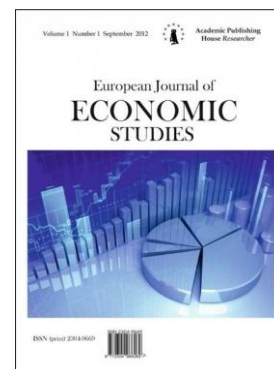


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Certified Public Accountant is Unmatched Advantage on the Global Job Market

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Abstract

The article devotes to the necessity of rapid adaptation to the changes connected with the enormous growth of industry, the world globalization process and development of information technology. In this context there is a general opinion in the profession about the need to improve the quality of accounting, professional competence, and accounting education. Maintaining high ethical standards, compliance with relevant laws, as well as accounting and auditing standards are also on the agenda.

Keywords: certified public accountant; certified internal auditor; global job market; business administration; accounting; auditing; management accounting.

Introduction

The role of global business in world affairs is becoming more important. Multinational corporations spread their activities across national boundaries, the international banking system carries on banking activities throughout the global world, financial and commodity markets have become world markets.

Significant changes are known to have taken place in accounting in recent years. The accountancy profession has gained a very high status. The modern accountant has begun to play an important role in global business activity.

As a result, the majority of employers prefers to hire applicants who have obtained a master's degree in accounting, or a master's degree in business administration (MBA).

In depth experience in accounting or auditing can help an applicant to get a highly-paid job. Many colleges offer students an opportunity to gain experience during their summer or part-time internship programs conducted by public accounting or business firms. In addition, perfect knowledge of IT and software in accounting and internal auditing, fluent foreign languages for specific purposes is a great advantage to get a job as an accountant.

Materials and Methods

Source information, concerning Certified Public Accountants, was collected on open source resources, namely on science websites, Wikipedia. General scientific methods of research, in particular, analysis, dialectic, system and functional approaches are used.

Discussion

Bookkeeping is a task that relates to creating and maintaining a detailed record of all transactions which include finances. This procedure is to be carried out by all companies, whether a small firm or a large organization. The transactions recorded in bookkeeping usually comprise sales, purchases, due payments, earnings, etc. Some people might think bookkeeping to be the same as accounting. However, both are slightly different in the method of operation. Bookkeeping is a primary task and pertains to taking direct information and details from the transactions conducted. On the other hand, accounting is concerned with referring to bookkeeping records and then preparing reports accordingly. Accounting is a very wide profession that requires a person to have the best analytical and logical thinking, decision making, mathematical, and communication skills. Many people have a misconception regarding this career opportunity. They think that the accounting field only has one professional which is referred to as an 'accountant'. However, this broad area consists of many different jobs such as auditing, forensic accounting, tax accounting, financial analysis, just to name a few. [10]

Accountants and auditors are broadening the services they offer to include budget analysis, financial and investment planning, information technology consulting, and limited legal services. Specific job duties vary widely among the four major fields of accounting: public, management, government, and internal.

Public Accounting.

This type of accounting is the most varied type. Public accountants perform a broad range of accounting, auditing, tax, and consulting activities for their clients, who may be corporations, governments, nonprofit organizations, or individuals. For example, some public accountants concentrate on tax matters, such as advising companies of the tax advantages and disadvantages of certain business decisions and preparing individual income tax returns. Others offer advice in areas such as compensation or employee healthcare benefits, the design of accounting and data-processing systems, and the selection of controls to safeguard assets. Still others audit clients' financial statements and report to investors and authorities that the statements have been correctly prepared and reported.

Public accountants, many of whom are Certified Public Accountants (CPAs), generally have their own businesses or work for public accounting firms. A public accounting business can have one or more accountants and both certified and non-certified accountants can provide public accounting services to their clients. [1]

Some public accountants specialize in forensic accounting – investigating and interpreting white collar crimes such as securities fraud and embezzlement, bankruptcies and contract disputes, and other complex and possibly criminal financial transactions, such as money laundering by organized criminals. Forensic accountants combine their knowledge of accounting and finance with law and investigative techniques in order to determine if illegal activity is going on. Many forensic accountants work closely with law enforcement personnel and lawyers during investigations and often appear as expert witnesses during trials.

New Federal legislation restricts the non-auditing services that public accountants can provide to clients. If an accounting firm audits a client's financial statements, that same firm cannot provide advice in the areas of human resources, technology, investment banking, or legal matters, although accountants may still advise on tax issues, such as establishing a tax shelter. Accountants may still advise other clients in these areas, or may provide advice within their own firm.

Management Accounting.

Accountants who specialize in this type of accounting are also known as private, industrial or corporate accountants. Management accountants provide their services to business houses for recording and studying the company's financial data. Their portfolio in the private firms includes

cost and asset management, budgeting and performance evaluation. This is more on the basis of employer-employee relation. They also perform internal audit to review the company financial management practices and keep an eye for any mismanagement and fraud. The accountants who perform these audits have specializations in compliance auditing, information technology auditing or environmental auditing.

Government Accounting.

Government accountants and auditors work in the public sector, maintaining and examining the records of government agencies and auditing private businesses and individuals whose activities are subject to government regulation or taxation. Accountants employed by Federal, State, and local governments guarantee that revenues are received and expenditures are made in accordance with laws and regulations. Those who are employed by the Federal Government may work as Internal Revenue Service agents or in financial management, financial institution examination, or budget analysis and administration.

Internal audit.

Internal auditors verify the accuracy of their organization's internal records and check for mismanagement, waste, or fraud. Internal auditing is an increasingly important area of accounting and auditing. Internal auditors examine and evaluate their firms' financial and information systems, management procedures, and internal controls to ensure that records are accurate and controls are adequate to protect against fraud and waste. They also review company operations – evaluating their efficiency, and compliance with corporate policies and procedures, laws, and government regulations. There are many types of highly specialized auditors, such as electronic data-processing, environmental, engineering, legal, insurance premium, bank, and healthcare auditors. As computer systems make information timelier, internal auditors help managers to base their decisions on actual data, rather than personal observation. Internal auditors also may recommend controls for their organization's computer system to ensure the reliability of the system and the integrity of the data.

In today's scenario running a business is not an easy deal, it requires a lot of business professionals to integrate their knowledge and skills for running any business successfully. Regarding this, Certified Public Accountant is the statutory title given to the qualified accountants who have passed the Uniform Certified Public Accountant Examination. Certified Public Accountant should also meet experience requirements and additional state educational requirements to get the license for public attestation, auditing opinions on financial statements. Certified Public Accountant has to get certified in different states also for obtaining the designation of CPA in that state in the United States.

Professional competences through certification or license provide unmatched advantage on the job market. CPAs are licensed by a State Board of Accountancy. The vast majority of States require CPA candidates to be college graduates, but a few States consider public accounting experience as a college degree. In 2003, due to the American Institute of Certified Public Accountants (AICPA), 42 States and the District of Columbia require training 150 academic hours and defending of college project work (30 academic hours) instead of getting a Bachelor Diploma. Another five States – Arizona, Minnesota, New Mexico, New York, and Virginia – perform the similar training. Colorado, Delaware, New Hampshire, and Vermont do not require training comprising 150 academic hours. Many schools have modified their curricula accordingly, providing master's degree training (150 academic hours), and a prospective accountant should carefully master accounting curricula and meet the requirements of that State where he is getting a license. [5]

All States use the four-level Uniform CPA Examination prepared by the AICPA. The 2-days CPA examination is obligatory, and about one-quarter of applicants takes it annually passing through each level consequently. Candidates are not required to pass through all four levels at once, but most States require candidates to pass at least two levels within a stated period. Most States consider experience in accounting to be one of the essentials to get a CPA certificate. In May 2004, the CPA exam was computerized, therefore, anyone can have direct access to the testing center's computer throughout the United States to pass the exam.

The AICPA also offers valid CPA certificates of the Accredited in Business Valuation (ABV), Certified Information Technology Professional (CITP), or Personal Financial Specialist (PFS). These degrees are conferred by those who have in - depth experience in accounting. The ABV degree comprises a written exam, 10 business assessment projects which reflects candidate's professional competences and experience. The CITP is not free of charge, and also consist of written statement, and the performing of an assessment set of tasks. Those who do not meet the requirements may pass a written exam. The PFS candidates must get a certain number of points via passing a written exam. It should be noted here that references are of great importance.

About 50 States CPAs and public accountants are obliged to obtain licenses. The professional associations represent numerous curricula, seminars, group-participative educational programs, training, etc.

Accountants and auditors also can try to improve their qualifications as volunteers. Voluntary certification can be attested to professional competence in the specialized branches of economics such as accounting and auditing. It can also certify that the certain level of professional competence has been achieved by the accountants and auditors in case of need to get the CPA examination. [4]

The Institute of Management Accountants (IMA) confers the Certified Management Accountant (CMA) those applicants who've got a bachelor's degree or attain enough points at school entrance exams. Applicants are obliged to have not less than two – years experience in management accounting, pass a four-level examination, and meet educational standards and professional requirements. The CMA program is administered by the Institute of Certified Management Accountants, an affiliate of the IMA. [3]

Graduates from the accredited colleges and universities who have two - years experience as internal auditors and have passed a four-level examination may get the Certified Internal Auditor (CIA) at the Institute of Internal Auditors (IIA). The IIA implemented three degrees – Certification in Control Self-Assessment (CCSA), Certified Government Auditing Professional (CGAP), and Certified Financial Services Auditor (CFSA). Requirements are similar to those of the CIA. The Information Systems Audit and Control Association confers the Certified Information Systems Auditor (CISA) those candidates who've passed the examination and have five-years experience in auditing information systems. Auditing or data-processing experience and a college Diploma may be substituted by two-years experience. For instance, an internal auditor can obtain CPA, CIA, and CISA degrees.

The Accreditation Council for Accountancy and Taxation, a Pilot organization of the National Society of Public Accountants, confers three degrees– Accredited Business Accountant (ABA), Accredited Tax Advisor (ATA), and Accredited Tax Preparer (ATP). It is obligatory for the ABA candidates to pass an exam, while ATA and ATP candidates are to defense the coursework and then pass an exam. As a rule, they will get multiple licenses and degrees. [1]

The Association of Government Accountants grants the Certified Government Financial Manager (CGFM) degrees for the accountants, auditors, and other government financial officials at the Federal, State, and local levels. Candidates must have a bachelor's degree, 24 hours curriculum in financial management certificate, two-years experience, and pass three exams. The exams cover topics in governmental accounting, financial reporting, and budgeting, financial management and control.

Those who want to be a success in accounting should have an aptitude for mathematics and be able to analyze, compare, and interpret facts and data thoroughly. They must be able to communicate both in written and verbally the results of their work to both clients and managers. Accountants and auditors must be good at dealing with people, as well as with businesses and IT. Undoubtedly, accountants should be familiar with basic accounting software packages. Because financial decision making is based on their statements and services, therefore, accountants and auditors should have high standards of integrity.

Capable accountants and auditors may advance rapidly; those who have insufficient academic knowledge may be assigned to routine jobs and find promotion difficulties. Many graduates of junior colleges, business and correspondence schools, as well as, bookkeepers and accounting clerks meeting the education and experience requirements, can obtain operating accounting positions and be promoted and achieve heights in their careers.

Start-up public accountants usually begin with rendering a number of services. They may be assigned to higher positions within 1 or 2 years. Those who've succeeded will become supervisors,

managers, or partners or launch their own PLC Co., or obtain executive positions in management accounting or internal auditing in LTD Co.

Management accountants often start their careers as cost accountants, junior internal auditors, or trainees for other accounting positions. As they climb the ladder in the organization, they are succeeding in getting such positions as: an accounting manager, a chief cost accountant, a budget director, or a manager of internal auditing. Some of them become controllers, treasurers, financial vice presidents, chief financial officers, or presidents of the corporations. Many senior corporation executives have in-depth experience in accounting, internal auditing, or finance.

In general, public accountants, management accountants, and internal auditors are highly mobile. As fact, they switch over from management accounting position to internal auditing, from public accounting to internal auditing or management accounting. However, it is uncommon for accountants and auditors to switch over from management accounting or internal auditing to public accounting.

In conclusion it should be noted that accountants and auditors help to ensure that the Nation's firms are run efficiently, its public records kept accurately, and its taxes paid properly and on time. They perform these vital functions by offering an increasingly wide array of business and accounting services to their clients. These services include public, management, and government accounting, as well as internal auditing. Beyond the fundamental tasks of the occupation – preparing, analyzing, and verifying financial documents in order to provide information to clients – many accountants now are required to possess a wide range of knowledge and skills.

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