



Hong Kong Institute of  
Certified Public Accountants  
香港會計師公會



2018

CAREER  
SURVEY

# President's message

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Dear readers,

The Institute regularly surveys its membership to seek their views on factors affecting the profession. This year I am pleased to announce that as well as members, students have been surveyed for the first time. This report combines the two surveys to provide broader insights.

The surveys this year focused on three topics, employment prospects, earning power, and CPA qualification and development. Respondents to both the membership survey and studentship survey were positive or neutral about the employment market and the economic outlook over the next 18 months. For members, this was the most positive survey result since the question was first asked in March 2016.

Perhaps somewhat related, employer respondents to the membership survey reported high levels of difficulties in recruiting and retaining staff, both in practice and in business, with remuneration being a common factor driving staff to change jobs, and also for employers to attract new staff.

It is incumbent on the Institute to work with employers to ensure that there are well trained CPAs and that they remain highly valued employees, equipped with the skills and expertise that businesses need in this fast changing world undergoing technological disruptions. Reducing for employers the cost of recruiting and retaining the right talents, at the same time offering our members and students a wide variety of roles and specializations are vital for the long-term prosperity of members, the profession, and Hong Kong.

The Institute's Qualification Programme received good reviews from those who have completed it, and was reportedly adequate for meeting their job requirements. The Institute is implementing the new QP which will ensure the programme remains useful and relevant in the age of "accounting plus", by integrating the technical knowledge across fields of expertise in accounting, business and finance while also developing professional skills in analysis and critical thinking, problem-solving and leadership.

The surveys also asked respondents about the support their employer provides for continuous professional development. Students reported lower levels of support than members. Particularly noteworthy is the low level of support for development reported by members and students working in corporates. The Institute will continue to work with employers to ensure it is offering courses of use to members in all fields, and to make these courses more accessible through digital channels.

To the members and students who took part in the surveys I offer my thanks. Your insights help us target the activities of the Institute on the issues affecting us all.

Eric Tong  
President  
Hong Kong Institute of CPAs

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# Demographics

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**While the stereotypical expectation is for an “accountant” to be engaged in bookkeeping or auditing, the accountancy profession has long been more than just accounting and audit.**

Hong Kong CPAs, working in versatile positions in various sectors, play a significant role in business and the capital market by providing valuable professional services and support for Hong Kong to maintain its status as an international financial centre. In finance departments they are undertaking financial analysis, and in strategy departments developing corporate strategies. In practice they are also undertaking more advisory services, using their analytical skills with numbers to advise clients on complex business issues. Members very often assume senior positions in the corporate sector, as directors, CFOs, financial controllers and board members.

In this survey, member respondents to the membership survey are younger than the membership on average, and less senior in their organizations. Student respondents to the studentship survey are more likely to be in practice than members. This reflects the common approach taken by students to gain the required practical experience needed to become a CPA in practice, before moving into the corporate sector.

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**“ Members very often assume senior positions in the corporate sector, as directors, CFOs, financial controllers and board members.”**

# Profile of respondents

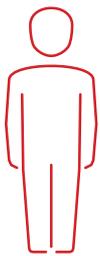
## Membership survey

(from 13 November to 15 December 2017)

A total of 3,310 responses (about 8% of total membership of 41,840 during the survey period)

The figures shown in grey below the survey results are the Institute's statistics based on total membership.

### Gender



**53%**  
male

(50%)



**47%**  
female

(50%)

### Age

**40%**  
under 35 years old

(28%)

### Employment

#### Public practice

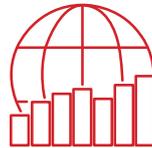


**21%**

Big Four 6%  
CPA firm with listed clients 5%  
CPA firm without listed clients 10%

(24%)

#### Corporate sector



**66%**

Company listed in Hong Kong 23%  
Company listed outside Hong Kong / MNC 15%  
Non-listed or privately-held company 28%

(61%)

#### Non-profit sector



**13%**

Government / semi-government / regulator / statutory body 9%  
Not-for-profit, charity, trade association 3%  
Academia 1%

(15%)

### Positions

#### Public practice 21%



**35% : 10% : 55%**

Partner / director / sole proprietor    Associate director / senior manager    Manager or below

(43% : 12% : 45%)

#### Non-practising sector 79%



**18% : 9% : 73%**

CFO / financial controller or above    COO / director    Divisional manager or below

(22% : 15% : 63%)

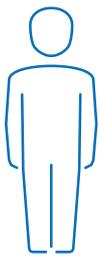
## Studentship survey

(from 15 December 2017 to 31 January 2018)

A total of 3,887 responses (about 23% of total studentship of 17,133 during the survey period)

The figures shown in grey below the survey results are the Institute's statistics based on total studentship.

### Gender



**41%**  
male

(43%)



**59%**  
female

(57%)

### Completion



**17%**  
completed QP

(15%)

### Employment

#### Public practice



**61%**

Big Four **25%**  
CPA firm with listed clients **19%**  
CPA firm without listed clients **17%**

(68%)

#### Corporate sector



**33%**

Company listed in Hong Kong **11%**  
Company listed outside Hong Kong / MNC **7%**  
Non-listed or privately-held company **15%**

(27%)

#### Non-profit sector



**6%**

Government / semi-government / regulator / statutory body **4%**  
Not-for-profit, charity, trade association **1%**  
Academia **1%**

(5%)

### Positions

#### Public practice **61%**



**39% : 61%**

Senior accountant or above

Staff accountant or below

#### Non-practising sector **39%**



**47% : 53%**

Accountant or above

Assistant accountant or below

(No comparison due to different position category in the Institute's statistics)

# Employment prospects

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**Hong Kong’s economy has strengthened since the 3rd Membership Survey conducted in March 2016. GDP growth in 2017 was 3.8% (versus 2.1% in 2016), while the unemployment rate fell from 3.4% to 3.1%.**

The improving economic environment has also improved the employment market for professional accountants. Members’ sentiments of the economic outlook for the next 18 months have improved considerably, raising from 12% positive in the 3rd Membership Survey (March 2016) to 38% in the 5th Membership Survey (December 2017).

The improving economy and tightening labour market go towards explaining the above-inflation pay rises and higher bonuses respondents reported (as discussed in *Earning power*). Members and students also reported a positive employment market, with almost half of members and over half of students expected to engage in a job search over the coming year.

The demand for professional CPAs in Hong Kong is likely to continue to grow as more and more business activities demand the services CPAs offer. After the changes by the Hong Kong Stock Exchange to allow listings by companies with weighted voting rights structures, and pre-profit / pre-revenue biotech companies, plus interest in the deep capital markets of Hong Kong demonstrated by state-owned enterprises who may seek a secondary listing on the stock exchange the number of IPOs is likely to increase significantly. Together, these developments will increase the demand for qualified CPAs to service the advisory, audit and financial analysis needs of a new group of firms.

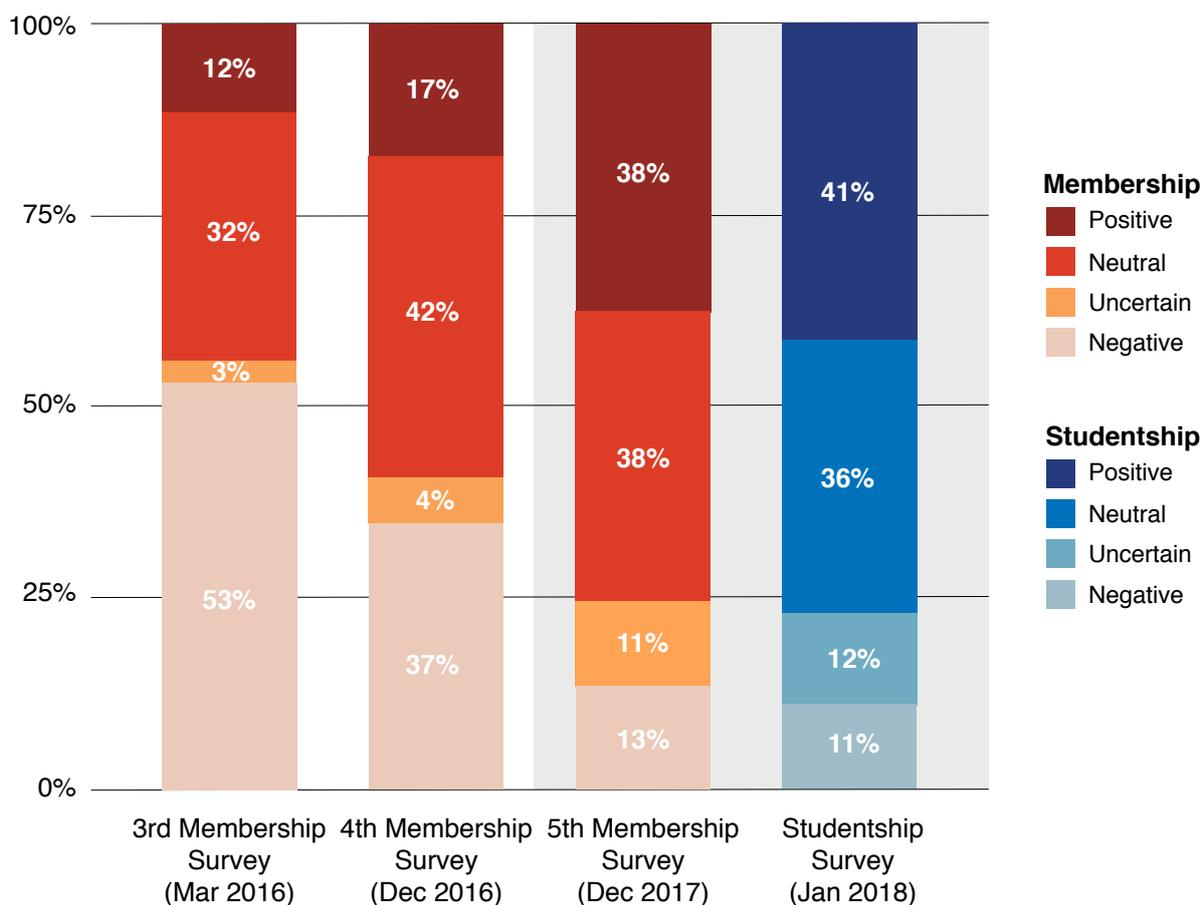
As the CPA practices continue their business transformations from traditional accounting to non-traditional accounting services, the phrase “the accountancy profession” is changing as well. With increasing focus on non-traditional roles, members are involved in a wider range of roles and specializations, as financial controllers, risk consultants and insolvency practitioners, among others. The profession is expanding from assurance and audit services, all based on the core technical advisory skills that CPAs learn through the Qualification Programme (“QP”) and in the age of “accounting plus”, technology such as big data, machine learning and cloud computing, will enable CPAs to offer higher-value skills and analysis services to clients and employers.

To help support members and employers in their search for new roles and staff, the Institute runs HKICPA Source, an online portal of accounting and related career opportunities specially created for our members. The Institute invites top recruitment agencies, and accounting and business employers to feature recent job postings on the platform which may be of interest to CPAs.

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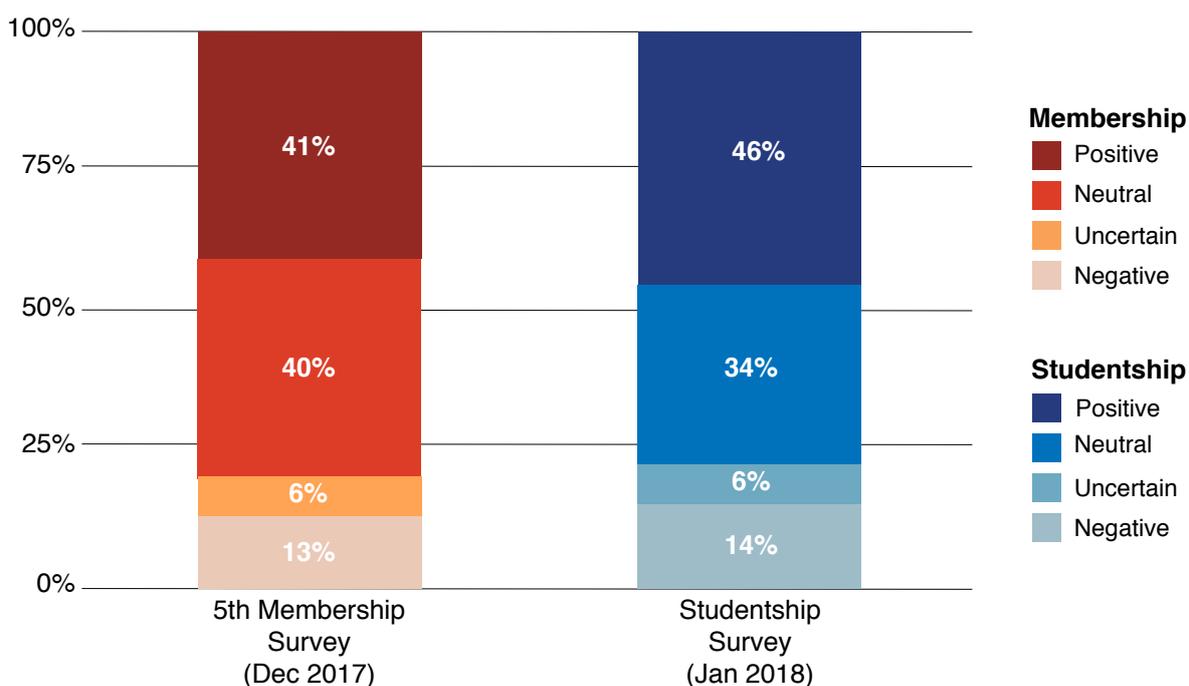
**“ As the CPA practices continue their business transformations from traditional accounting to non-traditional accounting services, the phrase ‘the accountancy profession’ is changing as well.”**

## Economic outlook over next 18 months



The 5th Membership Survey was the most positive so far, with members predominately feeling positive or neutral about the economic outlook and employment market for professional accountants. This follows the improving macroeconomic environment in Hong Kong.

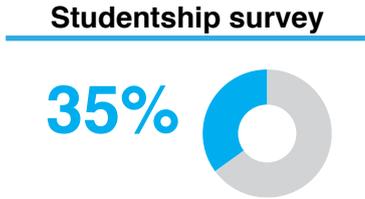
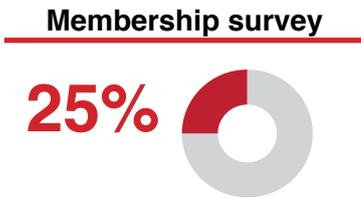
## Employment market for professional accountants



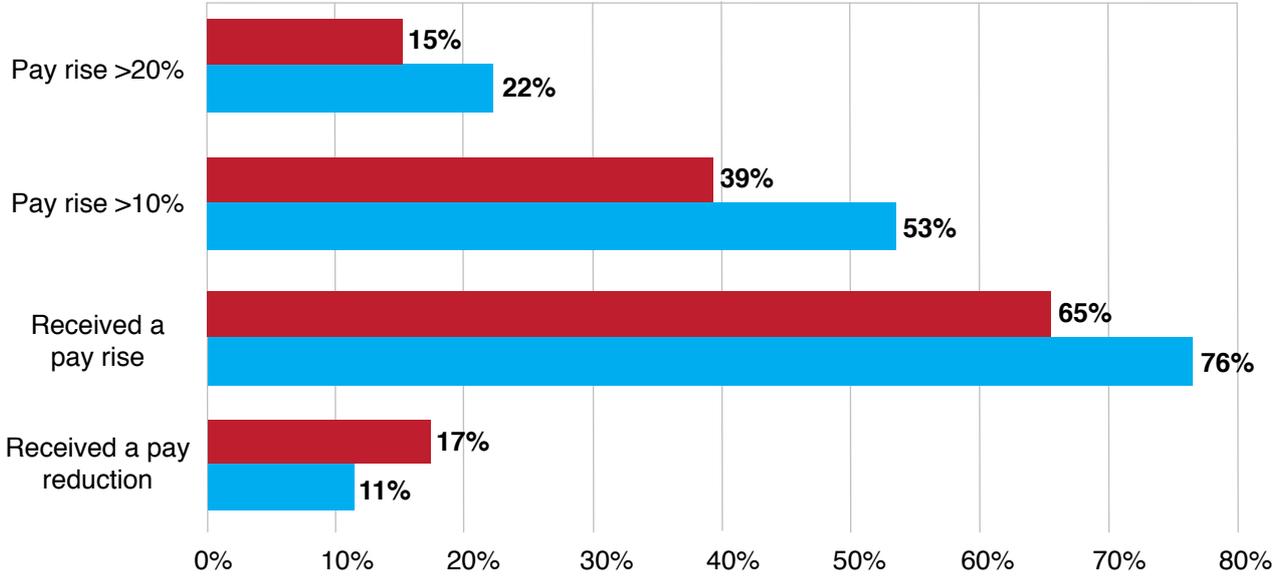
Both the membership and studentship surveys reported that majority of the respondents viewed the employment market for professional accountants for the next 18 months as positive or neutral.

# Employment change in the past 12 months

Percentage of respondents who changed employment

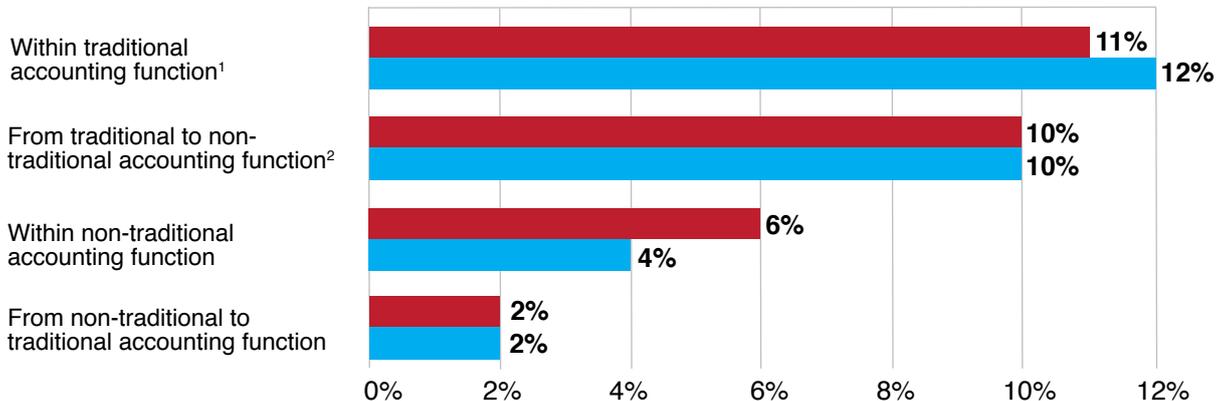


## Among those who changed employment



Position in public practice	<b>49%</b> were senior accountant / supervisor	<b>59%</b> were staff accountant / associate accountant / trainee accountant
Position in non-practising sector	<b>40%</b> were manager / assistant manager	<b>31%</b> were accountant / officer
Years of experience	<b>70%</b> have less than 10 years of post-qualified experience	<b>91%</b> have been a QP student for less than 5 years
Change field	<b>29%</b> changed field	<b>28%</b> changed field

## For those who changed field



1 Traditional accounting function includes financial / management accounting, audit and assurance, and tax.

2 Non-traditional accounting function includes advisory / consulting, specialist services, legal, investment and finance, IT, and learning and development.

## Top factors triggered respondents to change job with a pay rise



### Membership survey

- (25%) Better remuneration in new position
- (21%) Better career progression
- (17%) Better work-life balance
- (9%) The management style & company culture
- (8%) Less stressful

### Studentship survey

- (28%) Better remuneration in new position
- (23%) Better career progression
- (17%) Better work-life balance
- (10%) Better personal development & training support
- (6%) The management style & company culture

## Top factors triggered respondents to change job with a pay reduction



### Membership survey

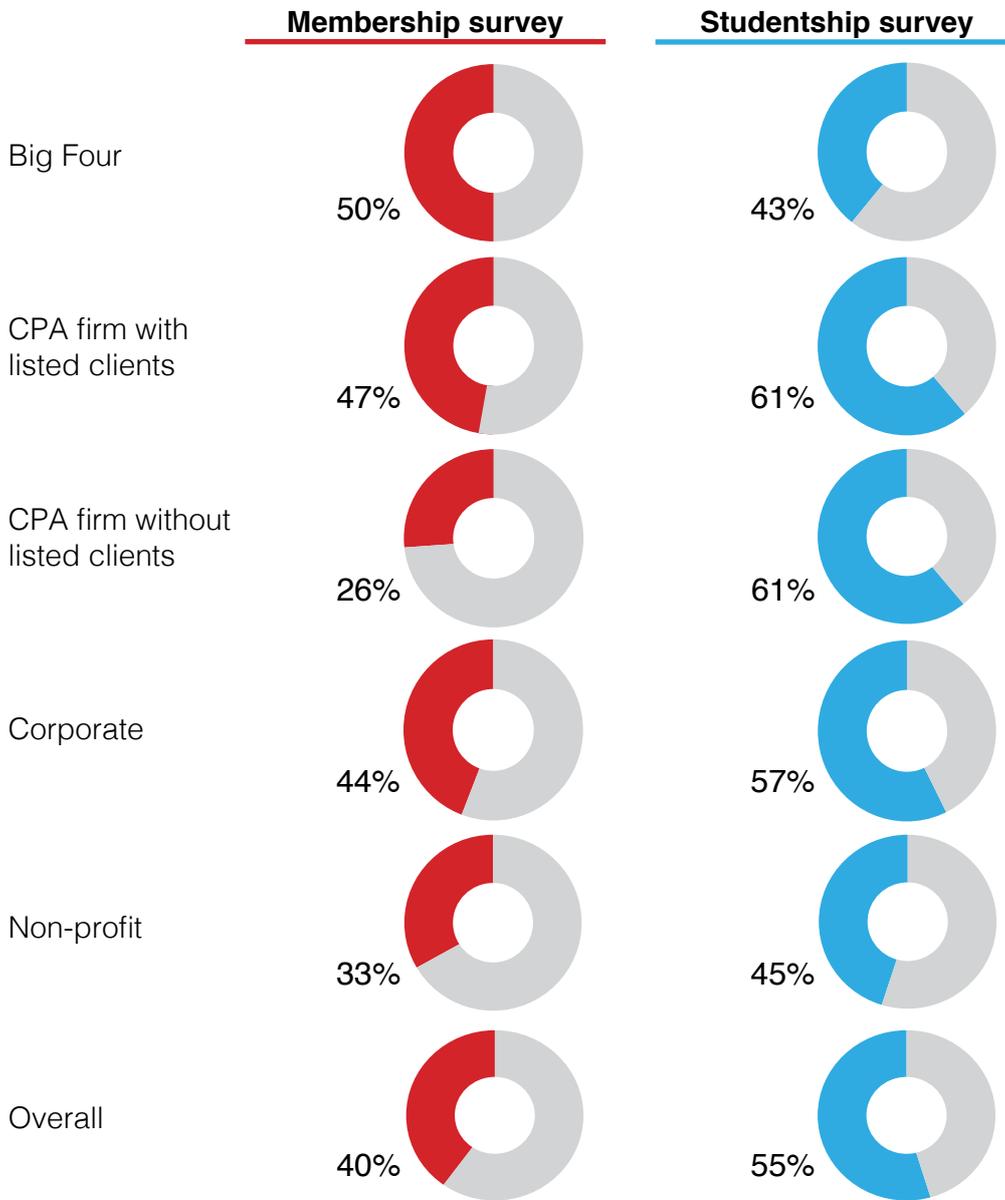
- (27%) Better work-life balance
- (16%) Less stressful
- (15%) Better career progression
- (11%) The management style & company culture
- (8%) Better personal development & training support

### Studentship survey

- (22%) Better career progression
- (18%) Better work-life balance
- (16%) Better personal development & training support
- (11%) Better remuneration in new position
- (11%) Less stressful

## Career plan

### Percentage of respondents who plan to change job in the next 12 months



Student respondents were less likely to leave the Big Four than members while for CPA firm without listed clients, student respondents were significantly more likely to leave than members.

As reported in the *Support for QP study provided by employer* (p.24), student respondents appreciate training and support from their firms. CPA firms and the corporate sector should consider developing their own training and support to help develop and retain student respondents in practice.

## Difficulties in recruitment efforts and retaining staff

The membership survey asked senior and middle-management level members about their experiences with recruiting and retaining staff and the factors that attracted new employees and causes existing to resign, over the year.

	Difficulties in recruiting staff	Difficulties in retaining staff
Big Four	83%	96%
CPA firm with listed clients	94%	94%
CPA firm without listed clients	83%	82%
Corporate	74%	84%
Non-profit	71%	77%

Employers, in all sectors, face difficulties in recruiting and retaining staff. Membership survey respondents reported that staff (CPAs, QP students and others) with 2 to 5 years work experience are the most difficult to retain.

There has been a consistent difficulty for CPA firms and businesses and non-profits to both recruiting and retaining suitably skilled staff. Broadly, non-profits have relatively less difficulty in recruiting and retaining staff.

The survey results show that there is a strong demand for accountants especially with the right skills and experience, and that accountants are mobile and eager to seek out new opportunities.

### The most important factors in influencing staff to resign / attracting new employees

	Big Four	CPA firm with listed clients	CPA firm without listed clients	Corporate	Non-profit
<b>Resigning factors</b>					
1st	Work-life balance	Remuneration			
2nd	Remuneration	Career progression			
3rd	Stress	Work-life balance			
<b>Attracting factors</b>					
1st	Remuneration				
2nd	Work-life balance				
3rd	Career progression				

Turnover is high in accounting firms, but CPAs broadly leave their firms for similar reasons. Namely, improving work-life balance, their remuneration and career progression.

As reported by employers, and the employees themselves, remuneration is both a big push and pull factor for both members and students to resign, while career progression and work-life balance are also key to all respondents.

# Earning power

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	<b>Membership survey</b>	<b>Studentship survey</b>
<b>Annual remuneration</b>	<b>53%</b> of survey respondents (vs. 49% in the 4th Membership Survey) <b>earned HK\$600K or more</b> (HK\$50K or more per month)	<b>85%</b> of survey respondents <b>earned HK\$150K or more</b> (HK\$12.5K or more per month)
<b>Median annual remuneration<sup>3</sup></b>	<b>HK\$600K to HK\$900K</b>	<b>HK\$200K to HK\$300K</b>
<b>Average annual remuneration<sup>4</sup></b>	<b>HK\$817K</b> (HK\$68K per month)	<b>HK\$255K</b> (HK\$21K per month)

Accounting continues to be one of the highest-paying professions in Hong Kong. The membership survey reported median annual remuneration of between HK\$600K and HK\$900K.

Accounting also continues to be an attractive profession to university graduates, and the studentship survey reported that remuneration grows quickly when joining the profession. By the third year as QP students (when it is common to graduate to becoming CPAs after having gained the practical experience required and completed all the examinations), respondents reported average annual remuneration of HK\$283K.

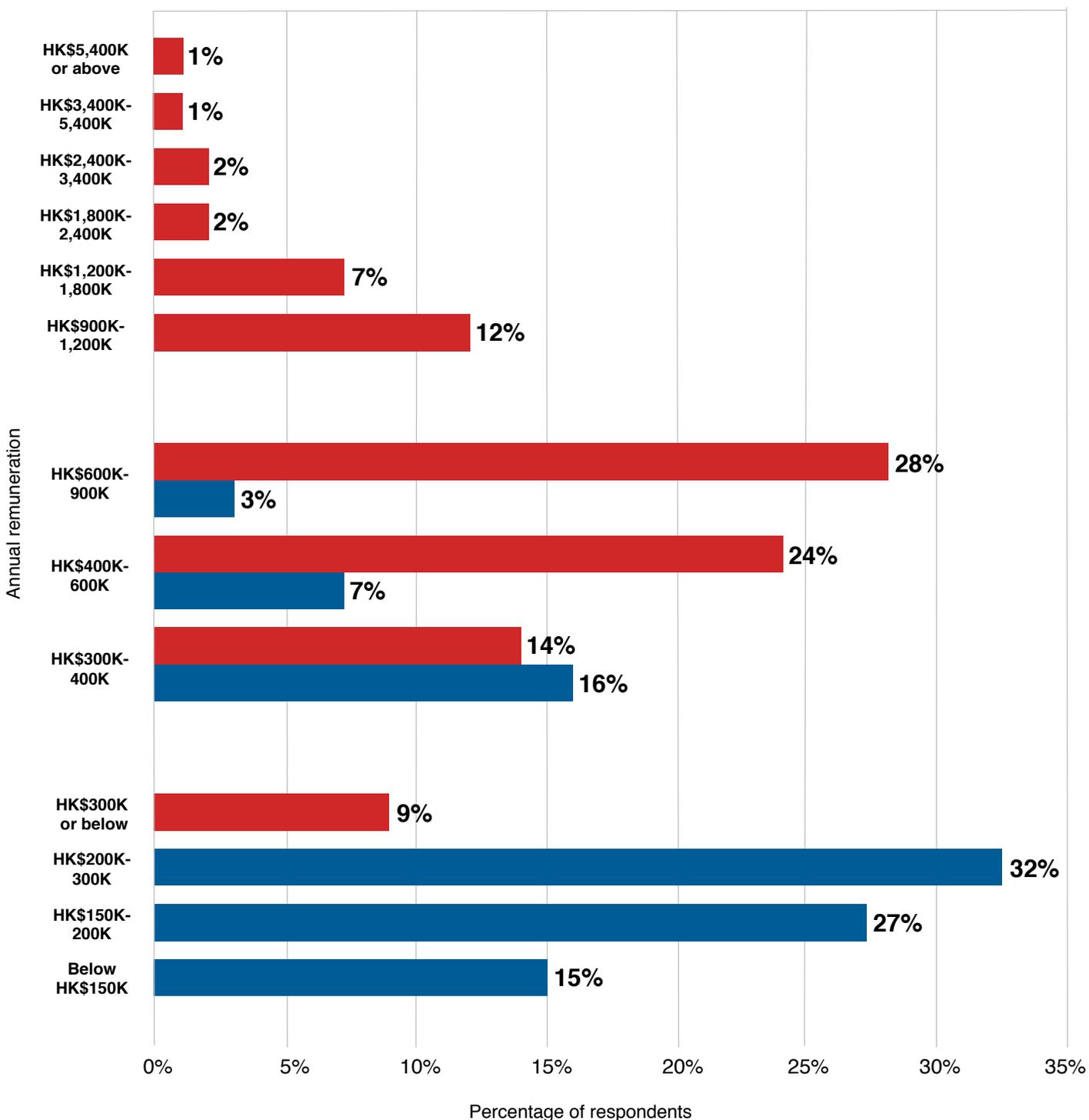
Big differences are seen between the structure of pay in practice and in the corporate sector. In practice, respondents reported high pay rises, with 50% receiving a pay rise of 5% or more and 12% reporting a raise of 15%. In business, however, pay rises were lower (just 24% reporting a raise of 5% or more) but bonuses were higher, 59% receiving more than 1 month and 21% between 2 and 4 months.

As the *Employment prospects* chapter noted, improving economic sentiment has seen the percentage of respondents reporting pay rises increase from 78% (3rd Membership Survey) to 87% now, while respondents receiving a bonus has increased from 74% to 80%.

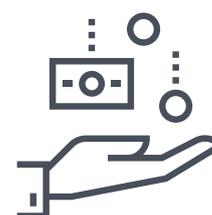
<sup>3</sup> Median annual remuneration is the middle bracket on the list of all respondents' salary brackets in numerical order.

<sup>4</sup> Average annual remuneration is the weighted mean of the salary brackets of the survey respondents. The figures are subject to the sample size and the number of outliers in the sample.

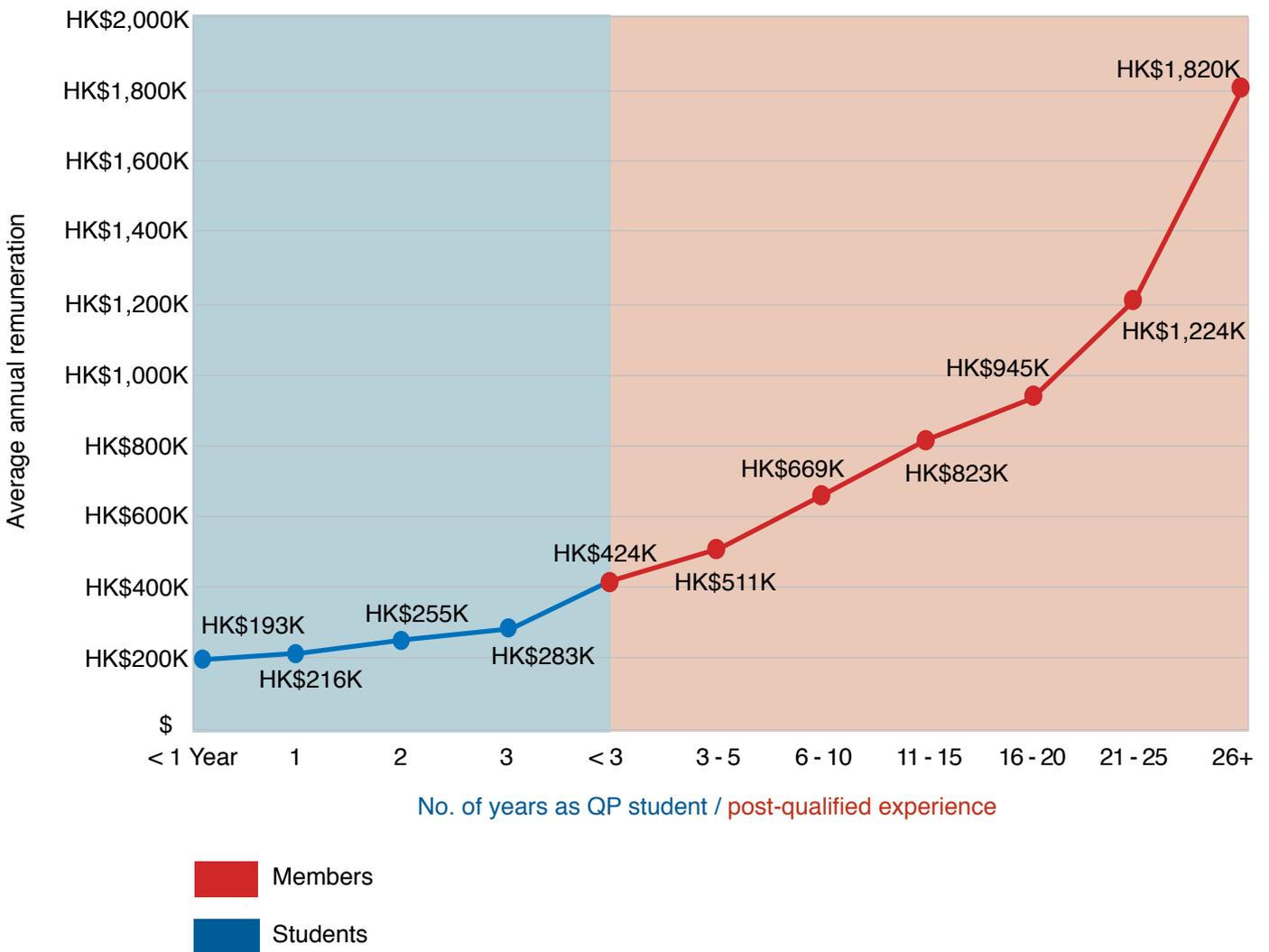
## Annual remuneration



■ Membership survey  
■ Studentship survey



### Average annual remuneration (from QP student to member)



## Strong career earnings growth

Accounting continues to be an attractive profession and it is the top target industry for university graduates<sup>5</sup>. As reported by the Hong Kong Polytechnic University (PolyU) *Graduate Employment Survey 2016*, the average monthly salary of fresh graduates of PolyU in their first job from selected course of study are as follows:

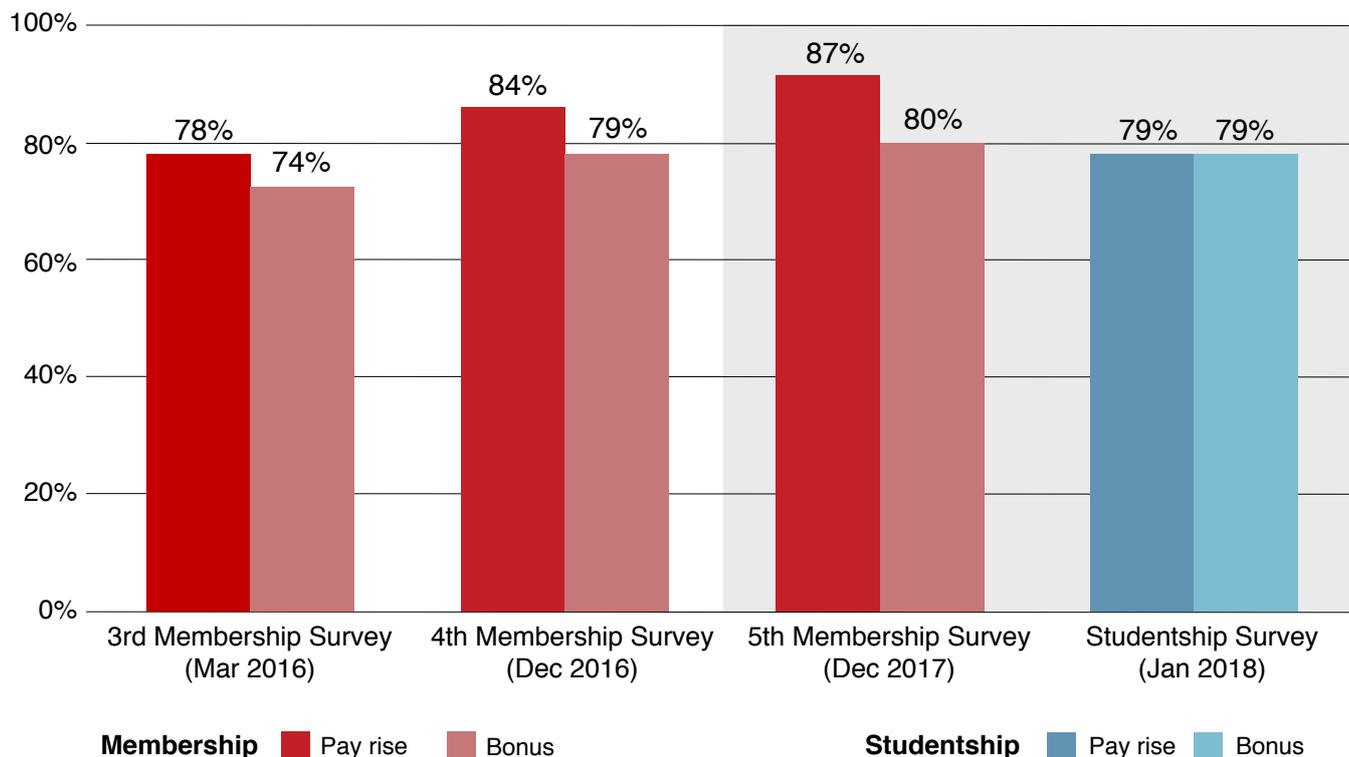
<b>Faculty</b>	<b>Course of study</b>	<b>Average monthly salary</b>
Business	Management	HK\$14,073
	Accounting	HK\$14,628
	Global supply chain management	HK\$14,804
	Marketing	HK\$14,830
Engineering	Computing	HK\$15,684
	Mechanical engineering	HK\$17,701
Construction & environment	Surveying	HK\$18,619

Respondents to the studentship survey reiterated these findings and respondents with less than one year experience reported median annual remuneration between HK\$150K-HK\$200K. Students with more years of work experience reported significantly higher remuneration, showing that pay in the profession grows quickly. By the third year as QP students (when it is common to graduate to becoming CPAs after having gained the practical experience required and completed all the examinations), respondents reported average annual remuneration of HK\$283K (HK\$23.5K per month). Almost 50% more than fresh recruits.

Once they qualified, respondents to the membership survey reported average annual remuneration of around HK\$424K (HK\$35K per month) for those with up to 3 years of post-qualified experience. Therefore, for a fresh university graduate, the growth in remuneration for the first 5 years of their accounting career is quite significant despite the entry level pay which may not be as high as other disciplines.

<sup>5</sup> Based on the result of jobsDB Survey on the Employment Status of Hong Kong's Tertiary Students 2016 and 2017.

## Pay rise and bonus



Compared with the 3rd Membership Survey and 4th Membership Survey, more member respondents to the 5th Membership Survey received a pay rise<sup>6</sup> and a bonus.

With inflation of 1.7%<sup>7</sup> in 2017, 60% and 66% member and student respondents received higher than inflation pay rises respectively (above 3%). A further 25% and 11% of member and student respondents reported pay rises between 1 and 2.9%.

This reflects a general improvement in the economic environment in Hong Kong over the past two years.

<sup>6</sup> Overall improvement in the annual earnings including promotion, inflation adjustment, etc.

<sup>7</sup> According to data from the Census and Statistics Department

Pay rise	Membership survey			Studentship survey		
	Public practice	Corporate	Non-profit	Public practice	Corporate	Non-profit
5% or more	50%	24%	14%	57%	39%	19%
15% or more	12%	4%	2%	34%	8%	2%
20% or more	N/A	N/A	N/A	28%	5%	2%
<b>Bonus</b>						
More than 1 month	35%	59%	27%	21%	51%	20%
Over 2 months but less than or equal to 4	4%	21%	8%	2%	15%	7%

Member respondents from the corporate sector received a lower pay rise but they enjoy a higher bonus due to the different remuneration structures found in the public practice and corporate sector.

While fewer student respondents received a high percentage bonus than members, 28% of student respondents from public practice received a pay rise of 20% or more, and general pay rises were higher than for members.

44% student respondents from public practice received an additional pay increment of 10% or more (on top of the regular pay rise) after the completion of QP, showing that employers value graduates of the QP and the skills they have learnt.

# CPA qualification and development

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**Two of the main roles of the Institute are in regulating entry to the profession and qualifying CPAs and upholding standards through continuous education and other services.**

Addressing the first of these roles, the Institute's Qualification Programme, the QP, is a comprehensive training programme that provides the knowledge and skills necessary to become a CPA. Through examinations and coursework the QP builds on an accounting degree and through participation in workshops that simulate issues faced by working CPA, students gain preparation for the real world. After the examinations, the practical experience requirement of the QP ensures that students receive real-world experience, under the tutelage of a CPA, which prepares them to assume roles with greater responsibility.

As reported by survey respondents, almost two-thirds of both member (65%) and student (64%) respondents felt that the QP was adequate to meet their job requirements.

In order to maintain this level of satisfaction in the increasingly digital era, with increasing importance placed on higher-value services, the Institute is implementing the new QP. The new QP integrates the technical knowledge across fields of expertise in accounting, business and finance with professional skills in analysis, critical thinking, problem-solving and leadership and real-world applicable knowledge through modules on business development, environmental risks and business ethics. These changes will help to ensure that upon completion of the QP, newly qualified CPAs will be rounded, skilled and effective employees.

As was reported through both the membership and studentship surveys, analytical and problem-solving skills are the two most-important skills to enhance in the QP training. On professional development activities, the Institute offers a wide range of courses and events to ensure that its members have the skills they need for successful careers and are kept up-to-date on developments which affect their professional roles.

To help members working in certain specializations the Institute offers specialist courses in insolvency, taxation and financial controllership. These courses help develop the skills required for practitioners, while the Financial Controllership Programme helps members to become senior leaders in the corporate sector.

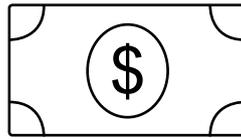
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**“ In order to maintain this level of satisfaction in the increasingly digital era, with increasing importance placed on higher-value services, the Institute is implementing the new QP.”**

## Reasons for pursuing the CPA qualification



Career progression  
**32%**



Remuneration  
**21%**



Personal development and training support  
**12%**

## Skills to be enhanced in QP training

### Membership survey

- 1 Analytical skills (23%)
- 2 Problem-solving skills (17%)
- 3 Communication skills (12%)
- 4 Flexibility / ability to adapt to change (12%)
- 5 Critical thinking (12%)

### Studentship survey

- Analytical skills (22%)
- Problem-solving skills (19%)
- Critical thinking (12%)
- Time / project management (9%)
- Flexibility / ability to adapt to change (9%)

## Adequacy and usefulness of QP training

**65%**

of members respondents who are newly QP qualified agreed that QP training is adequate to meet their job requirements

**64%**

of student respondents who have completed QP found that the QP training is adequate to meet their current job requirements

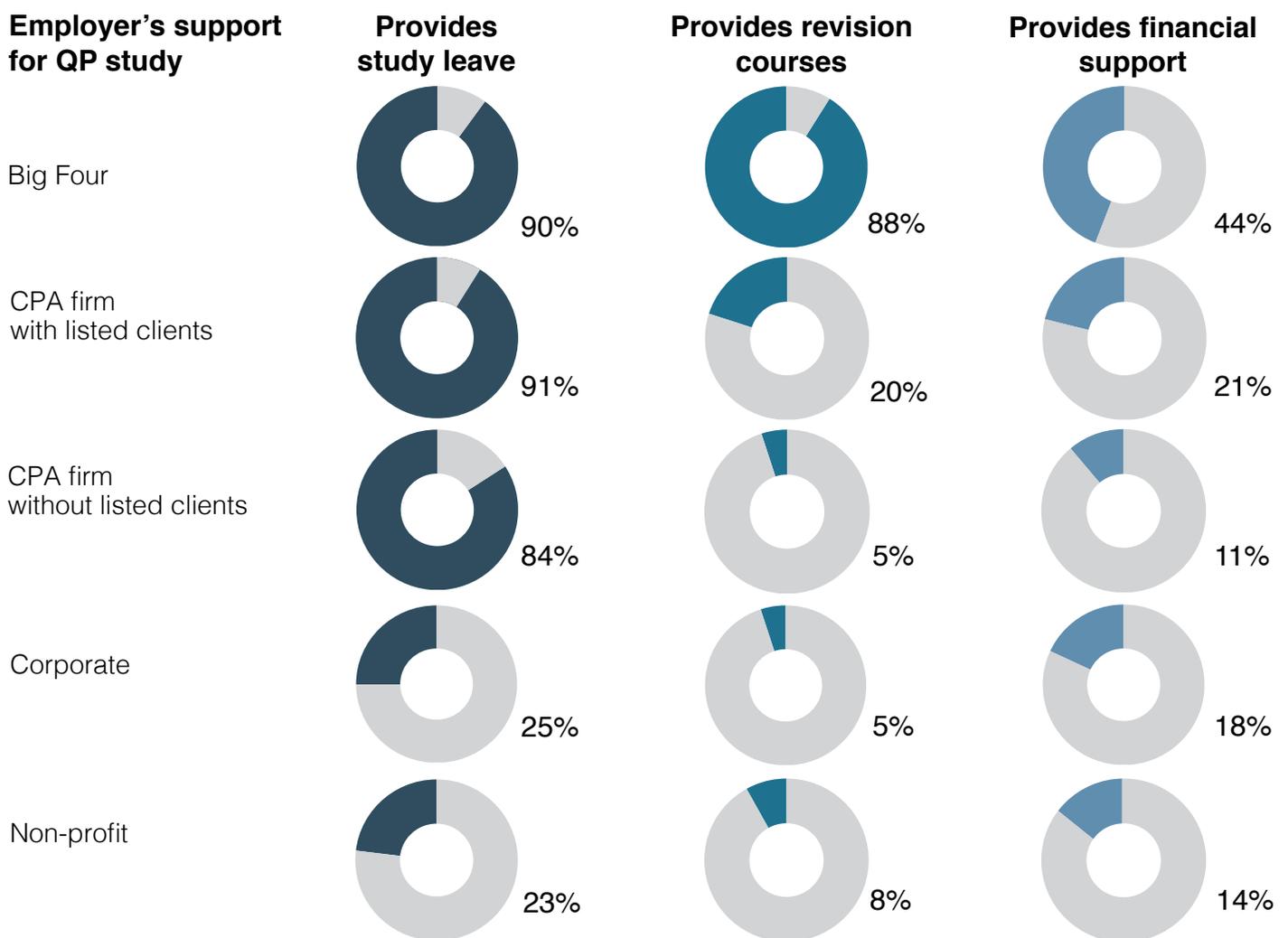
**79%**

of student respondents agreed that QP is useful for their career development

**82%**

of student respondents reported that they would stay in the accounting profession after qualification. This retention rate is similar to that found in different professions

## Support for QP study provided by employer



Student respondents in public practice reported better support, including study leave, revision courses and financial support for QP study from their employer than those in corporate sector.

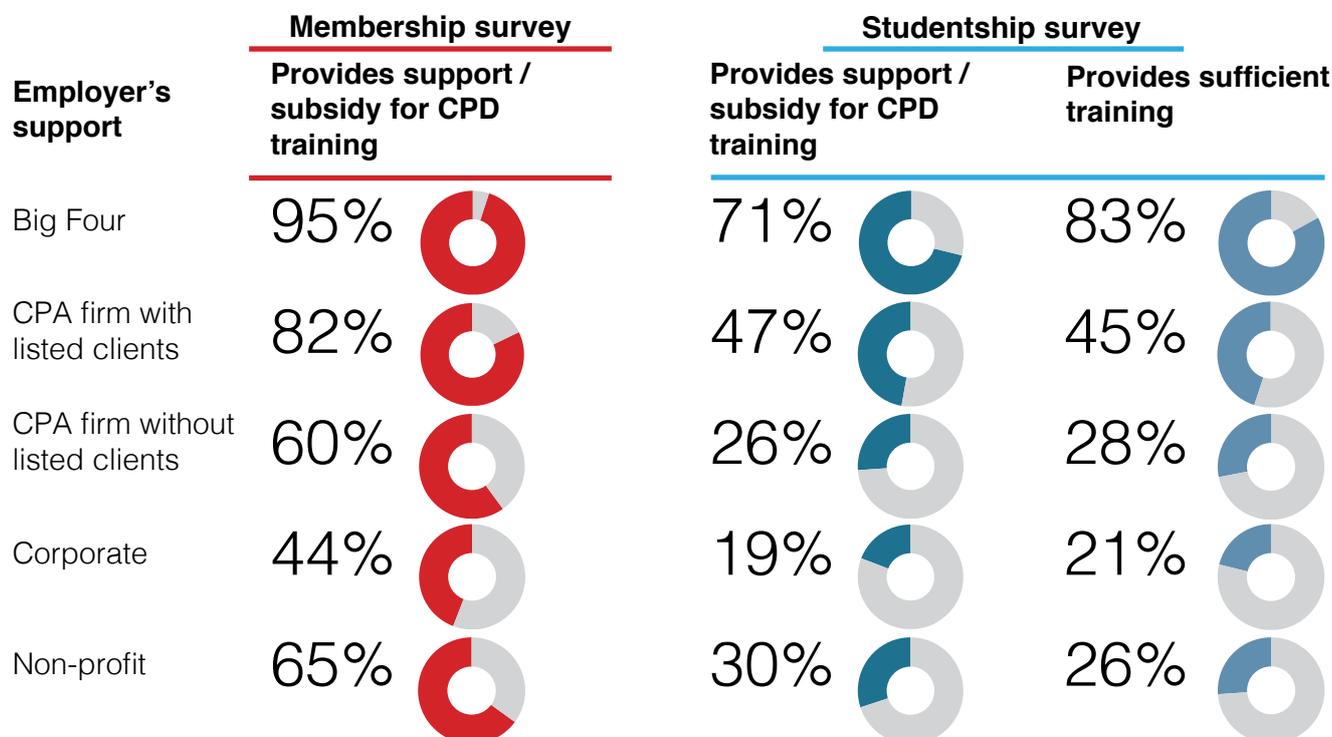
This demonstrates why students are more likely to be employed in practice than the corporate sector, when compared to members.

The new QP will help to preserve the profession's future attractiveness and enhance some of the skills respondents highlighted needing enhancing. Together, these improvements should maintain the profession's reputation for quality and ensure that CPAs in the future are able to deliver the higher-order, value added skills their employers and clients will need.

## Employer's support / subsidy for CPD training

To retain the CPA designation, members must complete at least 120 hours of relevant CPD activities each rolling three-year period.

In 2016 /17 the Institute offered 3,282 CPD hours to members through 318 face-to-face events and 313 e-learning programmes and attracted 73,752 enrolments on a wide range of topics from financial reporting to valuations, taxation to big data and analytics, and environmental, social and governance to soft skills.



Due to new regulations and technological developments, public practising accountants are likely to face more regular changes in their business environment, as such the high level of support for CPD training and the training level is important for them.

Survey respondents indicated that CPAs in corporate or non-profit sector do not feel like they receive sufficient support or training from their employer and ways to improve this should be considered in the future. Both members and students respondents working in the Big Four reported higher levels of support for their CPD training than those working in the corporate sector.

To help ensure its members possess the sufficient skills and knowledge needed for their roles, the Institute continuously expands the range of courses it offers. In 2017 it offered new courses on investor relations and expanded courses on IT, soft skills, capital markets, and risk management, and for 2018 the Institute plans new or expanded series on practice management, valuation, and mediation.

The Institute is increasingly offering these courses electronically. These e-courses allow members to learn anywhere, anytime, and ensure they can get the verified CPD needed to maintain their skills and competencies, and most importantly their CPA designation, at a time that suits them.

The Institute works with employers in both practising and corporate sectors to ensure its members can attend courses relevant to their needs. Industry experts are engaged in the design phase of each specialist course to consider how to address the training needs of the members. To ensure the relevancy on an on-going basis, the Institute commissions very experienced practitioners in their respective fields as course directors and facilitators of each of the courses. Because of the skilled practitioners involved, and course content, employers regularly send staff to courses such as those offered on insolvency and the Financial Controllershship Programme.

# About the HKICPA

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The Hong Kong Institute of CPAs is the only body authorized by law to register and grant practising certificates to certified public accountants in Hong Kong. The Institute has more than 42,000 members and 18,000 registered students. Members of the Institute are entitled to the description “certified public accountant” and to the designation CPA.

The Hong Kong Institute of CPAs evolved from the Hong Kong Society of Accountants, which was established on 1 January 1973.

The Institute operates under the Professional Accountants Ordinance and works in the public interest. The Institute has wide-ranging responsibilities, including assuring the quality of entry into the profession through its postgraduate qualification programme and promulgating financial reporting, auditing and ethical standards in Hong Kong. The Institute has responsibility for regulating and promoting efficient accounting practices in Hong Kong to safeguard its leadership as an international financial centre.

The Hong Kong Institute of CPAs is a member of the Global Accounting Alliance – an alliance of the world’s leading professional accountancy bodies, which was formed in 2005. The GAA promotes quality services, collaborates on important international issues and works with national regulators, governments and stakeholders.

## **Accountancy Manpower Research Advisory Panel**

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The Institute would like to thank the following members of the Accountancy Manpower Research Advisory Panel for their input into this report:

Prof. Cho Lung Pui Lan, Stella (Chairman)

Mr. Chan Ting Bond, Michael (Member)

Mr. Chow Wing Nin, William (Member)

Miss Lee Yuen Mei (Member)

Miss Ng Ka Wah (Member)

Mr. Ng Kam Wah, Webster (Member)

Mr. Tse Kin Pang, Richard (Member)

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