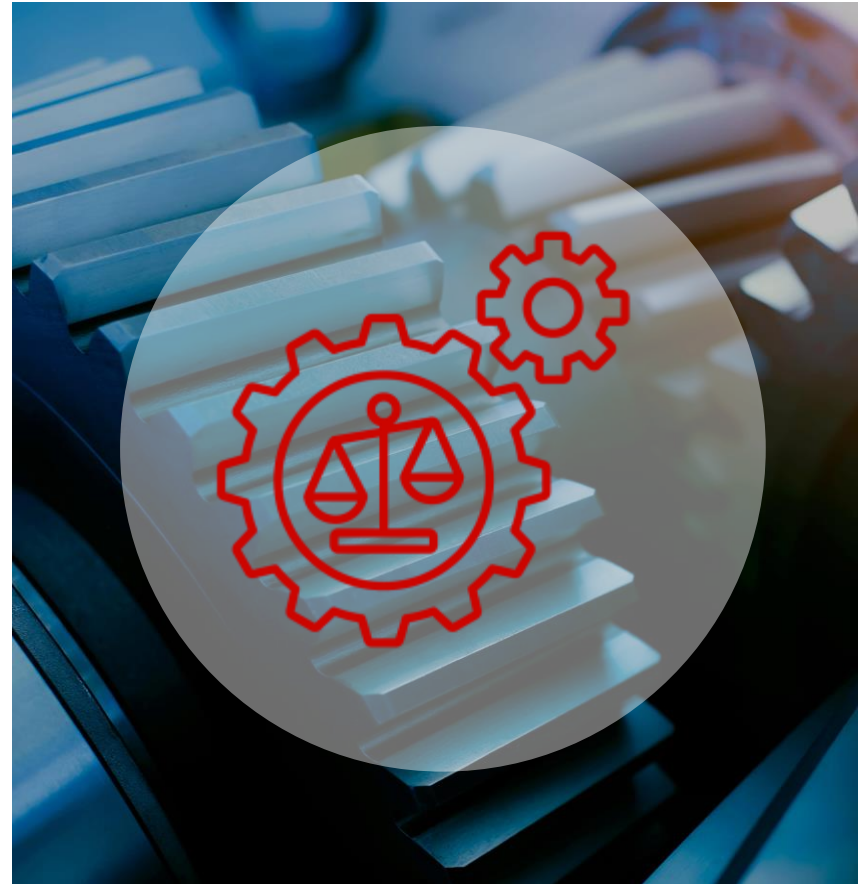


**The quotients defined:**  
**technical skills and ethics quotient (TEQ)**

**The ability to: perform activities to a defined standard, while maintaining the highest standards of integrity, independence and professional scepticism.**

- The most basic and fundamental quotient.
- Being technically fluent in their area of work is simply expected of all accountants.  
So is practicing the highest professional ethical standards when dealing with clients and stakeholders.

**Being relentlessly curious will drive accountants' skills in all of these areas. People expect ethical and responsible accountancy now more than ever.**



## **The quotients defined: intelligence quotient (IQ)**

**The ability to: acquire and use knowledge, thinking, reasoning, solving problems and the ability to understand and analyse situations that are complex and ambiguous.**

- IQ is another fundamental quotient. It's largely about being able to identify a problem, seek out all the relevant information then come to a carefully considered solution.
- IQ also involves curiosity - acquiring knowledge about your industry and also the wider world, then using professional scepticism to evaluate that knowledge and its source.

**Having a wide range of knowledge is invaluable in problem solving Intelligence increases constantly as new skills are learned.**

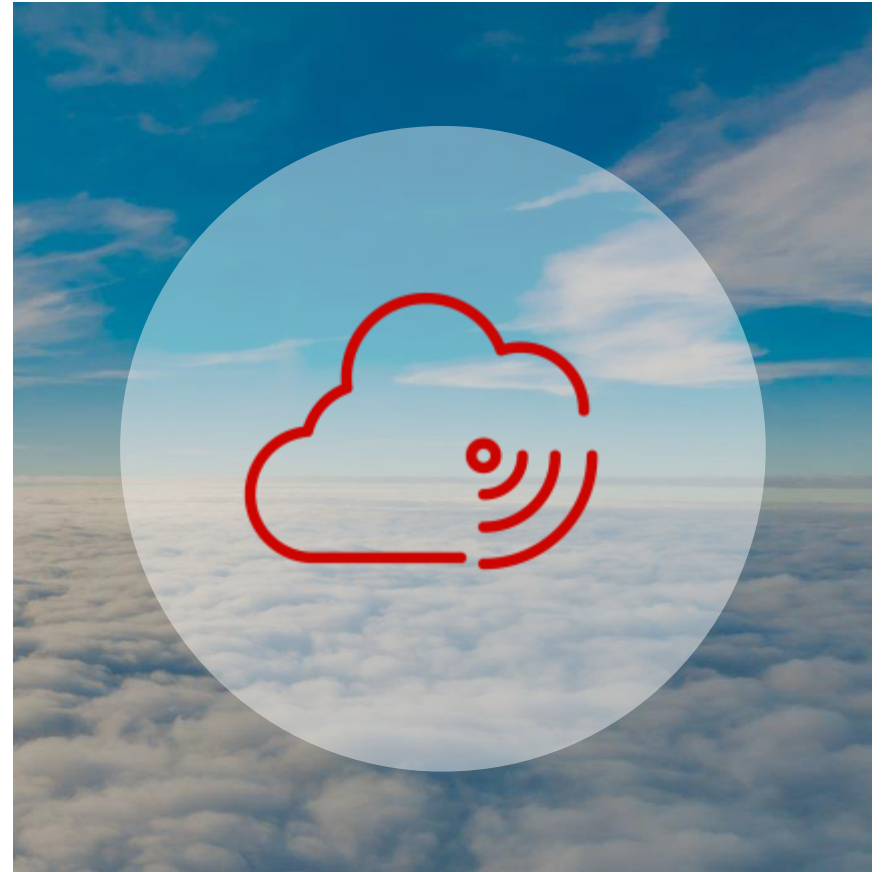


## The quotients defined: digital quotient (DQ)

**The ability to: be aware and have knowledge of existing and emerging digital technologies, capabilities, practices, strategies and culture.**

- Digital competency is another fundamental quotient. An accountant must have a varied technological skill-set and be able to apply it to their business and industry sector.
- Having awareness of new technologies like Automatic Intelligence systems, Cloud computing and Blockchain were particularly highlighted by the ACCA research as important for tomorrow's accountants.

**Businesses need people who are able to suggest relevant solutions for current and emerging digital issues. As part of DQ, accountants need to know how to apply software to analyse, interpret and present financial and non-financial data faster and more frequently.**



## The quotients defined: experience quotient (XQ)

**The ability to: understand customer expectations, and apply skills to meet desired outcomes and to create value.**

- Accountants gain experience constantly through real-world interactions on the job and also through the research they should always be undertaking on their own initiative.
- Even newcomers or students can gain experience – by researching customers, asking questions and just being relentlessly curious.

**Getting experience sometimes means being prepared to speak up in the face of disapproval. Reflecting (constructively) on past mistakes is a great way to develop useful experience.**





## The quotients defined: creative quotient (CQ)

**The ability to: use existing knowledge in a new situation, to make now connections of logic, explore potential outcomes and generate new ideas.**

- A 'soft' quotient, but one of the most important for staying on top of change and demonstrating a competitive edge. Creativity is taking existing knowledge and making new connections of logic that help solve problems and give a business a competitive advantage.
- CQ requires stepping away from spreadsheets and thinking about strategies and business insights. Sharing ideas and welcoming constructive disagreements are important ingredients.

**Accountants should practice problem-solving using a range of different ideas. Creativity isn't inborn. It can be developed through practice, positive thinking, being prepared to speak up - and getting away from the desk.**



## **The quotients defined: emotional intelligence quotient (EQ)**

**The ability to: identify your own emotions and those of others, harness and apply them to tasks, and regulate and manage them.**

- Another 'soft' skill, the emotional intelligence quotient covers both personal and interpersonal skills.
- Interpersonal skills include being able to communicate financial information to non-financial stakeholders, and having the awareness to build and manage multicultural teams.
- Personal skills involve being able to seek advice from others and being open to making mistakes rather than avoiding them for fear of failure.

**The most important skills many accountants currently lack are communication skills. Many newly qualified accountants also lack the 'people skills' to deal constructively with confrontation.**



## The quotients defined: vision quotient (VQ)

**The ability to: anticipate future trends accurately by extrapolating existing trends and facts, and filling in gaps by thinking innovatively.**

- Vision is a 'soft' skill that involves having an analytical, forward-thinking view.
- Vision skills include being able to anticipate how various pieces of information may change the business or industry as well as how emerging trends may help the business be at the forefront of change.

**Vision means being able to understand the environment and issues that may affect it. Today, that might mean – having a grasp of the growing field of Islamic finance, Sharia compliance and Islamic capital markets. Vision is one of the most important skills future leaders need.**



## Looking to the future. Leading the way.

Thanks for taking time to discover the seven quotients that are equipping tomorrow's ACCA accountants for success.

Full detail about ACCA's ground-breaking research, deep-dive looks at the drivers of change and analysis of the implications for accountants is at ACCA's website.

There are also interactive tests that provide a hands-on experience. Students can see the quotients in real-world contexts while established members can identify skills gaps that need professional development.

**Find out more here:** [accaglobal.com/tomorrow](https://accaglobal.com/tomorrow)



## Where to find out more...

### See how we're looking to the future, leading the way.

Working together, members, employers and partners around the world are helping to shape the profession and keep ACCA at the forefront of tomorrow's challenges.

- Find out more at [accaglobal.com/tomorrow](https://accaglobal.com/tomorrow)
- Join our community of advocates who, formally and informally, promote and publicly support ACCA around the world.  
[accaglobal.com/advocacy](https://accaglobal.com/advocacy)
- Share this presentation with colleagues, and suggest they visit our website for more on how ACCA is looking to the future, and leading the way [accaglobal.com/tomorrow](https://accaglobal.com/tomorrow)

