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Recruitment



# Object of desire

Accountants are now a hot number. But what exactly are the recruiters looking for? *Jan Kot* investigates

**T**he explosive growth in the need for accounting services in Greater China, particularly on the mainland, means that accountants are now very much in demand. This is the case not just in accountancy firms but in leading corporations, where there is a growing shortage of experienced professionals with the relevant skills.

Over the past few years, the Big Four accounting firms have dramatically built up their presence on the mainland. According to *Accountancy Age*, PricewaterhouseCoopers has grown there by 38 percent, KPMG by 65 percent, Deloitte by 74 percent and Ernst & Young by 90 percent.

Ernst & Young, for example, plans to recruit 1,200 employees this year, of whom 200 will be Hong Kong-based and 1,000 mainland-based. "Between 80 and 90 percent of our future recruitments will be targeted at the mainland market," says Catherine Yen, partner in the firm's assurance and advisory business services division.

With 114,000 people in 700 locations and 140 countries across the globe, Ernst & Young has 10 offices in China and is expecting to open more. "We're truly a global organization," Yen adds. "We offer structured career development programmes to assist employees in exercising their skills and abilities to the full."

## Talent spotting

As a pro-active and dedicated recruiter, Ernst & Young holds annual recruitment talks at top local and mainland universities to attract the best talent. Last year, the accounting firm started its "accelerated career programme," in which second-year college students will be recruited as interns to undertake a six-to-nine-month "in-the-field" training at the firm before returning to university and finishing the last year of study. Ernst & Young will conduct a pre-screening test of these previous interns upon their graduation to determine which of them to take on as permanent employees.

"Interns are assigned with mentors, who will not only provide them with guidance but also monitor their progress during and after the internship. In this way, the company maintains the relationship with the interns with their graduation." Yen adds that 90 percent of the 20 interns were recruited back as permanent staff last year.

She says that finding experienced talent for more senior positions is obviously more difficult than finding new graduates for entry-level positions.

Her concern is shared by Malcom McDonald, PwC's Beijing-based partner in advisory services. "It's much harder to find suitable candidates at the management level because these people either have more options or choose to focus on where they are," he says. "On the brighter side, those already with three to five years of accounting experience tend to be more mobile. They have acquired the basic accounting skills and know how to audit, so now they're looking to move to



something different or a more specialized area, such as advisory services.”

“It’s always painful to see some of your best staff leave, but we do understand this is almost inevitable. We try to see this as part of the network-building exercise as our employees either move into our clients’ companies or set up their own consultancy firms,” McDonald says.

### **Advisory services**

As PwC’s smallest but fastest-growing division, advisory services is built around three client priority areas, namely transactions, performance improvement and crisis management.

Most of the growth of PwC’s advisory practice has been in work for companies the firm doesn’t audit or for privately owned companies.

In the past 12 years, PwC has invested more than US\$200 million in China. As a result, PwC China Hong Kong is the largest audit and accounting firm in the country, employing 6,500 people in offices in Beijing, Chongqing, Dalian, Guangzhou, Shanghai, Shenzhen, Suzhou, Tianjin, Xi’an, Hong Kong and Macau. Recruiting 1,200 graduates this year alone, PwC expects its total number of employees in China to reach at least 10,000 within five years.

But, for advisory services, where headcounts were increased from 350 to 500 in the past 12 months, what is needed is more experienced accountants rather than fresh new graduates, says McDonald.

“We do bring in a number of graduates, but we expect the majority of our new recruits to have at least two to three years of experience in advisory consulting and to be able to analyze issues independently. On a more personal level, of course they should be good conversationalists and great team players.”

The division offers three types of training programmes for its recruits.



“One is the per-year-based, advisory services-related technical training, the other one is the more generic, firm-wide personal development training, and the last one is on-the-job training,” McDonald explains.

In the coming future, the firm plans to allow more junior-level staff to work on secondment in overseas offices. “We figured it’s hard to expect a senior staff to drop into an overseas office and immediately lead a particular project. However, for junior staff this is a great opportunity to learn new things,” McDonald says. “Overseas secondment is a double-edged sword, it’s important for personal growth, but for the firm it

means we’re missing some of the best people, especially during this critical time. Nevertheless, we see this as short-term pain for long-term gain.”

### **Finding forensics**

At Deloitte, the forensic and dispute services division is also having difficulties in finding suitable recruits for its fast-growing business, a problem that faces the whole accounting profession at the moment.

“Hong Kong and mainland China are two different markets,” says the division’s principal, Chris Fordham. “In Hong Kong, we have people with forensic accounting experiences but not the language skills; on the mainland, it’s the other way around.”

Forensic work involves fraud and misconduct investigations, money laundering and global asset tracing, data interrogation, suspicious or unusual transaction analysis, litigation support, expert witness and so on.

“We’re basically investigators in the financial world and obviously it sometimes takes more than just professional skills to solve the mystery,” says Fordham. “We expect our recruits to be detail-oriented and have the appreciation for human nature. They must have a pleasant attitude and be able to get information out of people who might not be willing to give out such information. In that sense, our job interviews aren’t the usual ‘written on the paper’ kind. Rather, we’ll ‘examine’ the candidates in the same way as in an investigation.”

The division of 40 is looking to expand to 100 people in the next five years. “The growth will be focused on the mainland. Currently, we’re bringing foreign staff there, but the ultimate goal is to develop around the local people. Therefore, being able to speak both Chinese and English is a valuable

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asset. At the end of day, to get people comfortable, you have to be able to talk the same language and form a trust relationship with them.”

### **Banking on accountants**

Demand for accountants is soaring in financial services, thanks to China’s economic boom. Edgar Ancona, chief financial officer of HSBC in Hong Kong, says that as banking becomes more credit-driven, it needs more staff with accounting backgrounds to deal with an increasing number of new treasury and securitization products.

“We’re looking for someone who has not only technical but strong analytical skills,” he says. “He or she should be constantly thinking, ‘How can I do this more smartly?’ The role of accountants is no longer just counting figures. They’re required to analyze the data and find out what changes they can bring to the business.”

Ancona adds that now is the great time to be in the profession. “We clearly need to hire mid-career professionals as we’ll want more sophisticated analysts. But, if you’re young and brainy, there are plenty of great opportunities for you.

“New products are being developed and the banking industry will continue growing. For accountants, it’s a long-term career as they’ll be able to advance not only in the accounting area. Moreover, a combined accounting and banking background will be more highly valued by management,” he concludes. **A+**