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Subject: Speech by Mr Lim Hng Kiang, 22 May 2000, 8.55 am

Singapore Government

MEDIA RELEASE

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SPEECH BY MR LIM HNG KIANG, MINISTER FOR HEALTH AND
SECOND MINISTER FOR FINANCE
FOR THE OPENING CEREMONY OF THE ACCOUNTANCY
Collaboration between University of Illinois and
Nanyang Technological University (NTU)
ON mONDAY, 22 may 2000 at 8.55 am, at ntu's Main LECTURE
THEATRE FUNCTION ROOM, SOUTH SPINE

Good Morning Ladies and Gentlemen,

Much has been said about the impact of globalisation and technology. Structural changes are taking place through mergers and alliances, internal re-organisation and creating new businesses. The accountancy profession is not spared from these changes.

2. These are indeed challenging and exciting times for the profession. Certified Public Accountants (CPAs) now need to move out of their traditional back office responsibilities to bear the risk of making key business decisions. In the new economy, the value-added of CPA will shift from the preparation of accounts, which will be computerised and automated to a large extent, into higher intellectual content functions. Some of these new responsibilities may include developing new tools for managing opportunity, risk and return; streamlining business processes;

performance evaluation; and human capital and knowledge management.

3. In today's new knowledge economy, there's an increasing demand for CPAs to assume a more strategic role within their business organisations. The rapid technological advances have largely automated the transaction processing and financial reporting that used to consume a large part of the CPA's time and effort. These advances in technology and communication have also necessitated changes in the business models that corporations must adopt to survive in the new economy. CPAs must increasingly serve as business leaders and partners who provide a high level of strategic financial analysis and decision support.

4. More and more B-to-B transactions will be done over the Internet. One challenge facing the business community is how to seamlessly interface trade and financial information into their e-commerce activities. Accounts receivable and accounts payable can now be transmitted electronically. In turn, these can be electronically input into ledgers, balance sheets and profit and loss statements. The efficiency and productivity gains arising from the integration of such information flows is tremendous.

5. The new economy also poses several new issues which we need to think about. One such question is the definition of advertising in the Internet age. Does the provision of corporate information on the CPA firms' web-sites constitute advertising? What about the placement of research articles by CPAs on the web-sites? These are very interesting questions which CPAs have to get together to study, debate and come up with consensus recommendations.

6. The CPAs in Singapore must make this transition to the new economy. To meet the challenges of their changing and expanding roles, CPAs will need to be equipped with new skills and competencies. Technical skills alone are not sufficient. Other competencies that are necessary for the CPA to function effectively in the new economy include innovative/creative thinking, interpersonal skills, communication skills, information technology skills, leadership skills such as strategic thinking and planning, facilitating, negotiating and teamwork, as well as adopting a cross-border, cross-functional perspective on business issues. Organisations such as the Institute of Certified Public Accountants (ICPAS) can play a role in upgrading CPAs and in making the necessary structural adjustments to the environment which CPAs operate in. Another good place to start inculcating this new mindset is at the

university. Students need to learn not the traditional accounting skills, but to learn how tap the power of ICT to enhance their contributions to their clients and to the economy.

7. I am pleased to learn that the Nanyang Business School of the Nanyang Technological University has undertaken a major revamp of both its Accountancy and Business curriculums. The curriculum revamp involved both the content of the courses as well as key pedagogical changes that will focus on developing the students' skills which are vital for life-long learning. Greater emphasis is placed on process and experiential learning through the use of open-ended cases and unstructured problems, systems thinking and learning through simulations and games, technology oriented and Internet based learning as well as oral and written communications skills.

8. To facilitate these changes, I am pleased that the Nanyang Business School is collaborating with the University of Illinois Accountancy Department to enhance the teaching of Accountancy courses in the curriculum. This is indeed an ideal 'marriage'. The University of Illinois Accountancy programme has been ranked as the number one programme in the United States by the *Public Accounting Report* for seventeen consecutive years. Its recently implemented new curriculum, titled Project Discovery (PD), has enabled it to continue to secure its position as the top-ranked accountancy programme in the United States. I am, therefore, confident that this collaboration between the University of Illinois and NTU will better equip our Bachelor of Accountancy degree graduates with the requisite competencies to function effectively in this new economy. It will also ensure that the Nanyang Technological University retains its position as an institution offering the premier undergraduate accountancy programme in the region.

9. I wish the NTU-Illinois collaboration every success, and congratulate all parties involved in making this collaboration possible.

10. Thank you.