

Meeting Expectations: Post-Entry Experiences of Diverse Pathways to Professional Accountancy Qualification

CPA Ireland encourages and supports research to develop and enhance the profession of accounting and the advancement of knowledge by supporting CPA Ireland members and the wider field of academia. CPA Ireland values the expertise of both academics and practitioners alike and has funded research which aims to inform practitioners, regulators, the academic community and policy makers. The most recent call for submissions was made in 2016 and three projects were funded. This article is the second in a series of Accountancy Plus articles summarising the results of these projects. Further information can be found on the CPA website (<http://www.cpaireland.ie/media-publications/other-publications/cpa-research>)

In 2015 1,575 students were admitted to membership of one or other of the professional accounting bodies. While most trainees are graduates, a significant number of entrants are either direct entrants from school or enter training from the workplace with prior relevant experience. The combination of declining numbers studying accounting at second level and the expanding range of career options available raises significant questions. Where will the accountants of the future come from? And how can we attract the most suitable candidates to form the next generation of accountants?

To gain insight we took a closer look at the experience of a group of twenty-nine recently qualified accountants, all between three and six years qualified. They were representative of the various professional bodies, age groups, entry routes and training paths. Their candid and reflective descriptions of their experiences provide a vivid picture of the professional training experience. They also raise some questions for the profession on ensuring the continuity of the pipeline of high quality entrants and how to ensure that trainees maximise their potential during training and on qualification. Three questions sum up the journey of these accountants.

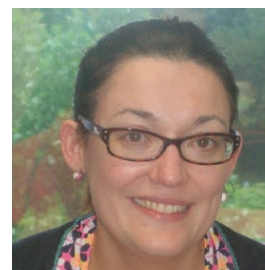
How does the accountants journey start?

The most common influence among the interviewees who entered accounting directly, via an accounting or business degree, was the exposure to accounting at secondary school level. Accounting was something of a natural progression often because it was their best subject at school. They played to their strengths and this was reinforced by finding order, simplicity and beauty in their early exposure to book-keeping. We found that what many interviewees had in common was the feeling of satisfaction when doing double-entry and having the balance sheet balanced.

For others, accounting represented a professional career that held value and prestige. For example, even though *Nicola did not progress directly into accounting from second level schooling, once she started the qualification process she persisted as she saw value in completing the qualification and becoming an accountant. She was also aware of the opinion of others whose judgement she valued such as her father. Teachers or family friends were also significant influencers. For Hannah, when it came down to picking her subjects for the Leaving Certificate, the positive influence her teacher had on her helped her make the final decision.



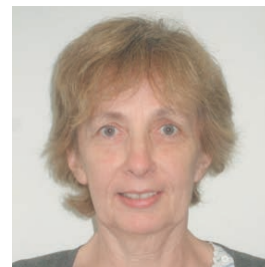
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Where to train as an accountant?

Three distinct pathways emerged from our study: those who chose accounting as school leavers; those who changed to accounting on graduation; and those who chose accounting when already in the workforce.

The Early-Birds

Those who made an early decision to study accounting or business in a third level degree often followed the path of least resistance. Decisions on a training firm were influenced by peers and family and the reputation of the Big 4 brands.

Early-birds who sought out small firms were likely to have some prior knowledge of the specific experience or did some research and reflection on the nature of the training. Dawn considered the advantages of working in both big and small firms, and having done some research and attended graduation fairs, came to the decision that working in a smaller firm would give greater exposure to Irish businesses.

The path of least resistance might lead to the first job offered irrespective of employer type. The choice of which accounting qualification to pursue was driven mainly by what was on offer in the training firm. If the trainee had a choice, the quickest route to qualification and the exemptions already held were key influences.

The Converts

A number of interviewees had opted for accounting after 'converting' from earlier courses in areas like Arts or Science. For these interviewees, post-graduate conversion programmes paved a route into accounting. If the conversion course had a work placement option then that opened up an initial training environment. These training environments were often industry based. Interviewees looked towards CPA or ACCA if in a financial accounting role whereas CIMA was seen as more suited to a management accounting or business analyst placement.

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The Developers

For the developers, an accounting qualification enhanced their existing skills. While some continued in their original setting, others needed to move to a training firm to qualify as accountants. The decision to professionalise was taken to capitalise on work opportunities or overcome hurdles. This typically happened after a number of years in the workplace. For many, the Accounting Technician qualification constituted an essential bridge from which the natural progression was onward to a professional accounting qualification. Nicks work experience included working in a number of different financial positions and although he was not required to be qualified, he felt he needed to gain the qualification and professionalise.

These more mature entrants took greater levels of control and expressed more insight into the consequences of their decision.

What to do next after qualification?

What was striking overall was how relatively satisfied most interviewees appeared with their career progress to date, irrespective of the route taken. All appeared to have had options available to them at critical points, whether they chose to take these or not.

Many of those entrants who came direct from education needed time to develop a career plan as they completed their training. This might involve moving outside their comfort zone and building their CV, and/or seizing opportunities that arose. Eoin believes that many people feel unsettled when they have completed their professional exams and training. They are then out of the system and are unsure of where to go from there.

There is a sense that there is a spiral in operation, particularly in the Big 4, that spins out the majority of those who qualify. It may not be clear whether it is the firm or the individual who drives the decision to stay or leave the training firm. Those who stay are often quickly promoted to manager.

The varied reasons for moving on included work-life balance, leaving their comfort zone and preparing for management roles. Some simply found that audit was not for them such as Eoin found that he did not like having to move around so much as it made it difficult to get to know a business and how it operates.

Moving from the Big 4 to industry was a well-worn path but moving from smaller practice into industry could be a challenge, particularly moving to bigger companies. It was easier to move from a small practice to the Big 4 than to industry. Some took a first role in industry to get a foot in the door. For instance, Nicola who trained in a small firm knew she wanted to move into industry as she felt it would provide more opportunities. However, she found it difficult to get recruited in industry without having any Big 4 experience and found that recruiters were not even sending on her CV. A well know MNC provided the opportunity to move into industry and once there, progress was swift, becoming a team leader after only 9 months.

Conclusion

Our interviewees are a resilient, optimistic group. This is very positive news to report given that they would have trained, and qualified during Ireland's era of economic crisis and near economic collapse. They have developed successful careers through hard work, flexibility and commitment.

Some lessons can also be learnt from the study.

- The choice of an accounting career can be a fairly imprecise and indeed haphazard affair. The educational and work contexts jointly influence the choices made by entrants to the profession. Greater cooperation is needed between the educational and professional sectors to assist potential entrants in their career choices. The evidence of the study suggests that recent changes to the second level school curriculum, which has downgraded the accounting component of the business studies subject at Junior Cert level, combined with the long-term decline in the numbers taking accounting at Leaving Certificate, may well reduce the numbers considering an accounting career in the future.

▪ The Big 4 dominate the horizon of training routes to qualification for the 'early birds' who make early educational and career choices. But alternative training paths through small and medium sized practices, and in industry and the public sector, also offer a broad-based training and business exposure. The interview evidence shows that these paths can be equally, if not more fulfilling and would benefit from greater promotion and recruitment activities to 'early-birds' at pivotal (i.e. early) decision points to match the lure of the Big 4. The attractions of these paths are already recognised by 'developers' and especially by 'converts'.

▪ Employers need to offer a compelling combination of experience, further professional development and work life balance to attract and retain newly-qualified talent. Financial rewards were only occasionally mentioned by interviewees. We would infer that earnings were generally seen as satisfactory rather than that the money was unimportant! It is also notable that while the benefits of a small practice training route were recognised by trainees and indeed by the Big 4 in recruiting newly-qualified accountants, they are less recognized by industry and recruitment agencies. There would seem to be a need for dialogue and ongoing promotion of such pathways to address this.

*All names have been changed to preserve the anonymity of interviewees.

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