

PAYROLL & HUMAN RESOURCES



FAST FORWARD, 2005: Not your father's accounting

By LANCE OSBORNE

Looking back 20 or more years ago, the business world seemed to be a kinder, gentler place.

Pagers were considered the *ne plus ultra* of staying connected; people could order a beer at lunch without raising eyebrows and return to the office secure in the knowledge that barring any egregious professional misjudgments, they were with their employer for life.

Fast forward to 2005—blackberry and cell phone holsters are considered *de rigueur* fashion accessories, lunch consists of a sandwich at the desk and a quick email check could reveal that head office is contemplating another round of cut-backs.

Times have certainly changed, both in the business world and in the Canadian accounting community. Executives everywhere are expected to do more with less—

and faster. Traditional demarcations between the accounting designations are blurring; the CICA and CMA almost made it to the altar this year and CGAs have been signing off on audits in some provinces for years now.

The economy is expanding rapidly and so has the overall demand for accountants of all description making recruiting an arduous and expensive exercise.

Exacerbating the people supply problem is the fact that for the past few years the spotlight has been focused squarely and intently on the issues of corporate governance and financial disclosure.

The scramble to comply with a ramped-up regulatory environment has made those with any substantive expertise in *Sarbanes-Oxley* or accounting policy issues

the new stars of the accounting world.

Dealing with accounting policy and financial reporting requirements hasn't changed; these areas require constant and ongoing attention and must be

By some estimates, contract work has grown in the accounting field by at least 80 per cent over the past three years.

Often it's a win-win situation for both employers and employees.

Sarbanes-Oxley is just the latest in a long line of boulders thrown into the business pond.

Most professionals who've been in the trenches for any length of time will fondly remember Y2K. Six

Sigma, re-engineering, activity based costing and the like—it seems that every few years some new must-have hits the business world via such gurus as Peter Drucker, or gets legislated in the wake of a flood of Enron-type scandals.

In any case, these types of business phenomena tend to

follow the same pattern.

The demand for expertise comes from virtually all quarters at the same time. Large, sophisticated, early adopters with deep pockets lead the charge and ramp-up their own people on the requisite skill sets or hire the few experts available in the field to set up the appropriate implementation and in-house training programs.

As these companies complete their implementation cycles, they create the first wave of experts with real experience in the field.

These newly minted experts often try their luck on the free agent market and take on contracts with the next wave of adopter companies.

As they increase their own expertise and marketability, they also help create the next generation of experts.

'Traditional demarcations between accounting designations are blurring.'

staffed by full-time professionals.

It's how the accounting community is reacting to the increased demand for project implementation that's interesting; the emergence of contract accounting professionals represents one of the biggest employment trends in recent years.

Continued on page 19

NATIONAL PAYROLL WEEK SEPTEMBER 12-16, 2005

KEEPING
CANADA
PAID

TODAY, TOMORROW AND EVERY PAY



www.npw-snp.ca

PLATINUM SPONSOR



GOLD SPONSORS



SILVER SPONSORS



PAYROLL & HUMAN RESOURCES



CONTRACT WORK: More accountants take the plunge

Continued from page 15

Demand for talent on a project basis also reaches the pool of currently unemployed accounting professionals and executives that wouldn't ordinarily be available for contract assignments.

Any of these people who've had any reasonable exposure to SoX or internal control reviews for example, will highlight that experience on their resumes and many of them find themselves gainfully and happily employed in the world of accounting contract work three months hence.



OSBORNE

Some even abandon the traditional path to pursue contract work as their next career. Paradoxically, depending on how marketable their skills, some even find the contract world more stable and predictable than their peers in the full-time world.

Even if companies wanted to, finding full-time employees for many of these specialized projects can be a very difficult row to hoe. Professionals with the requisite knowledge and experience aren't often interested in a full time position as they can make much more as a contractor as long as they are always applying their unique expertise to project after project after project.

After all, 1,500 hours at \$150 per hour is far more lucrative than the equivalent \$125,000 full-time position. The downside of course to this sort of professional life is that demand eventually slackens as companies shift from implementation to maintenance mode and the experts go back to more prosaic contract work and wait for the next big thing.

The other big factor behind the demand for contract help is that there are variable cost items with a definite and finite time line. Once a company has achieved its objective, it can terminate the

contractor and costs settle back to their pre-project norm. Adding full-time staff for the same project means finding a home for them afterwards; companies often end up putting these people in jobs that would otherwise have been filled internally.

Plus, there are additional cost commitments such as payroll deductions and health benefits. In these cases, the more expensive contract solution often ends up being the most economical and most beneficial for the company in the long run.

Although the overwhelming majority of accounting professionals will continue to elect to build their careers in the usual way, many are now going for the contract option, something almost unheard of in their fathers' time.

Lance Osborne is president of Lannick Associates, a recruiter of accounting professionals and executives in the GTA and Lannick Contract Solutions, which provides accounting professionals on a contract, project and interim basis.



Isn't it time you stopped **cutting** so many cheques?

GROW your business with ADP

If you're spending all your time working on payrolls, you could be missing a lot of opportunities. ADP offers the widest range of payroll services to help you meet the demands of your clients – all from a single source. With ADP, putting your accounting and financial expertise to work for your clients couldn't be easier.

1 866-228-9675 www.adp.ca

PAYROLL SERVICES • HR INFORMATION MANAGEMENT • TIME & LABOUR MANAGEMENT • PENSION SERVICES
COMPREHENSIVE OUTSOURCING SERVICES • PROFESSIONAL SERVICES • OCCUPATIONAL HEALTH AND SAFETY SERVICES

The ADP Logo is a registered trademark of ADP of North America, Inc.
The business behind business is a service mark of Automatic Data Processing, Inc.



The business
behind business