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POST-RECESSION AND POST-SCANDAL, WHAT ARE THE OPPORTUNITIES FOR NEWLY QUALIFIED CAs LOOKING TO MAKE IT IN THE METROPOLIS?

IAN HARPER INVESTIGATES

LONDON CALLING

IN RECENT YEARS London has seen economic recession, financial scandal and a new wave of financial regulation. So what are the opportunities now for a qualified CA?

“The CA qualification has always been extremely highly regarded. But this doesn’t necessarily mean that their business role could be confined to simply the financial reporting dimensions of any company, and CAs are in much demand, for example, within the management consultancy industry and, indeed, within the investment community as a whole,” says Bryan Johnston, senior divisional director at the private client and institutional stockbroker, Brewin Dolphin.

Mark Masson CA, a director with Highgate Executive in London, says: “There are a vast range of positions in accountancy practices, financial services and industry. I specialise in the energy and infrastructure sectors and am dealing with roles, for example, in infrastructure funds for newly qualified chartered accountants.”

According to Hays director Kelly Fordham, the opportunities are broad: “High-performing individuals across all core finance roles are in continued demand from commerce and industry employers. Also, as the financial services sector starts to recover, opportunities are emerging in product control, regulatory reporting and front-office analyst positions for major banks and investment firms.”

Ibi Kabir, senior global accountancy consultant at Change Recruitment Group, notes: “While London is globally known for its financial services institutions within the ‘Square Mile’, it

holds an impressive reputation for the presence of major blue-chip companies within manufacturing, construction, media, oil and gas and pharmaceuticals, to name but a few sectors.”

But what if you want an “alternative” career, or at least something a little different? What are the options and how might your CA skills set you apart from the competition?

Masson points to alternatives such as M&A, investment analysis, and portfolio management in the sectors he deals with and says CAs stand out for: “Strong academic results, and financial modelling, valuations, transactions and M&A experience in an accountancy practice.”

Kabir takes a more pragmatic view: “Businesses are highly focused on professionals who can ‘add value’ and ‘multi-task’, i.e. save costs, increase profit, eliminate risks etc. Examples of roles CAs can move into include business analyst, a range of change and project-managerial posts, strategic management consultant, operations manager, auditor (depending on qualification) and, of course, resource management roles within small and medium-sized organisations.”

“High-performing individuals across all core finance roles are in demand from commerce and industry employers”

Kelly Fordham

FOUR CAs IN TOP CITY POSITIONS

MIKE BALFOUR, CHIEF EXECUTIVE OFFICER, THOMAS MILLER INVESTMENT

Mike Balfour was appointed CEO of Thomas Miller Investment in November 2010. He joined the company in 2009 as chief investment officer and is based in London.



Balfour qualified as a CA in London with Neville Russell and spent 16 years with Edinburgh Fund Managers, including six years as chief investment officer and managing director. He joined Glasgow Investment Managers as CEO in 2004.

Thomas Miller Investment is part of the Thomas Miller Group, a world leader in providing insurance services for the international shipping and transport sectors and UK-based professional bodies, as well as private client asset management.

DOUGLAS FLINT, GROUP CHAIRMAN, HSBC HOLDINGS PLC

Douglas Flint is chairman of HSBC, one of the world's largest international banking groups. He began his career with Peat Marwick Mitchell & Co (now KPMG) where he trained as a CA. He was appointed a partner of the firm in 1988.



He joined the HSBC Group as group finance director-designate in 1995. In February 2010, his responsibilities were broadened to that of chief financial officer, executive director risk and regulation. He was appointed group chairman of HSBC Holdings plc in 2010.

DAVID NICOL, CHIEF EXECUTIVE, BREWIN DOLPHIN

David Nicol is chief executive of Brewin Dolphin, one of the UK's leading providers of personalised, discretionary wealth management services.



He qualified in 1980 as a CA with Ernst & Young and spent two years working for KPMG in Hong Kong before joining Morgan Stanley in London in 1984. He worked for Morgan Stanley for 26 years in a number of operations and finance roles, becoming a director in 2004.

He sits on the board of the Chartered Institute of Securities and Investments and the Council of ICAS, and he is a member of the Appointment Committee of the Hermes Property Unit Trust. He joined the board of Brewin Dolphin as a non-executive director in 2012 and was appointed as chief executive in 2013.

SENTHIL ALAGAR, HEAD OF RESTRUCTURING, BARCLAYS BANK

Senthil Alagar leads an award-winning team of experienced corporate restructuring professionals who work with and support corporate clients through challenging situations. He has specialised in corporate restructuring and turnaround for the past 12 years, operating as a stakeholder and as an adviser to corporates and lenders. He has been a member of ICAS since 1999, and graduated with honours in accountancy from the University of Glasgow. He is a member of the ICAS mentors' panel.



For Johnston, the key for a CA is to use their skills imaginatively. He says: "The ability of an imaginative CA to identify a potential prospect first, be it in the structuring of some financial vehicle or what is likely to be the continued manoeuvrings within the corporate sector over merger and acquisition, could be invaluable."

He adds: "However valued an individual qualification in any profession, experience is of even greater worth, so a newly qualified CA should be patient when starting to swim in the real world as opposed to the 'seas' of academia."

There is also another skill of value, he says: "A CA qualification is also useful in understanding the more arcane dimensions of the City's world, including option trading, for example, ETFs [exchange traded funds] and the like."

Fordham says: "Outside the core finance roles, alternative career options are seen in risk, regulatory, compliance and operational roles, and CAs will often be considered for the majority of positions within infrastructure."

She adds: "Newly qualified CAs are moving into roles such as product control, regulatory reporting, capital management, treasury, front office, in-house strategy and corporate finance. Likewise, we often see a demand for CAs in investor relations and client-facing opportunities within the major banks and firms."

CHANGE IN PACE... AND OPPORTUNITY

Once seemingly tied to tradition, the City is now characterised by rapid change. Johnston, says: "The City is faced with the increasing need to conform to all manner of regulatory dimensions, such as suitability, both over specific stock selection and portfolio construction, along with risk analysis. A good compliance officer will be worth his or her weight in gold, probably quite literally, and a confirmed ability to understand financial matters can only be an advantage."

Fordham agrees: “The emphasis is now on areas of regulatory reporting, capital/liquidity analysis, financial planning and analysis, commercial decision support, MI [management information], compliance, and risk, both operational and market. And as the economic climate continues to gain positive movement, new listings emerge and equity capital markets gather pace, we’ll continue to see demand for CAs for the first rung of the research ladder, provided they came via the Big Four ECM [equity capital markets] route.”

She adds: “Alongside regulatory roles, employers are often keen to have CAs apply their skill in roles focused on the production and delivery of commercial MI and performance analysis.”

Employers also want experience. Kabir says: “Experience of manufacturing, distribution, sales and marketing over what may be a series of roles, gives the CA a more rounded set of experiences. The skills gained can be enhanced by continuing professional development, including professional peer group communication and networking, as well as nurturing up-to-date knowledge of the latest analytical software, for example.”

Looking ahead, Kabir points to the growing significance of “Big Data”, and especially the ability to manipulate it and distil it into potential business strategies. He says: “The CA’s ability to work with data sets that are too large and complex to manipulate or interrogate with standard methods or tools can set them apart in this environment.”

FIRST MOVES CAN BE CRUCIAL

Stepping back, are there roles for CAs that can lead more naturally to further career opportunities?

Simon Smith, director of the commerce and industry division at 5-10 Group, advises: “I would recommend that CAs seek out secondments in industry to enhance their skill set as well as training in softer skills such as presentation and people.”

The major banks are looking for more than just a technical skill set. Fordham says: “They want to see people who can really understand the business, challenge and influence at the highest level from day one. We would always advise on keeping their first move in a core area of finance to gain a broad skill set.”

While some areas have great potential, are there others CAs should avoid for fear of going down a career cul-de-sac?

Nick Talreja, manager of compliance, risk and finance at Badenoch & Clark, says: “Most of the positions available to CAs are fairly progressive; however it does depend on the calibre of the candidate. People should be wary of roles that have a limited shelf life in the market, such as positions based around specific regulatory change.”

Fordham warns CAs to consider their first move carefully: “It is critical in shaping their career and determining the opportunities available to them in the future,” she says.

However, she adds: “Very few roles will result in a dead end. Product control was once seen as a niche and specialist route, but we have since had a huge demand for these individuals to move into the evolving world of compliance and risk.”

Smith agrees: “There aren’t any ‘no go’ areas as such, but my advice would be to earn your stripes in a technical accounting role in an industry you are passionate about so that you understand the workings of financial reports, and how the business fundamentally works, and then use that knowledge to move into more commercial and strategic positions.”

Of course, CAs qualifying in a large public practice firm are also likely to find many opportunities to progress.

Dan Richards, head of recruitment at EY, comments: “CAs in London may well end up in a large organisation so if they have experience of dealing with large turnover clients, or complex organisations, that may help. CAs within professional services may want to seek as many diverse opportunities as they can.”

He adds: “Assurance services are evolving in line with a heavy increase in regulation so it is useful for CAs to have experience of things outside of core audit and accounting, such as process and control analysis or compliance and regulation analysis.”

To conclude, Fordham and Smith offer some wise words: “To make your CV stand out, ensure your client experience is highlighted and include as much detail as possible about your previous experience with examples to demonstrate successes.”

Smith adds: “Choose one or two preferred agencies to represent you in the market. By limiting the number of people you work with you will get a superior service and buy in from your consultant and the job search will become a partnership. Work on your commercial knowledge and getting an understanding in practice of accounts preparation... and have a clear five-year plan.” **CA**

IAN HARPER IS A FREELANCE BUSINESS JOURNALIST

“A good compliance officer will be worth his or her weight in gold, probably quite literally”

Bryan Johnston

TIRED OF LONDON? CONSIDER THE OVERSEAS OPTIONS

“I’VE BEEN fortunate enough to recruit in the USA and in Hong Kong over the last few years and there is always demand overseas for qualified CAs – the markets there are actually very similar to London in their make-up. The pros are learning about different ways of working, management, cultures and travelling. It also separates your experience and CV from the masses, so immediately makes you interesting and stand out.

“Largely, these financial centres pay similar salaries, but there are differences in the cost of living so that’s a factor. The cons are getting to

grips with differences in accounting principles and local rules and regulations which can vary and need to be learnt. There are undoubtedly language and visa barriers too, not to mention commitments at home. My advice would be to gain experience in London and seek a move with your employer for a secondment overseas – it’s far easier to get access to the roles once you are living somewhere and embedded in the culture.”

SIMON SMITH IS DIRECTOR OF THE 5-10 GROUP

