



HRM

executive recruitment

**The changing shape of
Accountancy Careers in 2010 -
Influences, Attitudes &
Outcomes**

HRM | THE CHANGING SHAPE OF ACCOUNTANCY CAREERS IN 2010 - SURVEY RESULTS

Few of us can remember a time when there has ever been so much pressure to change organisational priorities so dramatically. The Finance function in most organisations has become the centre of operational decision making, in many cases having to drive through difficult challenges and unpopular outcomes.

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From our own experience and that of the clients and executives with whom we work, it seems these organisational changes have prompted a re-definition of the Accountant's role. Not just in terms of tasks, but also in influence across the wider business.

At the same time, while executives across all functions are well aware of the challenges their organisations face, few have spent so much time staring into the abyss in the way company accountants, financial controllers and professional advisors have been forced to do.

Daily as they manage scarce cash, review budgets, revise forecasts or prepare monthly reports of often poor results, there is little reprieve from the gloom. Few companies have escaped the need to make cuts in headcount and compensation and often the Finance function is perceived as the driver of these difficult decisions and those that involve curtailment of activities or expenditure.

As this survey reports, a significant number of Accountants currently feel under significant pressure and are working longer hours than in previous years. Perhaps its because of this and a need for change, that while a vast majority of Accountants expect to still be within the profession in five years time, an equal majority expect to change their employer within the next two years.

A total of 1,471 qualified Accountants participated in the survey across all accountancy bodies, with a wide range of post qualification experience levels and from a mixture of Practice (4.1%), Financial Services (13.6%), Commerce & Industry (74.1%) and Public Sector organisations (8.2%).



Michael O'Leary, Managing Director,
HRM Executive Recruitment

Survey Data

A total of 1,471 Accountants participated in the survey with the following distribution of professional qualification:

- Chartered Accountants Ireland: 36.3%**
- Chartered Institute of Management Accountants: 19.9%**
- Association of Chartered Certified Accountants: 26%**
- Certified Public Accountants: 11.6%**
- Others: 6.2%**

While in general we report their responses as a total, 71.4% of respondents were male with 28.6% female. The distribution of post-qualification experience amongst respondents is as follows:

Up to two years PQE	11%
Up to four years PQE	6.2%
Up to six years PQE	9.6%
Up to eight years PQE	11%
Up to ten years PQE	15.1%
Up to fifteen years PQE	21.2%
Up to twenty years PQE	16.3%
Up to twenty five years PQE	7.5%
Thirty years or more PQE	2.1%

Survey Highlights

1. Over 90% of Accountants feel they are under too much pressure at work. 84% are working long hours, with a fifth of respondents describing this as a being a constant factor of their jobs.
2. 78% of Accountants have had their workload increased in the last twelve months. Nearly 70% of respondents have taken on new non-financial responsibilities since the downturn.
3. Over 70% of Accountants expect to change jobs within the next two years. Over two thirds have recently considered a change.
4. 63% of Accountants have seen headcount reduction in their departments in the last twelve months.
5. 85% of Accountants say key stakeholders are taking more interest in the data they produce, but nearly 60% of respondents feel their organisations are not acting fast enough to it.

Your career

Question 1: Who influenced you most in your original decision to choose Accountancy as a career?	
Parent	13.1%
Sibling	3.4%
Other relative	7.5%
Career guidance counsellor	21.9%
Friend	7.5%
Other	15.1%
None of these	31.5%

Career guidance is reported as the most influential factor for ACA's, CIMA's and CPA's in their decision to choose Accountancy as a career. 22.6% of ACA's were influenced by their parents, while only 5.3% of ACCA's cited this as an influencing factor. Two third's of ACCA respondents were influenced to study and qualify as an Accountant by factors other than those listed above. Male respondents were almost three times as likely to be influenced in their career decision by their parents than female respondents. Accountants with 15 years or more PQE, were twice as likely than those with less experience to be influenced in this decision by their parents.

Question 2: How do you rate each of the following features in terms of their importance to you?				
	EXTREMELY IMPORTANT	VERY IMPORTANT	SOMEWHAT IMPORTANT	NOT IMPORTANT
Employment Security	39.0%	41.8%	17.1%	2.1%
Responsibility for other functions	10.9%	42.4%	33.8%	12.9%
Working with clients	12.3%	19.4%	30.9%	37.4%
Working on projects	18.7%	37.4%	35.3%	8.6%
Control over your workload	34.3%	50.7%	13.6%	1.4%
Working with contacts overseas	7.2%	14.5%	37.7%	40.6%
Freedom to make decisions	37.8%	49.3%	12.9%	0.0%
Promotional opportunities	35.7%	40.7%	19.3%	4.3%
Developing broad commercial skills	46.2%	40.4%	11.3%	2.1%
Growing people management skills	36.0%	51.1%	10.7%	2.2%
Levels of pay	25.7%	52.9%	18.6%	2.8%
Flexible working hours	18.4%	46.1%	27.7%	7.8%
Benefits available	12.1%	47.9%	31.4%	8.6%

“Control over workload” is the most important feature for ACA's and ACCA's, “Freedom to make decisions” the priority for CIMA's, while CPA's rate “Growing people management skills” as their primary interest.

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The changing role of the Accountant

Question 3: Do you believe the traditional role of the Accountant is changing?	
Yes	89.9%
No	10.1%

95% of female respondents answered “Yes” to this question. 96.6% of CIMA qualified accountants answered “Yes” to this, while 18% of ACA’s answered “No”.

Question 4: Which of the following factors, have most influenced the changing role of the Accountant?	
A need for tighter links with sales/customer functions	41.1%
Changes in compliance legislation	49.2%
Changes in IT Systems	37.1%
Reduction in availability of staff resources	30.6%
Increased commercial competition	44.4%
Greater financial acumen amongst non-financial managers	40.3%
More formal arrangements in supplier agreements	2.4%
Increased demand for financial analysis	54.8%
Other	3.2%

ACA’s see increased competition as the biggest change driver, CIMA’s & ACCA’s indicate demand for financial analysis, while CPA’s cite Compliance.

Question 5: Looking at your own current role, please review each statement and select the option that most closely reflects your opinion.				
	ALWAYS TRUE	OFTEN TRUE	SOMETIMES TRUE	NEVER TRUE
I am satisfied in my job	5.8%	51.1%	39.4%	3.7%
I have no regrets about choosing Accountancy as a profession	38.7%	32.1%	23.4%	5.8%
I find my work both interesting & challenging	11.8%	61.7%	22.8%	3.7%
I have recently considered changing my job	30.4%	37.0%	26.7%	5.9%
I have considered changing my career	16.2%	21.3%	33.8%	28.7%
I have a clearly defined career path	5.2%	30.1%	44.4%	20.3%
I am under too much pressure at work	14.8%	32.6%	43.0%	9.6%
My role involves working long hours	21.5%	34.8%	28.1%	15.6%
I could easily get another job with my skill set	11.0%	31.6%	45.6%	11.8%
I feel I could easily transition into a new career	8.1%	33.8%	43.4%	14.7%
I expect to be working as an Accountant in five years time	25.4%	45.5%	26.1%	3.0%
I expect to change employer in the next two years	36.6%	33.6%	21.6%	8.2%

CIMA respondents are generally less “satisfied in their jobs” compared to others, however, they have the least “regrets” to have chosen Accountancy as a profession.

Changes to your own role and environment

Question 6: Has your department seen a reduction in headcount in the last twelve months?	
Yes	63.6%
No	36.4%

76.9% of CIMA respondents answered “Yes” to this question. ACA’s were the next highest at 64%, with both ACCA’s and CPA’s answering affirmative in the mid 50%’s.

Question 7: Please indicate your opinion as to how many of the following areas, that headcount reduction has impacted upon?	
Reduced productivity in the department	25.9%
Increased working hours	68.2%
Reduced quality of service to the business	48.2%
Deadlines being missed	21.2%

Question 8: Given the times we find ourselves in, do you feel you need additional training, specific to the economic challenges you face in your job?	
Yes	59.2%
No	40.8%

78.6% of CPA respondents answered “Yes” to this. CIMA’s were the next highest at 70.4%, with both ACCA’s and ACA’s answering affirmative in the early 50%’s.

Question 9: Again, looking at your own current role, please review each statement and select the option that most closely reflects your view.				
	ALWAYS TRUE	OFTEN TRUE	SOMETIMES TRUE	NEVER TRUE
My role has changed over the last twelve months	45.5%	40.3%	8.2%	6.0%
My workload has increased in the last twelve months	38.8%	39.6%	11.2%	10.4%
I have seen an increase in my financial reporting/financial analysis	42.5%	40.3%	12.7%	4.5%
Our organisation uses more financial monitors now than in previous years	38.1%	40.3%	16.4%	5.2%
Key stakeholders take an increased interest in the data I provide	39.8%	46.6%	9.8%	3.8%
I am now more more likely to be involved in external negotiations	19.5%	41.4%	23.3%	15.8%
I have more influence over who we do business with than a year ago	18.8%	36.1%	22.5%	22.6%
My role has a more commercial focus than a year ago	32.6%	40.2%	14.3%	12.9%

Two thirds of ACCA’s agree absolutely that their roles have changed in the last twelve months, considerably more than most other respondents. Clearly related to this, they also give the highest indication that their workload has increased in the same period. Nearly 60% of Female respondents indicate strongly that their role has changed, versus 41% of Male Accountants. CIMA’s report the highest increase in financial reporting/financial analysis, but perhaps reflecting the qualification’s roots in management accounting, see the lowest change in terms of commercial focus.

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Changes to your own role and environment (continued)

Question 10: In which, if any, of the following areas do you feel you would most benefit from further training and development?	
Strategic management	65.8%
People management	45.6%
Commercial sales & marketing skills	48.1%
IT systems	40.5%
New accounting legislation	49.4%
Other	5.1%

Accountants from all qualifications, cited “Strategic management” as their highest choice. “People management” was a close second for ACA’s, while “Commercial sales and marketing skills” rated as the next highest ACCA’s. CPA and CIMA respondents indicated “New accounting legislation” as their second highest training interest.

Question 11: Do you believe there is greater value on the financial data you produce since the advent of the economic downturn?	
Yes	82.4%
No	17.6%

Question 12: Do you believe your organisation is responding quickly enough to the financial data you produce and recommendations you make?	
Yes	40.7%
No	59.3%

Question 13: Have you had additional areas of responsibility added to your role, since the economic downturn?	
Yes	69.8%
No	30.2%

Question 14: Select which of the following areas you now have additional responsibility for or involvement in?	
Human resource management	41.1%
Information technology	49.2%
Sales	37.1%
Marketing	30.6%
Customer services	44.4%
Operations	40.3%
Facilities	2.4%
Other	54.8%

75% of responding ACA’s indicate that they now have additional areas of responsibility, with only 51.9% of CIMA’s indicating similarly. Of these, 86.7% of CIMA respondents are involved in “Human resource management”, two thirds of ACA’s in “Operations”, while a similar level of ACCA’s indicate they are now involved in both. Almost 80% of CPA’s have “Information technology” as part of their remit, a high scoring area for most Accountants. Over 40% of ACCA’s indicate they are now involved in “Sales”, considerably higher than any of the other respondents. Male respondents are nearly three times as likely to be involved in Sales and twice as likely to have “Customer Service” responsibility when compared to their Female counterparts. Response distribution in all other areas is broadly similar.

Priorities for the future

Question 15:	As you consider the next twelve months, which of the following do you see as operational priorities for your organisation?
Reduction in indirect overheads	49.6%
Reduction in organisation headcount	25.6%
Reduction in prices to customers/end users	13.2%
Improvement in quality of operational output	48.8%
Restructure of organisation to reflect lower volumes	26.4%
Elimination of non-core organisational activities	49.6%
Increase in levels of service experienced by customers	36.4%
Elimination of strategic distractions	37.2%

ACA respondents see “Reduction in indirect overheads” as their priority (52.1%), while CIMA and ACCA qualified Accountants indicated “Improvement in quality of operational output” as the most important factor (57.1% & 57.6% respectively).. CPA’s see the “elimination of non-core organisational activities” (64.3%) as their greatest operational need. One third of ACCA’s see the need for a “Reduction in organisation headcount versus only 10% of CIMA respondents.

Summary

Whether driven by a natural professional evolution or the stark financial challenges that most organisations currently face, the role of the Accountant is certainly changing. Indeed for many, it changed some time ago, as the traditional front office/back office lines of demarcation have blurred and progressive organisations have built financial analysis into all key commercial decisions.

It is interesting to note here, that so many Accountants see developing strategic management abilities as a priority and also to see note the high number of additional functions, Accountants have been asked to undertake.

It’s not surprising that in challenging economic times, the role of the Accountant has become more central. The pattern suggests that while today many CEO’s and MD’s are from accountancy backgrounds, many more in the future will be groomed from financial career channels for senior strategic leadership roles. Highly appropriate perhaps, given the extraordinary mistakes many organisations have made in the recent past and are now working hard to recover from.

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