



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

2019

CAREER SURVEY

President's message

Dear members,

I would like to offer you my heartfelt thanks for taking part in the 2019 Career Survey. We truly value the information you have provided.

The survey was conducted between November 2018 and January 2019, aiming at gauging the short- and long-term needs for development of the profession in the "Accounting Plus" era. We received over 3,900 responses. More than one third of member survey respondents and almost one fifth of student survey respondents are in non-traditional accounting functions (including advisory, consulting, specialist services, and investment and finance).

This report highlights some of the key findings on respondents' views of the economy and the employment market, the skills needed to be an accountant plus, and the pay and benefits in the profession.

The results showed that retaining staff remains a top priority in employers' agendas in 2019. Over half of middle and senior management level respondents expected to increase recruitment or fill vacancies, while members and students remain confident in their career mobility.

Hong Kong's accounting profession is undergoing a transformation driven by globalization and digitalization. The convergence of industries opens up opportunities for organizations to evolve and thus drives the demand for accounting professionals with cross-disciplinary experience. A new mix of hard and soft competencies such as business acumen, data analytics and leaderships skills are required to stay relevant and provide effective strategic advice.

The Institute is committed to help its members, in the age of Accounting Plus, advance their careers by escalating technical knowledge and developing professional ethics and skills. We are offering a wide range of training options from professional development classes to specialist courses in areas including financial controllership and insolvency and more. We organized 770 Continuing Professional Development courses with over 85,000 enrolments last year, representing a 22% increment in the number of courses offered by the Institute as compared with 2017.

We encourage you to take some time to read this report. If you have any feedback, we are always ready to listen and follow up.

Patrick Law
President
Hong Kong Institute of CPAs

03	Demographics
06	Economic developments and employment opportunities
12	The skills of Accountants Plus
16	Earning power
22	Accountancy Manpower Research Advisory Panel



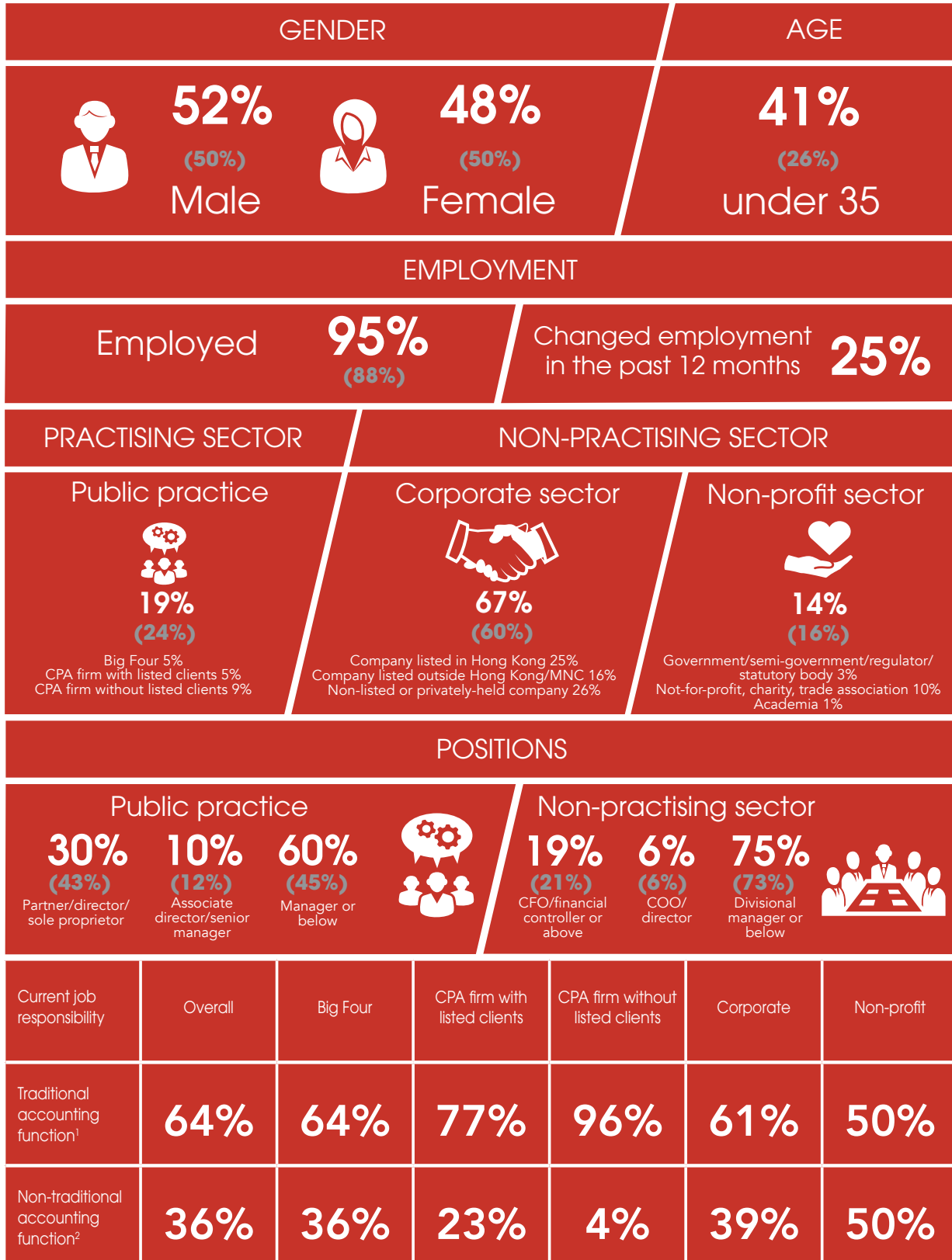
Demographics

The driving force behind this concept of Accounting Plus is CPAs moving into a wider range of specializations and providing more higher-value services to their clients and employers. Already, 36% of membership survey respondents are undertaking roles in non-traditional accounting functions. In public practice this includes roles such as consulting, forensic accounting and insolvency. In the non-practising sector these roles include corporate finance, investment and financial management, and internal control risk management and compliance.

Accounting is a dynamic profession, particularly for those early in their career. A quarter of membership survey respondents and over one-third of studentship survey respondents reported changing employment over the past year.

Membership survey respondents are younger, more likely to be in corporate sector than census. The figures shown in **grey** below the survey results are the Institute's statistics based on total membership.

A total of **2,612** responses
(Survey period from 22 November to 22 December 2018)

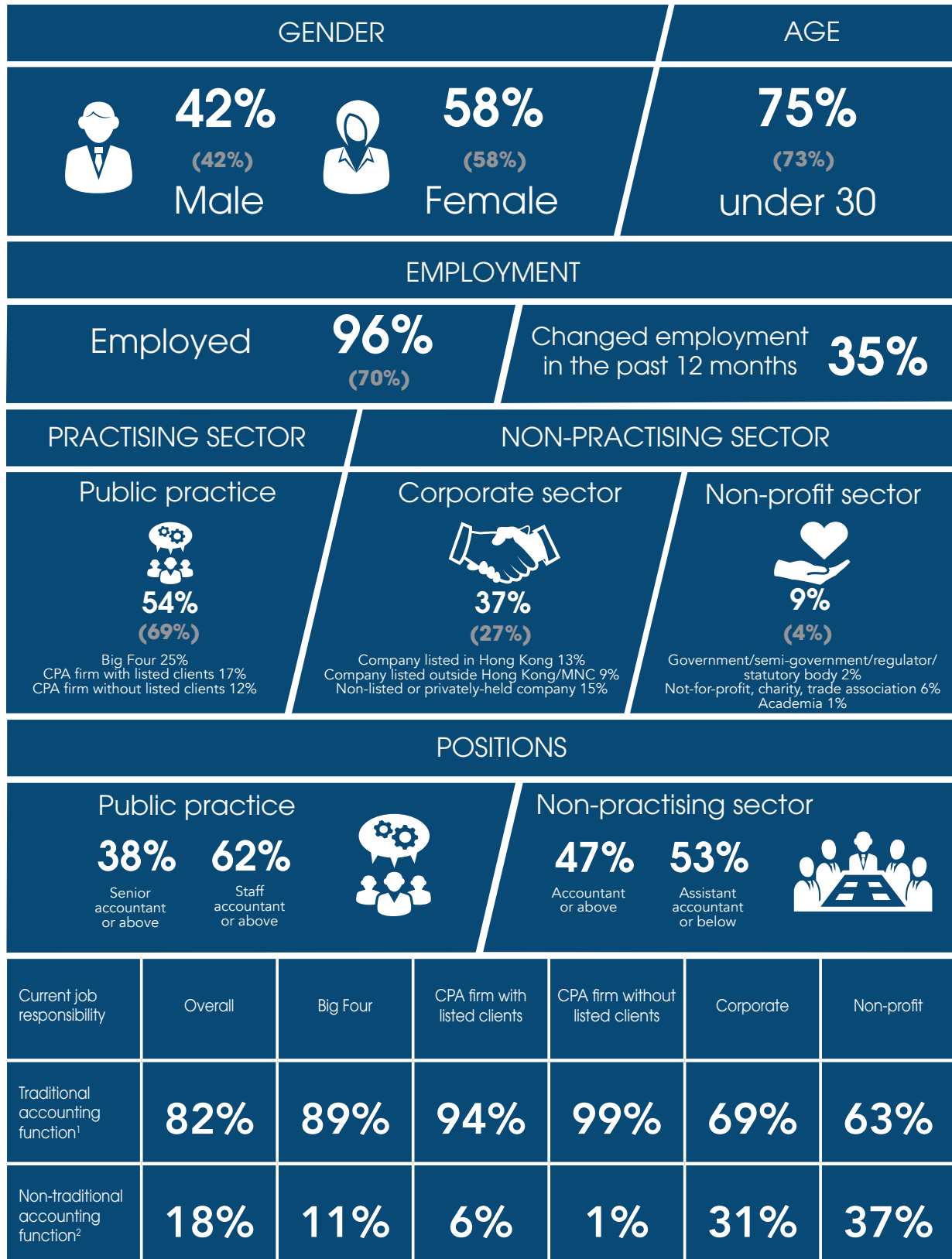


1 Traditional accounting function includes financial/management accounting, audit and assurance, and tax.

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

Survey respondents were significantly more likely to be in corporate sector than census data. The figures shown in **grey** below the survey results are the Institute's statistics based on total studentship.

A total of **1,302** responses
(Survey period from 6 December 2018 to 6 January 2019)



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.



Economic developments and employment opportunities

Survey respondents' views on the global economy have become gloomier, and there are signs of pessimism among respondents to the Institute's membership and studentship surveys.

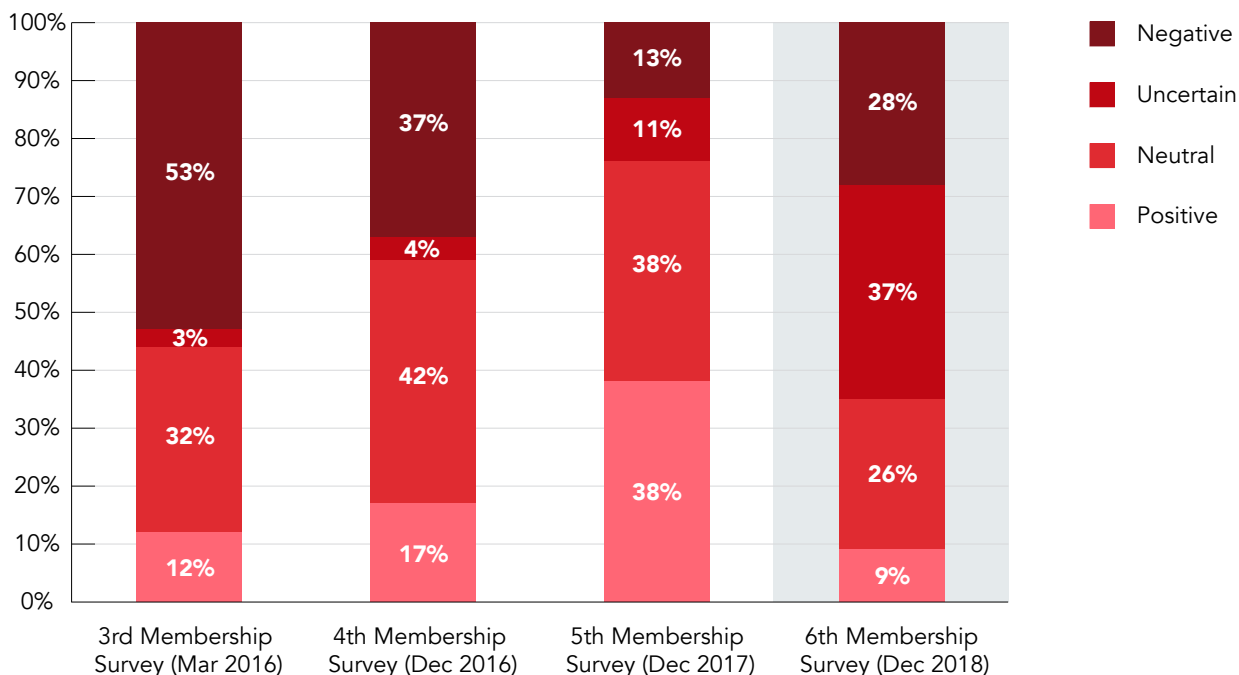
As a free and open economy, Hong Kong is susceptible to deteriorating economic conditions in its trading partners. With the trade war between the United States and China ongoing, and a general slowdown in global trading, growth in the Hong Kong economy is likely to remain subdued.

Even with the headwinds, demand for accountants remains strong, over half of middle and senior management level respondents expected to increase recruitment or fill vacancies. Relatedly, 45% of member and 64% of student respondents expected to change their role (promotion or change in responsibilities) or move to a new organization over the next 12 months.

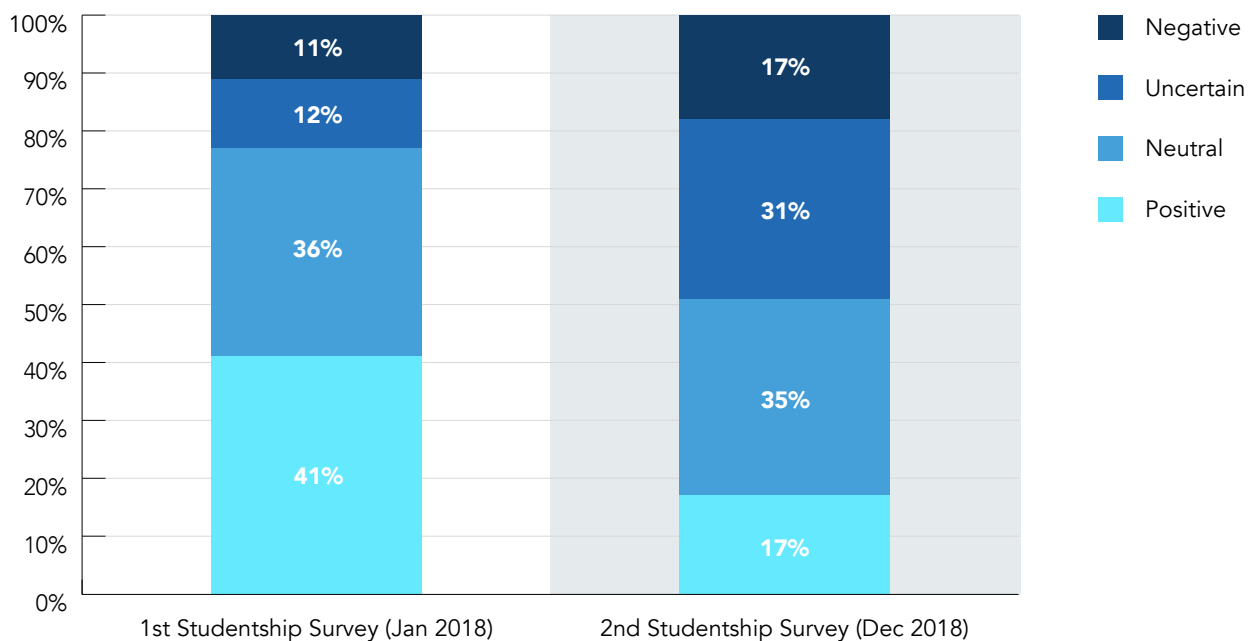
Economic outlook over next 18 months

Since the last surveys were undertaken, member and student respondents views on the economic outlook has deteriorated significantly. Although the strength of negative feelings is still below that recorded in the third and fourth membership surveys, uncertainty is significantly higher.

Members



Students

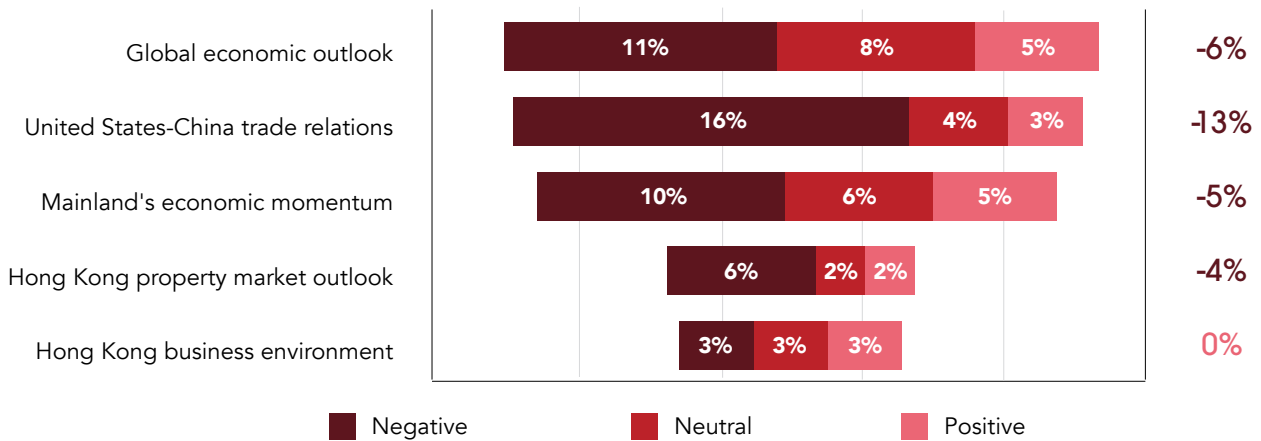


Top five reasons for views on economic outlook

Respondents were asked to select up to three reasons for their views, and rate whether their view was positive, neutral or negative. The global economic outlook, United States-China trade relations and the Mainland's economic momentum were the common reasons for both member and student respondents. The United States-China trade relations was the most negative. Studentship survey respondents were less negative than members.

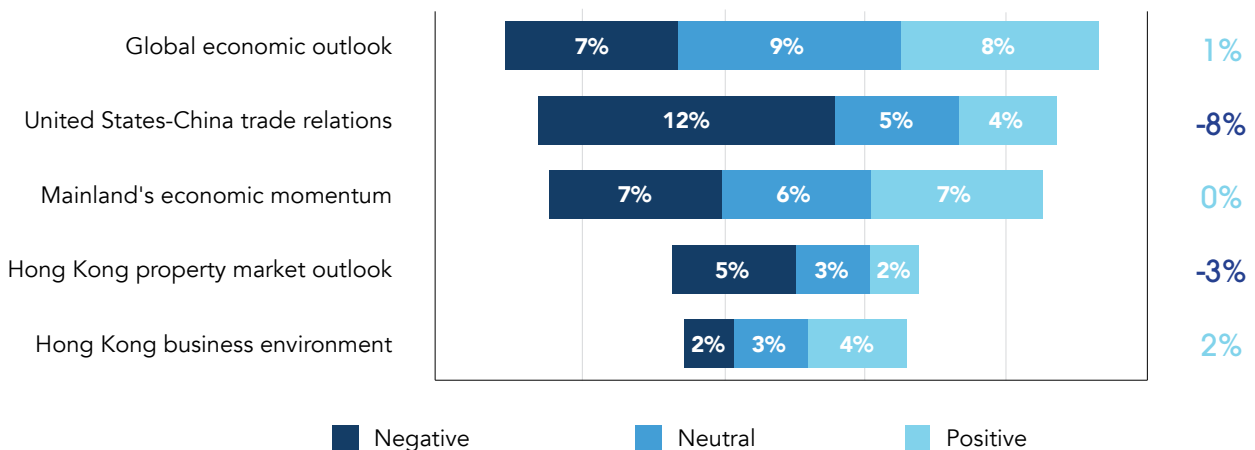
Members

Net score*



Students

Net score*

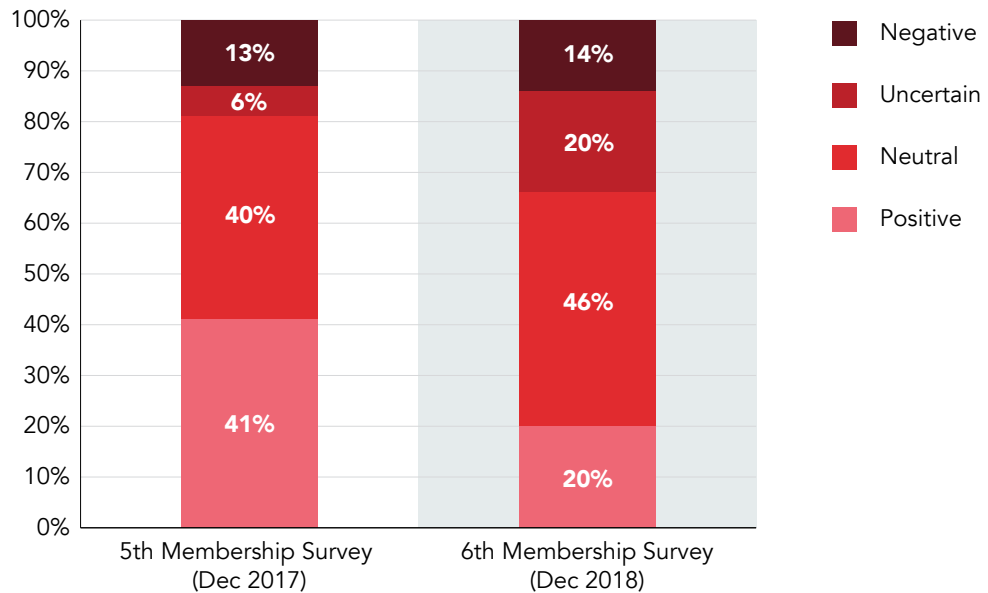


*Net score measures respondents' views by calculating the positive score minus the negative score.

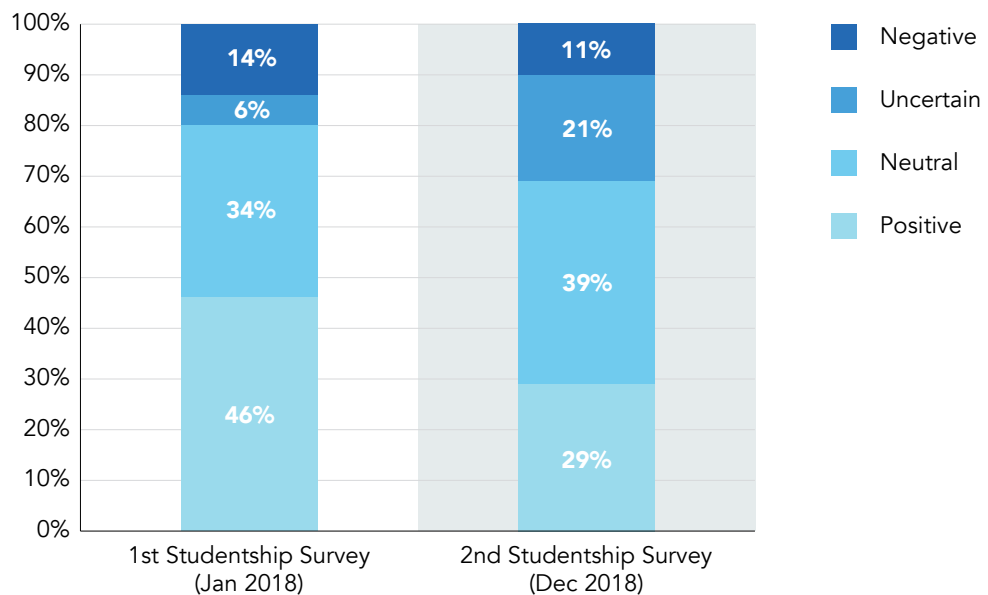
Employment market for professional accountants

Positivity is down. More respondents are neutral or uncertain about the future than previous survey.

Members



Students



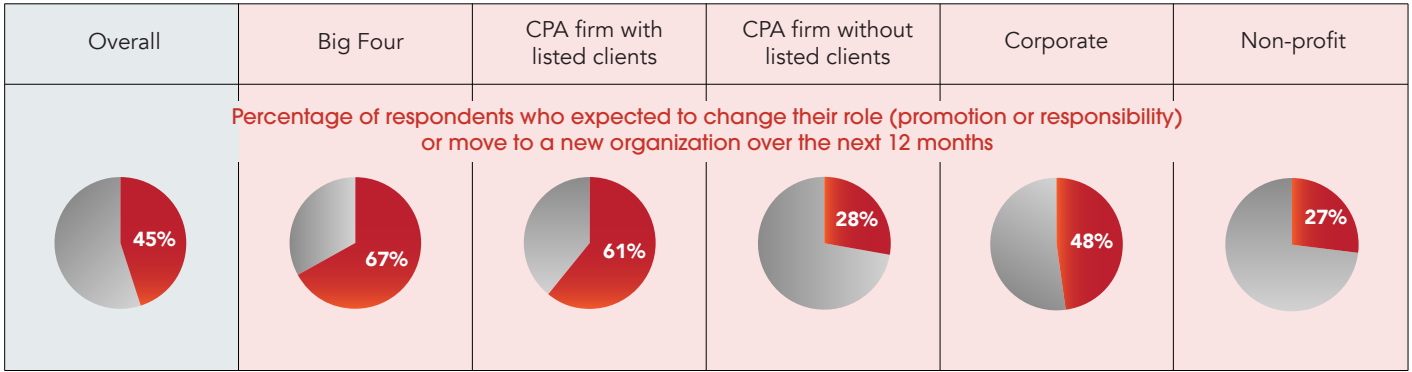
The views on employment conditions are still more positive than those on the economy, reflecting the continued need for accountants to help clients and employers deal with new regulations, financial reporting requirements and help them to plan their businesses in the increasingly uncertain times.

Member respondents had a less positive view than students.

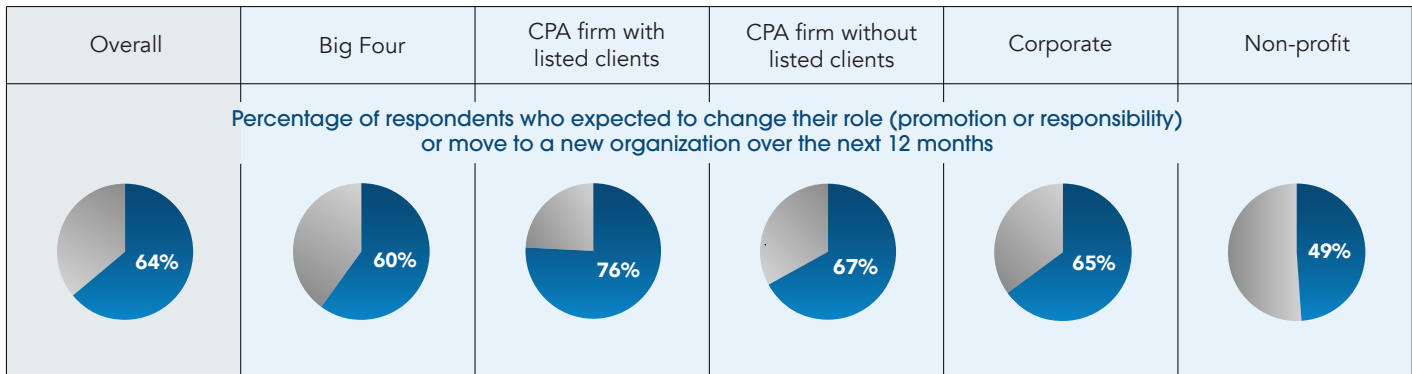
Career plans for the next 12 months

45% of members expected change over the next 12 months. While student respondents perceive career changes as opportunities to explore specialization and early-career promotions.

Members

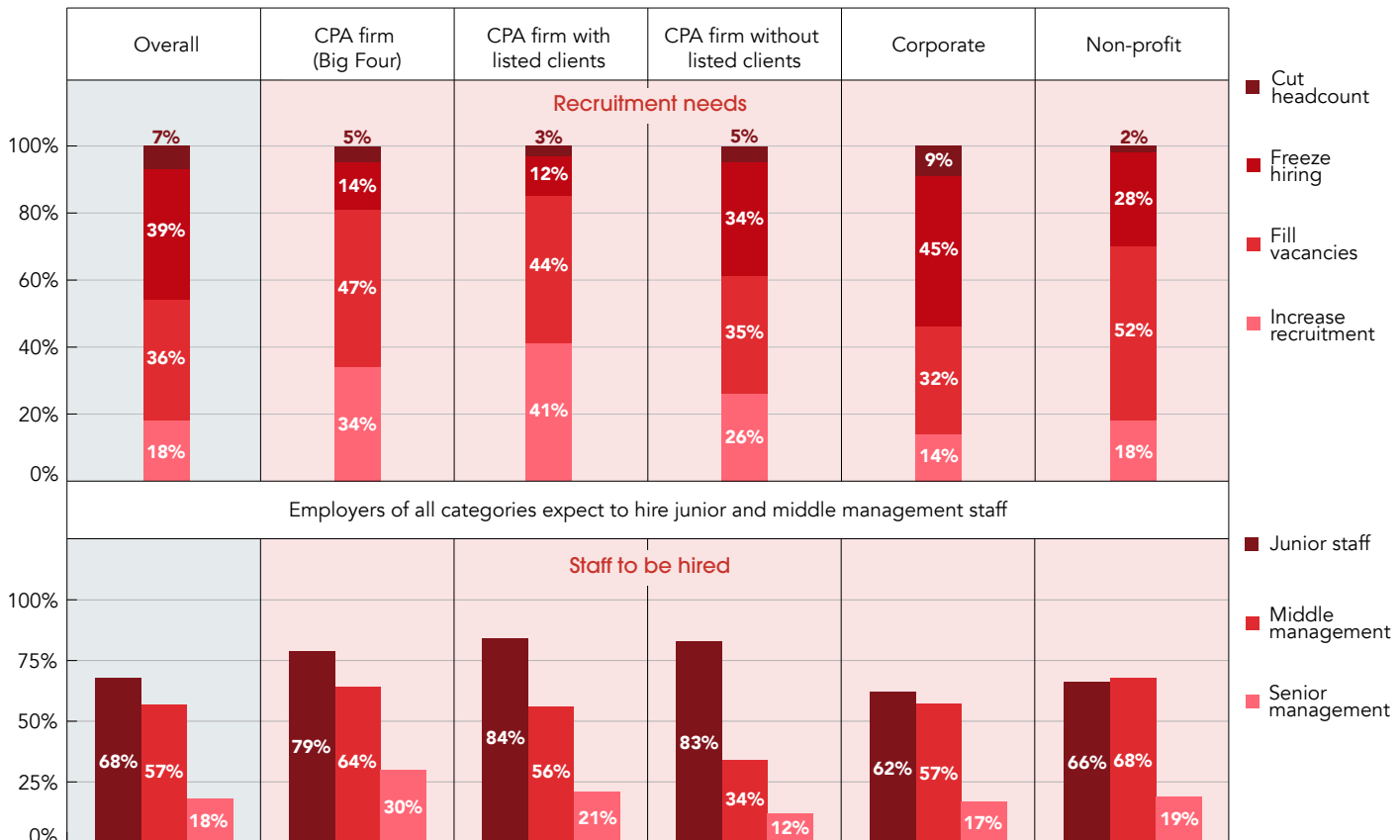


Students



Recruitment plans

Senior and middle managers were asked in the membership survey about their organization's recruitment plans. Respondents reported different expectations, with practising firms expecting to increase recruitment and fill vacancies, and corporate and non-profit sectors likely to fill vacancies or freeze recruitment.



Half of the respondents are still intending to increase or keep existing staff levels, demonstrating the continued demand for professional accountants.

Practising firms, particularly the Big Four and CPA firms with listed clients, are dealing with the high demands of IPO advisory work and expanding their service offering to areas including environmental, social and governance reporting, cybersecurity and other areas of consulting. Moreover, the growing number of listed companies in Hong Kong increases the overall demand for qualified CPA manpower. On the other hand, corporates face a slowing global economy – and may take a wait and see approach.

Respondents reported difficulties in recruiting and retaining staff. Practising firms, particularly the larger organizations, reported significant difficulty in retaining staff as it is a common career move for junior members to move from the practising to non-practising sector after obtaining their qualification and experience. It is less common to move back to practising firms, and thus corporates and non-profits reported lower levels of difficulty in recruiting and retaining.



The skills of Accountants Plus

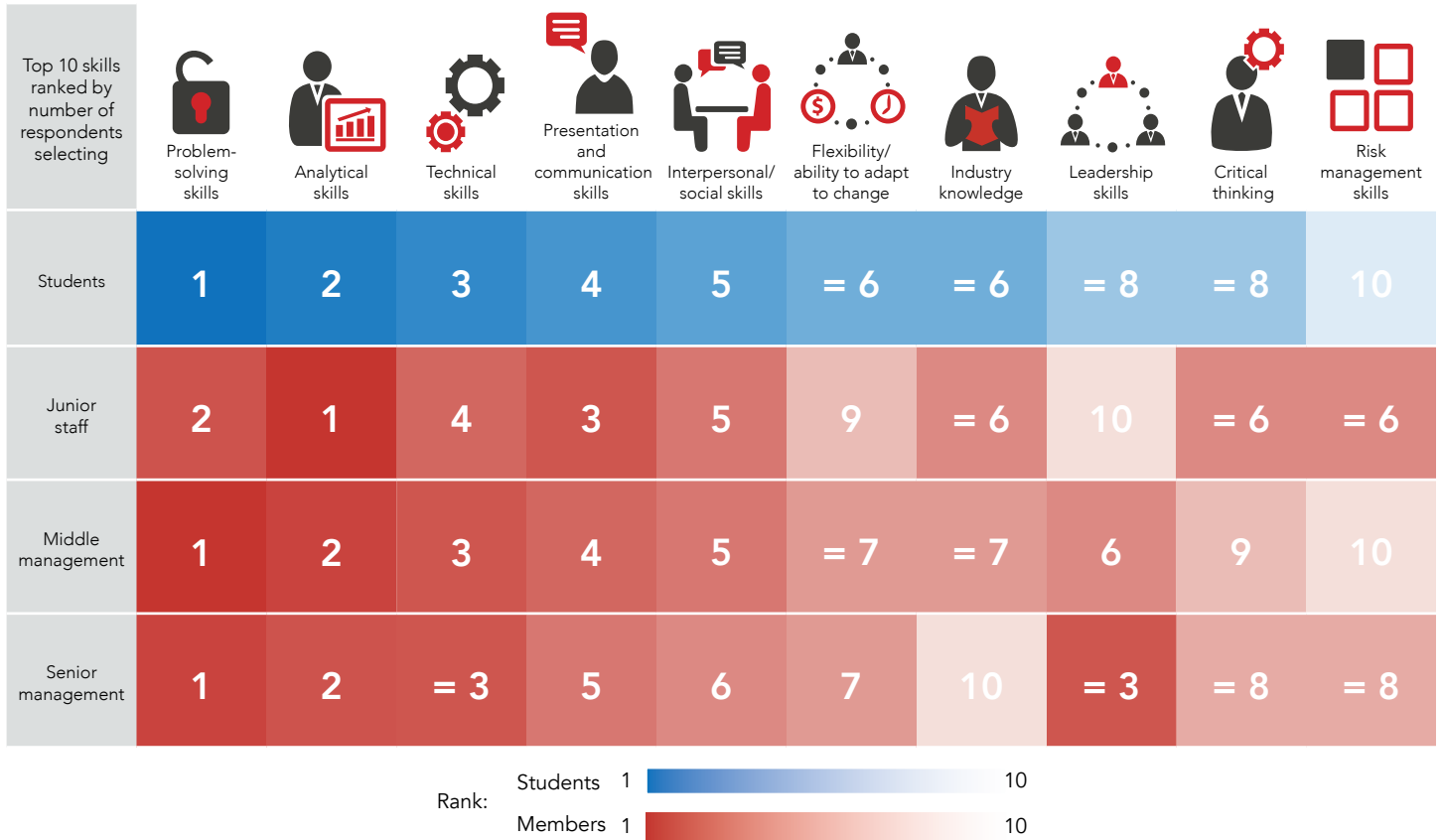
The surveys asked respondents to choose skills they felt were important for their current roles and their planned career change, and what supervisors looked for during recruitment. In the age of Accounting Plus, accountants increasingly require expanded skillsets beyond the traditional “hard” skills, to a wide range of skills, encompassing both technical, personal and interpersonal attributes, which enables them to work cross-discipline and sector effectively.

The skills that both member and student survey respondents sought to develop demonstrate that a wide skillset is valuable. Developing soft skills in presentation and communications, and leadership, alongside hard technical and analytical skills were considered important by respondents at all career stages to help them achieve their planned career change.

Respondents were also asked how they expected to develop their required skills. Four-fifths of respondents to both surveys reported their preferred approach is through on the job training. Half of member and a third of student respondents also selected attending courses/seminars as a method. Employers should make note of the expectations reported by members and students and offer the training employees need.

Skills that respondents need in their current role

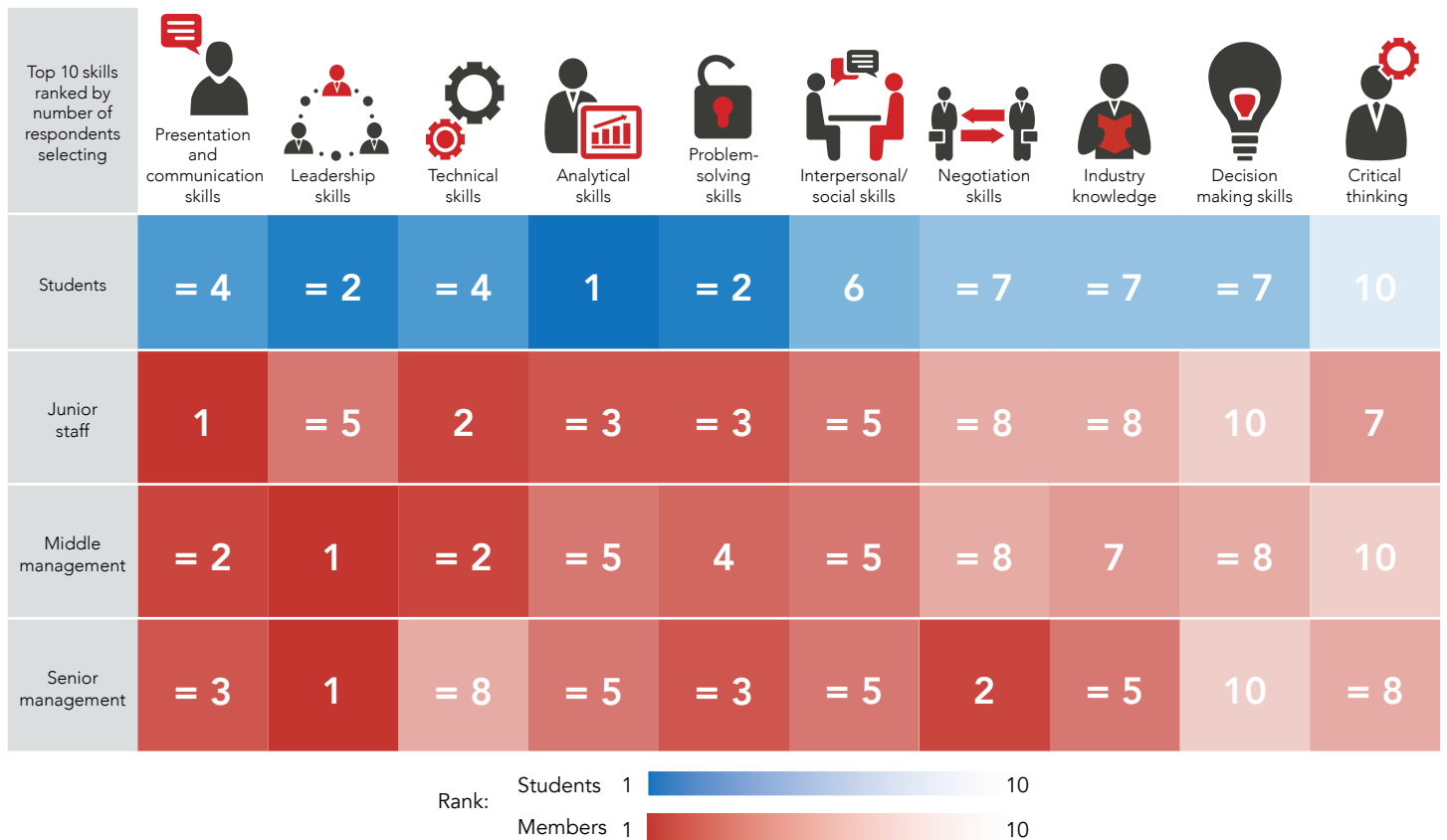
Across all levels, problem-solving, analytical and technical skills are key.



Respondents selected a mix of hard and soft skills as essential for their roles at all levels. The importance of the combination of problem-solving and analytical skills for respondents at all career levels represents how accountants apply their strong technical training to resolve issues and answer questions.

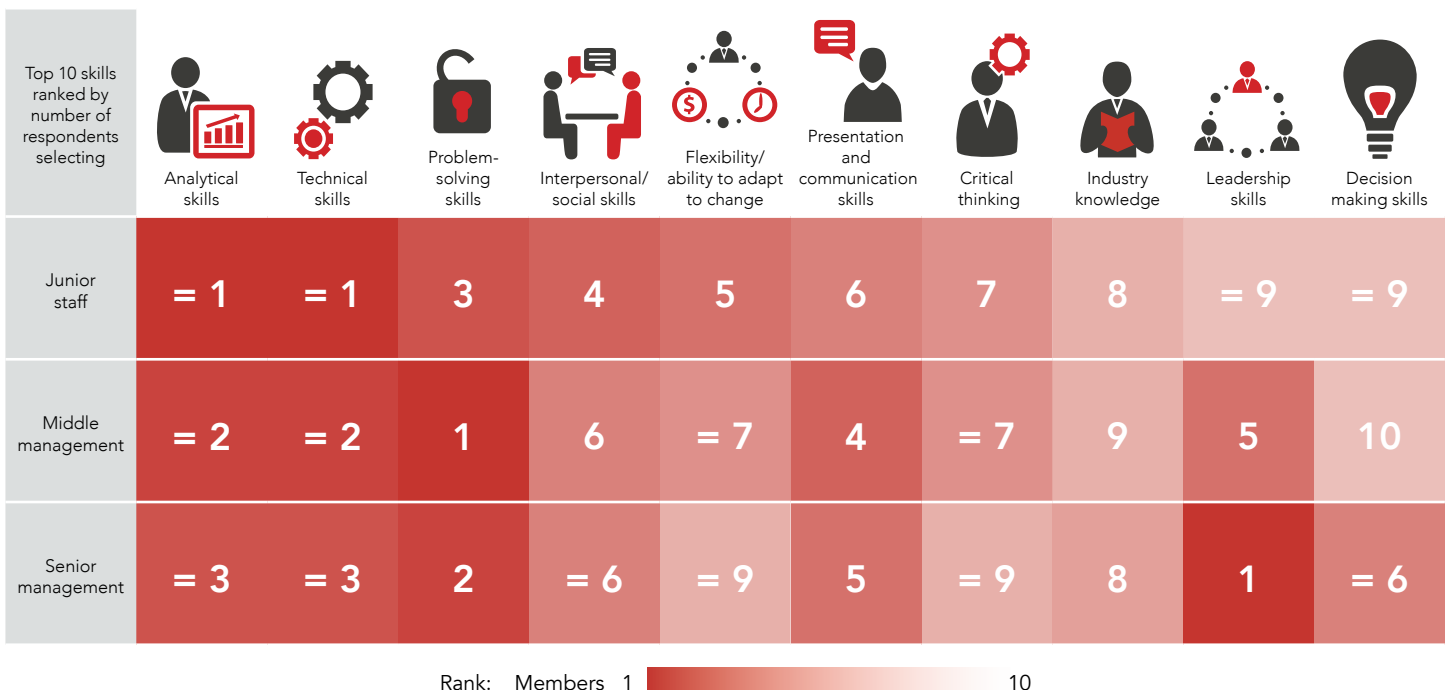
Skills that respondents think that they need to develop for their planned change

A mix of soft and hard skills helps Accountants Plus achieve their plans.



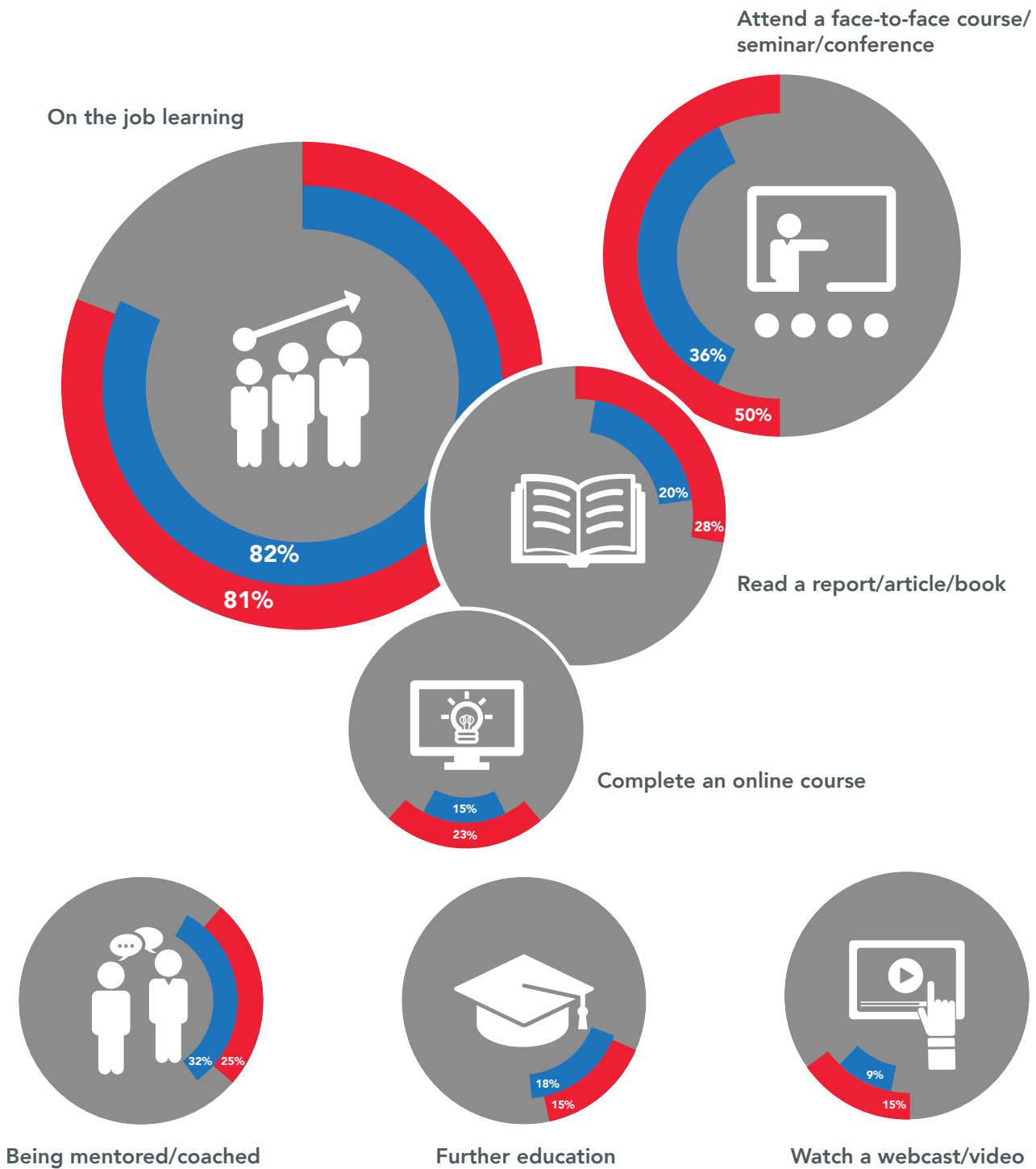
Skills that employers look for during recruitment

Recruiters want analytical, technically-capable team players.



Ways to acquire required skills

Member and student respondents reported the following ways to learn new skills.



Despite the preference for on-the-job learning, certain technical and management skills are most effectively developed through structured training. The Institute is continuously expanding its range of continuous professional development courses to ensure its members can access the training they need for career success. As well as face-to-face courses and programmes, the Institute is increasing the range of online courses, including more content from leading global producers of professional development material.



Earning power

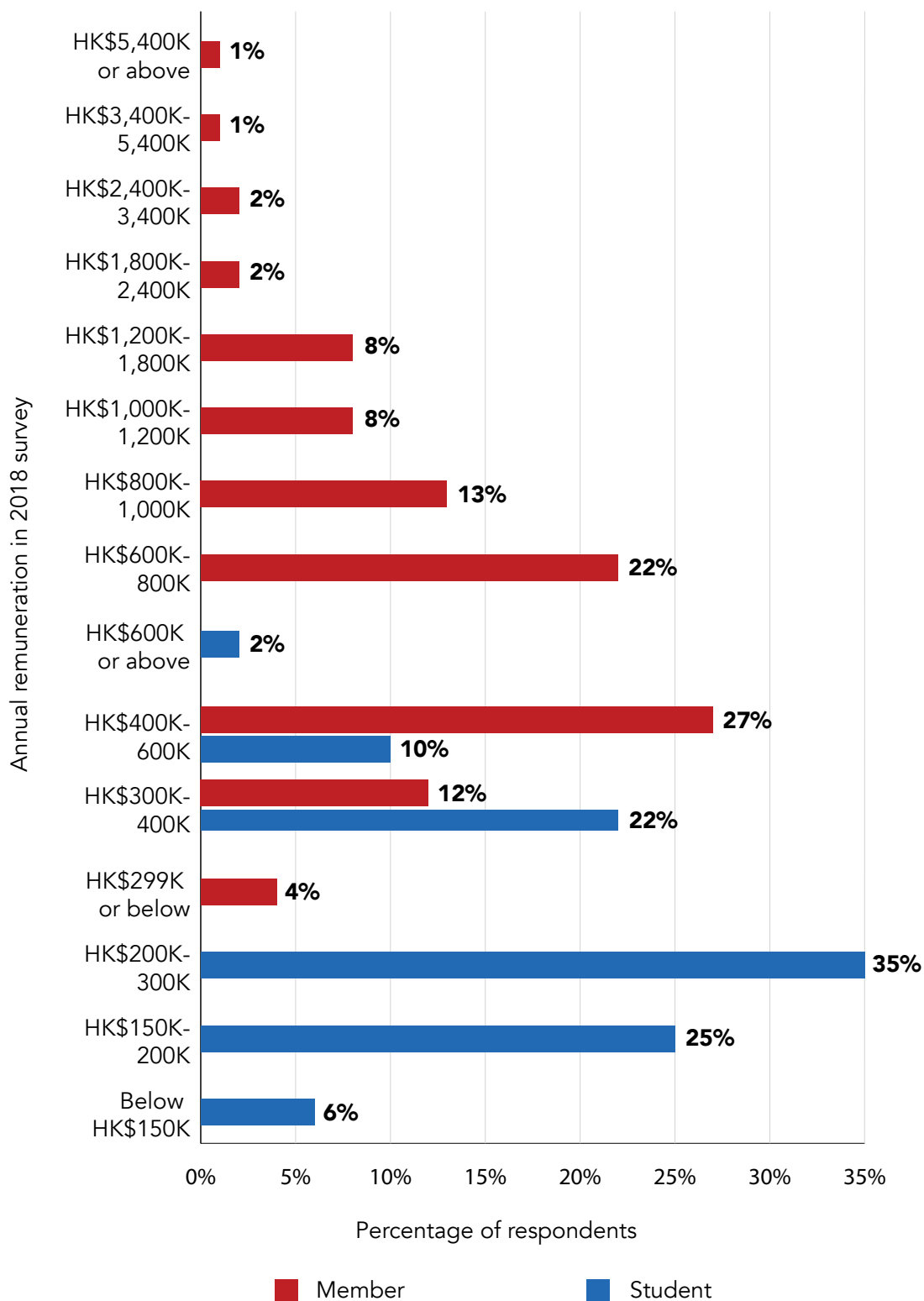
Accounting remains a lucrative profession for those who are qualified. For members, average reported remuneration was HK\$70K per month, and newly-qualified respondents (with up to 1 year post-qualification experience) reported average remuneration of HK\$35K per month.

Student respondents with less than one year of experience had an average starting salary of HK\$17.5K per month.

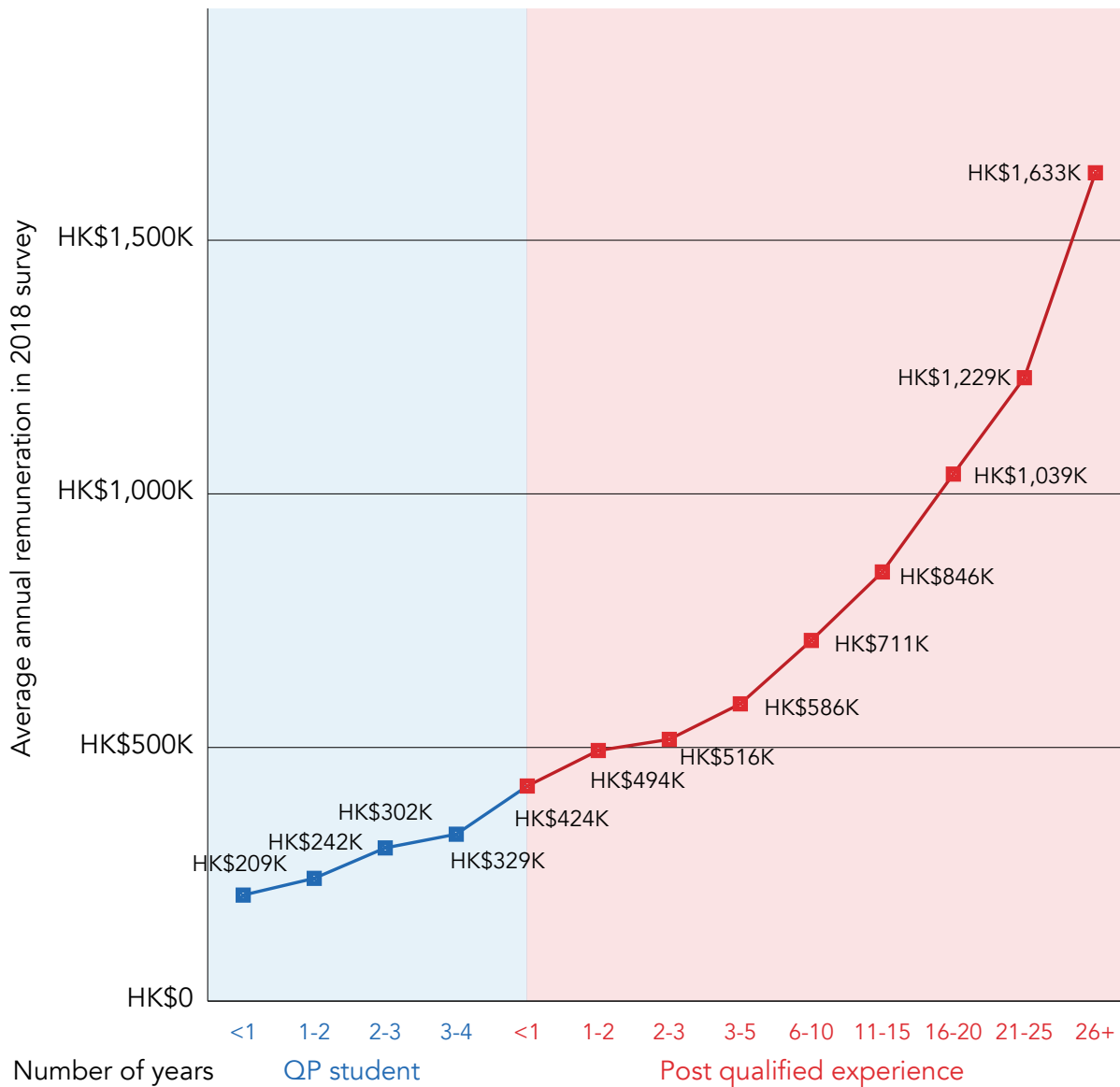
With inflation of 2.5% in 2018 in Hong Kong, the majority of respondents also received a pay rise of more than inflation.

	Membership Survey	Studentship Survey
Annual remuneration	57% of survey respondents earned HK\$600K or more	69% of survey respondents earned HK\$200K or more
Median annual remuneration	HK\$600K–HK\$699K	HK\$200K–HK\$249K
Average annual remuneration	HK\$835K (HK\$70K per month)	HK\$280K (HK\$23K per month)
Median pay rise	3-4.9%	5-6.9%
Median bonus	1-2 months	<1 month

Annual remuneration reported for 2018

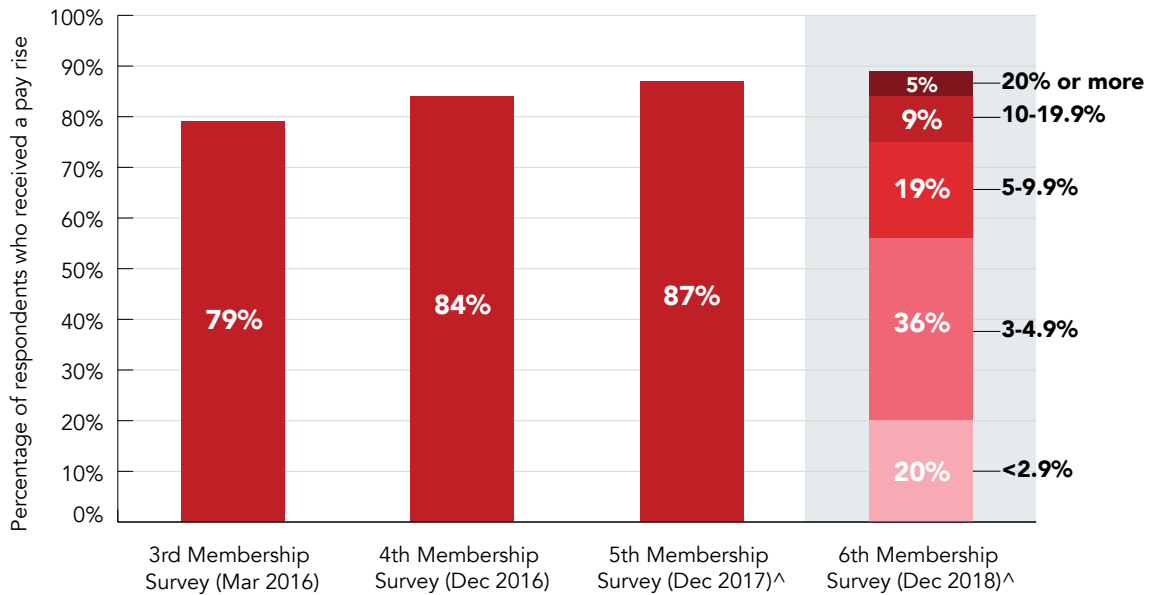


Average annual remuneration from Qualification Programme (QP) student to member (2018)



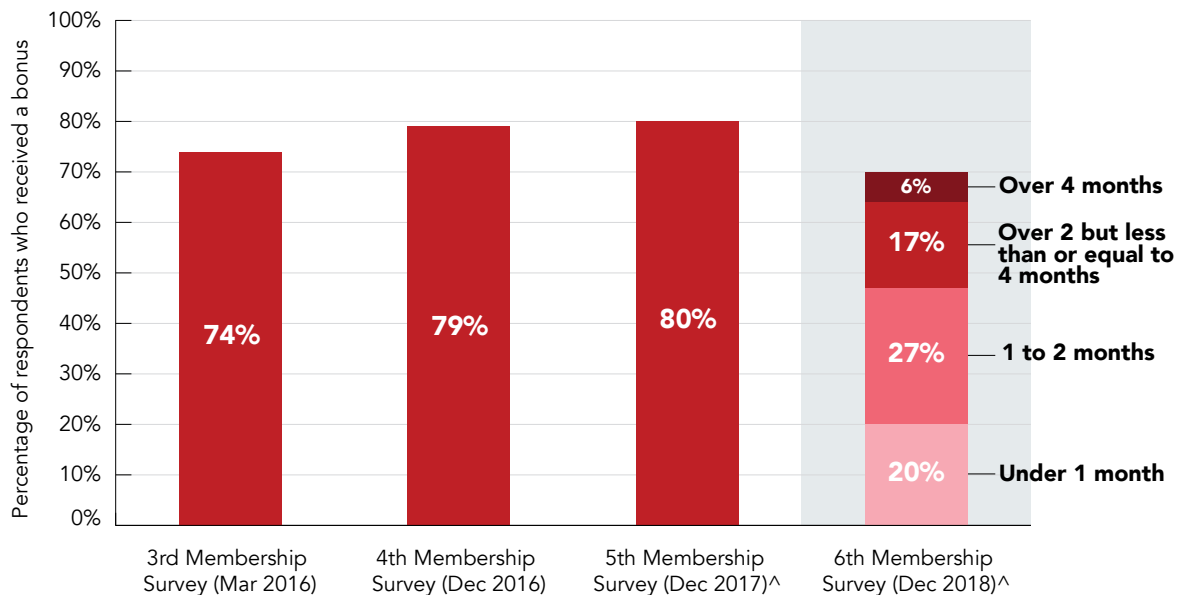
Members pay rise

Pay rises have stayed at roughly the same level as in previous surveys with 89% receiving a pay rise.



Members bonus

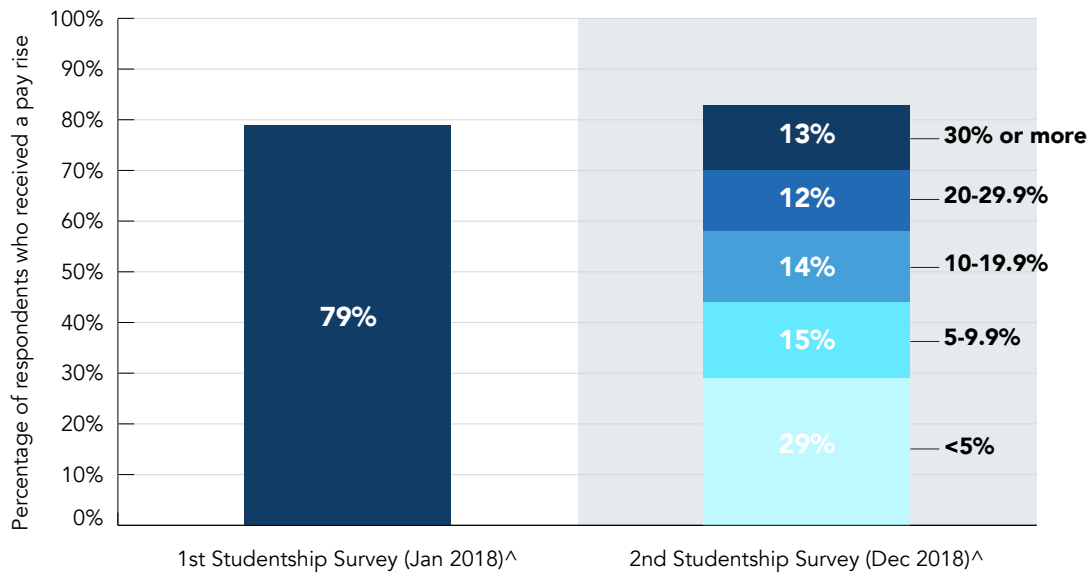
...while the percentage of respondents receiving a bonuses have declined to 60%.



[^] Respondents who have not changed jobs in the past 12 months

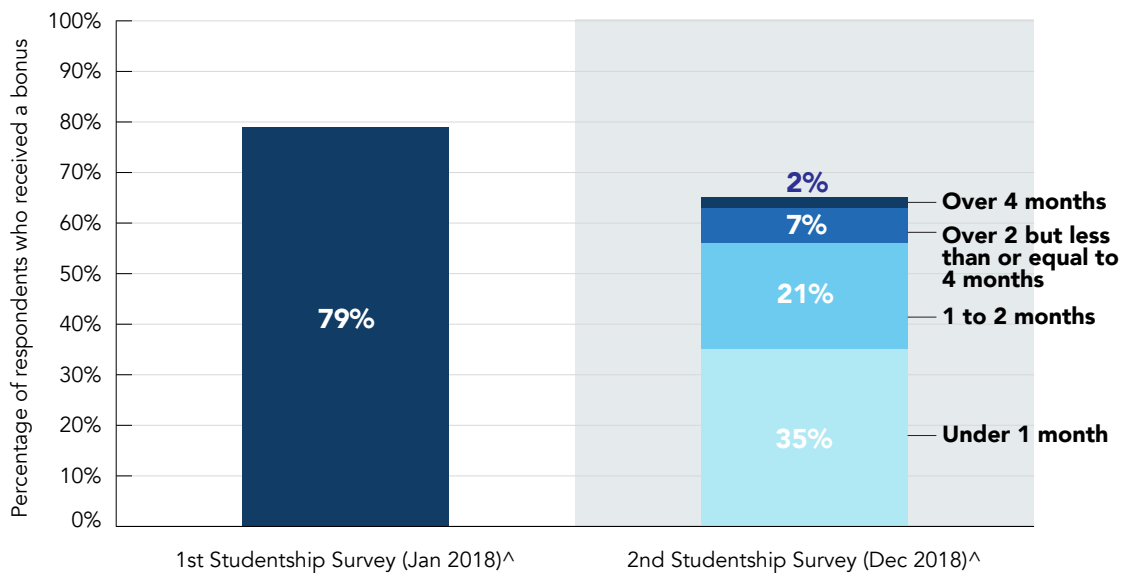
Students pay rise

Studentship survey respondents received higher percentage pay rises than members...



Students bonus

... but lower bonuses.

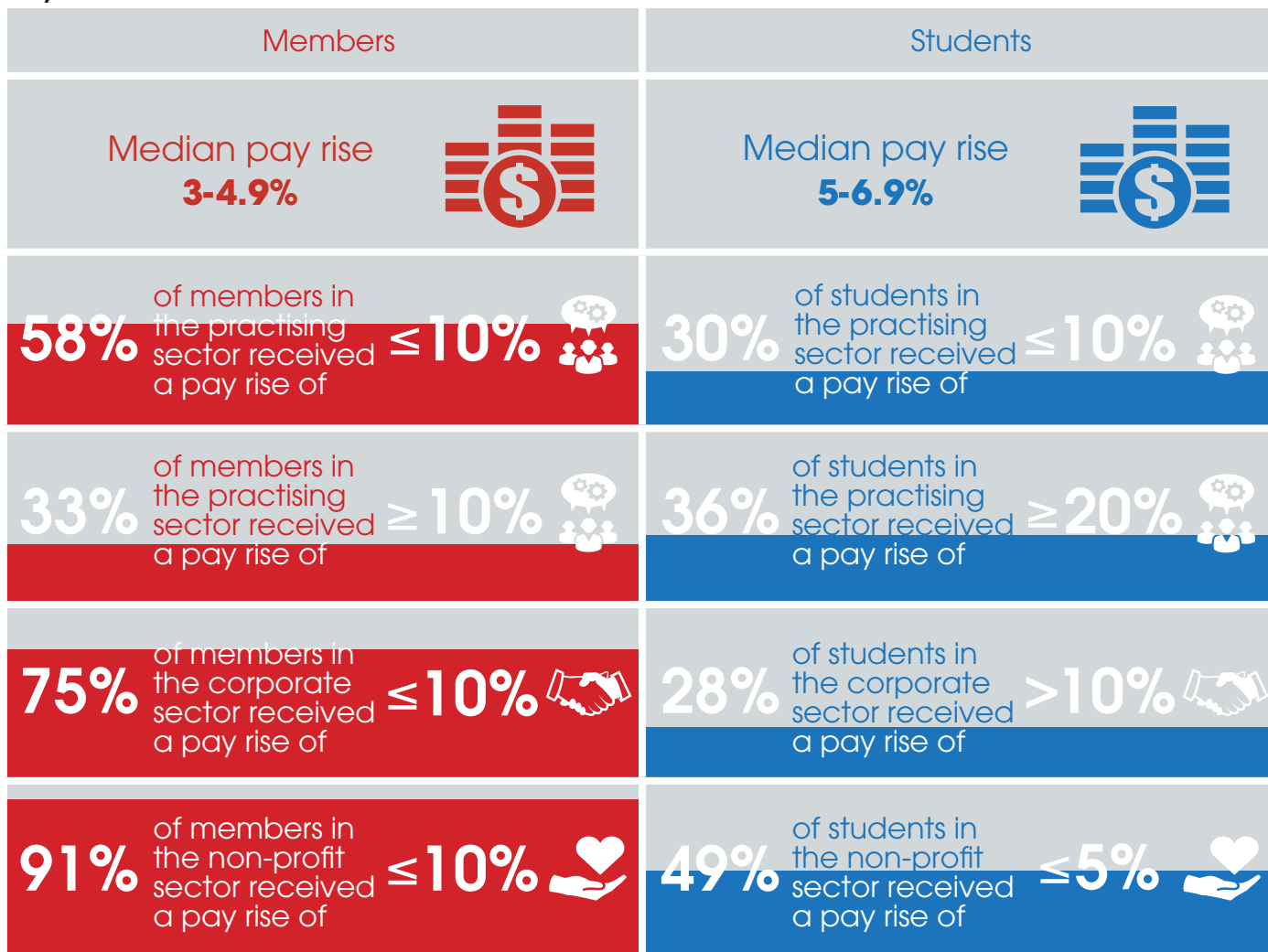


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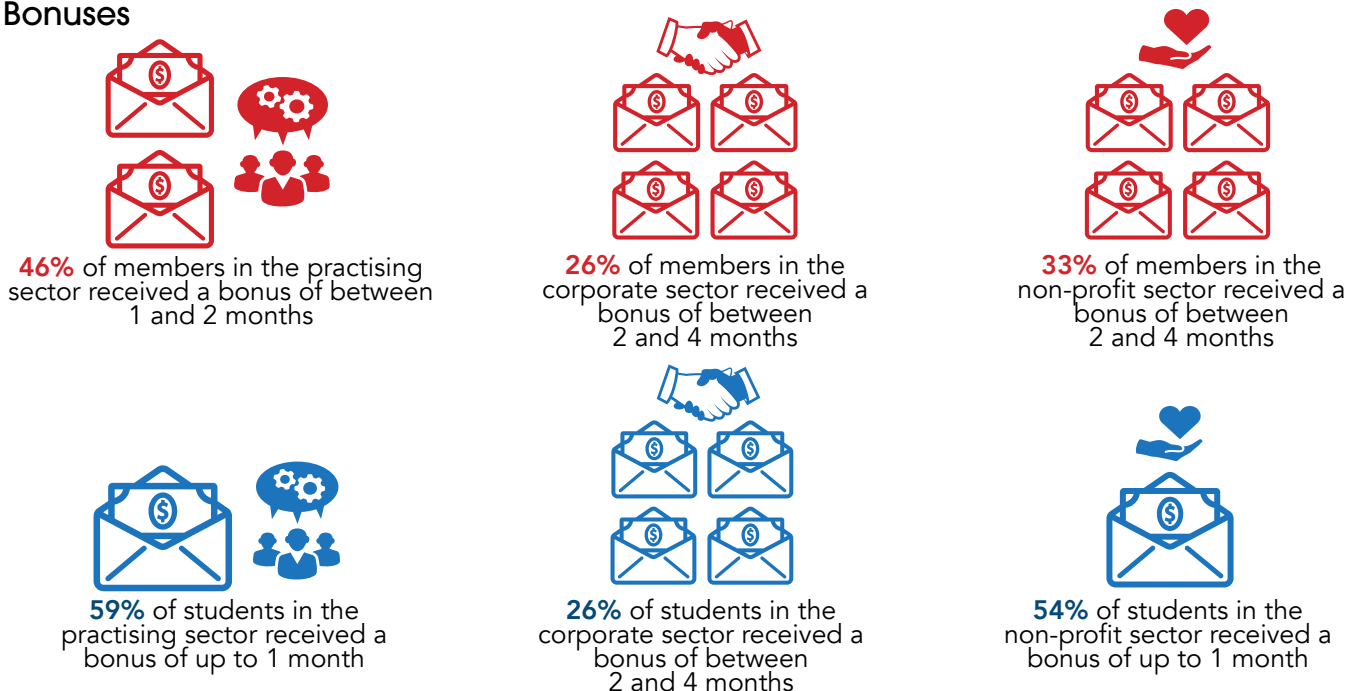
There were significant differences in the pay rises and bonuses between member and student respondents in different sectors.

Similar to previous survey results, member respondents from the corporate and non-profit sectors received lower pay rises but enjoyed higher bonuses due to the different remuneration structures between practising and the corporate and non-profit sectors.

Pay rises



Bonuses



Accountancy Manpower Research Advisory Panel

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)
Ms Fung Yee, Pammy	(Member)
Mr Lam Chi Yuen, Nelson	(Member)
Miss Lee Yuen Mei	(Member)
Miss Ng Ka Wah	(Member)
Mr Ng Kam Wah, Webster	(Member)
Mr Tse Kin Pang, Richard	(Member)
Mr Wong Kim Man	(Member)

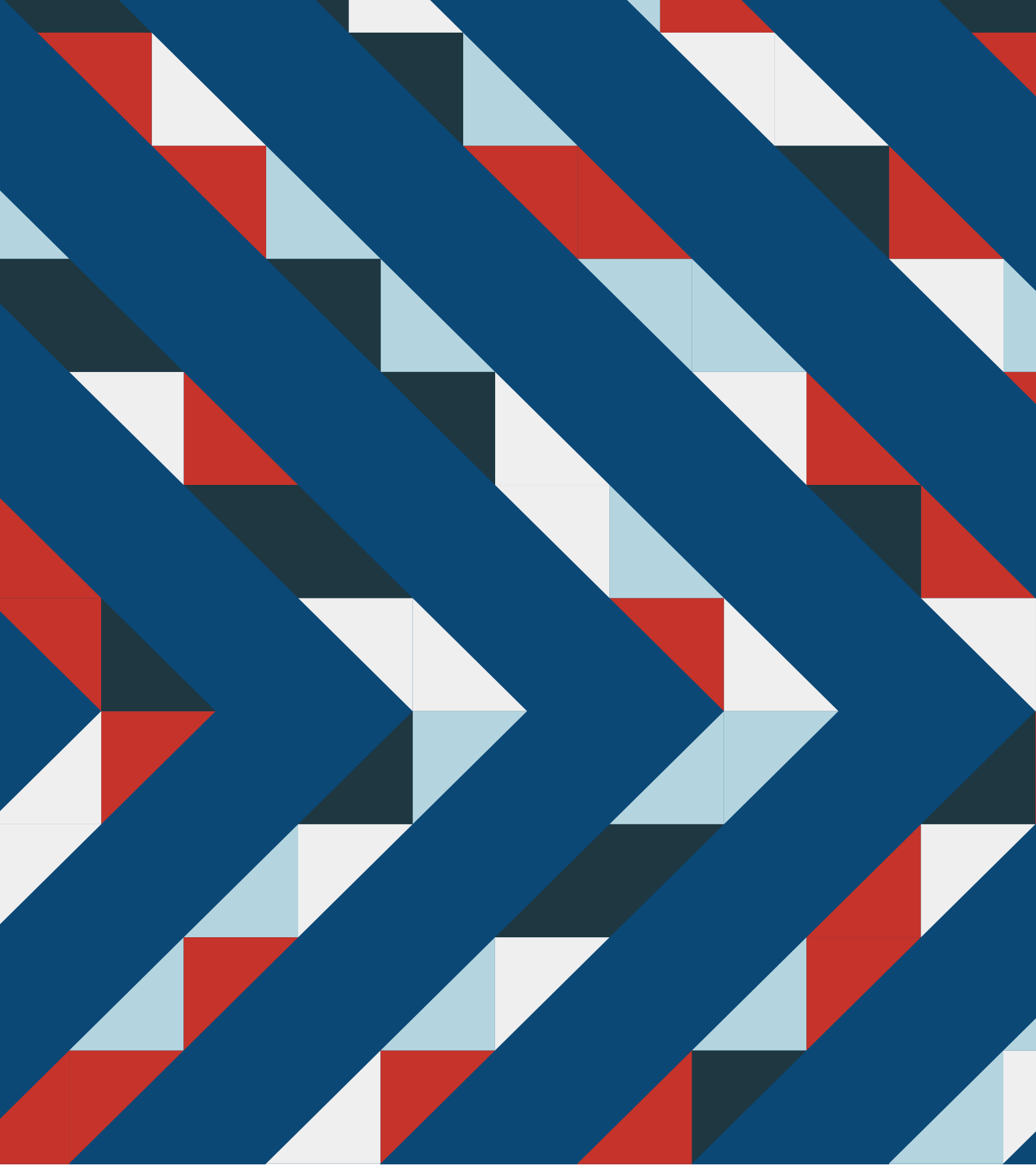
About the Hong Kong Institute of Certified Public Accountants

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 44,000 members and 17,000 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.



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