



Means to an end

Fayezeul Choudhury began life as an accountant because it gave him the footing he needed to work in business. After a 25-year hiatus at the World Bank he will return to the profession taking on the role of IFAC chief executive. Nicola Maher catches up with him before this next chapter begins early next year

Not everyone's ambition in life is to become an accountant. But it can make perfect sense if you want to work in business. The International Federation of Accountants' (IFAC) recently appointed chief executive Fayezeul Choudhury tells *The Accountant* while he wasn't initially 'inspired' to become an accountant the opportunities the career could potentially offer him was what led to the appeal.

"My degree was in engineering science and economics, but I didn't trust myself to go out and build bridges that people would actually travel on. I wanted to work in the private sector and all the advice I got was that accountancy, apart from offering a professional stream in and of itself, was a good entry point into a variety of functional roles in business," Choudhury explains.

He joined Price Waterhouse (PW - now

PwC) in 1974, initially in public accounting and later management consulting, at a time when Choudhury says it was drummed into accountants that the "quality of our professional work and the judgements we made were paramount".

"Without those particular words having been used, those in public accounting did see themselves as guardians of the public interest," he recalls.

However, Choudhury says over the next few decades, as the business environment got more competitive, "professional accounting firms to some extent perhaps allowed considerations of revenue growth to overshadow the exercise of sound technical judgement and the quality of financial statements suffered as a result - the failures of the early 2000s are of course well known".

He does think this has begun to be

SNAPSHOT

Name: Fayezeul (Fayeze) Choudhury
Born (date/location): 22 February 1954. Dhaka, Bangladesh
Marital status/family: Married, two children (26 and 19)
School: Raffles Institution, Singapore; University College School, London
University/degree: Joint honours degree in engineering science and economics, Jesus College, Oxford
First job (before uni): File clerk
Residence: Chevy Chase, Maryland, US
Additional homes (if applicable): N/A
Hobbies: Golf, films, reading, cooking
Favourite food: Varies with season and appetite at the time
Favourite drink: A good malt
Favourite book: Jhumpa Lahiri's *The Unaccustomed Earth* and Scott Fitzgerald's *This Side of Paradise*
Favourite film: Woody Allen's *Annie Hall*
Favourite music/band: Bob Dylan
First record you ever bought: Van Morrison's *Astral Weeks*
Car you drive: Audi A6
What can't you live without: Too many to list unfortunately
Ideal guest at a dinner party: Someone who makes the job of the host easier

redressed but warns that "momentum towards restoring the primacy of the public interest must be maintained over the next decade".

Choudhury says one of the biggest chal-

Challenges facing the accounting profession is restoring trust.

“There are too many episodes of failure of the basic pillars that support the business environment. Accountants are often in the cross hairs when blame starts to be apportioned. In some cases, justifiably so, in others unfairly, as the roles, responsibilities and accountabilities in the regulatory community and the investor community are fuzzy and unclear,” he remarks.

“Bringing such clarity and ensuring that each player is discharging its role effectively – including accountants – is as I see it a major challenge.”

Growth at warp speed

It was at PW where Choudhury gained some of his most valuable business skills, one particular career highlight is when the firm’s consulting arm in London brought him in, at short notice, to project manage an assignment for the National Petroleum Corporation in Nigeria.

“I was leading a team of 15 consultants drawn from four different PW offices around the world. When that assignment ended I was asked to stay on for a couple of years to build the consulting practice in that region,” he remembers fondly.

“At the age of 27, operating in a foreign environment, with little nearby support for advice and guidance was intimidating, but the freedom to make your own decisions and run your own business was exhilarating. It really was a period of professional growth at warp speed.”

After PW Choudhury moved on to work for the World Bank where he held a number of high level positions during his 25 years including vice-president of corporate finance and risk management and lastly controller and vice-president of strategic planning and resource management. In his latter role he was also the Bank’s spokesperson on global accounting and auditing issues.

Another career highlight came during the late 1990s when Choudhury was tasked with establishing an offshore service centre for the World Bank in Chennai, India.

“[At the time] the practice of offshoring was not widespread. There was considerable resistance at the Bank among staff, and wariness at the Board. However, with the support of the president of the Bank we got it done and today, not only are the traditional back office operations done there, but there has been a progressive movement of functions up the value chain to Chennai so that even valuations of a very large and complex derivative portfolio are done there,” he says, adding “the cost savings have been significant, as have the quality improvements.”

COMMENT

Choudhury shares his views on some hot topics

US and European audit reform proposals

“To the extent that attention is focused on the key issues and a process is established for the orderly discussion of them, I think the initiatives under way are positive. However, what is crucial is that views are heard, and that empirical evidence forms the basis of decisions wherever possible.

“I have no doubt that these are good faith efforts aimed at providing objective outcomes. However, the nature of the issues involved is such that reasonable people can have opposing views – hence the importance of having the debate informed

by facts to the maximum extent possible.”

Integrated reporting

“This is an important initiative which IFAC should continue to support... it strikes me that the technical challenges of breaking new ground in the reporting sphere is not trivial.

“The challenge will be to have as the end product something that is meaningful, understandable and useful and, as importantly, can be implemented with manageable investments in technical capacity building and systems.” ■

Choudhury says the final highlight of his career so far is his last assignment at the World Bank where, when the financial crisis hit, he was assigned to manage a number of the finance functions directly relating to its response to the financial crisis.

“We had to ensure that the risk management practices of the Bank were adequate; manage a flat budget at a time when lending volumes tripled; allocate the Bank’s risk capital to borrowing countries to support lending in the face of heavy demand; assess the adequacy of the Bank’s capital base and then negotiate with 183 countries – the Bank’s shareholders – for a capital enhancement package of some \$7bn,” he explains.

“[The] process included developing a medium-term strategy for the World Bank and a major programme of internal reforms. I don’t think I have ever worked quite so hard, but at the same time learnt so much and having a feeling of accomplished something substantive.”

What the future holds

After being headhunted to take over from current IFAC chief executive Ian Ball and an “exhaustive” recruitment process Choudhury, who officially starts his role in early 2013, is ready for the next challenge.

Choudhury’s hopes for his new position are to further IFAC’s achievement of its mission, which is to “contribute to the development of high quality international standards and guidance; development of strong professional accountancy organisations and accounting firms, and to high-quality practices by professional accountants; to promote the value of professional accountants worldwide; and to speak out on public interest issues where the accountancy profession’s expertise is most relevant”.

Choudhury’s overall goal will be to talk

to as many stakeholders, who include IFAC staff and committee members, as is practical and “to listen very carefully to what they have to say”.

And so with the general philosophy of “not to look back too much unless something has not turned out well and there are important lessons to be learned from that”, Choudhury is ready for his next step on the career ladder. ■



- Global organisation for the accountancy profession that helps to develop, promote, and enforce high-quality, internationally recognised standards for auditing and assurance, education, ethics and public sector accounting;

- 167 members and associates in 127 countries and jurisdictions;

- Represents about 2.5m accountants in public practice, education, government service, industry and commerce;

- Issues tools, guidance and resources to support member bodies and their members who are professional accountants in business or employed in small and medium practices;

- Collaborates with member bodies and works with organisations globally to support the growth and development of the accountancy profession in emerging economies.