Practice or industry?

Is ditching timesheets to move into industry the right move? As the job market splutters back to life, we take a look at the practice v industry dilemma

There is light at the end of the tunnel. The recruitment industry took a battering in the recession, and the accountancy profession did not escape unscathed. During the downturn it wasn’t uncommon for recruiters to offer promising vacancies to hopeful candidates, only for would-be employers to pull out because of last-minute budget cuts. However, the job market is now looking healthier.

‘The market is definitely recovering,’ says Laura Wilson, associate director at financial recruitment consultancy Marks Sattin. ‘Month on month the number of placements has increased significantly, as has the number of interviews for available vacancies.’

Wilson’s comments are echoed by Nik Pratap, regional director of recruitment business Hays Senior Finance, who says there has been some increase in vacancies filled during the last six months. It’s encouraging, but Pratap is also keen to stress that recruitment volumes are still nowhere near the levels seen during Britain’s boom years.

Opportunity knocks

‘Opportunities in practice have undoubtedly increased,’ says Pratap. ‘Opportunities on the commercial side for qualified accountants have been heavily reliant on blue-chip companies rather than SMEs, but in the last quarter they’ve started to regain confidence.’

So far, so promising for accountants looking to move. But is it better to move to an accountancy practice or find a role in industry? Certainly, many newly qualified accountants look for a move into industry. Wilson estimates that of all her agency’s newly qualifieds looking to move from practice to industry, around 60% will do so.

The first thing many accountants who have moved from practice to industry will comment on is their relief at no longer having to fill in timesheets – although obviously that isn’t the main reason for moving. Pratap explains that the industry route ‘is still seen as the best training ground for an aspirational accountant’. He adds that within certain industries, salaries have been higher than equivalent roles in practice.

‘A move to industry also gives accountants a chance to use the skills they’ve acquired in one business and to feel part of that organisation’s success,’ says Pratap. ‘They can have an impact on business decisions and strategy.’

However, Wilson says candidates should consider all options before deciding which area to move into. ‘Candidates looking for a role in industry want variety, a chance to add value, to work on projects and perform analysis, to have more commercial input and a forward-looking role,’ she says. ‘They think a role in industry will do this – and it will – but there’s a plethora of similar roles in practice; for example, in business advisory or corporate transactions. You can still have a commercial role in practice.

‘Lots of people just want a challenge, but when you delve deeper there are plenty of roles within practice that meet what they’re looking for. There’s much more variety in practice, and not so much within industry,’ she says. It is sometimes suggested that career...
progression within practice is greater than in industry, but Pratap doesn’t believe that’s the case. ‘I don’t agree. In general, I think a candidate is more likely to reach the role of FD than partner,’ he says. ‘Having said that, there are benefits to working in practice. There’s the variety of clients, exposure to different types of business, up-to-date technical expertise, and you can keep both options of working within practice and industry open: not many people go from industry to practice.’

Wilson agrees that the general trend is from practice to industry, but notes that some accountants look to make the move back. ‘One thing people looking to move back to practice tell us is that they feel a bit faceless in their commercial role,’ she says.

Invaluable asset
So what are the ideal qualities for accountants who are looking to work in either role? ‘A commerce role would look for someone who can apply their knowledge to a single business environment and industry,’ says Pratap. ‘The up-and-coming job title is “finance business partner”, so you can’t be just a number cruncher. You have to be someone who really contributes to the business.

A practice role requires someone who is keen to progress, with an upper-quartile level of technical knowledge that can be applied to different businesses. For higher levels in practice, you must be able to grow a firm’s portfolio and promote the business,’ says Pratap.

But the competition is fierce, warns Wilson. ‘Both practice and industry are looking for more commercial, strategically minded individuals with strong communication skills,’ she says. ‘But one of the key issues that job hunters, particularly newly qualifieds, face is that they are competing against people who qualified two or three years before them and are applying for the same roles. So, in the face of so much competition, you’ve got to be the best of the best.’

Santhie Goundar, accountant and journalist

Rachel McAteer became ACCA qualified in 2002 with leading independent accountancy firm Barber Harrison & Platt in Sheffield. She currently works as a manager of group financial accounts for VolkerRail, but will be moving to HSBC shortly.

‘I worked on a lot of grant audits in practice, which I thoroughly enjoyed,’ she says. ‘It was different from statutory audit. Clients appreciated me and I felt I was adding value.’

When the audit thresholds changed, with two years’ post-qualification experience under her belt, McAteer decided to move. After she stepped into an internal audit role, a finance role in industry came up. ‘Qualifying in a practice gave me a good framework to work from,’ she says. ‘I can deal comfortably with accountants and auditors and know what they are looking for.’

‘She has no plans to go back to practice. ‘I’ve gained so much from practice and the training has helped me in my current role, but I want to see the value I’m adding rather than simply do compliance work,’ she says. ‘The danger is you might miss out on CPD, so I have to make sure I keep up. But I love being in a business where I can physically see the difference I make.’