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M E M B E

R S H I P

S U R

V E Y



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

Dear members,

You have been heard.

As members of Hong Kong's sole statutory accounting institute and largest professional body, your views are fundamentally important to the development of the accounting profession and the city itself.

In this third annual membership survey, we get into the minds of our members and feel the pulse of the profession. Your insight on work-life balance, professional development, top-of-mind business issues, satisfaction level toward Institute services and more, help the Institute improve and the profession advance.

Your Institute has listened to you and will continue to come up with initiatives and ways to better serve you. The results of this survey should be as interesting to you as they are useful to the Institute.

Your views and opinions have been summarized in this report. Please take some time to read it.

Your feedbacks are always welcome and we will follow up on them.

**Ivy Cheung**

President

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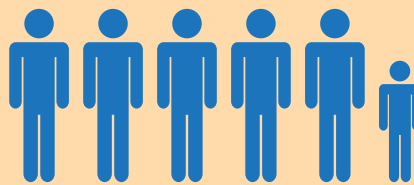
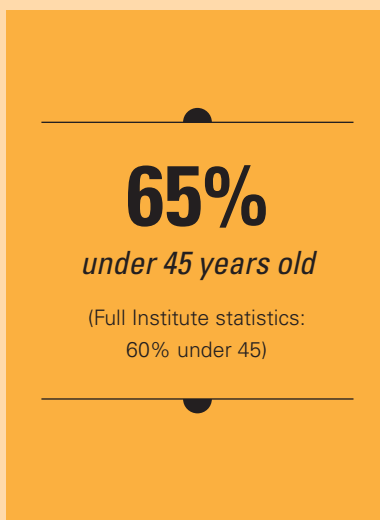
## Key findings, implications and follow-up

### 1. Background and demographics

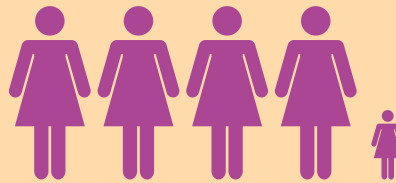
The 2016 membership survey was conducted on 1-16 March 2016. A total of 3,631 responses (about 10 percent of total membership) were received.

Demographical representation:

- 57% male, 43% female.
- 27% work in CPA practices, 56% in private business sector, 9% in government and not-for-profit organizations, and 8% in academia and others.



**57%**  
male



**43%**  
female

(Full Institute statistics: 50% male, 50% female)

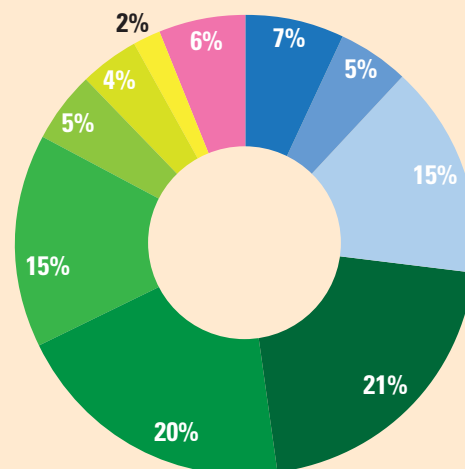
#### Nature of business

##### Professional Accountants in Practice

- CPA firm - Big Four (7%)
- CPA firm - Others (with listed clients) (5%)
- CPA firm - Others (without listed clients) (15%)

##### Professional Accountants in Business

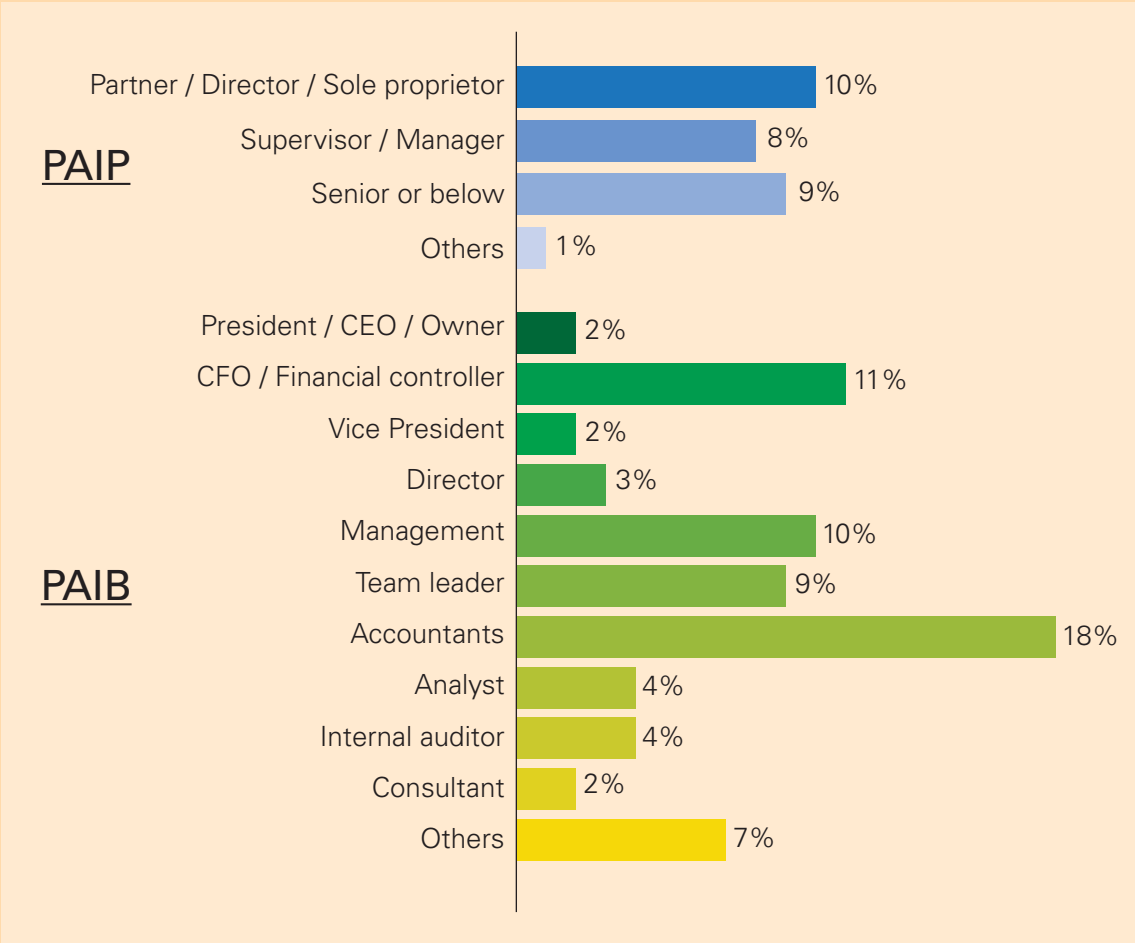
- Entity listed in Hong Kong (21%)
- Privately held (20%)
- Hong Kong subsidiary of a multinational corporation (15%)
- Government (5%)
- Not-for-profit, charity, trade association (4%)
- Academia (2%)
- Others (6%)



## 2. Role, status and earning power

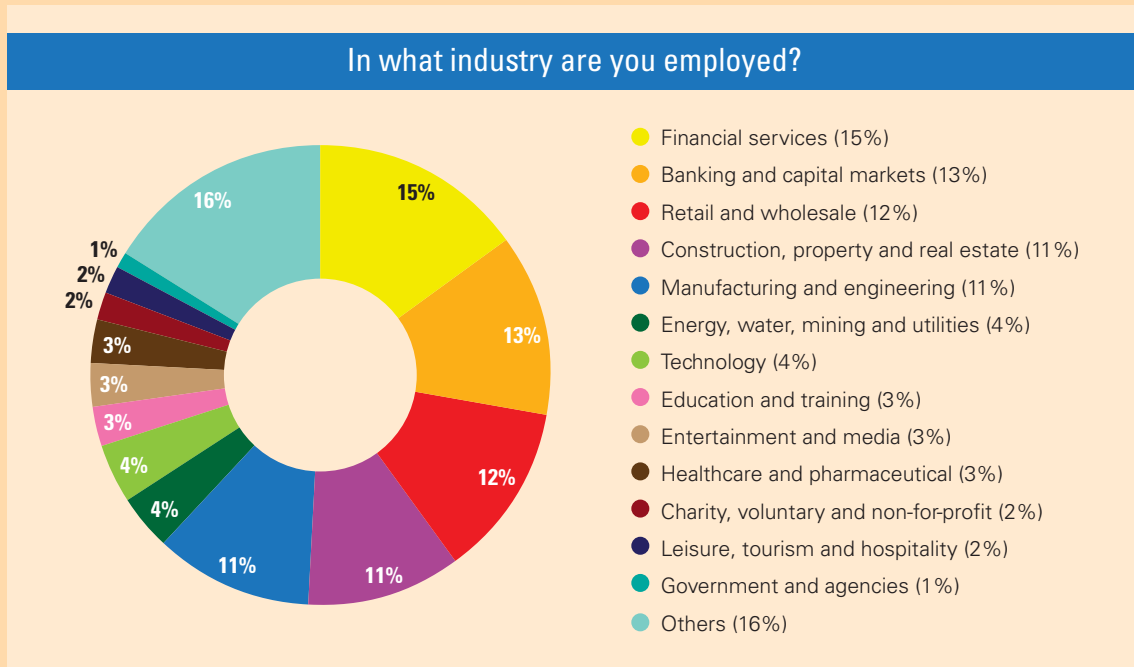
(a) Role and status

- 38% in leadership positions, including those who are PAIBs (president, CEO, owner, CFO, financial controller, vice president, director and management), and those who are PAIPs (partner, director and sole proprietor).
- 73% manage staff; among them, 39% manage more than 5 people.

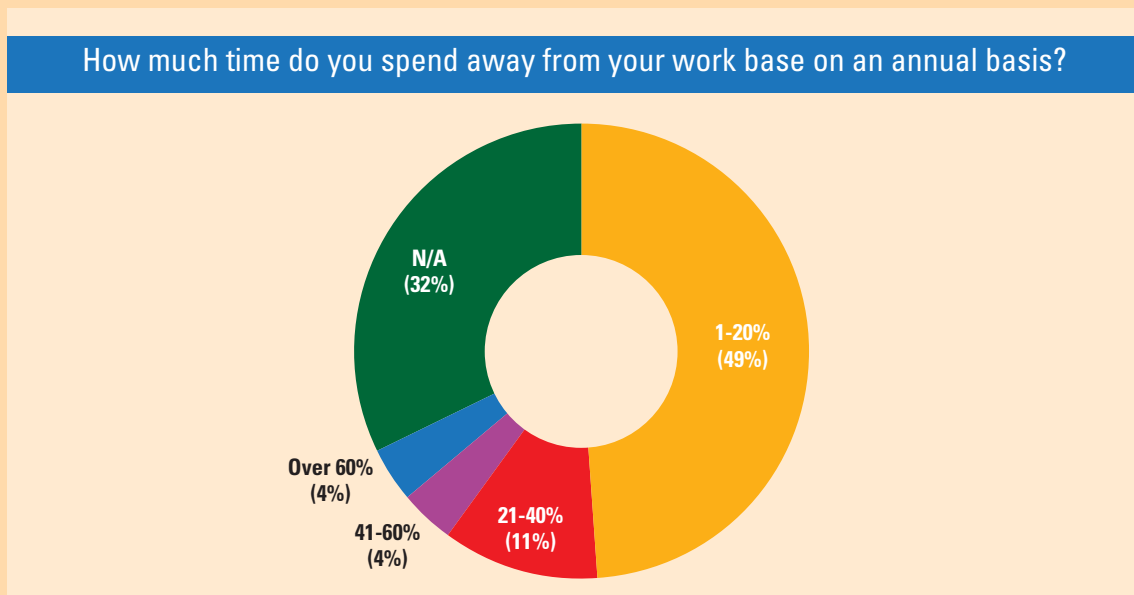


- 27% work in CPA firms; 36% work in Hong Kong-listed companies or multinational companies.
- 26% work for organizations with more than 1,000 people in Hong Kong; 49% work for organizations with more than 1,000 people worldwide.

- 28% work in banking, capital markets and financial services sectors; 12%, 11% and 11% work respectively in retail and wholesale; construction, property and real estate; and manufacturing and engineering sectors, serving major industries that constitute the economic pillars of Hong Kong.



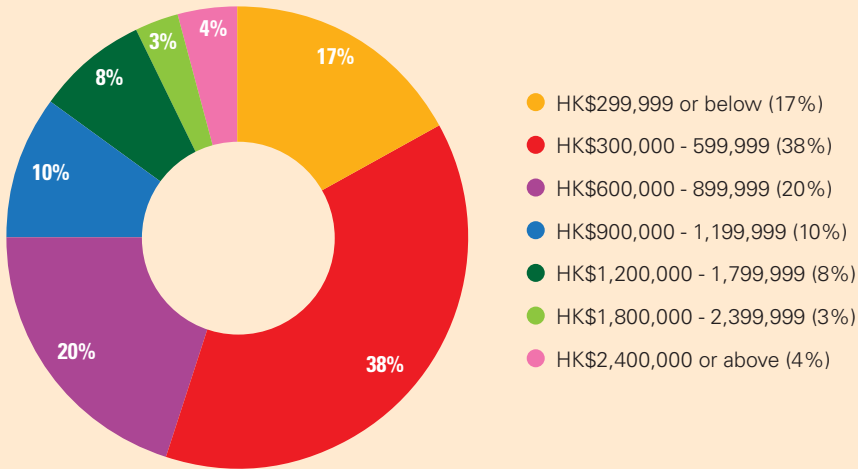
- 68% need to travel away from the work base to carry out employment duties (a significant increase from 40% in 2015).
- 49% spend up to 20%, and 15% spend between 20% to 60% of their time working away from Hong Kong home base, with Guangdong and Pearl River Delta (15%), Shanghai (9%) and Beijing (7%) being the most popular regions.



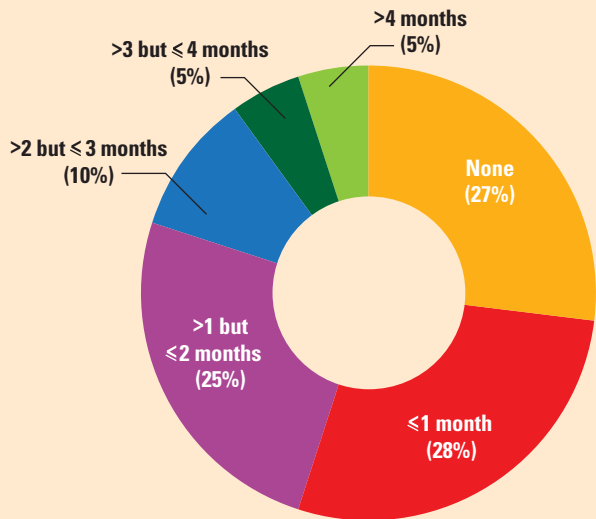
(b) Earning power

- 78% received a pay rise last year with 23% receiving more than 7%.
- 45% earn more than HK\$600,000 per year (an increase from 39% in 2015).
- 15% earn more than HK\$1.2 million (an increase from 11% in 2015).
- 45% receive more than 1 month's salary in bonus.

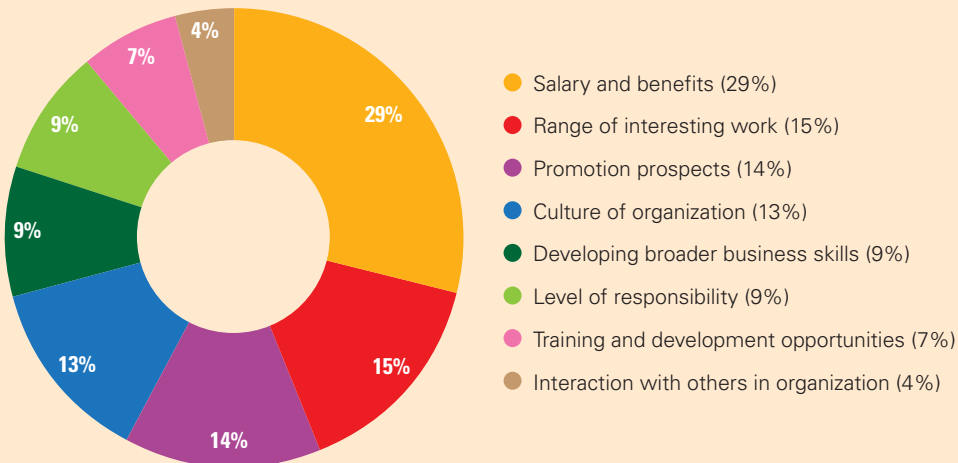
Total remuneration (including salary, bonuses and incentive schemes)



How many months of salary are reflected in your bonus?



What are the main factors that motivate you at work?



**Commentary:**

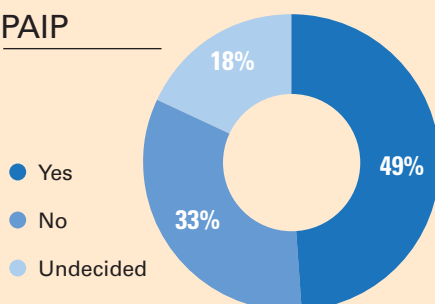
- Hong Kong CPAs, working in diversified and versatile positions in various industries and sectors in Hong Kong, play a very significant role in business and the capital market by providing valuable professional services and support for Hong Kong which is an international financial market, as well as a trusted business and commercial hub.
- A research conducted last year on seniority and status of Institute members, who were senior management or board members of Hong Kong-listed companies, showed that Hong Kong CPAs were widely represented in the city's listed companies. They could be compensated handsomely for their positions in listed companies. The study showed that 3,100 leading positions across 1,742 Hong Kong-listed companies were held by HKICPA members.
- Respondents of the 2016 survey enjoy good employment prospects, stable income and favourable pay rise opportunities.
- Although salary and benefits constitute a major job motivation for survey participants, they also cite varied range of interesting work, promotion prospects, and organizational culture as other important non-financial elements in achieving job satisfaction.
- The mobility of our members reflects how the accounting profession opens doors to key career advancement in business.
- Under CEPA, Institute members who have obtained a CICPA qualification and meet other criteria can become a partner of a CPA firm in Mainland. The Institute has been strengthening its connections with the local accounting profession and business community in Guangzhou, Pearl River Delta and free trade zones to help members explore even more business opportunities there.

**3. Despite uncertain outlook, prospects for members is still good**

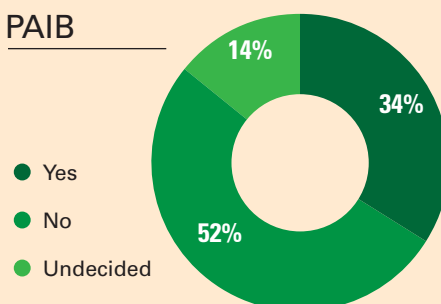
- 34% of PAIBs and 49% of PAIPs are committed to recruiting additional staff in 2016, a decline compared to 2015 figures (PAIB: 61% and PAIP: 57%).
- 45% would engage in a job search (38% in 2015); 47% of them plan to move to a different organization within the same field.
- Compared to 2015, fewer members are planning to move to a different organization in the same field, more are choosing to move within their organizations, and fewer out of CPA firms (see section 7 for details).
- Of the 42% PAIBs who plan to engage in a job search, more than 50% would move to a different organization in the same field.
- 53% view the economic environment over the next 18 months as uncertain.

To add staff in the next 12 months

PAIP



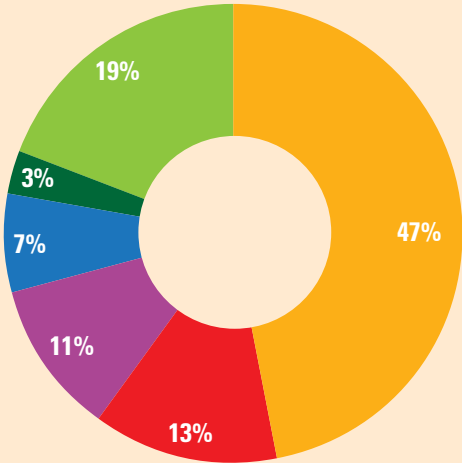
PAIB





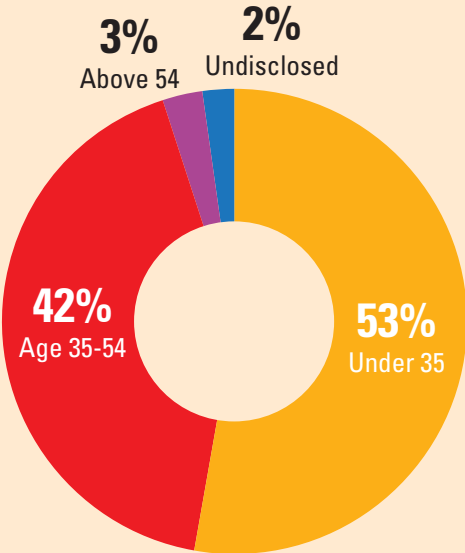
Career plans

- Move to same field, different company (47%)
- Move within organization (13%)
- Move out of public practice (11%)
- Move out of traditional accounting function (7%)
- Move into public practice (3%)
- Others (19%)

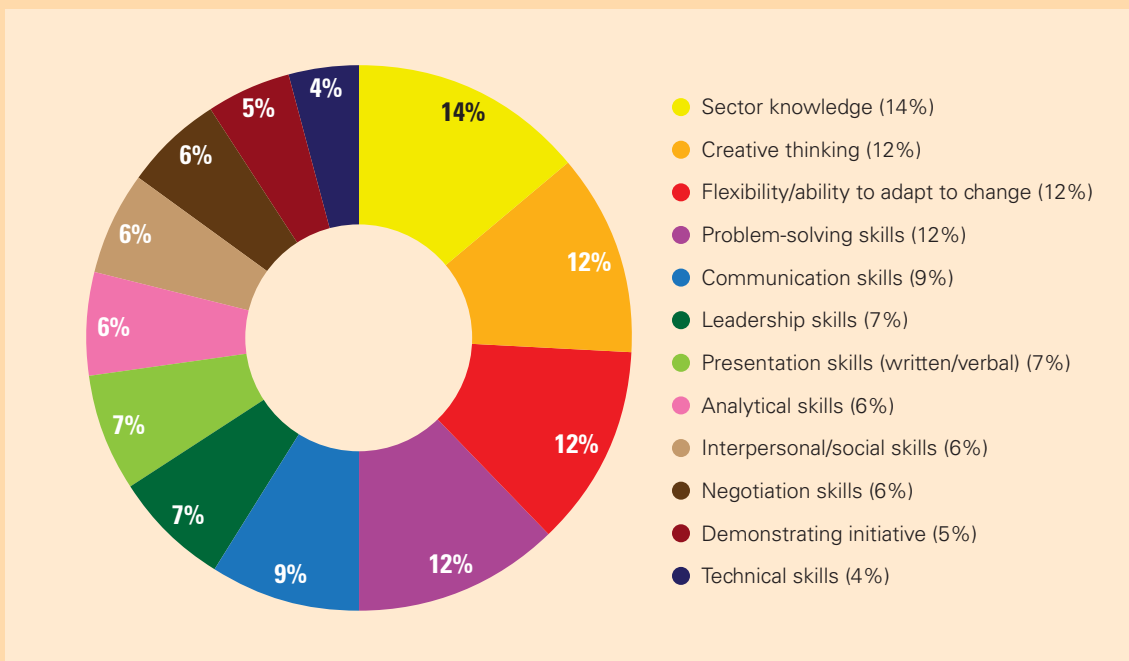


- Higher proportion of young people (under 30) work in the PAIP sector (32%) than the PAIB sector (15%).
- Of those who plan to engage in a job search, the majority (53%) are young members (under 35).
- For those (163) who plan to move out of a CPA firm within the next 12 months, most of them (115) are under 35.
- Survey respondents identify a number of skill sets that would be valuable when switching from CPA firms to business – 18% choose sector knowledge and technical skills, highlighting the importance of soft skills when making the switch.

Age range of job seekers



Please select the top 3 skills/competencies that you think are missing when recruiting those who are switching from CPA firms to business



### Commentary:

- The Institute has developed a job portal, HKICPA Source, which is a key resource for members with staff recruitment needs and for members looking for jobs. The Institute has been improving the platform and expanding promotion to members and the community, and has succeeded in liaising with recruitment agencies to increase postings. The Institute will continue to support members in their career development through HKICPA Source and relevant training.
- The Institute's career conference uses panel discussions and sharing sessions to provide attendees with valuable insights on career development paths and hiring trends. The conference's networking sessions with fellow members and recruitment consultants also help members build their career connections.
- In respect of young members switching from CPA firms to business, the Institute has the following observations and support for them:
  - (i) Many younger members see training and having experience in CPA firms can provide the best start of their career and a solid foundation. It is normal for them to switch from CPA firms to business when they reach a certain stage of their career. Their accounting qualification and training in CPA firms often helps open up many doors in their career development.
  - (ii) The Institute organizes various CPD series and, besides technical training, many are on soft skills that are of high demand by young members for their career progression.

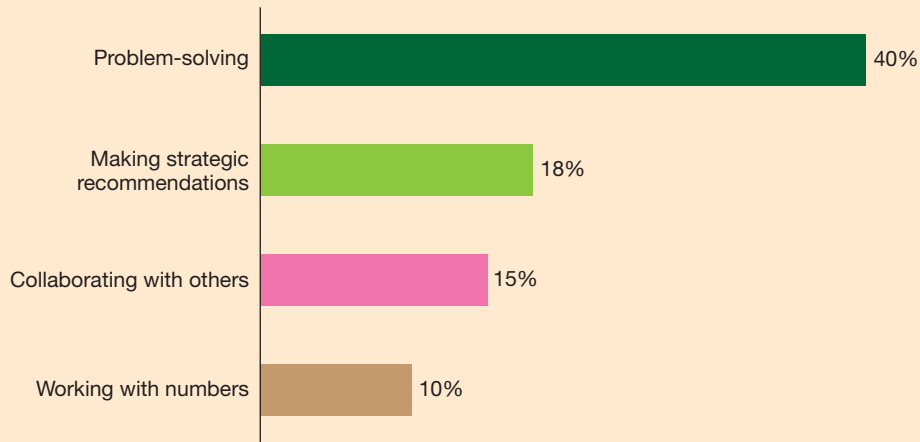
- (iii) The Financial Controllership Programme, piloted in May 2016 and conducted by experienced professional accountants in business who are experts in different subject areas, aims to develop competencies expected of a skilled financial controller. The training would help reduce the skill gap when members switch from work in practice to business.
- (iv) Management competency development is one of the five modules of the Financial Controllership Programme.
- (v) The Institute signed an agreement with the Chartered Institute of Management Accountants (CIMA), under which members who have successfully completed the Institute's new Financial Controllership Programme will be exempted from writing a paper on risk management in the CIMA examination for membership admission.
- The Business Leaders Series aims at broadening the horizon of our members, particularly young members, covering a wide range of business issues. Members have the opportunity to learn from experienced business leaders both from within and outside the profession.
- Piloted in 2015, which received an overwhelming response, the Institute's mentorship programme offers an opportunity for young CPAs to boost their career development by learning from experienced members through consultation and experience sharing. The momentum continues in 2016 with more than 140 pairs matched up.
- The Institute will continue to help expand young members' business network across major professions of Hong Kong by participating in the Young Coalition Professional Group's activities and collaborating with business chambers to organize joint activities.
- To help young members understand more about China, the Institute has been organizing heritage and cultural tours across the border, during which members can visit key institutes and authorities in the Mainland.
- There is much to be learned about the expectations of millennials. The Institute will continue to monitor and respond to the dynamics of this generation.

## 4. A broad range of skills required to support business growth

- 40% say “problem-solving” is the best part of their job, followed by “making strategic recommendations” (18%) and “collaborating with others” (15%).
- The most important skills for current jobs are: analytical (20%), problem-solving (19%), communication (13%) and technical (11%).
- Top job responsibilities are: financial reporting (20%), management accounting (14%), and auditing and assurance (12%).

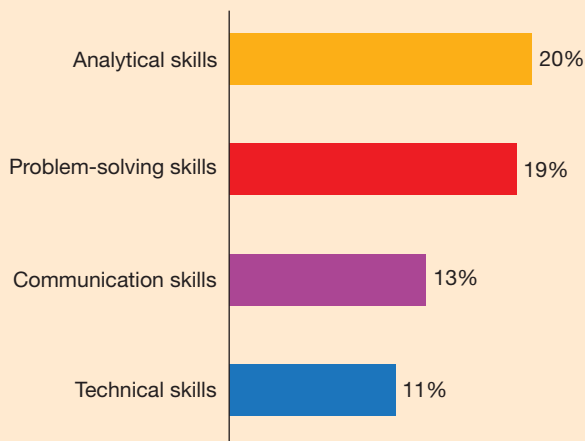
### Which part of the job do you enjoy most?

(Based on participants' top 4 responses)



### The most important skills for your current job

(Based on participants' top 4 responses)



### Top job responsibilities

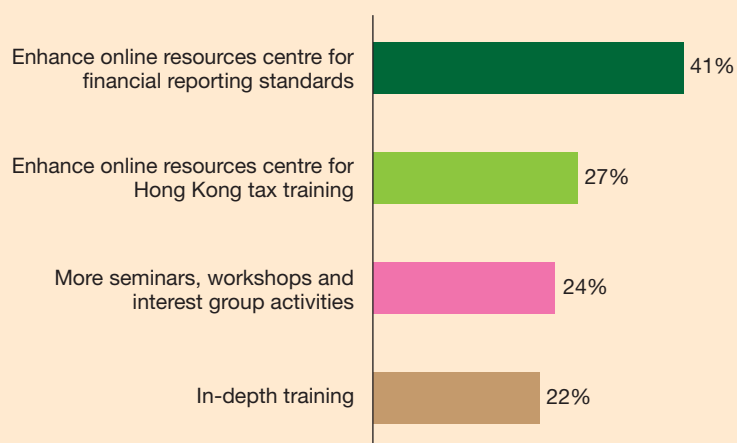
(Based on participants' top 6 responses)



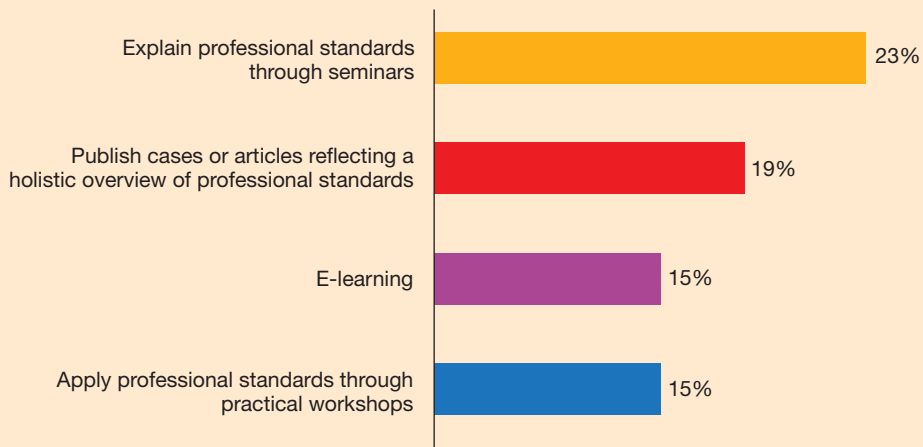
- 41% would like to have access to more online resources in accounting and financial reporting.
- 24% would like to have access to more seminars, workshops and interest group activities.
- 23% expect the Institute to explain professional standards through seminars to meet their learning needs.
- 21% would like more support to develop skills in new and non-traditional CPA roles.
- The most popular skills are management, communication, problem-solving and IT.

### Most beneficial additional products / services requested

(Based on participants' top responses)

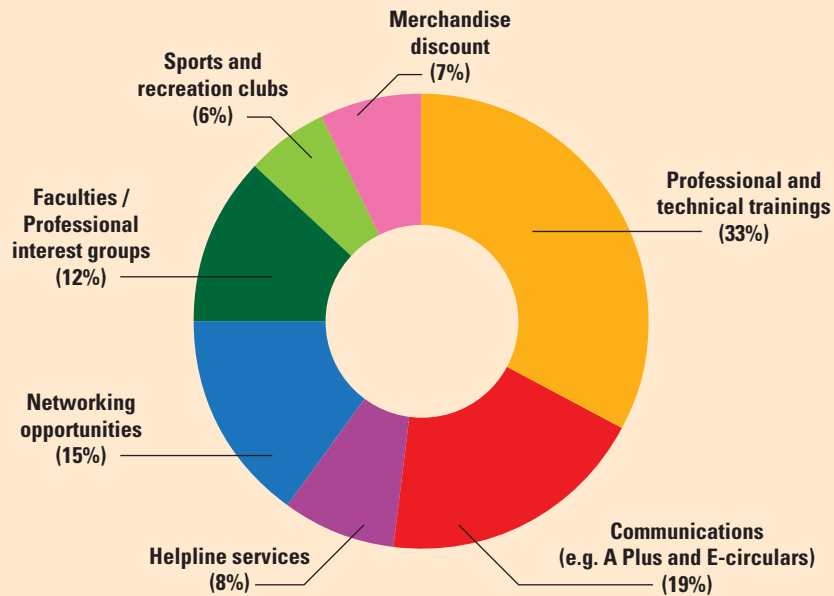


### Meeting learning needs (Based on participants' top responses)



- 33% say professional and technical training is the most important product and service offered by the Institute, followed by communications (19%), networking (15%) and faculties and professional interest groups (12%).

### Which of the following are the most important products and services offered by the Institute? (Please rank up to 3 responses)



### Commentary:

- Members are looking for more diversified and accessible training:
  - (i) From technical and soft skills training to specialization programmes, members are offered a variety of programmes to suit their stage of career development.
  - (ii) The Institute has been rolling out courses in series on hot topics such as soft skills, current affairs, strategic management, forensics, IT, corporate finance, risk management, valuation, and environmental, social and governance reporting.
  - (iii) Popular events have been recorded and made available to members who could not attend physically, and a new e-learning format will be introduced to cater to the needs of our members.
- The Institute organizes over 4,000 hours of continuing professional development events every year. In 2015, there were 315 face-to-face events and 307 e-learning programmes.
- In addressing members' requests for more in-depth courses, the Institute has implemented increased flexibility such as lengthening the duration of CPD programmes, where relevant.
- To help members adapt their skills to new and non-traditional roles, the Institute has been organizing specific programmes and partnering with other professional organizations to tap into their expertise.

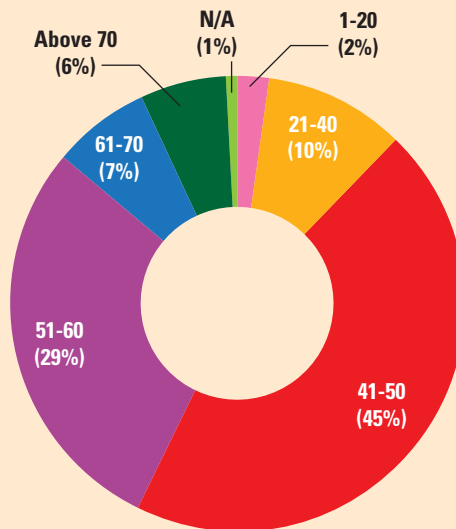
### Impact of global IT development on the profession

- IT has significant impact on our profession, affecting how we conduct our business and how we train our future accountants. Accountants' role has evolved from data collector and presenter to data analyst to facilitate employers reaching informed business decisions.
- There is a great demand for accountants who can turn data analytics into actionable business intelligence. The Institute will collaborate with key stakeholders – CPA firms, accountants in business and universities – to make sure accountants and our accounting qualification remain relevant to business needs.
- The Institute's IT series has been equipping members to get up to speed with the latest development in technology and analytics.
- The Institute will continue to look for ways to enhance members' adaptability in the future development of the profession. Earlier this year, the Institute collaborated with ICAEW on a joint conference, "The Next 25 Years", to highlight the importance of the notion of future readiness.

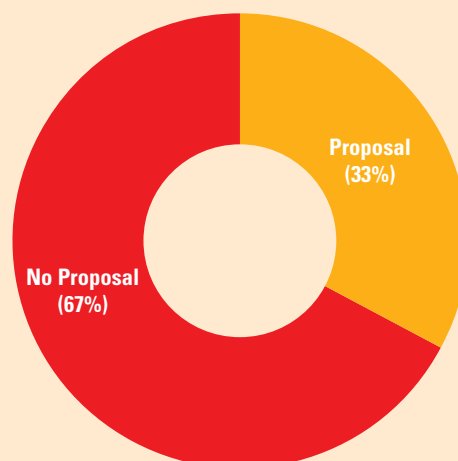
## 5. Work-life balance: fact or fiction

- 57% work 50 hours or less per week.
- 62% of those required to work overtime say some seasons are busier than the others.
- 27% say the January to March quarter is the busiest.
- Fewer members were as busy compared to last year during the busiest quarter (71% worked more than 50 hours per week this year compared to 87% last year).

Over the last 12 months, what was the average number of your actual working hours per week in the current job?



What do you think is the best way to deal with the issue of long working hours?



- 33% respond and give proposals about managing long working hours. Some of the ways to deal with the issue include: fair compensation for overtime; legislation setting maximum working hours per week/month; stress management training; process streamlining and automation; hiring more staff and adding resources; cultural change to reduce redundant tasks and to focus on material areas; and flexible working hours.

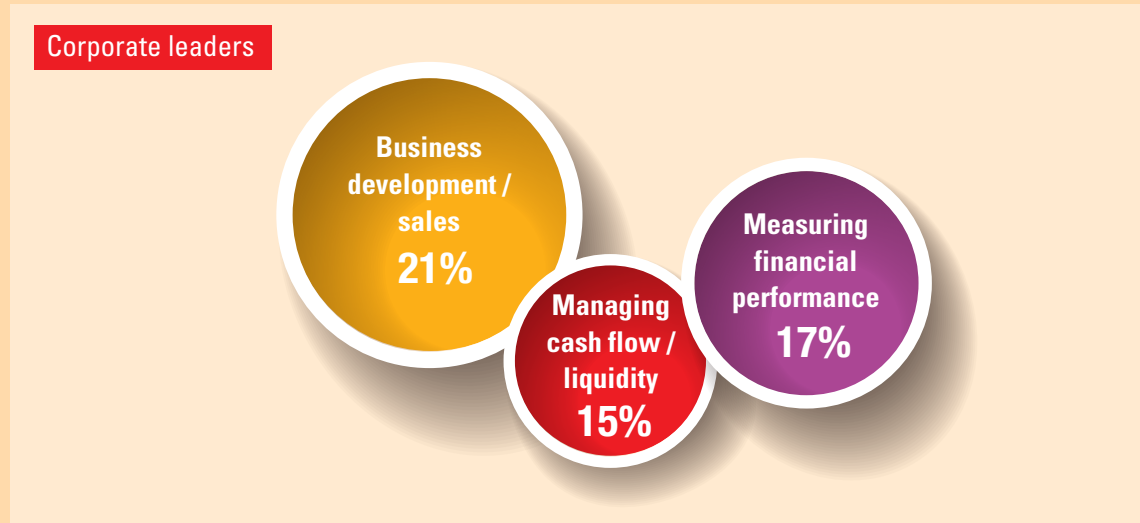


**Commentary:**

- The diversity of answers indicate there is no single best way to deal with the issue of long working hours, however, the Institute will continue to keep this topic current as unduly long working hours do seem to contribute to decreased efficiency, increased errors and absenteeism due to poor health.
- The Institute recognizes that the issue of long working hours needs to be addressed and will continue to connect with our members as well as employers and other relevant parties.
- Preliminary root cause analysis reveals that several factors may contribute to the circumstances; among them are culture, low productivity and human resource planning.
- Management issues such as office place distractions often contribute to inefficiencies; project/time management training may allow members to better organize their time and avoid distractions. CPD on time management, mindfulness and smart use of technology may help minimize concerns.
- The Institute endeavours to continue to review its qualification programme and practical training so as to train up CPAs with the right level of skills and productivity to master the growing challenges in the workplace.
- The Institute organizes sports and recreation events as well as other leisure and networking activities throughout the years to provide options and opportunities for members to maintain work-life balance.
- Business Insider reports that Expert Market, an online business-to-business marketplace, has used data from Swiss banking group UBS to put together a ranking of cities with the least favourable work-life balance. According to the report, those in Hong Kong work on average 27.4% more hours than the global average. However, results from the Randstad Award 2016 research report show that 72% of all Hong Kong employees plan to remain in their jobs for at least six more months with no intention of leaving. This seems to suggest that Hong Kong does have a long working hours culture. While the overtime issue may not be unique for the accounting profession, the Institute believes that unduly long working hours does seem to affect employees' health and quality of their work, and will keep looking for insight from other industries and professions. The Institute is determined to engage our members and employers to work out solutions that are specific to our profession.

## 6. Other observations worth noting

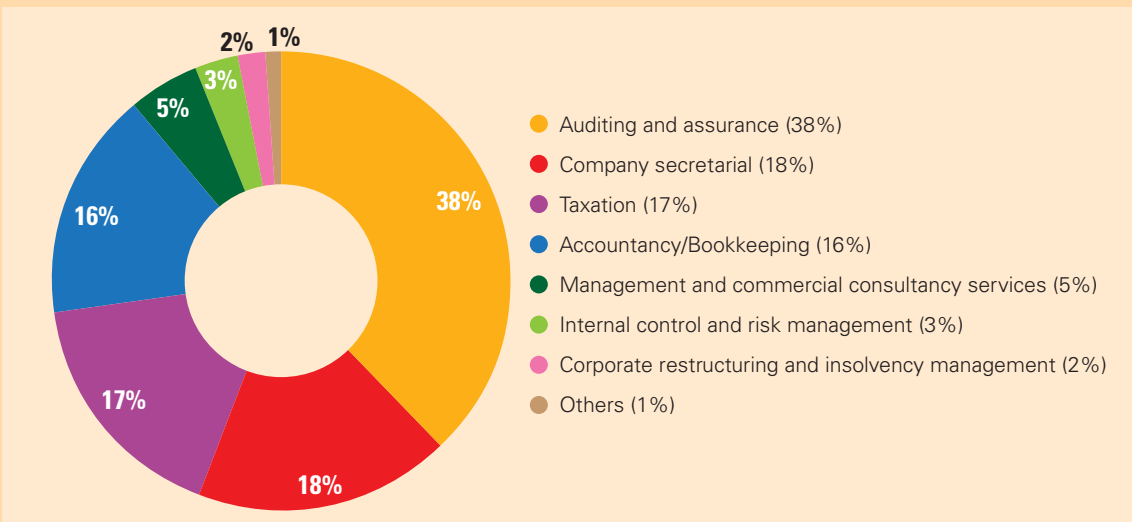
Top issues on the minds of...



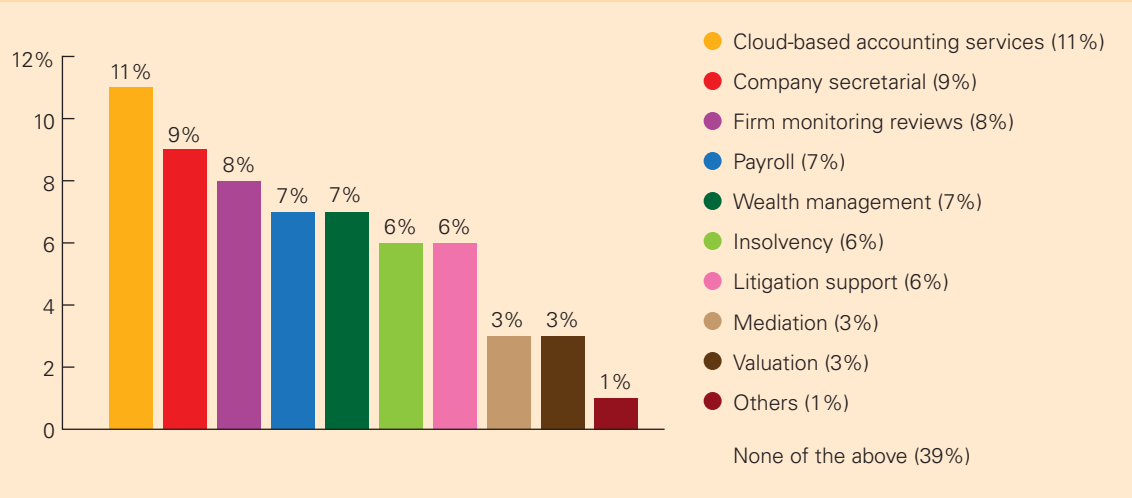
Top issues on the minds of...



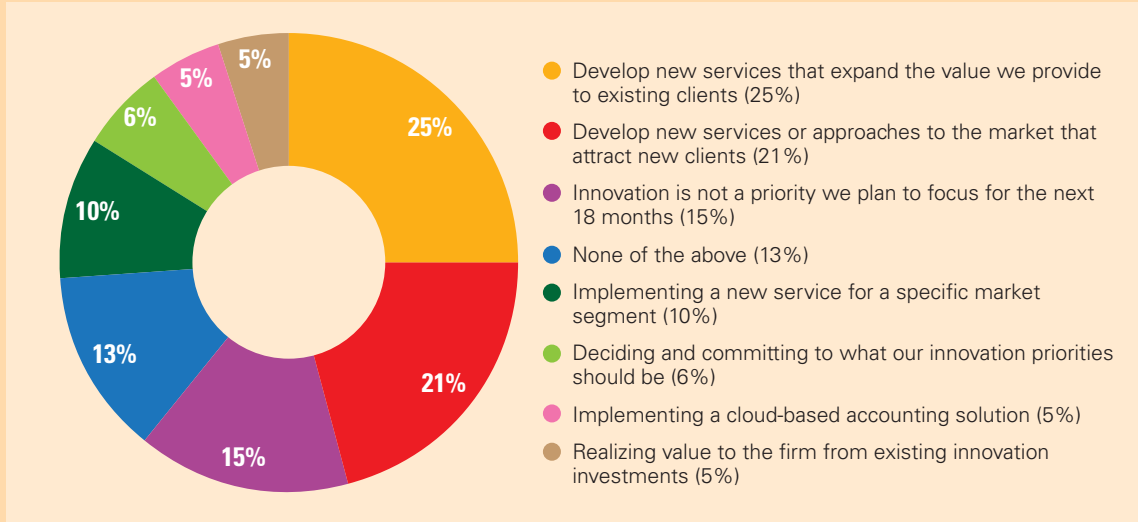
Which of the following services are your firm's core income generators, either in your current firm or through a separate, related entity?



Which of the following services do you plan to add over the next 18 months, either in your current firm or through a separate, related entity?



My firm’s innovation priorities over the next 18 months are:

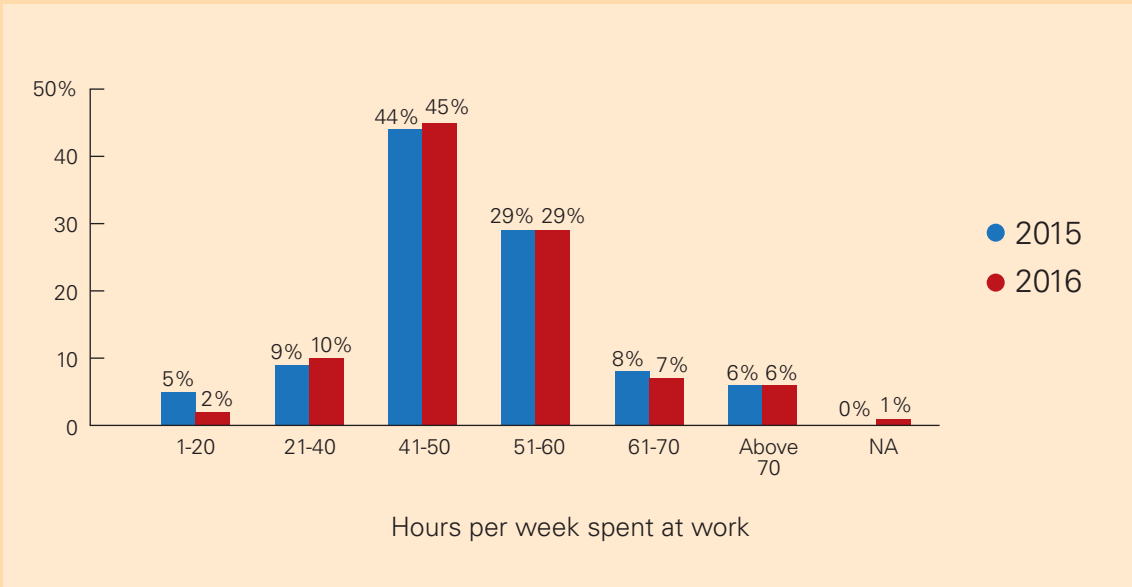


**Commentary:**

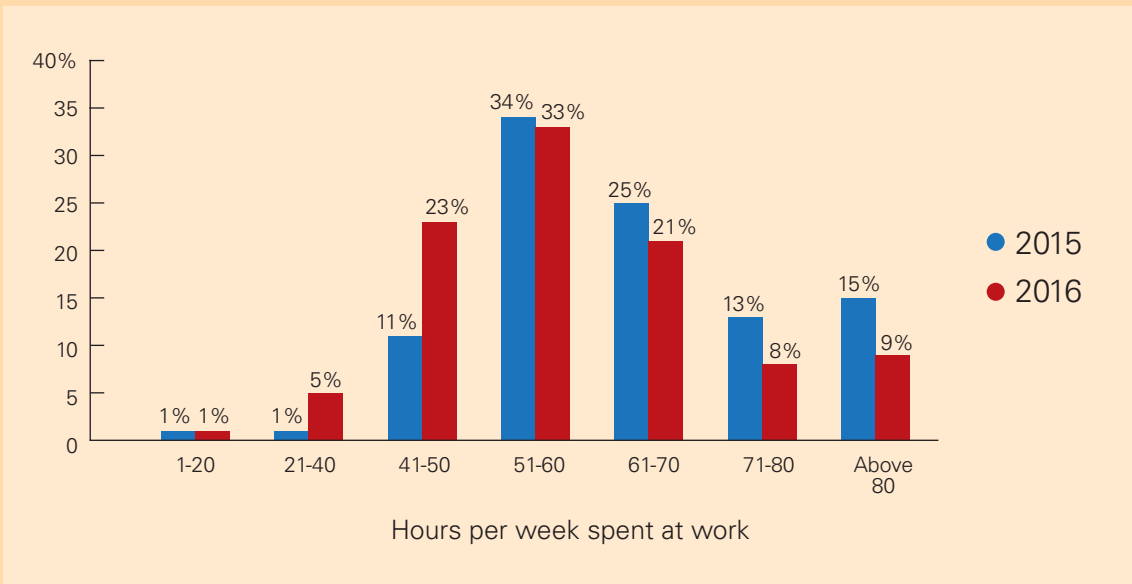
- With CPA firms largely focusing on traditional services as their core income generators, there may be a need for the Institute to lead the discussion on diversification to achieve the sustainability of businesses.
- The Institute will continue to work with member firms to support their business development and to provide suitable training for them to venture into new and innovative areas.

## 7. Trends and changes

Over the last 12 months, what was the average number of your actual working hours per week in the current job?

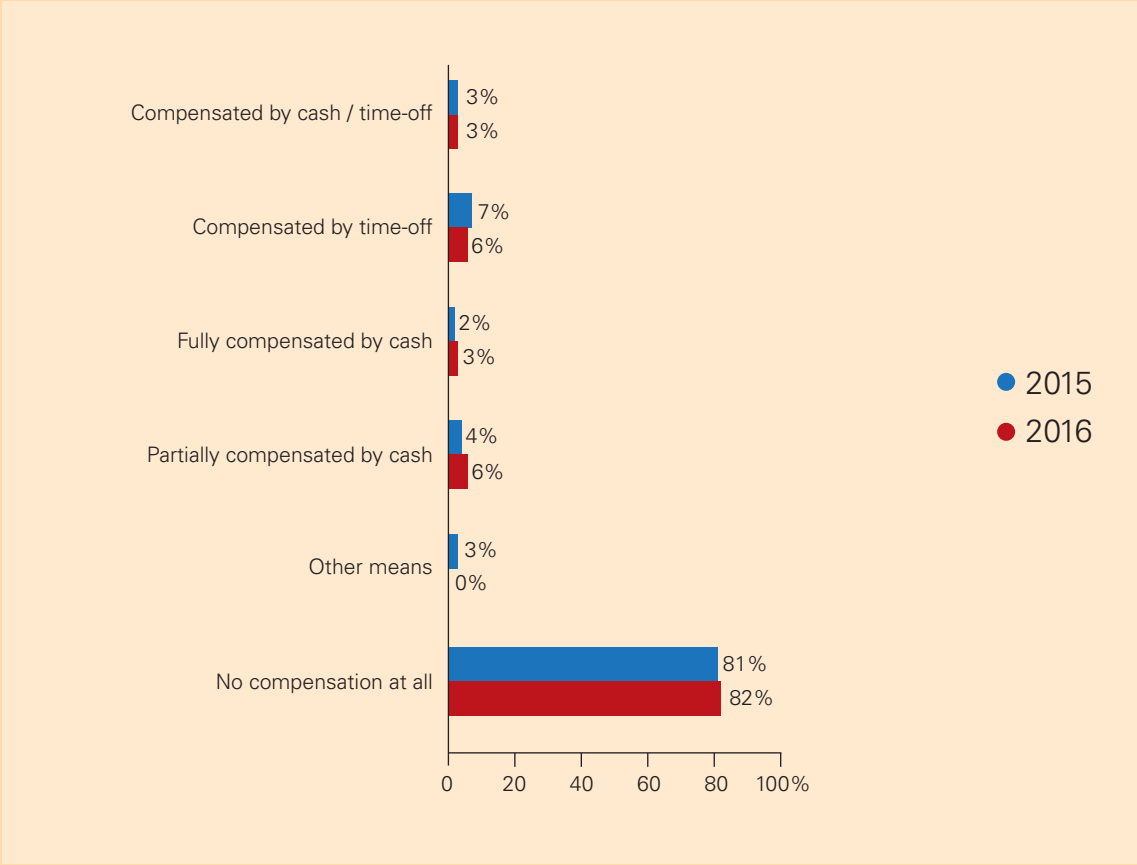


Within the busiest quarter, what are the total number of hours worked per week?

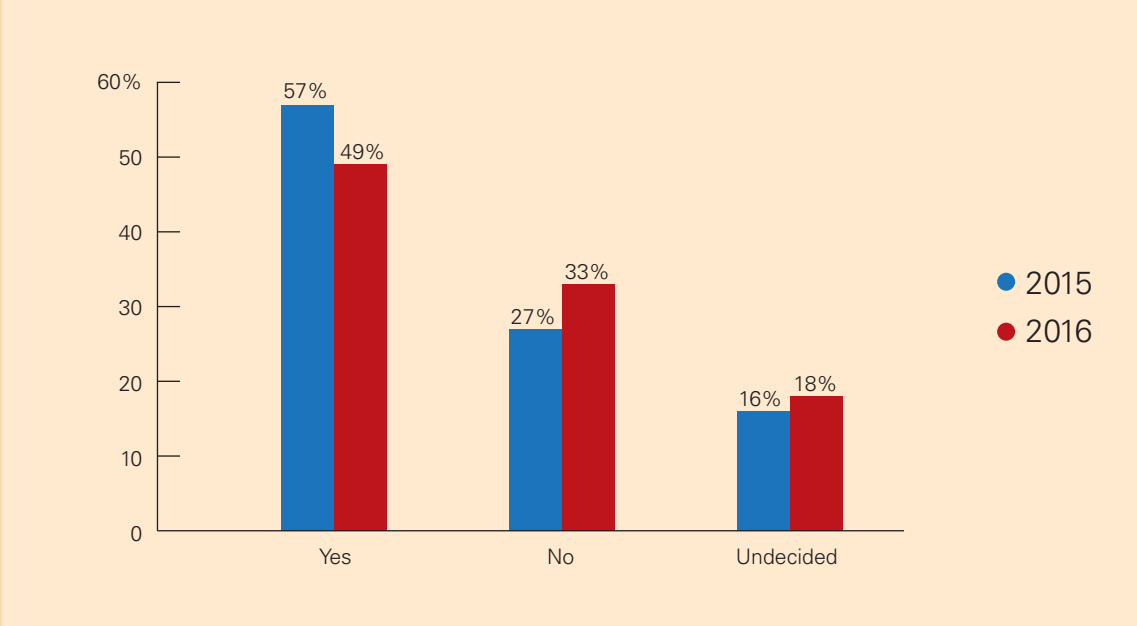


Observation: Fewer members were as busy as in last year during the busiest quarter (71% worked more than 50 hours per week this year compared to 87% last year).

### In your current job, how is overtime compensated?

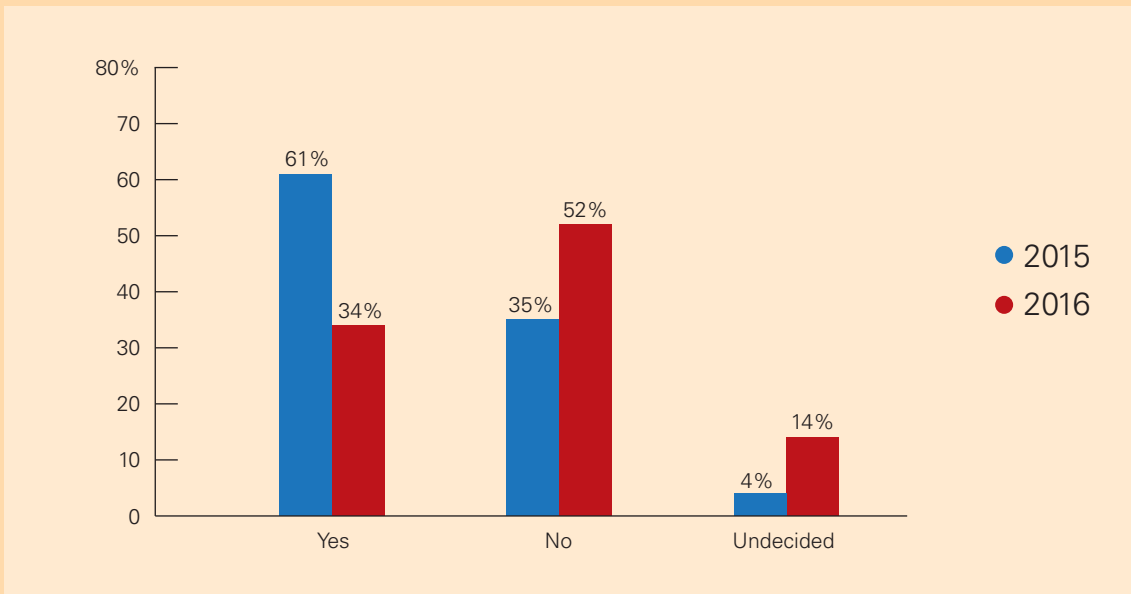


### PAIP to add staff within the next 12 months?



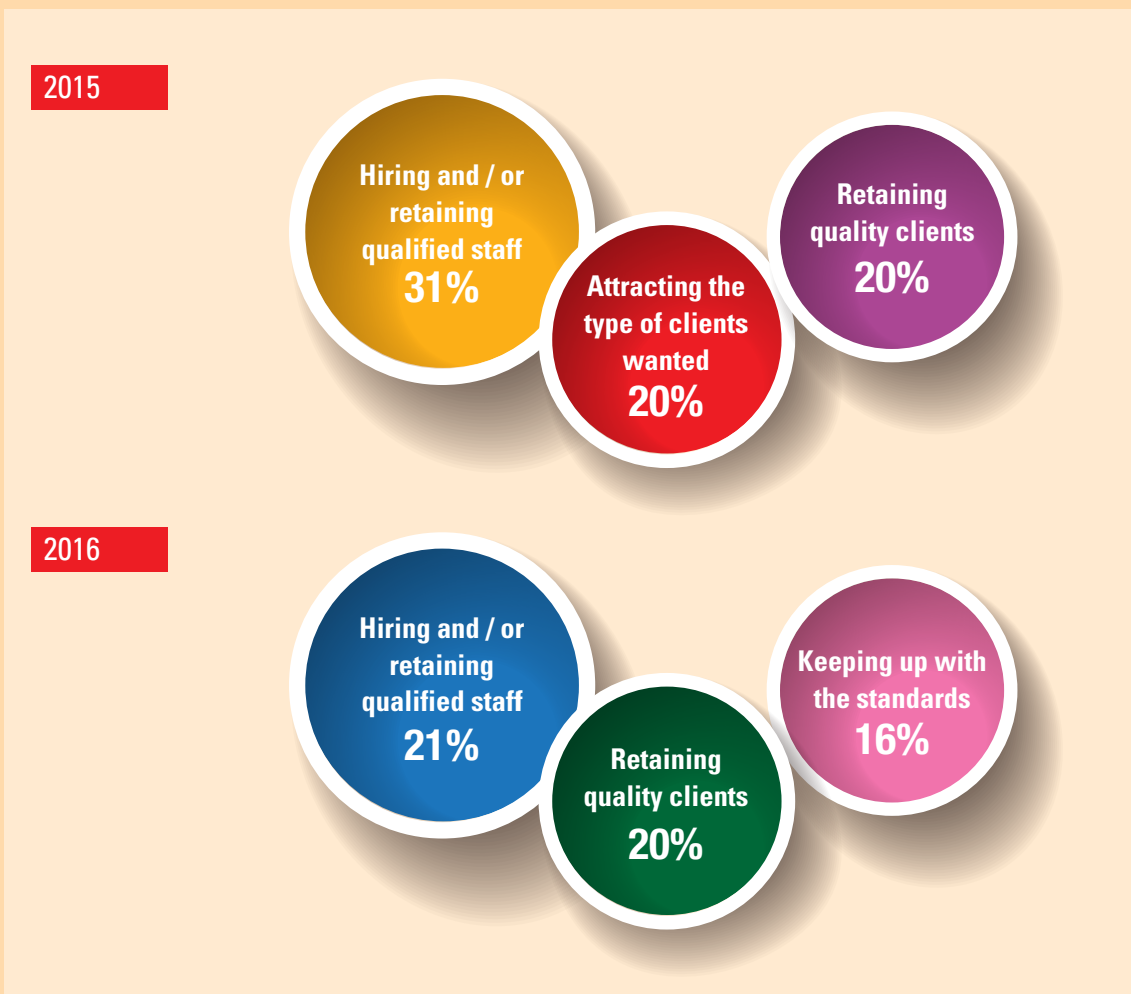
Observation: Fewer PAIPs plan to add staff this year.

### PAIB to add staff within the next 12 months?

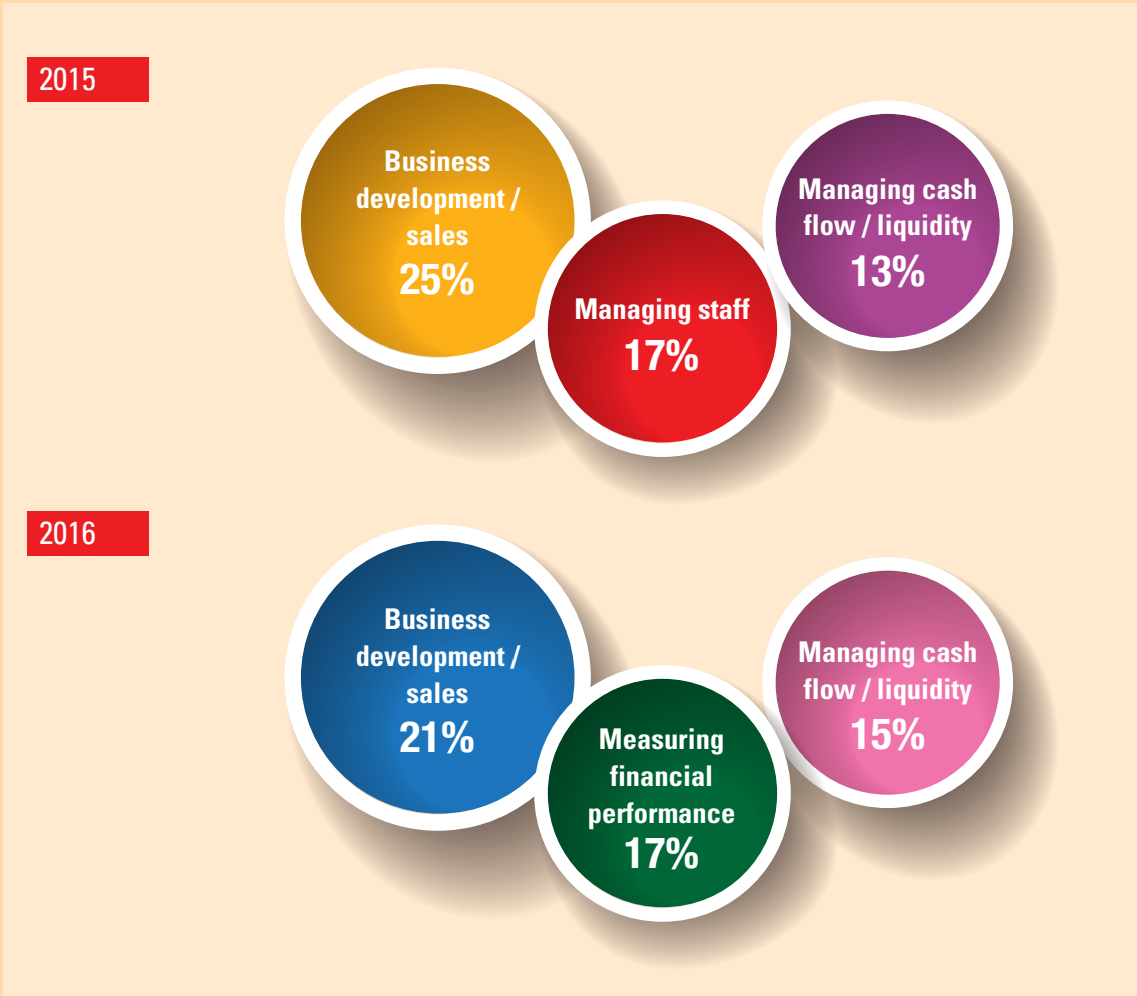


Observation: Fewer PAIBs plan to add staff this year.

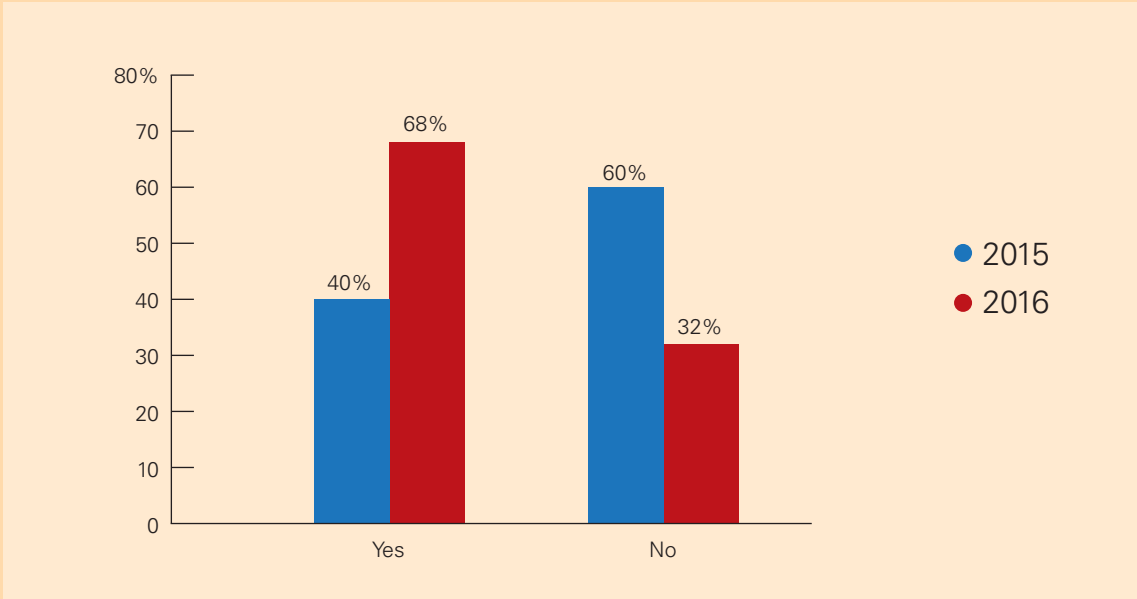
### The top three issues for firm leaders



The top three issues for corporate leaders

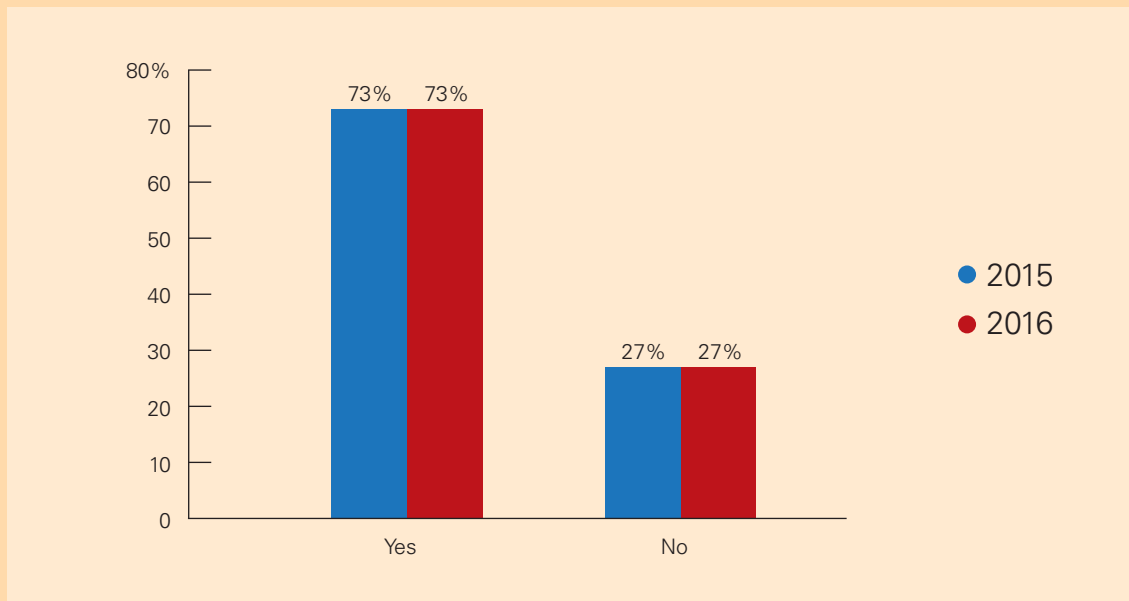


Travel away from work base to carry out employment?

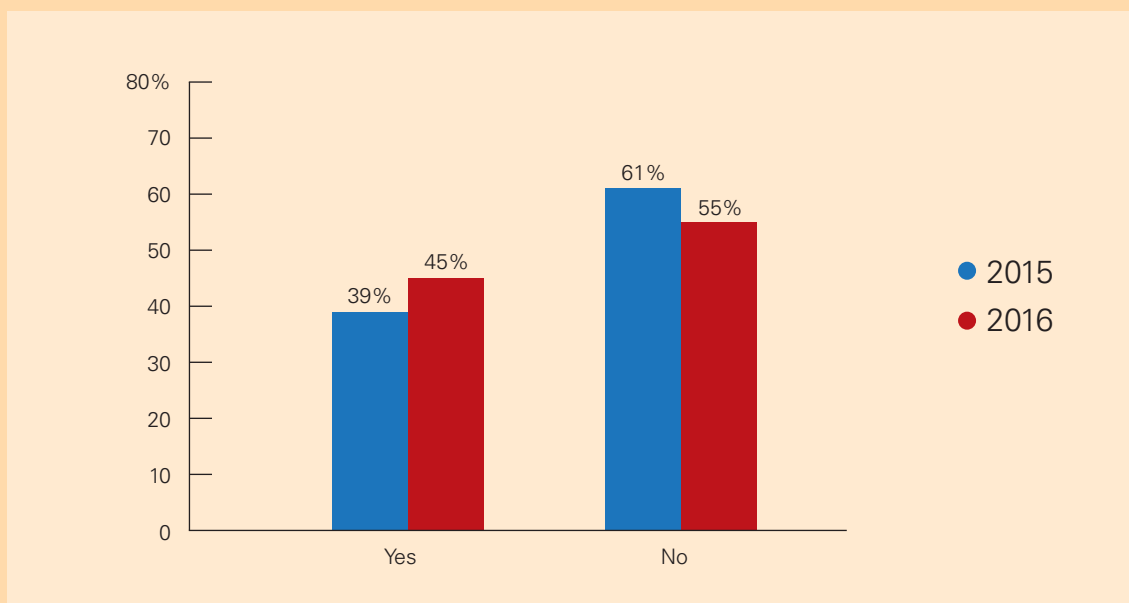


Observation: Significantly more members travel away for work this year.

### Manage staff in your role



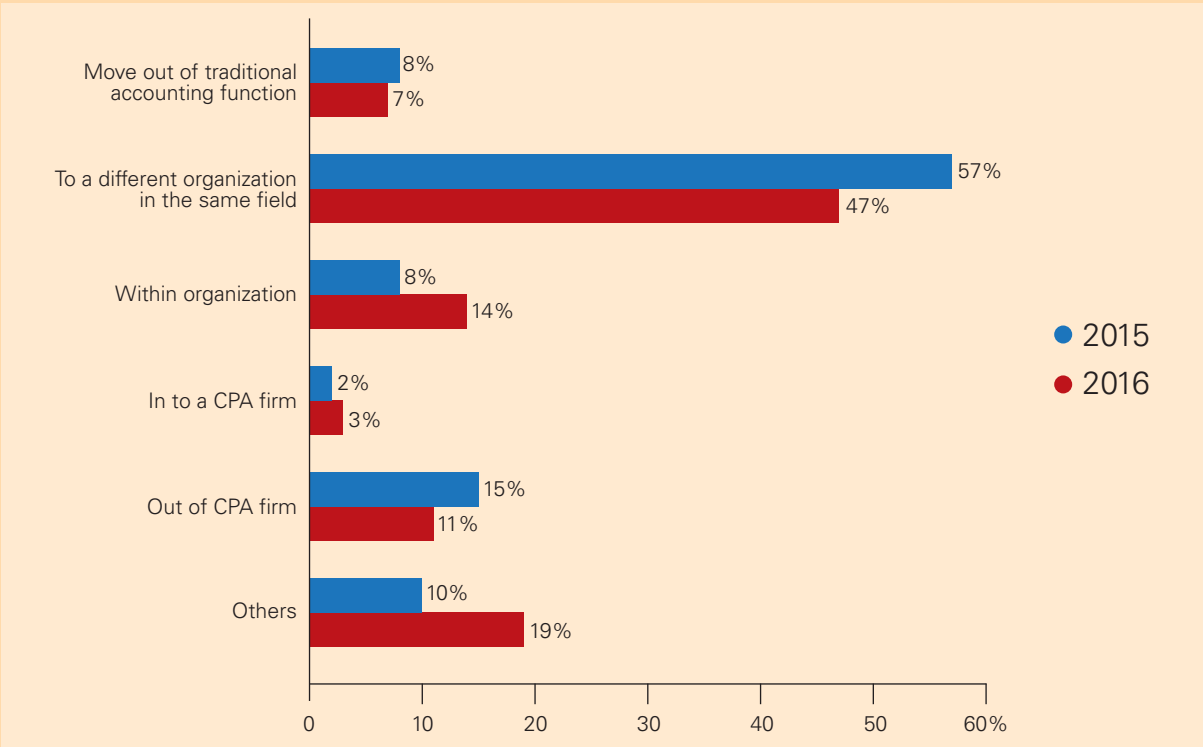
### Job search



Observation: More members plan to search for jobs this year.

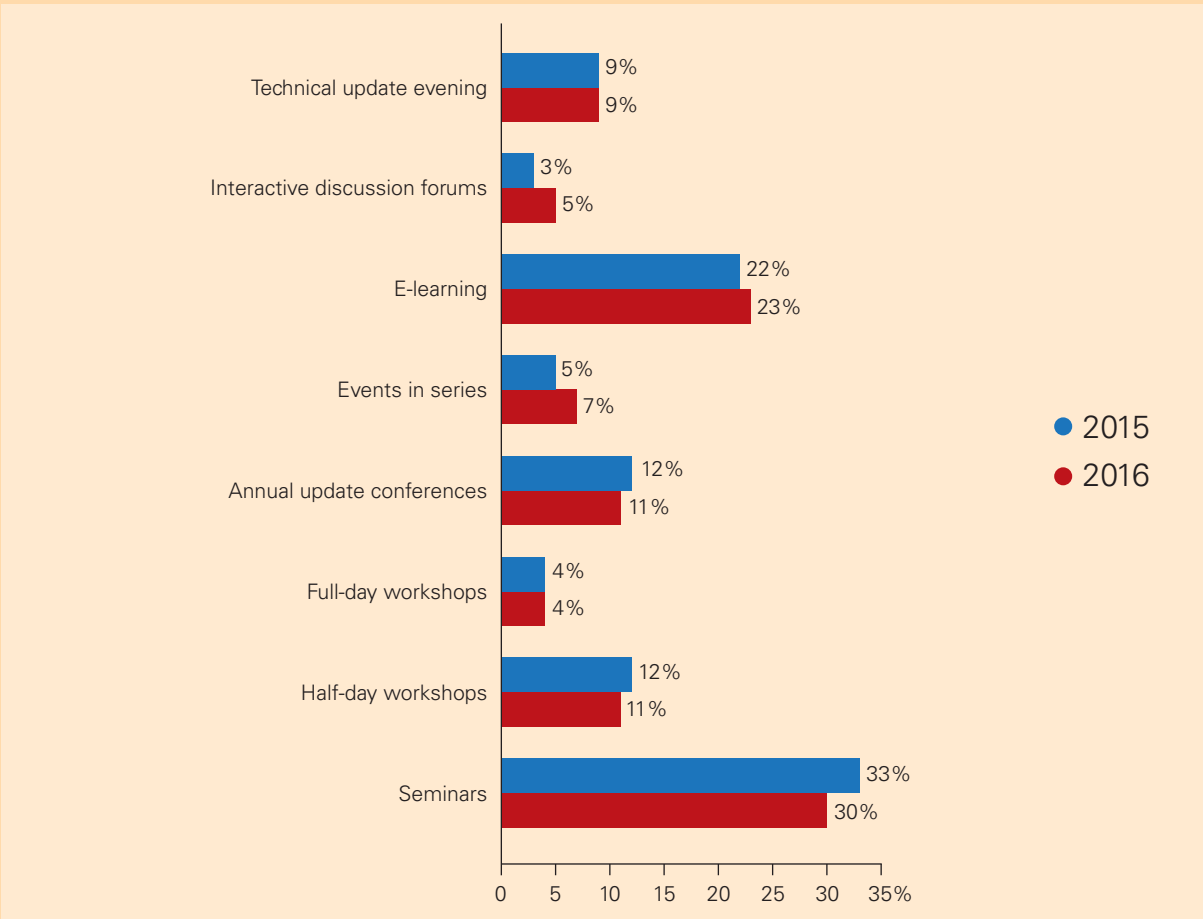


If you are planning to search for jobs, which statement best reflects your plan?

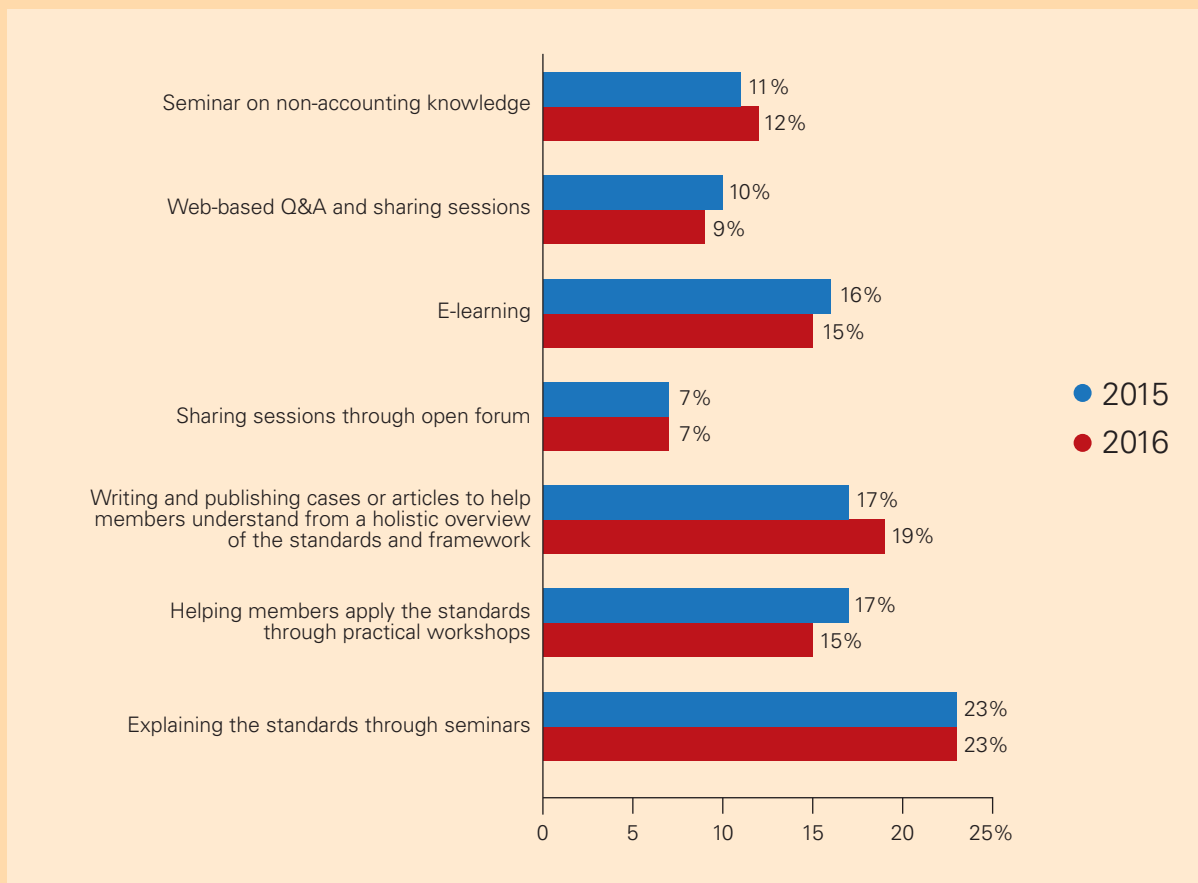


Observation: Comparing to 2015, fewer members plan to move to a different organization in the same field, more are choosing to move within their organizations, and fewer out of CPA firms.

The most preferred method of delivery for the Institute’s learning programmes



### How can the Institute meet your learning needs?



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## About the HKICPA

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 40,000 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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