

EMPLOYERS ENGAGEMENT SURVEY

2019

Professional Accountants in Business (PAIB) Committee
Institute of Chartered Accountants of Pakistan (ICAP)

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Executive Summary

The ICAP Professional Accountants in Business (PAIB) Committee, recognizing the need to understand requirements of employers of Chartered Accountants, conducted Employers Engagement Survey in February 2018.

The online Survey was responded by CEOs, CFOs, HR Heads and other departmental heads of around 200 organizations across Pakistan. The research tool was a questionnaire with 20 quantitative and qualitative questions divided into four categories; demographics, need assessment, engagement and expectations from employers.

The results of the survey revealing the top reasons for hiring a CA include, audit and assurance, corporate reporting and financial management. Moreover, factors such as accounting body of qualification, level of knowledge in financial and managerial accounting, professionalism and ethics are considered key features during the hiring process. The most satisfactory performance of CAs is in their financial acumen, implementation of strategic decisions and establishing trust.

According to the survey, Chartered Accountants are good decision makers, listeners and solution providers. Furthermore, most of the respondents agree that Chartered Accountants are equipped to transform with the digital age. The most preferable ways of recruitment for employers are through references, Head Hunters or HR Consultants and newspaper advertisements. Additionally, the challenges employers face when recruiting include budget constraints and difficulty in identifying the right talent.

The survey also revealed that employers believe that there is room for improvement for Chartered Accountants in the areas of decision making skills, interpersonal skills and teamwork. Ninety-five per cent of respondents believe that Chartered Accountants contribute significantly in organizational performance and expect them to contribute greatly in the roles of business analysis, financial operations and strategy development.

Introduction

The objectives of the Employers Engagement Survey include:

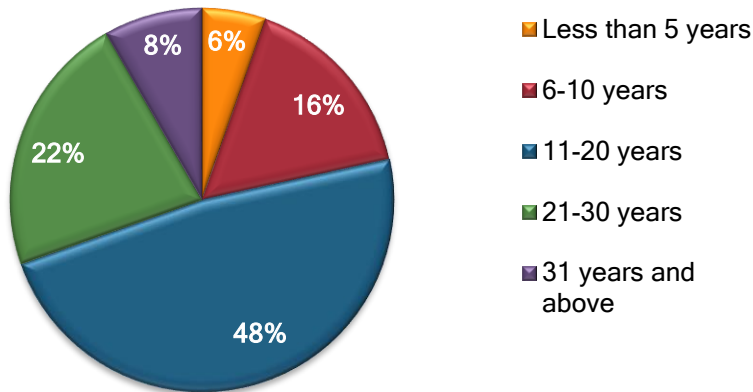
- ♦ to understand the perspective of employers regarding Chartered Accountants in industry
- ♦ to establish better understanding regarding needs, demands and expectations of employers seeking to hire Chartered Accountants
- ♦ to identify skills and talents CEOs, board members and senior management are looking for in a finance leader, their satisfaction level with Chartered Accountants currently working with them, and their planning to deal or engage with CAs in the coming future.

The report contains results of the survey in the form of self-explanatory graphs and charts.

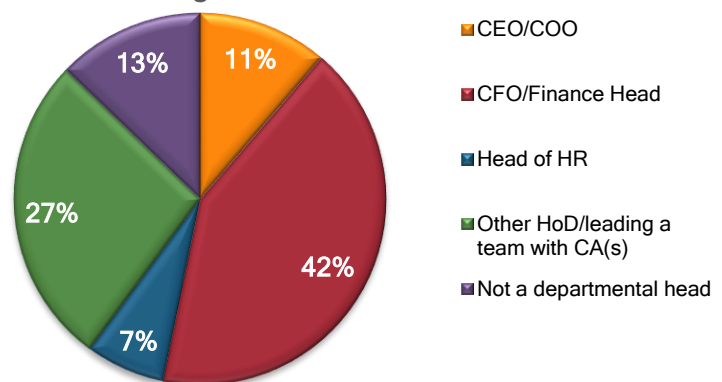
1. Respondents Profile

The respondents of the survey belong to around 200 organizations across Pakistan. Almost half the respondents have 11 to 20 years of professional experience. 42% of the respondents are Chief Financial Officer's or Finance Head in their respective organizations. Below is the detailed analysis of the respondents:

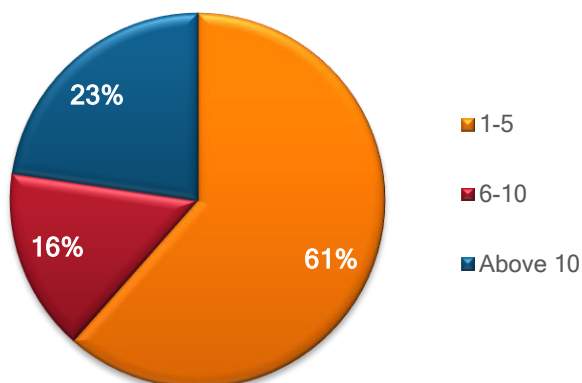
Total Professional Experience



Designation



Number of Chartered Accountants in organization



2. Need Assessment



Following detailed analysis will help determine and address the needs of employers from Chartered Accountants. The statistics give good insights about the overall dynamics of employers in terms of hiring CAs and their perception of their performance.

2.1 Top reasons to hire a Chartered Accountant

Results depict the first ranked functions; audit and assurance being the top ranked function by 45% of respondents, corporate reporting is the top ranked function by 42% of respondents and so on. Other functions include those that are not ranked yet are considered important to mention.

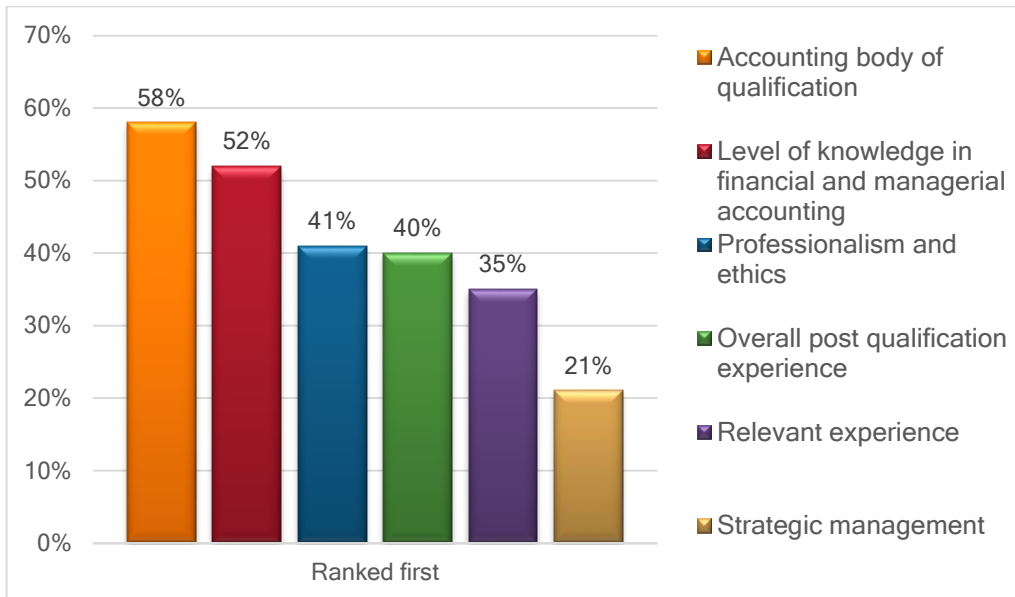


Other functions,

- ◆ Corporate affairs and secretarial task
- ◆ Financial modelling & analysis
- ◆ Business intelligence & analysis
- ◆ Internal audit
- ◆ Budgeting
- ◆ Tax advice & assistance
- ◆ Financial reporting

2.2 Factors to consider when hiring a CA

Results depict the first ranked factors; accounting body of qualification being the top ranked factor by 58% of respondents, level of knowledge in financial and managerial accounting is the top ranked function by 52% of respondents and so on. Other factors include those that are not ranked yet are considered important to mention.



Other factors,

- ♦ Business & economics acumen
- ♦ Loyalty & integrity
- ♦ Skills in relation to ERP & data analytics tools
- ♦ Growth potential
- ♦ Communication skills
- ♦ Interpersonal skills
- ♦ Big four experience
- ♦ Internal controls

2.3 Preferred accounting qualification

ICAP CA qualification is the first choice of **74%** of respondents

ACCA is the second and third choice of **35%** and **16%** of respondents

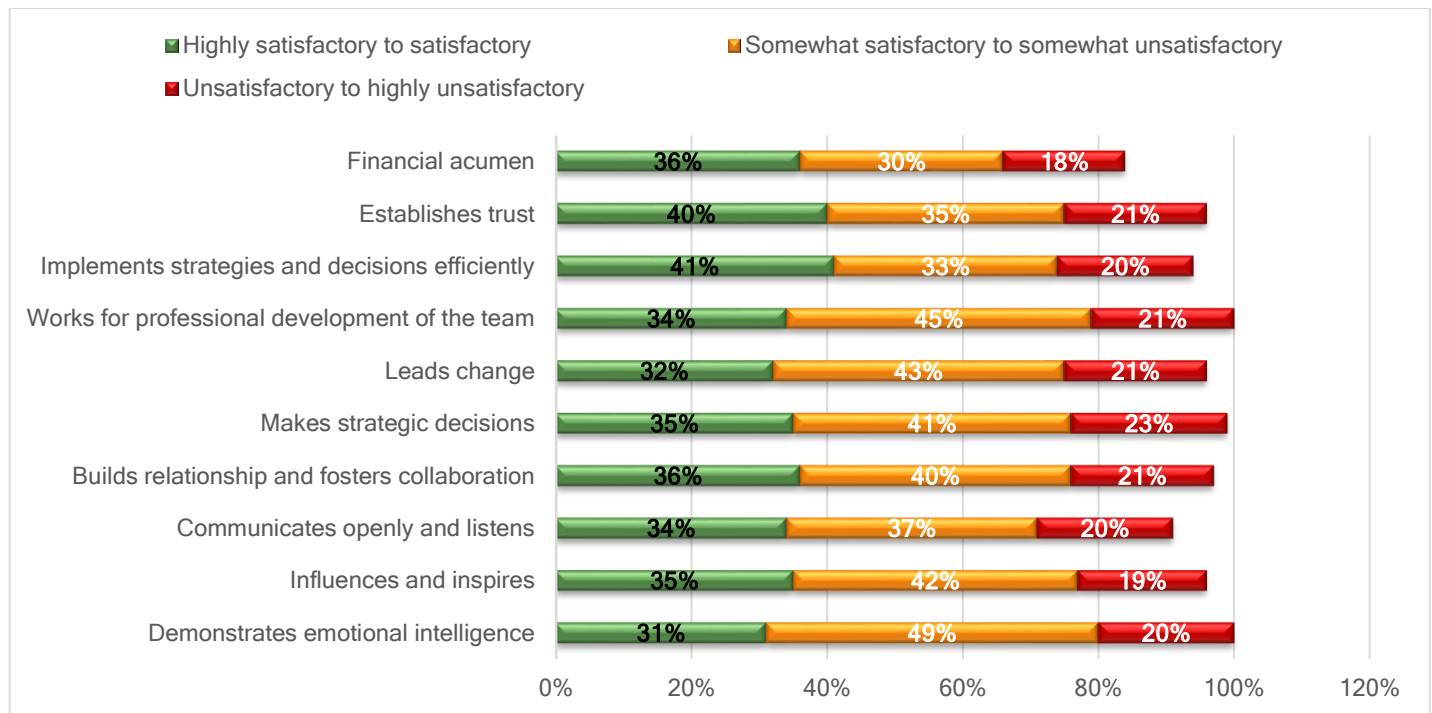
2.4 Performance of Chartered Accountants

Performance of chartered accountants is gauged on a scale of satisfaction from respondents.

79% are satisfied with financial acumen

77% are satisfied with implementing strategy and decisions

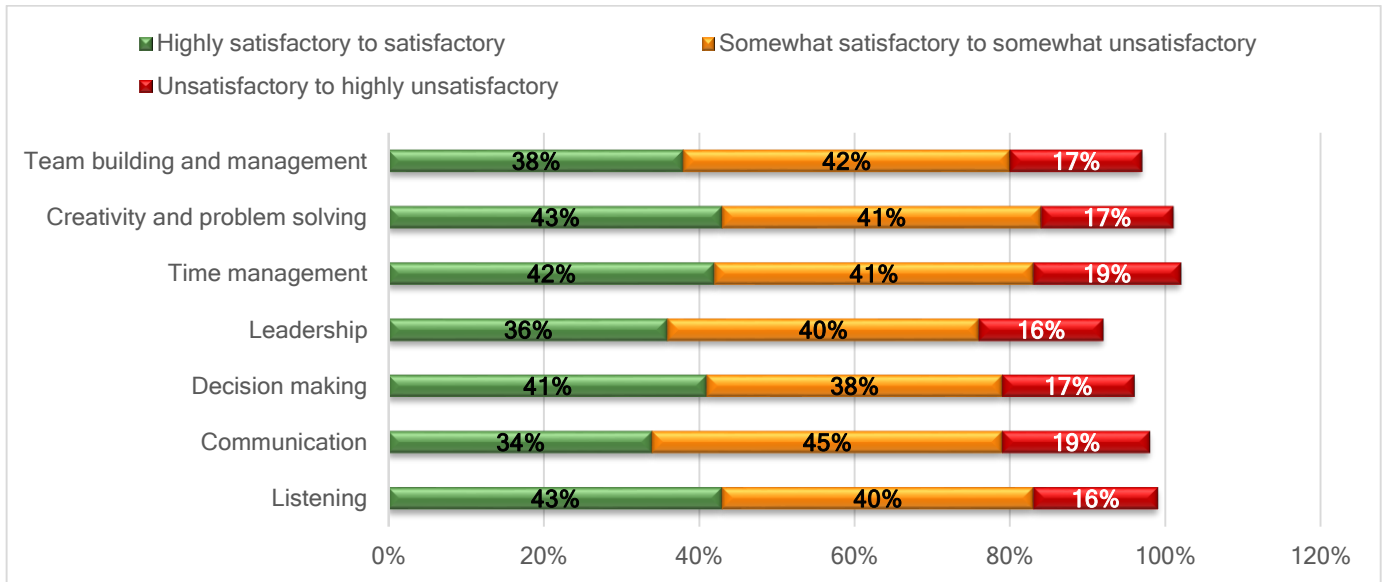
74% are satisfied with establishing trust



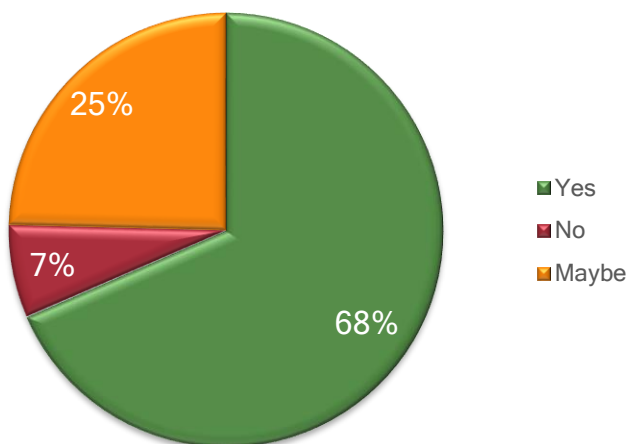
2.5 Soft Skills of Chartered Accountants

73% are satisfied with decision making

70% are satisfied with listening skills, leadership qualities and creativity and problem solving of CAs



2.6 Equipped to transform with digital age

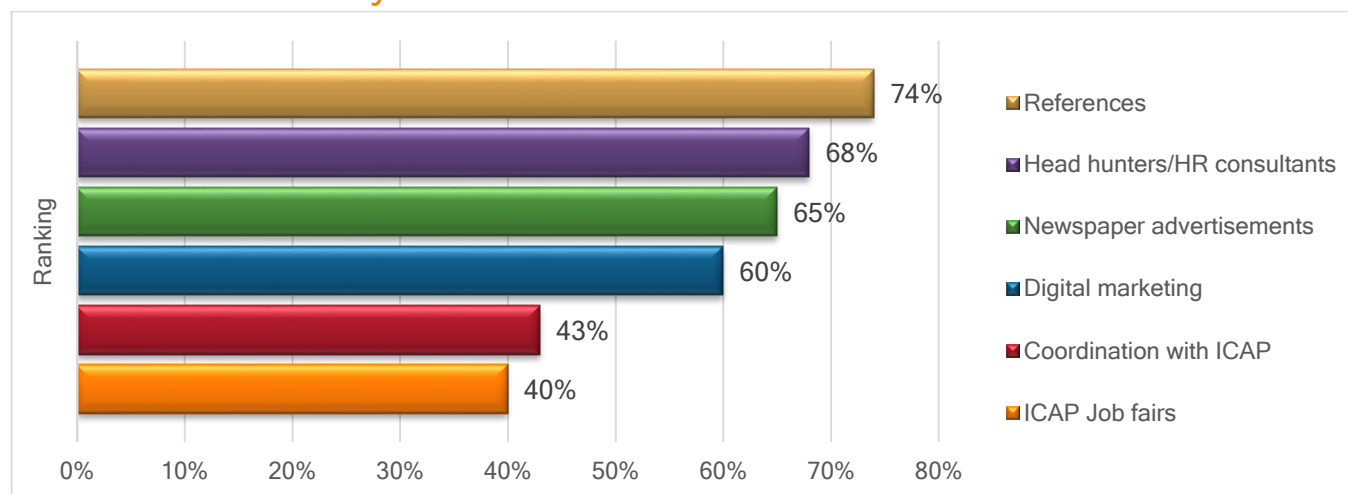


3. Engagement



In an attempt to understanding how employers recruit CAs and engage them while assessing their performance and areas for improvement, we discovered that most of the organizations use references as their mode of approaching CAs and more than half of the employers face budget constraints when hiring CAs.

3.1 Preferable ways to recruit CAs



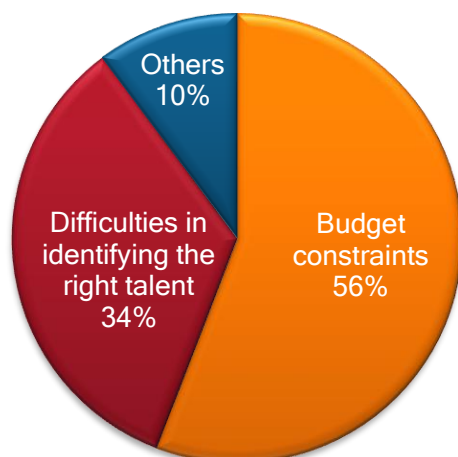
3.2 ICAP and employers

Following are the ideas of respondents as to the ways ICAP can provide ease to employers in hiring Chartered Accountants:

- ♦ **Recruiting facility**
ICAP can formulate a Recruitment Committee or Placement Centre whose primary function should be to obtain resumes from members seeking opportunity and to recommend suitable candidates to employers after testing and interviews.
- ♦ **Data bank of member profiles**
Maintain a database of detailed profiles of members categorized according to their number of professional experience and industry and make it easily accessible to employers.
- ♦ **Portal for job opportunities**
An online portal where job opportunities are regularly updated such as LinkedIn where you can find jobs and apply instantly. The Committee or Centre can also send job alerts to all members who have subscribed for the service.
- ♦ **Coordination with employers**
 - ICAP should have regular communication with the HR departments of local and multinational companies as well as public sector organizations.
 - ICAP should conduct job fairs. Most of the respondents suggesting job fairs reflect that they are not aware of the job fair that ICAP MARCOM department conducts every year. So, firstly, there should be ample marketing activities to spread awareness and secondly, more employers should be engaged.
- ♦ **Training and development**
 - Conduct a six-month industry specific training program
 - Conduct training and/or seminars for presentation skills, resume writing, interview skills and on other relevant topics that can help candidates in looking for job opportunities. These trainings should be made part of students' routine.

3.3 Challenges

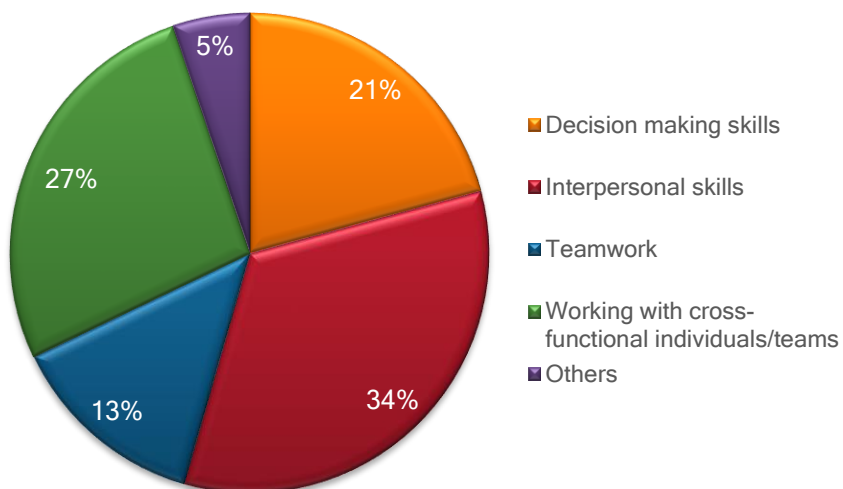
What are the challenges you face when hiring Chartered Accountant(s)?



Others include,

- ♦ Lack of knowledge of the industry
- ♦ Weak communication, interpersonal and leadership skills
- ♦ Weak multi-tasking and entrepreneurial capabilities
- ♦ Attitude of fresh CAs. Mostly fresh accountants don't keep their pace with the industry requirements especially on macroeconomic levels. Moreover, they have huge salary expectations.
- ♦ Part qualified CAs don't have bachelor's degree making it difficult to hire them
- ♦ Lack of dedication and passion towards work responsibility

3.4 Areas of improvement for CAs



Others,

- ♦ Meeting & team building
- ♦ Presentation & Communication Skills
- ♦ Time Management
- ♦ Business acumen

3.5 Experience of engaging CA employees



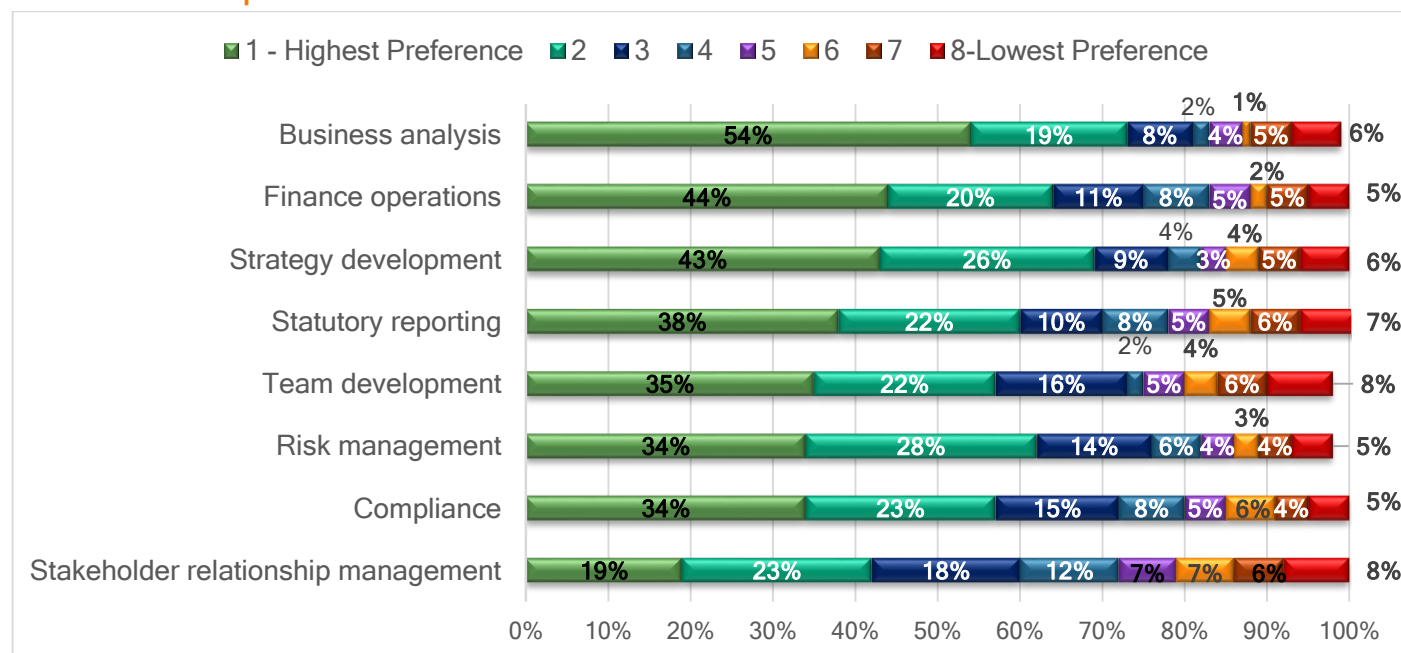
Reasoning for Easy to Moderate experience	Reasoning for Moderate to Difficult experience
<ul style="list-style-type: none"> ♦ Training period of CAs is their strength due to which they gain diverse experience and expertise, which makes them easy to engage or assign work. ♦ They have good financial acumen, technical expertise thereby adding value to the organization. They are adaptive, quick learners, result oriented and have high capacity to take challenges and perform effectively. 	<ul style="list-style-type: none"> ♦ Newly qualified CAs lack depth, experience and commitment yet have high expectations from employers in terms of salary and work environment. ♦ They are reluctant to accept the operational roles assigned to them. ♦ CAs work in silos making it difficult for them to work in cross-functional teams. They are not forthcoming to change therefore are reluctant to improve their skills to meet current and future challenges. ♦ Lack strong interpersonal and communication skills. ♦ It is difficult to identify the right fit for the organization's culture as well as to find the right person according to job requirements.

4. Expectations

A vibrant underwater photograph of a coral reef. The scene is dominated by deep blue and turquoise hues. In the foreground, a large, dark, and textured coral formation rises from the bottom. Above it, the water is filled with various types of coral, including branching and table corals. Sunlight filters down from the surface, creating a shimmering effect on the water and highlighting the intricate details of the reef. Several small fish are visible swimming in the background.

Identifying the gap between expectations of employers and the current standards of Chartered Accountants will help the Institute improve in terms of quality of education for students as well as quality and diversity of professional development programs. Most of the respondents expect CAs to perform the role of business analysis, finance operations and strategy development. While 95 per cent of respondents believe that CAs contribute greatly towards organizational performance, there are still some suggestions for improvement in curriculum, article ship and training and development areas.

4.1 Role expectations



95% respondents agree that Chartered Accountants contribute significantly towards organizational performance

4.2 Employers expectations

Following are the expectations of employers from ICAP with respect to education and training of Chartered Accountants,

- ♦ **Curriculum**
 - Upgrade curriculum to reflect industry needs
 - Incorporate latest Information Technology concepts and trends in syllabus
 - Introduce topics on Risk Management, Financial Management, Strategic Management, Business Partnering, Entrepreneurship, Public sector rules and regulations, report writing and business case development and analysis
 - Offer online courses
- ♦ **Articleship**
 - Training should be reverted to four years whereas some are of the view that training period should be reduced
 - Strictly monitor training criteria for firms giving training to students
 - Redesign the overall training scheme in line with rapidly changing environment
 - Provide industry specific training
- ♦ **Training & Development**
 - Develop courses and trainings that improve Chartered Accountants team management, communication, interpersonal, leadership, presentation, analytical and emotional intelligence skills along with building confidence
 - Trainings on Leadership and Risk Management
 - Develop CPD YouTube Channel
 - Short courses for fresh CAs to enhance communication and presentation skills along with personality development

4.3 Employer Suggestions to CAs

- ♦ **Skills and attitude**
 - Be a team player and focus on personal development through improving interpersonal, communication and leadership skills
 - Socialize well and indulge in extracurricular activities such as reading books and watching movies; this will help to build confidence and increase flexibility
- ♦ **Strategic role and technological acumen**
 - Understand business dynamics to develop your role as business partner
 - Focus on strategies through emphasizing on Enterprise Resource Planning (ERP) and Business Intelligence (BI)
 - Step out of the comfort zone and basic roles of statutory financial reporting and compliance and add value to other areas such as business operations, formulation and implementation of strategy and decision making process to evolve into the role of CEO/COO
 - Keep abreast with industry, technological and economical changes and trends
 - Lead and implement change management
 - Be open to learning, develop and foster innovation through creative out-of-the-box thinking