

Technology means the number's up for many finance staff

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By 2005 at the latest, your job will probably be redundant overtaken by the breakneck pace of technological advancement. "Large armies of people processing transactions are going to disappear," said Andrew Weir, a principal consultant for KPMG in Edinburgh. "The 'assembly plant' will be replaced by a 'control room', staffed by a few highly skilled individuals."

Web-enabled technology will be the catalyst for this upheaval, predicted Mr Weir. Software packages arriving from the US later this year, such as Ariba and CommerceOne, will automate the entire "purchase-to-pay" cycle.

Today, the average cost of processing a purchase invoice in a big corporation is put at £50. Within a few years this cost will be as much as halved, with huge numbers of staff rendered surplus to requirements.

"For the chief financial officers working in the e-business marketplace, there is an awful lot to play for," Mr Weir said. "Big multinationals could save millions."

Scotland is already a popular location for so-called "shared services centres". These are sites where big companies, including National Australia Bank and Allied Distillers, have centralised their finance operations.

Mark Kennedy-Stewart, a chartered accountant who owns a Dunbar software company, Accounting & Business Computing, is poised to take advantage of the coming revolution.

He speaks enthusiastically of the cost savings that will be made as accounting packages are upgraded to use XML. XML is a new computer language that allows for more efficient exchange of computerised documents. Now ratified by the global technical authority, the World Wide Web Consortium, it links text to "tags" that describe a document's content and meaning.

Mr Kennedy-Stewart said: "Companies will be able to communicate with their customers and suppliers without human intervention."

"You'll still need a finance director and someone to process paper from the few companies that still insist on sending paper invoices. But more or less everything else will be automated."

Field trials have starkly illustrated the impact of an XML package on a company turning over £5m which employs five finance staff. In short, the package will render four of those staff superfluous. Only the finance director perhaps the one qualified accountant among them will hang on to his job. According to Mr Kennedy-Stewart, these packages will be on the market within six months.

Only two things might delay the shake-out they will trigger, he predicted. First, accountants will be asked to buy and implement them. How does a chief executive persuade the turkeys to vote for Christmas? Second, and more significantly, moving away from paper-based transaction processing has awesome security implications. No wonder the big firms are devoting so many resources to the development of online security certification and audit.

Paul Rogerson