

Accountants In The Banking Sector Requirements, Prospects & Challenges

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FRAMEWORK

WHY STUDY ACCOUNTING?

- (1) KNOWLEDGE & CAREER PATHING**
- (2) AS FOUNDATION/GOOD BACKGROUND FOR OTHER PROFESSIONS OWING TO ITS MAIN THRUSTS OF REPORTING THE FINANCIAL STATUS/HEALTH OF ORGANISATIONS**

PROFESSIONS OPEN TO ACCOUNTANTS

Professions open to Accountants include, but are not limited to the followings:

- BANKS & FINANCIAL INSTITUTIONS
- OIL/OIL SERVICE COMPANIES
- MINISTRIES & PARASTATALS
- MASS MEDIA OUTFITS
- MILITARY INSTITUTIONS
- NGOs
- UN, EU, AU etc
- EDUCATIONAL INSTITUTIONS

PRE-LIBERALISATION ERA/LIBERALISATION [OF STAFFING] ERA

HISTORY GRADUATES – ENGAGED AS ADMIN.

MANAGERS OWING TO THEIR KNOWLEDGE OF THE KINGDOMS & LEADERSHIP STYLES OF MANSA MUSA, UTHMAN DAN FODIO, SHAKA DE ZULU etc

LATE 1980s to date – (1) O. Olagundoye –

Elect. Engr. – Former MD of Chartered Bank & National

Bank (2) Chika Mbonu – Chem. Engr- Former MD of Citizens Bank & Nigeria-Arab Bank (3) Emeka Onwuka – Political Scientist – Former MD of Diamond Bank & Chairman of Enterprise Bank (4) Segun Oloketuyi – Biochemist – MD of Wema Bank

PROSPECTS OF ACCOUNTANTS IN THE LABOUR MARKET

Even though employers welcome applications from Graduates of other disciplines for several reasons, good Impact/mileage can be drawn from such fresh Graduates after in-house and sometimes, external training & re-training. The immediate attractive fields of study are Banking, Economics, Business Administration, Accounting/Accountancy, Sociology, Mathematics and Statistics.

PROSPECTS OF ACCOUNTANTS IN THE LABOUR MARKET cont'd

But it should not surprise anyone to find Engineers, Architects, Surveyors, Chemists and Physicists getting jobs easily because it is generally assumed that such people have been trained to have analytical minds needed in the Market place

PROSPECTS OF ACCOUNTANTS IN THE LABOUR MARKET cont'd

Accountants are engaged in the labour market because of the need to

- (a) properly manage business operations
- (b) report the financial health/status of businesses
- (c) forecast outcome of business operations
- (d) put control mechanisms in place for global best practices and forestall/detect fraud

RECRUITMENT REQUIREMENTS AND LIKELY AREAS OF DEPLOYMENT

Requirements:

- Minimum of 2 Class Lower
- ICAN, ACCA, ACIB, MBA, NIM will give competitive edge
- Computer Literacy & Analytical mind

Likely Areas of Deployment – Credit Risk Management, Marketing, Operation, Internal Control, Inspection, Compliance and Audit, Relationship Management, Treasury Dealing & Management, Credit Analysis, Financial Control, General Services and Product Development. However, Corporate training, self-development/application can make an Accountant veer into other areas like Market Research/Strategy Human Capital Management

KEY SUCCESS FACTORS

- Computer Literacy – to determine the outcome of a business deal or prepare reports
- Self-development & application
- Developed body of facts/knowledge through training e.g. as an HR person, you do not engage closely related individuals (couples, father/mother and children, siblings etc) in a bank because of possibility of connivance or disciplinary requirements

KEY SUCCESS FACTORS cont'd

- Intuition – ability or feeling to understand certain situations without being told or any concrete proof e.g. staff who have the tendency to live above their means are likely to commit fraud and should not be further tempted by exposure to cash, through posting
- Concepts of 'Internal & External Customers' – Colleagues are Internal Customers & there is the need to forge good relationships with them to succeed in serving the bank's External Customers

LIKELY AREAS OF DEPLOYMENT emphasised

- **FINANCIAL CONTROL (FINCON)**
 - This is the engine room of any bank with the responsibility of garnering and presenting, on a regular basis, various financial information necessary for decision-making
 - It is also responsible for the rendition of statutory returns to regulatory institutions (CBN, NDIC, FRCN, FIRS etc)
 - It co-ordinates external audit and tax operations of the bank

The Group is structured into 3 units viz:

- (a) Financial Reporting
- (b) Performance Management
- (c) Tax & Regulatory Reporting

LIKELY AREAS OF DEPLOYMENT emphasised

- **(a) Financial Reporting Unit** – It does timely preparation & presentation of a bank's financial statement. The unit monitors and reviews the General Ledger Account, Fixed Assets and manages accrual prepayment and its amortization. It liaises with External Auditors to produce audited accounts for the bank

LIKELY AREAS OF DEPLOYMENT emphasised

- **(b) Performance Management Unit – It** periodically measures the performance of branches, SBUs and individual staff in both front and back office, through regular reports and for better performance and decision-making. Its other functions include:
 - preparation and measurement of the budgets of the bank and SBUs
 - Development of KPIs for individual staff
 - puts mechanism in place for Expense & Cost Control

---all IN ORDER FOR THE BANK TO MEET ITS SET TARGETS

LIKELY AREAS OF DEPLOYMENT emphasised

- **(c) Tax & Regulatory Unit** – ensures (i) prompt rendition of all financial returns and (ii) the bank's compliance on tax issues (iii) liaison with all external regulators especially CBN, NDIC, FRCN, FIRS etc
- **Qualification Required** – Minimum of Second Class Degree in Accounting, Banking & Finance, Economics or Business Management
- ICAN is an added advantage for the staff but the Group Head must be ICAN/ACCA certified

LIKELY AREAS OF DEPLOYMENT emphasised

CONTROL/INSPECTION, COMPLIANCE & AUDIT GROUP INTERNAL CONTROL/INSPECTION DEPARTMENT

3 Functions

- Risk Control – organized at each operational level
- Conformity with regulatory prescriptions & the bank's policy
- Internal Audit

These are to engender effectiveness & efficiency of all banking activities and conformity with applicable regulations, processes and procedures

LIKELY AREAS OF DEPLOYMENT emphasised

CONTROL/INSPECTION, COMPLIANCE & AUDIT GROUP INTERNAL AUDIT DEPARTMENT

- (1) It ensures that the bank's processes and procedures (as stipulated in its Policy Manual) are adhered to
- (2) It periodically revises the bank's processes and procedures in a way that they stay sufficient and appropriated on all activities

LIKELY AREAS OF DEPLOYMENT emphasised

CONTROL/INSPECTION, COMPLIANCE & AUDIT GROUP COMPLIANCE

Its main responsibility is to assist the Board & Management of the bank in managing effectively the compliance risks associated with its day-to-day business activities.

It must however be noted this function may also be split between the Compliance Unit and the Legal Department of some banks

- **Qualification Required** – Minimum of Second Class Degree in Accounting and Economics or equivalent
- While ICAN is an added advantage for the staff of these units/departments, their Group Heads must be ICAN or ACCA certified

LIKELY AREAS OF DEPLOYMENT emphasised

- **CASHIERING/TELLERING –**

Needed:

- Integrity
- Being @ home with figures/calculations
- Good appearance/presentation
- Communication skills

- * **GENERAL SERVICES –**

Needed:

- Integrity
- Negotiation Skills for procurements, servicing & maintenance of assets
- Ascertaining departmental requirement of assets
- Deployment of a certain category of staff e.g service staff

LIKELY AREAS OF DEPLOYMENT emphasised

- **MARKETING –**

Needed –

- Integrity
- Communication Skills
- Ability to determine the cost of maintenance & profitability of accounts [transfer pricing]
- Ability to scan business environment and create risk assets
- Ability to analyse related industries and identify inherent risks & mitigants

LIKELY AREAS OF DEPLOYMENT emphasised

- **RELATIONSHIP MANAGEMENT –**

Needed

- Good communication skills
- Ability to determine/identify customer needs, complaints & proffer solutions
- Attendance @ social events
- Communication of latest developments to customers (ATM charges, BVN)

LIKELY AREAS OF DEPLOYMENT emphasised

- **PRODUCT DEVELOPMENT –**

Needed:

- Ability to read and interpret financial news
- Determination of customer needs
- Offerings of competition – like products & pricing
- Features & Benefits

LIKELY AREAS OF DEPLOYMENT emphasised

- **MARKET RESEARCH/STRATEGY –**

Needed:

- Ability to garner and distill financial news (even though Economists are engaged for this,

Accountants need to develop this skill

to stand alone as Managers, Marketers and, or

Analysts – e.g. Federal Government Budget, drop in oil price /barrel and the implications

CHALLENGES

- Likely computerisation of staff functions & the implication for disengagement of staff by banks – Self-development in more areas
- Some Accountants maintain hard stance on issues, thereby pitching them against colleagues in offices and resulting in conflicts (a) School curriculum should include studies in Human Relationships, Social Statistics & Social Research (b) Further personal development – MBA, NIM etc

CHALLENGES cont'd

- Wrong Values – Accountants might be tempted to see their profession as only synonymous with high remuneration (mostly true) but too much emphasis on this is the root of many frauds. Emphasis should be on making a good career of the profession. Monetary reward should be secondary
FOR ME – empowerment to meet internal and external customers' needs and get their satisfaction is more rewarding
- * The profession itself appears 'limiting' and without veering into other areas, job placement might be difficult. ICAN, ACCA, MBA, NIM, Dip. Ind. & Lab. Rel etc might broaden our scope

PERSONAL EXPERIENCES

MILESTONES

November 1993 – Joined Chartered Bank as
Assistant

Supervisor/Teller/Marketer/ Credit Officer

1996/1997 – 2000 – Treasury Dealer/Officer

2001-2004 – Assets & Liability Committee
Secretary/Clearing Manager

2005-2011 – Branch Manager

2012-2014 –Branch Manager/Ag. Regional Head

CONCLUSION

- A Doctor's mistake is **buried**
- A Lawyer's mistake is **imprisoned**
- A Pharmacist's mistake is **poisoned**
- An Accountant's mistake is **reconciled, adjusted and, or corrected**

THANK YOU