

Job market for accountants thrives on private sector

Country manager for ACCA Bangladesh talks to The Daily Star

STAR BUSINESS REPORT

THE job market for certified accountants is getting bigger day by day with a rise in private sector business. Every firm -- from auditing to accounting, manufacturing, trading and what not -- needs an accountant to carry out day to day business. Also, accounting is becoming a global profession meaning that a certified accountant can work anywhere in the world.

Consequently, accounting as a profession is increasingly getting attraction of students in Bangladesh. The Association of Chartered Certified Accountants (ACCA), which is a UK-based global body for professional accountants, launched its services in Bangladesh in 2009 to help students become certified accountants.

Within three years of operation here, ACCA Bangladesh gets over 8,000 students registered with it. Already more than 200 Bangladeshis have become certified accountants through ACCA Bangladesh. Of them nearly 150 have migrated to foreign countries, especially Europe, the US and Australia, where they have managed jobs of high payments.

"We are getting huge response from students in Bangladesh. Many of the youths prefer accounting as their careers to others," Mohua Rashid, country manager for ACCA Bangladesh, told The Daily Star.

She said now student's preference to career is changing. They want to discover their potential and like to take challenge.

Quoting a survey, Mohua said an increasing number of business graduates have raised concern among students that whether



Mohua Rashid

they will be able to compete in the job market or not.

As a result students and professionals are pursuing ACCA regardless of the fact that its global pass rate is below 50 percent and even 28 percent for some courses, she said.

"Pass rate in Bangladesh is well below the global average," she said without pointing out the exact rate.

It was unimaginable several years ago that students can complete ACCA from Bangladesh. But it came true in 2009. Now hundreds of students are seen appearing for ACCA examination in Dhaka.

ACCA is one of the first quali-

fications in the early 19th century originated in UK. Now it is represented in over 170 countries. ACCA qualifications embed the global accounting education standards set by the International Federation of Accountants.

There is a strong focus on professional values, ethics, and governance in ACCA. These skills are essential as the profession moves towards strengthened codes of conduct, regulation, and legislation, with an increasing focus on professionalism and ethics in accounting.

These are examined at the highest level in the ACCA qualification and are a core element of

an accountant's practical experience.

A student willing to do ACCA courses has to be registered first with its Bangladesh office, said the ACCA country manager. Then the student can take third party tuition for his/her examination preparations.

"There are coaching centres where students can get tuition. We have planned to sign deals with some public and private universities that will carry on this tuition," said Mohua who has done her graduation and post-graduation on social welfare from Dhaka University.

A graduate or an A level-passed student can get registered for ACCA qualification, she said. People with higher secondary-degree can also do so, but they have to complete a foundation course before entering into the main courses.

"There are 14 courses in total for ACCA qualification and a student can take maximum four courses at a time and minimum two. The average cost for finishing all these courses is Tk 3.5 lakh to Tk 4 lakh," Mohua said, adding that many students cannot finish courses without break or failure.

She said the examinations are held biannually in June and December.

Mohua said she got interested with highly technical area like ACCA after several years' experience at dealing finance at the British Council Dhaka.

Later she has done a diploma on financial management with ACCA where she studied financial strategies, performance management, risk management and corporate governance. Presently she is pursuing professional diploma on marketing with Chartered Institute of Marketing and has passed most of the modules.

For Asia's tech giants, clouds before the windows

REUTERS, Seoul/Tokyo

ASIAN PC makers are set to report mostly higher quarterly profits in the coming weeks, but economic worries and delays in computer purchases before the launch of Microsoft's Windows 8 operating system in October are casting a pall over their earnings ahead.

Lenovo and other PC makers from the region have made inroads on US competitors Dell and Hewlett-Packard. But uncertainty about Windows 8, the devices running the system and the pricepoints are seen dampening sales of PCs before the launch, and may even discourage users from buying until they have been tried and tested in the market.

"We think that Win8/RT and Ultrabooks will not stimulate PC demand," Jefferies analysts wrote in a research note on Monday, although they did anticipate seasonal demand in the third and fourth quarters.

China's Lenovo, which is due to announce first-quarter earnings in mid-August, is expected to report a net profit of \$131.2 million, up 21 percent from \$108.8 million a year earlier, according to the average estimate of 10 analysts polled by Thomson Reuters I/B/E/S.

Lenovo's hope is that second- and third-tier cities in China, where PC penetration is relatively low, will be able to provide support. "Going forward it will be increasingly harder for Lenovo to sustain similar growth rates in an environment of limited unit growth and low elasticity," Bernstein Research said in a report.

Taiwan's Acer is expected to post a net profit of T\$591.9 million for the second quarter, according to a Thomson Reuters I/B/E/S poll, up from T\$331 million in the first quarter and swinging from a T\$6.79 billion loss a year earlier.

But Acer's focus on the Intel-inspired Ultrabook notebook computers worries some analysts, despite the promise of greater margins.

"Unless prices of the Windows 8 Ultrabook lower to a mainstream level of \$699, sales will not be promising," warned Jenny Lai, an HSBC analyst in Taipei.

MOBILE DEVICES

South Korea's Samsung Electronics, which flagged a record April-June quarterly profit earlier this month, is likely

to report further profit increases in the second half of this year, as it expands sales of its flagship Galaxy S III smartphone and is set to provide processors and displays for Apple's new iPhone expected later this year.

The head of Samsung's mobile division, JK Shin, told Reuters on Sunday that sales of the Galaxy S III, which went on sale in late May, are likely to top his initial forecast of 10 million units by the end of July.

Others likely to benefit from being a supplier to Apple include flat-screen maker LG Display and SK Hynix, both of which are expected to lead the panel sector's recovery in the second half of this year.

LG Display is likely to report its seventh-consecutive quarterly loss on Thursday, as one-off costs related to price-fixing charges added to a weaker-than-expected recovery in demand. But with panel prices stabilising, and the expectation of another iPhone in the works, the company is likely to return to profit in the third quarter, although weak demand in the TV market, its biggest earnings generator, is set to crimp upside potential, analysts say.

SK Hynix, the world's No.2 computer memory-chip maker, is set to report a small quarterly profit on Thursday, ending three quarters of losses, as computer chip prices have started stabilising amid industry consolidation led by U.S. rival Micron Technology Inc.

LG Electronics has gained market share in its television business from Japanese producers in recent quarters, making it the world's second-biggest TV maker, and is expected to report on Wednesday that quarterly profit has more than doubled. But its handset business has swung to a loss, squeezed by growing competition from low-cost producers in China and at the high end by Apple and Samsung.

"LG Electronics could be one of the biggest losers in the Korean tech sector as its smartphone business is likely to continue to remain in the red in the second half due to growing competition from the likes of Apple and Samsung," said Park Sung-min, an analyst at Kyobo Securities.

"But it'll likely cope better with the challenges than smartphone rivals Research In Motion and Nokia, for example, as steady cash flow from profitable TV and home appliances businesses will provide some support."

Common currency for Asia not feasible now: economists

STAR BUSINESS REPORT

ASIA can think of a common currency in the long run as Europe's ongoing crisis makes such possibility unfeasible for the moment, said top economists yesterday.

"A common currency is not feasible for Asia for the moment," said Lei Lei Song, a principal economist at the Office of Regional Economic Integration in Asian Development Bank (ADB).

"In the very, very long run, there might be a common currency. But it would be a very, very long run," he said.

His colleague, Iwan Azis, head of ADB's Office of Regional Economic Integration since 2010, said a common currency has never been a concrete plan in Asia.

He said the issue was discussed among scholars and analysts. But the policymakers did not discuss it. "Realistically, a basket currency can be anticipated but in a very long run."

They made the observations while taking part in a live online discussion styled "Will Asia continue to integrate its economies?" from Manila.

Song said, this is a hard lesson from the Eurozone crisis. "There are many more preconditions for a common currency than we previously thought. And Asia is far from satisfying those preconditions."

He said, even if Asia does not have a common currency in the foreseeable future, Asia needs to discuss exchange rate policy in order to facilitate intra-regional trade.

"This is where a basket currency comes into the picture. A basket currency could be a benchmark for countries to discuss their exchange rate policies. The purpose is to maintain some sorts of intra-regional exchange rate stability, while keeping exchange rate flexibility against the major currencies outside of the region."

Song said the common regional currency is not feasible in the foreseeable future, yet regional anchor currencies (RMB, won and



Lei Lei Song

yen) are emerging, as countries in the region use those increasingly in trade settlements and financial transactions.

These currencies have become more important in determining the value of other currencies, he added.

He said the global financial crisis and the Eurozone debt crisis showed that Asean is quite resilient, as all the members are not affected much. And they are most likely going to withstand a possible contagion.

"The region does have some vulnerabilities such as fast credit growth in some economies and elevated inflation in others."

Azis, who specialises in macro-financial economics and regional economic modelling and institutions, said Asian integration would

continue despite geopolitical tensions.

"On the ground, in the last few years, especially after the Lehman collapse in 2008, the business sector in Asia has continued working on its business with other Asian countries and emerging markets outside Asia. The integration process in the region is more market-driven than in Europe."

Azis said, on the trade side, in the first round effect, those countries not very dependent on exports would be able to withstand the effect of contagion, but given the increased trade integration in Asean, eventually these countries will feel the impact.

Through the financial channel, those countries where the exposure to foreign



Iwan Azis

claims, especially from Europe, is smallest will withstand the contagion effect best, he said.

Azis said food price increases would obviously affect inflation, especially in Asia where the food component constitutes a large portion of total inflation.

The most affected will be large food-importing countries. But whether the monetary policy will be much affected by this depends on the specific condition in each country, he said.

He said when the source of inflation is supply-side (such as weather related), monetary policy will not be effective to counter the resulting inflationary pressure. It is the same thing for the budgetary issue.

Azis said providing subsidies is often problematic not because of the subsidy itself but because of the design of the subsidy and the lack of preparation. When subsidies are extended for political reasons, it is usually not sustainable and can be damaging. Not so with well designed subsidies that can raise the real purchasing power of most citizens.

Song said economic integration in Asia will continue, despite difficulties in the short term. "Asian economies will integrate further. Integration in Asia is market-driven, institution light and multi-track."

"And economic agents will have the incentives to integrate further, as integration will expand markets and input resources, and therefore will facilitate more efficient resource allocation. This will accelerate productivity and thus economic growth."

Song said to fully tap the potential of these developing-country markets as new sources of growth, policymakers must remove barriers to "South-South" trade and investment, which are still higher than those with the industrialised world.

Azis said the risks of integration are always there. But as the integration grows, these risks will get more attention.

Song said Asean agreed to hasten the establishment of the Asean Economic Community by 2015 and to transform Asean into a region with free movement of goods, services, investment, skilled labour, and freer flow of capital.

He said there might be risks that Asean may not be able to achieve the ambitious goal, and every member country has to work hard to get there. Integration could increase the risk of financial contagion, trade diversion and income inequality within countries.

He said the step-by-step process of integration and cooperation that has been taking place in Asean since its formation is the right formula and hence needs to be pursued to ensure a "smooth process."