

*Small and Medium Practices
Way Forward
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An Incident





What is the Context?

- The whole thing is about
 - The Perspective
 - The Perception
 - The Confidence
 - Knowing ourselves
 - And above all, make ourselves ready

Most Important thing is to know about our own strength

**EMBRACE THE CHANGE, ELSE the Change will
EMBARRASS YOU**



Questions before us

- What is the cause that the number of CAs joining the profession is reducing?
 - Since 2005, total number of CAs grew much more than the growth of practicing firms.
- What would be impact of such aversion of new CAs in joining the profession?
 - Work is increasing due to sheer quantum and also added areas, complexities, etc.
- What is the role of ICAI and its members for reversing the situation?



Challenges or Whys

- Excessive commercialization of the profession
 - Pride and pleasure of profession is fast reducing
 - Ability to get work is more important than ability to do it
 - Commercial consideration has precedence over everything and at times the highest levels of ethical standards and moral values are elbowed out
 - From profession, it is now business of being in profession
 - Marketing and solicitation is not a taboo
- Yardsticks of success and respectability in society have changed
- Pressures of retaining quality work
 - What is left is low margin, low value work
- Complications in business environment due to opening of economy has thrown new challenges for individual practitioner
 - Diverse needs and expectations from CA fraternity



Sit back and Relax?

- Can we afford to just sit back and relax?
- Is there a need to change the perspective, realize our strengths, regain our confidence and exploit our true potential? CHANGE
????





Create Differentiators

- Quality
 - It is essential that we provide high quality services
 - Comparison is not with next door neighbor but the best that you know of
- Consistency
 - Good service should not be occasional but should be always
 - A bad advise can ruin sustained efforts of several years
 - Team approach, review, hard-work and second opinions
- Comprehensiveness
 - Service Lines, Geographic Reach [national & international]
- Speed
 - Not at the cost of quality / completeness
- Presentation
 - Packaging makes a difference
- Cost
 - Need not be too conservative in the fees , but need to be cost effective



What we can and should do?

- Redefine the scope and methodology of working
 - Seize newer opportunities and create more
 - Newer challenges are faced by small and medium enterprises and SMP is the best solution provider
 - Consistency, Reviews, Updated knowledge
- Networks
 - Geographic
 - Practice Areas
 - For expanding the wings and not merely as a marriage for convenience [read bank audits / CAG]
 - Bring homogeneity in working
- Partnerships / Co-proprietorship
 - Sharing of resources, knowledge and expertise and growing together
- Merely share resources, especially knowledge ware
 - Drafts / deeds, books, periodicals, databases, etc.
- Mergers
 - Adjustments
 - Sacrifices



This says it all



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Role of ICAI

- Interesting observation by a CA Students a decade ago about “I”CA“I”
- Focus more on enablers than on controls
 - When controls cannot be enforced, it only affects conscientious members [advertisements, solicitation, sharing of fees, tax audit limits, etc. etc.]
- Rules aimed at growth and development
 - CPE – a major achievement, make it more effective
- Branches and other infra-structure
 - Buildings are important but libraries, data-bases, software, more important
 - Make it easily available to members
- PUNISH THE WRONG DOERS
 - A guilty not punished is a punishment to non-guilty
 - Aggressively pursue the government to acquire the necessary powers
- Work against the oligopolistic practices
 - Changing the auditor as CP for investment
 - Introducing unreasonable eligibility criteria



Thank You

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