

Accounting skills and an entrepreneurial spirit - a match made in heaven

Having financial knowledge goes hand-in-hand with entrepreneurship, though too often entrepreneurs lack even basic financial savvy to make a success of their business.



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“If you are running your own business it is important that you know how the business is doing, what your incoming and outgoing payments and cashflow are, and are able to plan your finances for the future. Having the financial skills to be able to do this, or hiring someone who does, helps entrepreneurs have a better chance of success. says Justin Kyriakou, international development manager for the Association of Accounting Technicians (AAT).

Accountancy skills

A [recent study](#) found that accounting skill contributed to entrepreneurial performance and recommended that entrepreneurs should “embark on capacity building in accounting skill” as they were “agents and drivers of development in most economies of the world”.

Accounting skills help:

- to make more accurate predictions;
- to make more effective commitments of time, energy and money;
- and to measure and reassess progress, so that profitable behaviours could be rewarded, progress could be reported accurately, and direction could be changed when necessary.

Not a one-way relationship

But while entrepreneurs can undoubtedly benefit from an injection of accounting skills, accountants also have something to learn from entrepreneurs.

Against a backdrop of a rapidly changing global landscape, the accounting profession is gearing up to face significant changes in the next three decades including the rise of ever-more sophisticated technology, rising regulation and greater public pressures and stakeholder expectations around social and environmental considerations, says Kyriakou.

These pressures open up new possibilities for accounting technicians and other professionals – but they will need to draw on the entrepreneurial mindset to take advantage of these.

Entrepreneurs are better at taking risks and also focus on creating solutions the world needs and how they can deliver those solutions, rather than just on running a business.

Writing in [Accounting Today](#), Melinda Crump argues that risks should be viewed as an economic positive since that is how profits are produced and how growth occurs and that the entrepreneurial accountant should spend his/her time primarily innovating new services, business models and team structures in order to stay relevant in the changing world of work.

“Accounting professionals are increasingly being expected to look beyond the numbers, which means they need to be equipped with a broader skill-set and mindset to be successful and to stay relevant,” says Kyriakou.

He adds that there is a special magic in the relationship between accounting professionals and entrepreneurs and that the combination of their skills is a powerful force for unlocking economic growth.

“If accounting and entrepreneurship continue to evolve as they are, the resulting knowledge sharing could have a long-term positive impact on Botswana’s economy,” he concludes. “Finding ways to foster this collaboration should therefore be a priority for educators and policy makers alike.”

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