



Beyond Qualification: A Look at Scotland's Accountants in Training

Scottish Accountants in Training Career
Aspirations Snapshot Survey 2023.

Report Highlights

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Introduction

As a Director at Ceres Financial Talent, I engage daily with accountants and finance professionals across a wide range of career stages, giving me a unique insight into the evolving landscape of accountancy in Scotland and beyond. Over the past few years, those in the industry will have observed notable shifts: rising salary expectations, an increased desire for flexible work, and changing career attitudes among early career accountants.

To move beyond anecdotes and grasp the broader picture, we launched this survey. Our aim was to gather quantitative data on the aspirations and decisions of Scotland's accountants in training, helping our clients to understand and adapt to change.

Andrew Murphy – Director

Overview

From a recruitment perspective, the survey findings resonate with the conversations we share daily with clients and candidates. A notable portion of newly qualified accountants are contemplating swift transitions in their roles, with many prioritising benefits such as higher salaries and a more balanced work-life equation. Furthermore, the preference of newly qualified accountants to remain within the public practice sector remains relatively low. These findings aren't surprising for those familiar with the industry's long-standing trends.

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Retaining Talent Within Public Practice Will Be Challenging

With under 19% of participants planning to seek their next position in public practice, retaining talent in this sector will be challenging.



Newly Qualified Accountants Eager For Swift Career Transitions

60% of respondents aim to transition to a new company within 6 months of qualification.



Higher Salary And Improved Work-Life Balance Driving Job Change

All respondents prioritise a higher salary and enhanced benefits when considering an employer change, with 81% also valuing an improved work-life balance.

Tenure After Completion of Professional Qualification

Retention is a major challenge for firms of all sizes once professionals earn their qualifications. Qualitative factors like workplace satisfaction and growth opportunities might explain this. Meanwhile, rising graduate salary expectations, along with training costs and study-related absences, are key factors for most organisations when planning how many accountants to train annually.

Notably, only 9% of respondents see a long-term future at their current firm. Given this low figure, apprenticeship pathways, with their lower initial salary and extended 5-year contracts, may become an increasingly preferred choice for firms seeking better retention and return on investment.

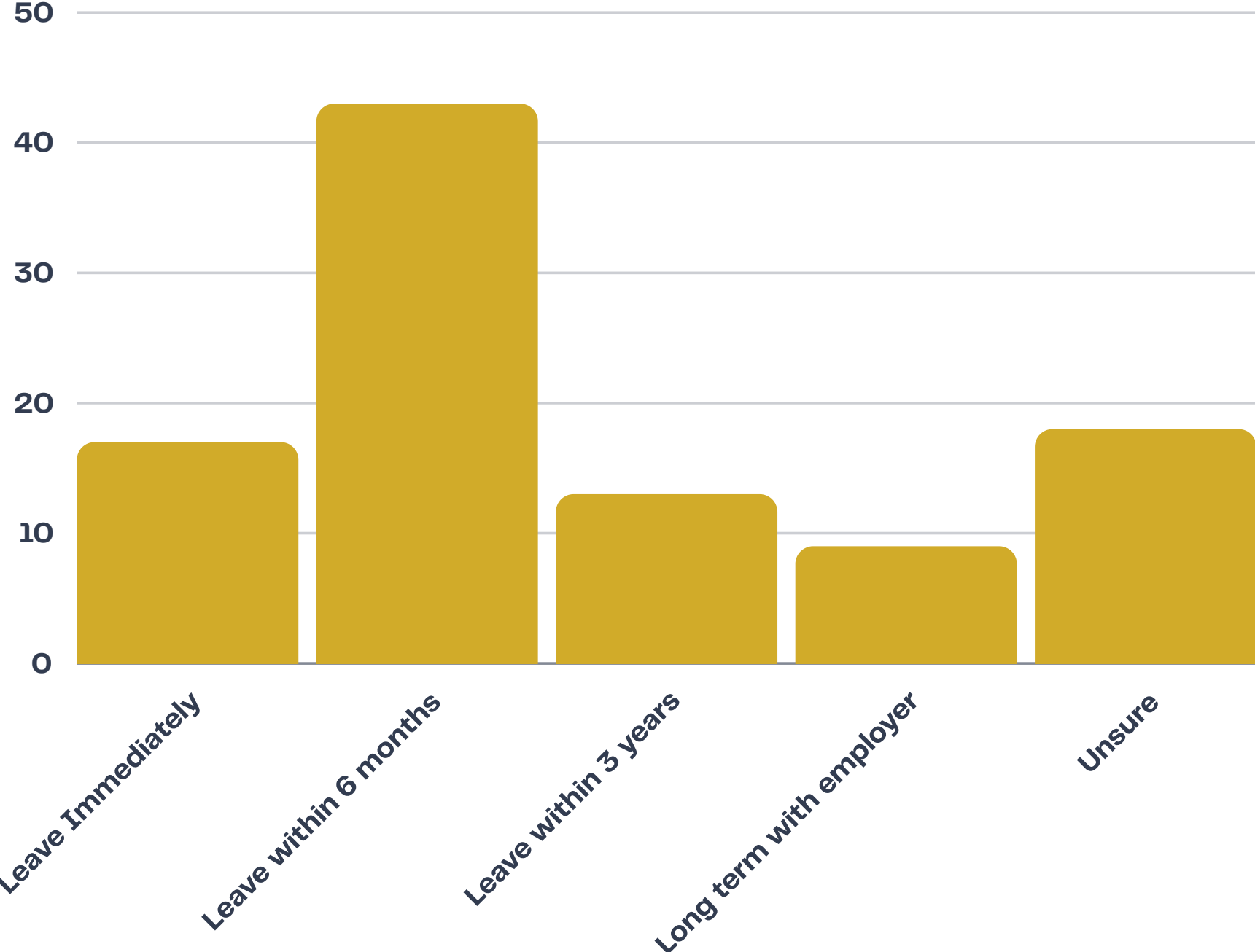
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60%

of respondents plan to leave immediately or within the first 6 months

9%

of respondents plan a long term future with their current employer



Employer Choice by Sector

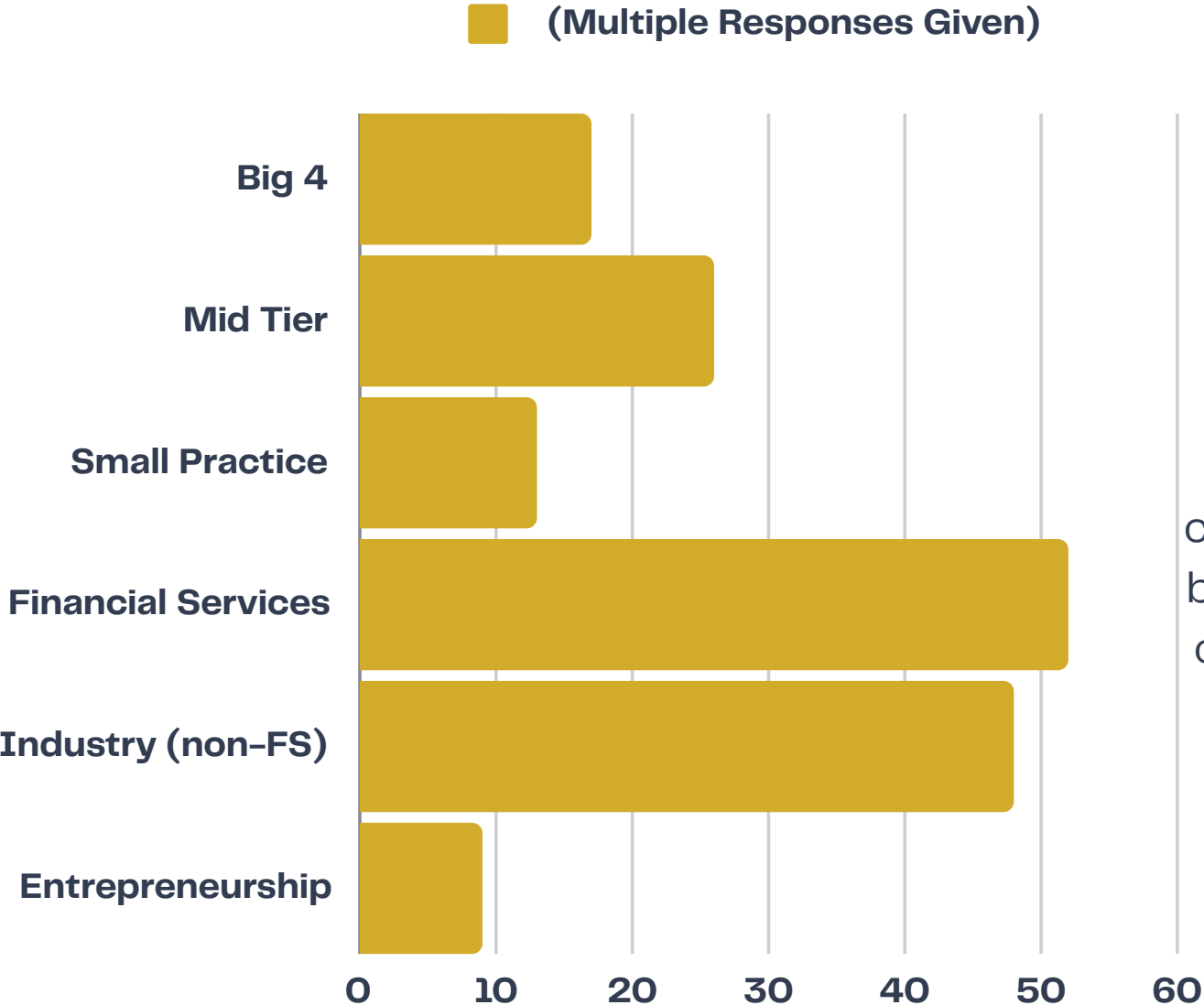
The industry landscape is evolving. While Financial Services and Industry (non-FS) remain popular, the rise of Mid-tier firms as a preferred choice indicates a shift in professionals' priorities. Factors like work-life balance, competitive salaries, and the changing dynamics of the industry, influenced by investment and consolidation, are reshaping career preferences. Adapting to these changes and understanding the evolving landscape can benefit all organisations in attracting and retaining the top accountancy and finance talent.

62%

of respondents from the Big 4 plan to move to FS

80%

of respondents from Small Practice plan a move to Industry (non-FS)



When considering a potential employer change, which category best describes the type of employer you would look to move to?

Employer Choice by Sector

Mid-Tier firms, constituting the Top 100 UK firms outside of the Big 4, are attracting 26% of the respondents. This is noteworthy, as it's higher than the Big 4 preference (17%). It's been observed that Mid-Tier firms have been increasingly perceived as offering a better work-life balance when compared to the Big 4. This could be attributed to:

1. Competitive salaries: as the competition for talent intensifies, Mid-Tier firms are offering more attractive compensation packages.
2. Private Equity investment and consolidation: an influx of private equity investment in Mid-Tiers and Industry consolidation could be driving these firms to invest more in talent acquisition and retention strategies.

The Big 4 The Big 4 attracted 17% of respondents. A cornerstone of Big 4 success is their robust training model, under which a significant number of accountants receive their training, showcasing the Big 4's dedication to cultivating industry-leading professionals. Their continued dominance in the industry underscores the importance of being attuned to the evolving preferences of professionals. By understanding these shifts, the Big 4 are well-positioned to adapt to the changing dynamics of the market.

Financial Services and Industry (non FS) are the most sought-after sectors, with 52% and 48% of respondents expressing interest. This reflects what candidates tell us daily. This could be attributed to

1. Diversification of roles
2. Perceived stability
3. Competitive compensation packages
4. Flexible working models

Employer Choice by Motivation

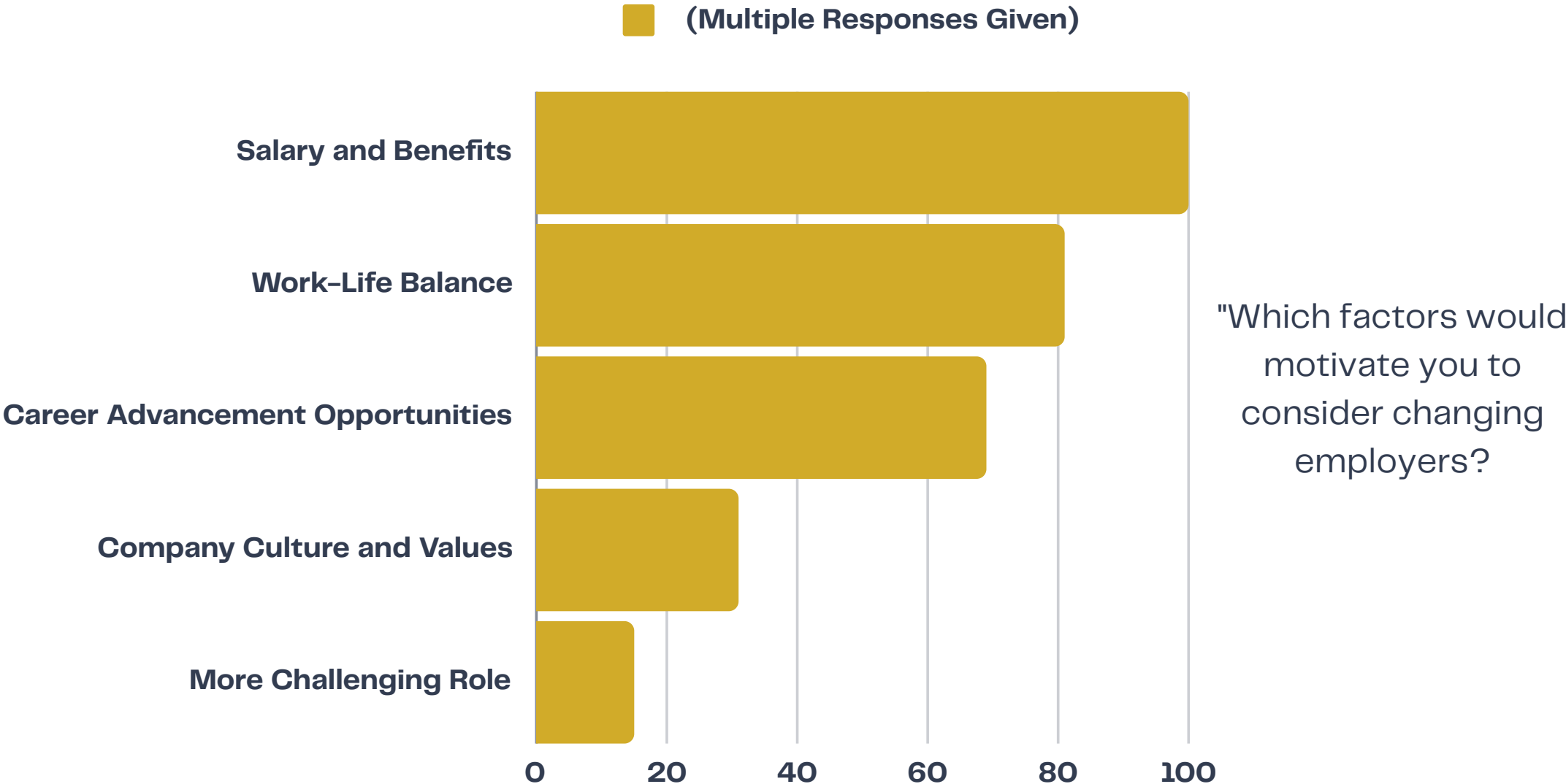
While compensation remains a paramount consideration for professionals, aspects related to work-life balance and career advancement are also important. Employers aiming to attract and retain talent should prioritise offering competitive compensation packages, clear pathways for career progression, and fostering a work environment that supports a balanced lifestyle. Moreover, aligning company values with those of the employees and ensuring practical benefits (like a convenient location or commute) can further enhance an employer's appeal.

91%

of respondents looking to move to FS or Industry answered work-life balance

80%

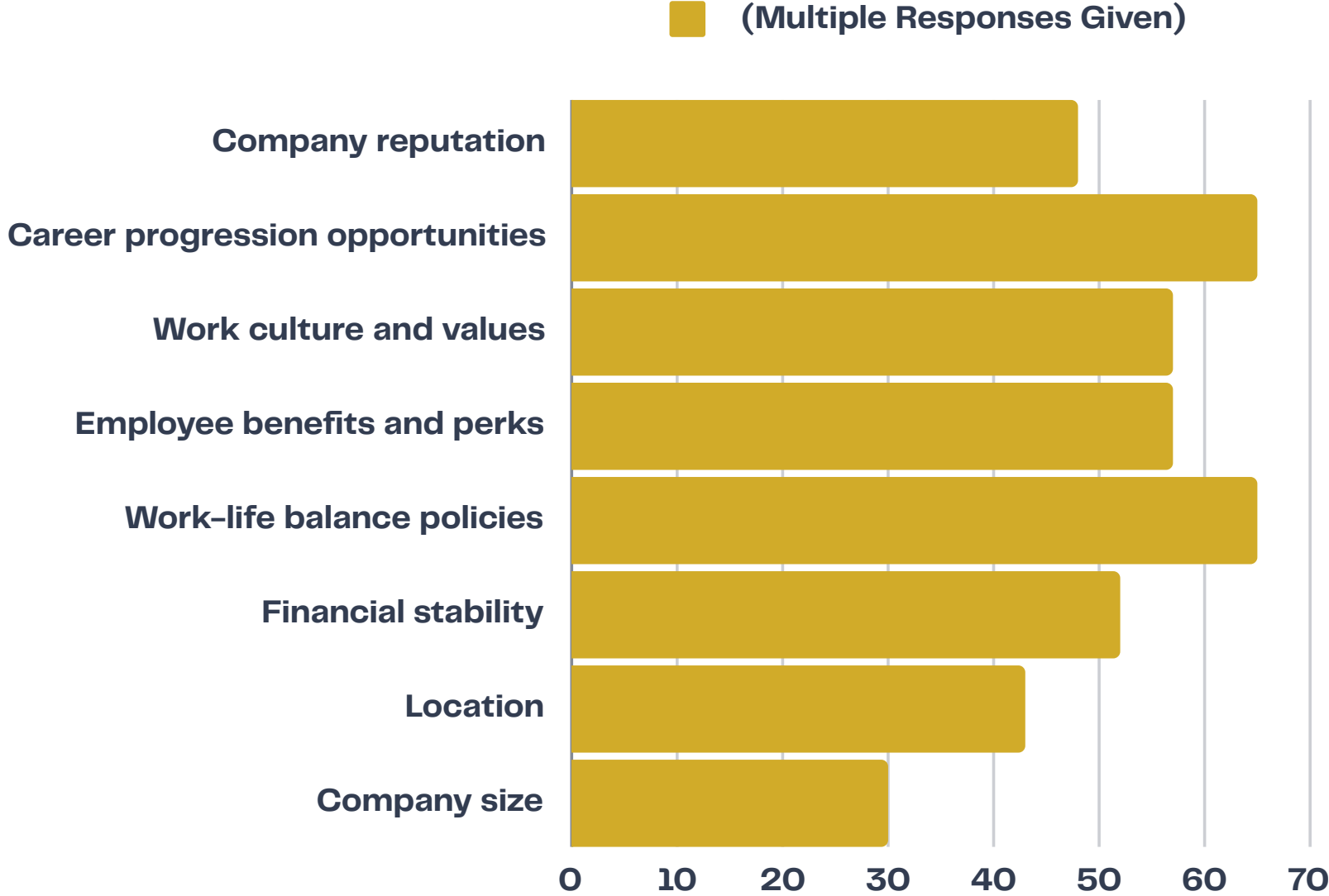
of respondents from Small Practice answered career advancement



Evaluating Potential Employer Criteria

Our data illustrates a clear trend: career progression and work-life balance are top priorities for job seekers, reflecting a workforce that values growth and personal well-being. While work culture and employee benefits remain influential, it's apparent that job security, as indicated by financial stability, is also a key consideration. Interestingly, the size of the company is the least concerning factor, highlighting that the quality of the work environment trumps the scale of the employer. To attract and retain talent, employers should, therefore, ensure robust career development pathways and a genuine commitment to work-life balance.

"What factors do you consider most important when evaluating a potential employer?"



£43,765

The mean annual salary respondents expected to earn upon qualification

The mean expected salary of £43,765 reported in our survey reflects the current market trends and is consistent with our daily interactions with both clients and newly qualified professionals. In recent recruitment within Central Scotland, salaries for newly qualified accountants have ranged from £38,000 with a small practice to £51,000 for roles with an asset manager. As previously highlighted, while compensation is a key factor, professionals also value work-life balance and career advancement. It's crucial to consider the overall benefits package and career progression opportunities when evaluating job offers, aligning with the broader priorities of today's accounting professionals.



Thank you for reading our report, 'Beyond Qualification: A Look at Scotland's Accountants in Training.' At Ceres, we deliver recruitment with a blend of simplicity and deep market understanding, connecting you with the right talent for roles from newly qualified accountants to CFOs. Our tailored approach ensures a perfect match for your company's vision. If you're looking to elevate your team with top finance talent across Scotland, get in touch with us directly.

Contact

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About The Survey

This survey, conducted between June and September 2023, reflects the perspectives of 115 part-qualified accountants currently in the final 2 years of a training contract within public practice. Of these respondents:

- 105 are affiliated with ICAS
- 10 are associated with ACCA

While we did receive a handful of responses from accountants pursuing qualifications with AAT, ATT, CIMA, and CIA, each group only accounted for one or two submissions. Given the limited data from these groups, we chose to exclude their responses from the survey results to maintain a focused and meaningful dataset. All participants in this survey are based in Scotland.



Acknowledgements

We extend our heartfelt thanks to all survey participants. We wish you the very best in your professional endeavours and future successes.

Thanks again,

Ceres Financial Talent