

A TOP CAREER CHOICE

The accounting profession, like many other professions, is facing a diminishing pipeline of young talents entering the field. **Nicky Burridge** finds out what should be done to attract the next generation of accountants

Illustrations by Gianfranco Bonadies

From climate change to technological disruption, the world is changing at a rapid pace. Businesses are forced to evolve to meet these challenges – and accountants are required to change with them.

However, the scope of the different roles taken on by the modern accountant has not always been clearly communicated, impacting recruitment of the next generation. “In the past, recruitment talks from CPA firms at universities would have a full house. These days, not many students attend,” says Simon Lee CPA, Honorary Institute Fellow, The Asia-Pacific Institute of Business at the Chinese University of Hong Kong Business School.

The profession is also grappling with an image problem, says Paul She CPA (practising), Partner, Audit and Assurance at Mazars, and Chair of the Hong Kong Institute of CPAs’ Qualification and Examinations Board. He notes that many young people have the misperception that accounting is a “boring, routine, underpaid, sunset profession.”

Observers believe that by better communicating the dynamic nature of accounting and the important and varied role it plays in both business and society today, young people would be able to see that the profession aligns with many of their own career aspirations.





RECRUITMENT

Attracting talent



A different generation

Generation Z, broadly defined as those born between 1997 and 2012, have different priorities when it comes to choosing a career, compared with older generations. Carly Yau, Associate Partner at recruitment firm Page Executive, the recruitment search division of PageGroup, explains that Gen Z look for flexibility in the workplace and are drawn towards organizations that offer job rotation opportunities. “A company’s social position and how they contribute to society is also a key factor, with these individuals targeting companies that have the same values as their own personal values,” she adds.

Adam Wong CPA (practising), Audit Director at EY, and Deputy Chairman of the Institute’s Young

Members Committee, says in his experience, Gen Z are also more innovative and assertive. “They know their own mind well and will speak up for their ideas. They have multiple skill sets and diverse interests.”

He adds that they also tend not to stick to a career with one company, and are flexible in adapting to different roles. “In my opinion, Gen Z look for jobs that value their opinions and provide them opportunities to develop their skill sets. They value jobs that create a positive impact and meaning for society.”

Lee suggests Gen Z also regard traditional careers, such as accounting and banking, as being “old-fashioned.” “They want to show an inspiring career

on their CV, which might include working for a start-up, or a non-governmental organization helping society,” he says.

Overcoming misconceptions

While the career path of a CPA and the diverse opportunities it opens up aligns well with many of Gen Z’s aspirations, there are still misconceptions about what the work of accountants involve, which may be hindering them from considering it as a career.

Wong thinks young people often have a stereotypical impression that the accounting profession involves long working hours, routine work, and a lack of flexibility over how their work is carried out.

There is also a perception that

only a minimum level of technology is involved in the work, and there is a lack of room for people to express their own opinion, he says.

Things have changed, says Wong, who wants young people to know that the role of accountants has evolved from carrying out routine back-office work to being business advisors, armed with big data and data analytics. “The accounting profession’s voices are being heard and valued in important decision-making processes. These changes need to be communicated to the next generation of accountants to address this misconception,” he says.

Paul She suggests the profession needs to be more vocal about the career progression opportunities it offers, and shift from talking about “training workers” to “developing talent.”

“Different people have different expectations for their career path. We need to understand this and provide the infrastructure to facilitate their ideal development, not just treat them as tools for our business.” He adds that this concept has been embedded in the Institute’s new Practical Experience Framework, which is part of its new Qualification Programme (QP).

Lee agrees that existing preconceptions are discouraging young people from joining the

profession. He adds that accounting is also seen as being heavily governed by rules and regulations, such as the International Financial Reporting Standards and tax laws, which may be off-putting for some.

He points out: “Accounting is about far more than just this. It is about business and society. It offers young people exposure to different industries, which is interesting and can align with their goals. Allowing them to have more rotations in the early years would enable young people to understand their aspirations and choose the right career development path.”

Ewan Clarkson, Chief People Officer at PwC Mainland China and Hong Kong, points out that Gen Z want to feel that they are creating value and making a personal impact through their work, all while being given the opportunity to continuously learn and upskill. A career in accounting nowadays, he says, ticks these boxes. “With the purpose of building trust in society and solving important problems, the next generation of accountants will play a critical role in restoring trust for organizations, capital markets and society at large.”

He adds that the profession will continue to innovate and apply new technologies, meaning the next generation of accountants will need to be equipped with up-to-date digital skills. At the same time, accountants have a chance to contribute in new areas and bring greater impact as organizations now look at more than just their financial returns, but pay more attention to their environmental and social impact.

A growing diversity of skills

What young people may not be aware of is that as the accounting profession evolves, so have the skills that accountants need to do their jobs.

Paul She points out: “In the

past, accountants were expected to be more focused on technical skills, such as accounting, tax and auditing, to provide their professional services. However, the market now requires all-round solutions from accountants.”

In order to meet this demand, he says accountants need to equip themselves with a range of new technical and non-technical knowledge, such as in environmental, social and governance (ESG), technology, public policy and politics.

Yau agrees: “Accounting is no longer just about the numbers, but about the financial management that drives companies’ missions.”

She adds that with many companies setting up shared services centres to focus on the operational accounting work, senior finance leaders have additional time to formulate business plans.

As a result, alongside technical competence, she thinks it is important that accountants have the skills to act as a business partner, helping to translate numbers into meaningful action points that enable the business to achieve its goals.

Lee points out that there are now many multidisciplinary issues and new areas that companies have to get to grips with, ranging from ESG and environmental science, to cryptocurrencies and start-ups. “Multidisciplinary knowledge is definitely needed. Some business schools are moving towards this direction and require business students, including accounting students, to take social science and IT subjects,” he says.

Hot areas

One of the key “hot” areas in which accountants are increasingly required to learn skills is in new technologies such as artificial intelligence (AI) and big data analytics to drive digital transformation.

Yau thinks accountants need to

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be on top of digital transformation and process improvements to enable them to stay agile and add value amid today's rapidly changing business environment.

Wong agrees: "With the introduction of new technologies, repetitive and routine work is being replaced by AI and software. Accountants are more focused on using big data to analyse the financial performance of the business and how the financial figures correlate to different functions within the company."

He adds that with the introduction of new technology, accountants are not only in charge of preparing and reviewing accounting records and financial statements, but they also need to understand the business flows of the company and how different processes interact with each other.

Paul She points out: "The accounting profession should have the ability and willingness to understand and appraise the impact of new technology on our environment and economy. Our ways of doing business and living will be significantly affected by this transformation."

Clarkson agrees, saying that by combining deep domain expertise with digital capabilities, accountants will be able to bring deeper analysis, spot areas ripe for digital improvement and leverage automated technology to deliver value to clients. "Change is happening at an unprecedented rate. To stay ahead of competitors, businesses need new operating models that enable digital transformation of the entire organization and achieve rapid profitable growth. A digital-enabled and tech-empowered accountant will be in a more advantaged position to help businesses automate workflow, bring deeper data-driven insights to inform strategic decisions and stay ahead of risks and trends through data analytics and visualization tools."

Meanwhile, as companies pivot towards a digitally-driven business model, cybersecurity is becoming an increasingly important area. "Leveraging their experiences in accounting and auditing, accountants have the chance to build new domain expertise and tech skills to excel in this area. In particular, protecting organizations against cyber threats and privacy risks," Clarkson says.

Another important area in which there is growing demand for skilled accountants is ESG. As more companies are disclosing their policies and performance in this area – often prompted by regulatory requirements – accountants have an important role to play in helping to measure and provide assurance on data in this area.

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Clarkson points out: "The capital market is increasingly looking at social and environmental sustainability issues as an important performance indicator for businesses. Accountants who have related domain knowledge and capabilities will be able to advise clients on this topic, with the potential to lead in this new area."

Wong agrees: "Accountants can participate in establishing policies or coordinating events for corporates, their customers and respective stakeholders. The

roles of an accountant nowadays is becoming less stereotypical and more interesting."

Critical thinking and communication

As the business environment undergoes rapid change, Paul She says accountants also need to be able to excel in a range of higher-order enabling skills, such as problem solving, critical and lateral thinking to identify complex problems, including ethical dilemmas, and developing professional solutions.

Clarkson adds: "As digitalization accelerates, so does the need for human-centric skills, which requires creativity and innovation, all led by a genuine human touch that connects people and improves experiences."

Yau stresses that accountants also need to develop strong interpersonal skills to build meaningful relationships with colleagues in other departments outside of finance, such as sales and marketing, IT and operations. "Understanding their pain points will help them connect the dots to how the financial results can help them devise strategic ideas to drive the business."

Paul She adds: "Accounting is not just about figures. Accounting is an art involving humans. It is about judgement, managing expectations, communication, and conflict resolution, to name a few. It is a career full of opportunities and challenges."

Attracting the next generation

To attract the next generation of accountants, Wong suggests the profession should be more proactive about communicating developments in their industry, particularly the opportunities created by new "hot areas."

"The profession should always embrace change and value the voices of the next generation of accountants," he says. "Combining



the rich experience of professionals with the innovative mindset of the next generation of accountants will take the profession to the next chapter.”

Yau suggests the misconceptions of aspiring CPAs could be addressed through mentorship programmes and having senior finance leaders share their career experiences. They could also give them more confidence in the outlook for the profession in the long term.

The profession would also benefit from having CPAs at career talks who can better represent the opportunities and the “fun” side of accounting, Lee says. “There are bright people in the accounting profession and they should be the spokespeople for the profession to reduce those misconceptions.”

Paul She points out that the Institute’s new QP opens the door for non-accounting graduates to join the profession. “It is a well-structured development programme. It equips the young generation with basic technical skills at the Associate level, enriches them with professional knowledge at the Professional level, and consolidates their professional and enabling competences at the Capstone level. It also backs young accountants with adequate practical work experience through the Practical Experience Framework,” he says.

The Institute has also established the QP Affiliate Club to foster closer links and provide opportunities to exchange views with students at tertiary institutions. “Through the

introduction of the new QP, in particular the Capstone level with its strong focus on linking enabling competencies with all-rounded technical skills to formulate professional solutions, young people will be able to identify the fun, and also the challenges of the accounting profession,” Paul She says.

Clarkson stresses that the role of accountants has never been more important, given the need to restore trust in capital markets and their stakeholders. “The young generation not only has the opportunity to connect their personal values and purpose within this profession and do greater good for society, but also build a lifelong foundation of business and technical skills to set them up for their future career.”



The new Qualification Programme offers key opportunities and greater flexibility for students with different educational backgrounds, including sub-degree holders and non-accounting majors, to become CPAs. More details can be found on the Institute’s website.

