

INSIGHTS

ACCOUNTING & FINANCE

MARCH 2019 ISSUE 1

OVERCOMING THE
ACCOUNTING &
FINANCE RECRUITMENT
STRUGGLE

MAKING TAX DIGITAL

ADAPTING TO THE
CHANGING SHAPE OF
THE FINANCE FUNCTION

THE IMPACT OF NEW TECHNOLOGY IN THE ACCOUNTING WORLD

PAGE 10

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They know their Management Accountants from their Financial Accountants and the stark difference in the skills, experience and qualifications required of an Assistant Accountant compared to an Accounts Assistant.

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Whether you require permanent, interim or temporary placements, we can support industry and practice clients of all sizes, and have worked with SMEs through to blue chip organisations.

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Hello and welcome

TO OUR FIRST ISSUE OF A&F INSIGHTS FOR 2019

We are again delighted to be able to bring you industry insights and advice from both our in-house team as well as accounting and finance professionals and subject matter experts from across Dorset and Hampshire.

In this issue, we start by looking at the recruitment struggle in the sector and provide ways for employers in both practice and industry to overcome the challenges. We also share our own insights on the most in-demand jobs in terms of candidates available, why you should consider hiring millennials and how support professionals can help support staff with financial wellbeing.

For the first time, our Insights magazine features an interview with a Finance Director – James Oliver of BOFA International. A range of other guest articles cover everything from Making Tax Digital, IR35 reform and leadership skills to the impact of technology, whether the role of the bookkeeper is dead and how corporate finance professionals are adding value to entrepreneurial start-ups.

With regards to our own news, it's been an exciting 12 months at Bond Williams Professional Recruitment. We've opened two new offices in Southampton and Oxford, launched a new specialist Engineering, Science & Space division and welcomed James Graesser to the Accounting & Finance recruitment team.

As always, we hope you enjoy the latest issue of our A&F Insights magazine and welcome your feedback and ideas for our next issue!

Enjoy!

Louise



Louise Woodward

Associate Director, Bond Williams Professional Recruitment

If you would like to be involved or contribute to the next issue of A&F Insights, we'd love to hear from you.
Please email marketing@bondwilliams.co.uk

CONTENTS

04

Overcoming the Accounting & Finance recruitment struggle

05

Making Tax Digital

06

Most in-demand Accounting & Finance jobs right now

07

The Good Work Plan: determining status and IR35

08

INTERVIEW with James Oliver

09

Why you should consider millennials for your accounting firm

10

The impact of new technology in the accounting world

11

Adapting to the changing shape of the finance function

12

Combining corporate finance skills with entrepreneurial spirit

13

Is the role of the bookkeeper dead?

14

Why exclusivity trumps multi-agency recruitment every time

15

Supporting staff with financial wellbeing could positively impact the bottom line



OVERCOMING THE ACCOUNTING & FINANCE RECRUITMENT STRUGGLE

It's no secret that clients within the Accounting and Finance sector are struggling to find quality candidates at the moment. A 2018 REC (Recruitment & Employment Confederation) report revealed that such skills are in highest demand across the UK, but that availability of suitable candidates is a huge challenge for businesses.

With unemployment at its lowest since the 1970s, it is generally a candidate-driven market in every sector. However, with accounting and finance professionals tending to stay in roles for longer than other sectors, there are even fewer active, quality candidates available.

Having said that, there are three key things employers can do to improve their recruitment success this year:

Be open-minded

A big problem in the sector is that businesses are being very particular in their criteria. Practices will only consider candidates with practice experience and industry prefers candidates with a background in the same sector. The reality is that only around 25% of active job-seekers have practice experience and in fact, some candidates currently working in industry could easily transition with some training and depending on their current level of experience. Similarly, sector experience is great, but many skills are easily transferable, and employers may need to be more open-minded.

Another alternative for companies struggling to recruit is to look at temporary, contract or interim cover. Many of these workers will consider going permanent for the right role, and it also gives businesses the opportunity to 'try before they buy'. Temporary work is not just for junior accounting and finance roles either - we have top quality Finance Directors and Chief Financial Officers available immediately for interim and contract roles.

Act fast

It is increasingly the case that businesses are taking too long to make a formal offer when they do eventually find a suitable candidate. Either they are too busy and this falls to the bottom of the 'to-do' list, or they want to wait for similarly suitable candidates to come along so they can make a true comparison. Unfortunately, there are more jobs than available candidates right now, so if employers see someone that fits the bill, they should make a decision quickly before another company makes an offer.

Partner with a specialist recruitment agency

Using a specialist recruitment agency can significantly increase your chances of finding an ideal candidate sooner. At Bond Williams, we know our Management Accountants from our Financial Accountants and the stark difference in the skills, experience and qualifications required of an Assistant Accountant compared to an Accounts Assistant. This makes the initial briefing easier for the client as we have the knowledge and expertise to support you with job specifications; and initial candidate shortlisting happens much faster, because we don't rely on keyword matching.

In addition, we have built strong relationships with thousands of accounting and finance professionals over the years, many of whom we have placed throughout their careers. With a detailed insight into the local job market and expectations of relevant candidates too, we will only ever put forward the most suitable candidates for interview.

For exclusive access to some of the most sought-after Accounting & Finance professionals across Dorset and Hampshire, contact Bond Williams' specialist team today.

MAKING TAX DIGITAL



Back in February, Treasury Minister Mel Stride announced to Parliament that positive progress had been made in delivering Making Tax Digital for VAT (MTDfV) and that in spite of Brexit, the planned April 1st launch was very definitely on.

Stride was emphatic that VAT registered businesses with VAT taxable turnover above the compulsory £85,000 registration threshold will be mandated (legally required) to join the VAT Making Tax Digital for Business regime for all future return periods from this date.

What's it all about

MTDfV is the first step towards HMRC delivering on its ambition to become one of the most digitally advanced tax administrations in the world.

From April 2019, the mandated will be required to maintain their VAT records digitally and to file MTD-compliant VAT returns using their own software. No longer will they be able to log on to HMRC's portal to complete and file their VAT returns.

Nothing changes for voluntarily VAT registered businesses - those whose VAT taxable turnover is under the £85,000 compulsory registration threshold - at least not for the foreseeable future. They remain free to file VAT returns using HMRC's portal or via non-MTD compliant software. Although they can choose opt-in to MTDfV if they wish.

Business engagement is up

In his address, Mel Stride revealed 80% of businesses in scope have already started preparing to meet the new requirements. Furthermore, he was confident that a good number will be ready by the go-live date and that most were already working in a digitally compliant way and therefore, would face minimal disruption.

With almost a fifth of mandated businesses remaining in the dark, it was reassuring to learn from Stride that HMRC is ramping up its communications and using different channels to reach the remaining businesses, who are inevitably the hardest to communicate with.

3.5% to get a deferral

Approximately 50% of all UK VAT registered businesses, or 1.2 million, will be affected from the start of their first VAT return period from April 1st, but a small cohort of 3.5% (circa 36,000) with the most complex VAT affairs have had their mandated date pushed back by six months to October 1st 2019.

Those affected include:

- VAT groups or VAT divisions
- Overseas traders registered for VAT
- Trusts
- Local Authorities
- Public Corporations

All those to be deferred should by now have received a letter from HMRC confirming the position.

Functional compatible software

HMRC's guidance refers to a need for functional compatible software in order to achieve compliance.

In essence, functional compatible software is a program or set of software programs, products or applications (including spreadsheets) that must:

- Record and preserve digital records
- Provide information and returns to HMRC from the data held
- Receive information from HMRC via their application programming interface (API) platform

Is my software compliant?

Whether you're a business filing your own VAT return or a practice or agent doing it on behalf of your clients, you need to establish if the VAT accounting software used will be MTD compliant. This can be done by contacting your software supplier or alternatively via the HMRC web page which features an expanding lists of MTDfV-ready software packages.

Even if a software solution is not yet listed, or might not be ready for the April launch, all is not lost. The recent emergence of bridging software may help to resolve the problem.

Bridging software

Bridging software is a generic term coined by HMRC. It refers to a virtual "plug-in" digital tool that incorporate HMRC's Making Tax Digital APIs to enable functional compatible software to connect to HMRC's backend system.

Any exemptions

HMRC is confident that the majority will be able to meet their legal obligations, but accept that it may not be possible for all, where it's not practical for the operators of a VAT registered business to keep digital records or submit VAT Returns because of:

- Age
- Disability
- Remoteness of location, or
- A business is subject to an insolvency procedure
- A business is run entirely by practising members of a religious society or order whose beliefs are incompatible with using electronic communications or keeping electronic records

Those who fall into one of the above categories can apply to HMRC for an exemption.

Want more guidance?

If you're struggling to understand what is needed to meet the new MTDfV regulations HMRC has published, a helpful guide "VAT Notice 700/22: Making Tax Digital for VAT", is made up of twelve easy-to-follow sections covering most of what is need-to-know.

Other useful links

- Signing up for MTD as an accountant
- Signing up for MTD as a business
- VAT Notice 700/21: keeping VAT records



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MOST IN-DEMAND ACCOUNTING & FINANCE JOBS RIGHT NOW

The south coast is an important location for the financial services sector, with several major practice and industry employers choosing to base themselves here. Developing technologies, changing regulation and business growth in the area is driving the need for a variety of roles, but there are also many Accounting & Finance candidates on the move.

At Bond Williams, we are fortunate enough to be the go-to agency for many professionals in the sector and currently, we have a number of active job seekers available for the following positions, on both an interim and permanent basis.

Finance Director

Our pool of available candidates currently includes a finance professional with over 20 years' experience at director level within a variety of industries, from software and technology to retail and hospitality. Commercially aware and hands-on, they have a passion for designing and implement analytical processes and a proven track-record for driving growth.

Financial Controller

If you're a growing business, then we have an energetic and adaptable financial controller available who is motivated by new challenges. Having been part of a small team in an entrepreneurial environment, they have strong leadership and communication skills as well as a wide working knowledge of most business functions, including HR and operations.

Senior Practice Manager

This particular candidate has enjoyed a varied career within a practice environment for over 25 years. They have held audit, accounts, financial controller and office manager positions and boasts excellent team development and management skills. Working closely with practice owners and senior partners, they are also able to identify, source and develop new business.

Auditor

A highly experienced chartered accountant and senior auditor with compliance and policy experience is now available.

They have held and are open to both long-term opportunities and short-term interim assignments. Particularly interested in an environment that requires someone who can take an analytical yet empathetic approach and use independent judgement and creativity to find positive solutions.

Management Accountant

This candidate is AAT qualified and working towards a degree in business management. They specialise in improving cash flow, anti-money laundering compliance and high-risk cash-based business accounts. They have experience in both managing and participating in projects, improving the efficiency and effectiveness of processes and working well in an ever-changing business environment.

Financial Accountant

With a strong background in practice, this financial accountant would be ideal for an accounting firm looking to expand their team. They have experience looking after their own portfolio of clients with annual turnovers up to £5 million as well as working with and managing a team of junior staff. With great organisational skills and an appreciation for return on time invested, they have played a key role in improving financial results and setting fee structures.

Legal Cashier

Ideal for law firms or solicitors, our candidate not only has more than 15 years' experience working in legal finance, but also an in-depth working knowledge of several industry IT systems such as Lawsoft and accounting software. Current duties include payroll, pensions, credit control, bank reconciliations, compliance, team and external auditor management.

Credit Controller

Responsible for settling and chasing monthly collection targets of more than 3,000 accounts in multiple currencies, while managing an entire credit department, our candidate is seeking a new opportunity after more than a decade with their current employer. Key skills include KPI measurement and improvement, staff and system training, month end reporting and cash forecasting and customer relationship management.

Payroll Manager

Calculating, recording and processing employee pay for up to 900 staff with an eye for improving efficiency is a key skill for this payroll manager. They have an excellent track-record for making error-free payment runs and played a key role in designing and implementing a new HR/payroll system with external consultants.

Accounts Assistant

We have many accounts assistants at various levels available immediately whose backgrounds span both industry and practice. Key skills include managing monthly invoicing, bank interest calculations, bank reconciliation and more general office duties, but some have more specific accounts experience too.

If you're interested in finding out more about our available candidates, or need help filling an Accounting & Finance role, please get in touch with our specialist division by emailing louise.woodward@bondwilliams.co.uk.

Off-payroll working - IR35 reforms to impact the private sector



The IR35 rules were introduced in 2000 to ensure that individuals working like employees but operating via an intermediary such as a personal service company (PSC), pay broadly the same tax and National Insurance Contributions (NIC) as an employee would.

Under IR35, the PSC must 'self-assess' whether or not the rules apply and if so, put the payments through payroll. Widespread non-compliance and increased use of such arrangements led to the introduction of new rules for off-payroll working in the public sector in April 2017. These rules put the onus on the end user of the services to assess whether IR35 applies and the Government is now proposing similar reform for the private sector.

The proposed reform

The reform will place the burden for assessing whether IR35 applies onto the private sector end user of the worker's services, for payments from 6th April 2020. Where the end user concludes that IR35 applies, the fee payer (the end user or other third party such as an agency paying the intermediary) will become responsible for operating payroll, including payment of the employer's NIC.

Unlike the public sector position, the new rules will only apply where the end user of the worker's services are medium and large businesses. Where the end user is small, the responsibility for assessing the arrangements, and applying IR35, will remain with the PSC.

A detailed policy paper and consultation document was issued in March 2019 in which it was confirmed that the Government will use the Companies Act 2006 to define a small business, being broadly one that has two or more of the following features:

- turnover of £10.2m or less
- balance sheet total of £5.1m or less
- 50 employees or less

Impact of proposals on end users of these services

From 6th April 2020, medium and large businesses in the private sector engaging off-payroll workers operating via a PSC must:

- determine whether the IR35 rules apply to an engagement

- notify the party that they contract with (for example the PSC itself or a recruitment agency) and the off-payroll worker directly, of their determination and the reasons for it

The Government has suggested that it may also be necessary for an end user led status disagreement process to be introduced.

Where it is determined that the rules apply, for payments from 6th April 2020, the entity paying the intermediary must apply PAYE withholding and account for employer's NIC (currently 13.8%) and the Apprenticeship Levy (0.5%) where appropriate.

The Government is also consulting on rules for transferring the PAYE and NIC liability to the end user in the case of default by the party paying the intermediary.

What should businesses do?

Medium and large businesses in the private sector should start preparing for the change now.

As a starting point, businesses should:

- Identify existing workers who could potentially be caught by these rules from April 2020, including those sourced via intermediaries, such as recruitment agencies, as well as those engaged directly.
- Where 'off-payroll' workers are sourced via an intermediary such as an agency, be mindful of the proposed debt transfer provisions in cases of default down the labour supply chain.
- Assess the financial impact of the proposals. Where arrangements are caught, the fee payer will need to account for the related tax and NIC, including the additional cost of employer's NIC. It will also be necessary to update processes and procedures to meet compliance obligations.
- Be mindful now of the potential additional costs from April 2020 when entering into new arrangements that are likely to continue beyond April 2020.



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INTERVIEW:

JAMES OLIVER,

FINANCE DIRECTOR, BOFA INTERNATIONAL

With a 25-year accounting & finance career milestone approaching, we talked to Financial Director of BOFA International, James Oliver about his journey, achievements and challenges.

Did you always know you wanted to get into the Accounting and Finance sector?

Shortly after the Big Bang, when traditional face-to-face share dealing switched to electronic trading, I really liked the idea of becoming a merchant banker. I was about 14 at the time and a friend of the family arranged a visit for me to Morgan Grenfell which peaked my interest even more.

I worked hard through school and then eventually went to the University of Oxford and studied chemistry. I believed getting in to a great university was probably more important than covering a business focused degree. Whilst I enjoyed chemistry, I decided I still wanted to stay close to my earlier instincts and pursue a business-related career. From having attended career fairs at university I thought mergers and acquisitions (M&A) looked interesting. I could either still follow a banking route or go via an accounting qualification. I settled on the accounting route as I thought it offered a wider grounding.

What route did you take to become chartered?

When I graduated from university, I spent a year temping at Barclays in the chief accounts department. It was a great way to learn and get a taste of whether I would enjoy accounting as a career.

Deciding I would, I joined a smaller accountancy practice, then called Burnett Swayne, on a training contract where I studied the ACA qualification. It was hard work and you had to be very disciplined, but it did enable me to gain a broad understanding of many accounting functions. Once I'd qualified, I decided I wanted to get back to my original goals of M&A.

You joined Deloitte in 2000. What was that like?

I spent 12 years at Deloitte, going from junior executive up to Director, and really enjoyed my time there. Corporate finance, doing deals and helping clients to raise capital, buy and sell companies was much more the kind of work I was interested in.

I also I worked with a lot of Private Equity Houses investing up to £100 million as well as with the likes of Tottenham Hotspur and James Caan and Deborah Meaden from Dragon's Den.

How did you go from Deloitte to Financial Director of BOFA International?

In 2012 I had the opportunity to join an unloved business and turn its fortunes around. Together with the CEO, I was able to take the business, a plastics manufacturer, from break-even to 10% profit. It was a great achievement. From there, I was approached to join BOFA in 2015. At the time, it was a family-run business and they wanted to sell, while getting the best deal for their employees, whom they were very close to.

What's been your biggest challenge at BOFA?

The first challenge was to organise a management buy-out and professionalise the business. The workforce had a great attitude, but processes and systems were archaic, and there was just a part-time bookkeeper, for instance. Following the buyout for £23 million, a new management team was hired and the business went from strength to strength. Revenue increased from £16 million to £27 million in two years. In October last year, it was sold to an American filtration company for £90 million.

What's been your biggest achievement to date?

Definitely the sale of BOFA International. It's gone to a good home in terms of the acquiring business, which also provides the existing workforce with great opportunities.

How do you think the Accounting and Finance sector has changed over the years?

Technology has changed dramatically and enabled everything to happen much quicker. The 'Big Four', as they are referred to, have also consolidated their position compared to when I joined the sector, which is making it much harder for smaller firms to have a significant impact.



From an FD's perspective, the world is getting riskier and the challenge moving forward will be ensuring the day to day needs of the business are met, while getting the balance right between being diligent and adapting fast enough so you don't get left behind.

Everyone thinks this sector is boring – why do you find it so exciting?

Aspects of every job are boring, and accounting is a means to an end. It really depends what kind of person you are and what you want to do, but it can be extremely exciting.

For me, private equity and structuring deals is really varied and good fun with lots of layers to consider. Each deal is different in terms of financing, risk profile and covenants for example. You not only have to be able to technically structure a deal, but also anticipate how the various parties will react. Likewise, looking at how you can grow a business faster and make it more profitable is far from boring.

What characteristics would make a good Financial Director, in your opinion?

Technical ability alone is not enough. You need to have a steely edge, grit and determination. You can be nice, fair and sympathetic but also prepared to make difficult decisions – all while being open, honest and a team player.

Creative thinking is a must, because there will always be situations where you can't change the cards you have been dealt, but you can change the way you play them.

If you look at the FTSE 100 Index, the most common routes into becoming a CEO are accounting and engineering, so you really can get to the top.

BOFA International is an international and market-leading manufacturer of fume and dust extraction systems. The company employs around 250 people locally at its new head office in Poole, which was officially opened in 2018 by the Duke of Kent, and has received two Queen's Awards for Enterprise.



WHY YOU SHOULD CONSIDER HIRING MILLENNIALS FOR YOUR ACCOUNTING FIRM

Evolving technologies over the past 10 years means the accounting and finance industry is up against significant changes. Combine this with the fact that traditional methods of staff retention, motivation and improving productivity are becoming increasingly outdated, and accountancy firms need to consider changing their recruitment approach.

There is no one-size-fits-all approach in dealing with the modern-day workplace or workforce, particularly the newest generation of employees. Generation Y, also known as millennials, are influencing a change in traditional practices whilst shaping the future of the financial sector. To hire and retain the best up and coming talent for your accounting firm, you will need to understand what motivates workers in this age group and recognise the massive impact they can have for your business.

Who are Generation 'Y'ers' or 'Millennials'?

Millennials – those born between 1982 and 2002 - are predominantly motivated by independence. They are driven and available to work as long and hard as they need to achieve success but they expect autonomy and freedom in return. So what benefits does this have for your accounting business?

Meaning over money

Millennials are focused on things having a meaning instead of just making money, a difficult concept for the generations that precede them to come to terms with. It's not all about the perks of the job, the salary and the benefits. Instead, it comes down to the culture. Millennials want to see the bigger picture in terms of a company's mission, its values and the influences behind its success.

Hiring millennials could be a meaningful strategy for your firm too. Younger accounting professionals will not only start on lower salaries than their more experienced counterparts, but they will be encouraged by the opportunity to be part of a brand, no matter how small, and will openly contribute their ideas.

Breaking out of the rut

It's very easy to get stuck in a stale and old-fashioned way of working, but just because it worked in the past, that doesn't mean it will still work now. For an accounting firm, this can be disadvantageous to recruitment in the 21st century and even damage processes, reputation and staff morale. As well as staying on top of changing practices, businesses should be open to adopting new processes that work for today's fresh and ambitious workforce.

Tech-savvy multitaskers

Millennials thrive in a challenging environment and are easily able to multitask, thinking and working quickly. Familiarity with new technology means they can help you and your firm understand the benefits and embrace the flexibility it offers. They can also help senior financial staff and management get to grips with available systems, rolling it out across an organisation and scaling it up for the future, and may even be the driving force behind finding ways to make those technologies work for your business.

Move away from old fashioned management styles

The millennial has been raised in an environment where they have been encouraged to engage and question authority. While they still like to work towards goals and appreciate consistent feedback and guidance, they perform better where a more inclusive management philosophy is in place. We aren't as far along as we should be from a 'command and control' style and such culture changes need to be addressed if young professionals are to see the accounting and finance sector as somewhere they want to work and have the opportunity to make a difference.



THE IMPACT OF NEW TECHNOLOGY ON THE ACCOUNTING WORLD

Accounting is one of the worlds oldest professions. There's evidence of the practice dating back to 3300BC. Luckily, we've moved on from the simplistic form of accounting that was used back then. And, it's fair to say that technology has certainly played a big part in shaping the profession. Yet, the biggest impact has been felt over the last decade. No longer are accountants spending the majority of their time analysing figures on spreadsheets. Instead, they are able to perform complex functions with more accuracy and speed.

It's been a tough decision to make, but here is a summary of some of the technologies we feel will continue to mould the accounting world:

Mobility

Smartphones and tablets have redesigned how we find, digest and share information. Deloitte's annual Mobile Consumer Survey shows that four out of five adults (approximately 37 million people) own a smartphone. And, research by Ofcom shows that on average we spend 24 hours a week using our smartphones or tablets. Yep, a whole day!

It's fair to say that most accounting firms have refocused their service offering to take advantage of people's preference to using mobile devices. Cloud accountancy software providers, like Xero and FreeAgent have optimised their platform for use on mobile devices. The advantage of this is that accountants are able to stay connected with their clients wherever they are - in the office or on their travels.

Mobile apps are also changing the way accountants receive information. For example, the FreeAgent app enables users to upload pictures of receipts. The app extracts the key information and feeds this into the accountancy software. This makes it easier for accountants to process business expense claims. Plus, as the app handles all of the data input, the chances of human-error occurring are minimalised.

Cloud technology

Cloud technology is a term that is used to describe the process of moving data from physical devices onto the internet to be stored on remote servers and accessed when needed. Accounting systems were amongst some of the first to become available on the cloud. Today there are hundreds of cloud accounting software providers. Some are better known than others.

FreeAgent and Xero for example, are two of the more established brands. Cloud accountancy offers software applications that take the time and hassle out of completing complex functions. This enables accountants and their clients to access real-time information at anytime, anywhere and on any device, which has access to the internet.

The other benefits that cloud accounting has offer is that it's relatively simple and inexpensive to set up. Plus, the provider will handle any software updates, so staff are free to focus their work and not trying to fix IT problems. And, the systems can be customised to offer the services that clients really need.

Big data

It's estimated that a staggering 2.5 quintillion bytes of data is generated each day. As accountants, we never complain about having too much data as it makes us more informed to help clients make better business decisions. But, it's an impossible task to sort through and analyse large amounts of data manually.

Luckily, more and more systems are coming onto the market at affordable prices which enable accounting professionals to quickly and efficiently process huge amounts of data. For example, predictive analytic tools and customer insight reports can be combined to predict future sales.

Another area where big data technology is aiding accountants is in audits. There are systems which have the ability to scan through large amounts of text to highlight specific information. So, what once, could take days or weeks to complete, audits can now be done in a shorter time with increased accuracy.

Technology has and will continue to make it easier for accountants to perform complex functions. The unexpected result is that accountants can focus on services that add more value to their clients, such as financial planning and business consultancy. So, as technology continues to develop, the role that accountants play in business will continue to change.



Adapting to the changing shape of the finance function



soft skills

72%
in progress

In a world of constant change, many organisations are trying to anticipate an uncertain future and so it's harder than ever for finance professionals to maintain the resilience that is required and increasingly expected.

In the fast-paced and challenging environments of today, it is no longer enough for accounting and finance leaders to have specific technical capabilities, knowledge and experience to be proficient and effective in their role.

Companies expect their finance managers of the future to be both adept at change as well as leading the way for their teams.

Over the last few years, there have been a wealth of studies and white papers reporting on how finance functions and professionals have had to change to keep ahead. There are a number of reasons why the shape of finance is changing; with no surprise that technology, Artificial Intelligence and data management is at top of the list. However, it's becoming more prevalent for financial leaders of tomorrow to be strong communicators with the ability to collaborate, influence and manage change.

In a recent Financial Times article, Global Head of Clients and Markets at KPMG, Isabelle Allen, highlighted how there

is an increasing focus on soft skills within the accounting and finance sector: "We need people who thrive on change and are committed to life-long learning, people who are inquisitive and comfortable with ambiguity – who can exercise judgement on issues and solve problems that didn't exist two years ago."

Finance today is so much more than number crunching, keeping records and analysing data and the age of the 'pure technical specialist' is over. Organisations need to empower their finance professionals and equip them with the soft skills and growth mindset to be prepared and to lead their people through future changes.

Remember, it is often the case that the CFOs of today are the CEOs of tomorrow.

3 key soft skills every accounting and finance leader should develop

1. Communication – Both verbal and written. You need to not only be able to tell the story behind

the numbers to non-finance professionals in a way they can understand, but also engage and motivate your team so they develop with the business and industry.

2. Influence and persuasion – Not to make everyone believe you are right all of the time, but by building a rapport and trust with clients and colleagues you can advise them on the best solutions. Be prepared to analyse and deal with potential objections as well as provide an explanation for your recommendations.

3. Solution-oriented – Your analytical and problem-solving skills must go further than numerical. You have to be a critical thinker who will combine objective analysis with subjective opinions to help the business achieve its goals.



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Right Trax Training works with managers and their teams to help them interact and communicate more effectively, giving people the skills and mindset they need to better deal with change and conflict and lead effectively.



COMBINING CORPORATE FINANCE SKILLS WITH ENTREPRENEURIAL SPIRIT

We're becoming more entrepreneurial

A growing number of people are moving away from wanting careers in organisations and towards a more flexible and entrepreneurial alternative. That doesn't necessarily mean everyone is starting a limited business, but personally, I don't know any IR35 contractor who doesn't think of themselves as an MD or business owner, even if they are only contracting.

In 2018, 2,500 new businesses were being set up on a daily basis and I was among this number. Being in my mid-40s and having spent a long time in corporate finance and commercial teams, you might think it fairly late to go it alone - and alone is an accurate word to use - but I felt the time was right.

And once I opened my eyes to that world, I was amazed to see a significant number of my friends and colleagues thinking of taking this route too. In short, there are many more to set out on this entrepreneurial journey still.

When two worlds collide

It used to be the case that there was this 'them and us' culture - you were either an entrepreneur or a corporate, and the two shouldn't or wouldn't ever meet. That's not as true anymore. I'm not talking about intrapreneurship or side hustles either, although both are happening. I'm talking about entrepreneurs and corporates collaborating, or wanting the skills each has, particularly when start-ups are at the scale-up stage.

Just look at the traits we most often associate with entrepreneurs or innovators - risk taking, persistence, opportunism, confidence, disruption. Those traits can

sometimes be as negative as they are positive if unbalanced. Those with a corporate mindset can often bring that balance - a calmness, logic and the different sort of persistence that is used to dealing with multiple stakeholders, complex agendas and being able to pivot without emotion or ego when there is a challenge. And then, ultimately seeing something through and getting something done.

Those planning skills, the ability to lay out numbers and understand what they mean, to explain and interpret something, to budget and track to plan are truly valuable skills in the entrepreneurial world. With the applied diligence you see in the accounting and finance world, you can actually drive more value out of a business.

A great example is in the world of investment appraisal, or project accounting. I see a clear value add in applying the disciplines we know at the point of inception, or at the point of key strategic growth. It can really help structure thinking around the business model and what the real focus is. Get that right at the start and it's then much easier to focus on the plan as you work through delivering it. And in the same way as we would in a corporate environment - with clear laid out processes, eyes on the right cash and capital numbers, and the right cool, calm interpretation and reality checks too.

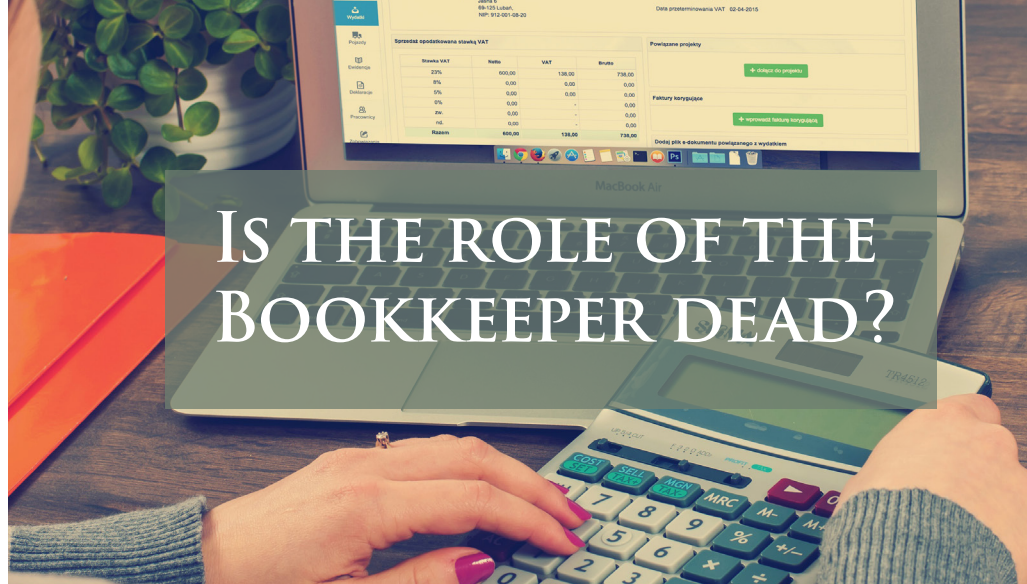
I joked with one of my entrepreneur friends once, when he said to me smiling: "But Russ, I'm an entrepreneur and you're worried about process!" I have three businesses and didn't question his definition of entrepreneur, but replied: "Yes, 'completing finishing' and getting the numbers in tends to be important for business..."

I haven't just made this observation of the two worlds colliding in conversations, but I've also seen it more frequently now as a prospective requirement in job adverts. "Come and work with us developing the most innovative app in the world. Would suit an entrepreneur with a corporate background." It's a good balance. Yin and Yang; chaos and order.

Success is a lonely road

I said earlier that 'alone' was an accurate word. You probably see more people than you ever would in an endless sea of meetings, coffees, talks and networking events, but it's still lonely. There's no shared jeopardy or comfort in shared decisions anymore. That's why businesses with a partner or more than one founder are more likely to succeed. Even if you act as an agent, advisor or consultant, or are their outsourced finance, marketing or IT provider, remember you are now as much a part of their team as anyone.

But if it's lonely, then why are accounting and finance people moving towards an entrepreneurial mindset or lifestyle? Some of it may be that our finance and commercial teams are the ones that tend to hear a lot about the disruptors - Fin-Tech, Insure-Tech, Ed-Tech, Anything-Tech - and I wonder if we are starting to get more curious as we see more of these being picked up by larger businesses? As more contractors and interim professionals come and go, we may also wonder what that would feel like for us. I can't prove it, but I also wonder if the perception of uncertain times we live in encourages us to take more risks too. In safe environments, we tend to be more risk adverse, but in riskier environments, we are



IS THE ROLE OF THE BOOKKEEPER DEAD?

more willing to take risks. One thing is for sure, one of the most innovative and unexpected ideas I've heard in the last twelve months came from a Management Accountant.

In my own business, I tend to work with smaller firms— those who need the fresh perspective and support of someone with a bigger picture view, but can still help them retain their entrepreneurial spirit. My health-check service in particular is a great opportunity for businesses to look to see how they can improve and drive greater financial value with the application of that perspective.

And for you, in your business? Recognise that some of your clients or staff have an entrepreneurial bias, even if they have lived in or been in the corporate world before. Know that they may be feeling the strain and anxiety of dealing with things on their own and would appreciate your balance, wisdom and experience. Remember you are part of their team.

Russ Taplin is the founder of Mmm Thoughtful Business. With over 30 years' experience in the business world, having worked in large corporates, as well as small business and start-ups, he is well-placed to providing consultancy and health-check services to your business.

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Mmm...
Thoughtful business...

In a 2019 Salary and Recruiting Trends guide from Hays, it was revealed that bookkeeping ranked a lowly 10 in a list of top roles that finance employers are apparently looking for this year.

Dan Tout, Partner at the Poole office of award-winning chartered accountants and business advisers, PKF Francis Clark, explores why this might be the case.

1. Do you think bookkeeping is an undervalued skill and if so, why?

I am not surprised at the ranking as there has always been the view by accountants that bookkeeping is low-level work and it has been very difficult for us to compete in a marketplace where the numbers don't stack up commercially. However, we are not able to do our jobs properly without timely and accurate records in place, which means it's absolutely a team effort in order to advise clients in the most effective way.

2. How easy is it to learn how to become a good bookkeeper and is it something most accountants should be able to do?

Like with most careers, a qualification doesn't automatically mean you're able to do a job well. My experience is that the best external bookkeepers we deal with are those who have worked for many years across a wide range of businesses. They really are a trusted resource and not only are they meticulous with record-keeping, but also add views about controlling costs, managing cash flow and a liaison with us on taxation matters. The view would always be that accountants should be good bookkeepers, but in my experience, that is not always the case. We

have taken steps in recent time to employ bookkeepers as well as offering a training programme for bookkeeping qualifications, as the digital evolution of the accounting world is driving us to do so. It is great that we are starting to build this in-house and digitalisation is enabling an offering which is far more cost-effective than it ever was before.

3. What would you say are the main benefits of getting a good bookkeeper on board to help with your business?

A good bookkeeper will give you peace of mind by dealing with all aspects of daily finance, record-keeping, and helping you meet requirements with the tax authorities. They are usually a direct feed into your accountant and where this relationship is strong and regular, the advisory around taxation and business planning for both your business and your family is something that can make a real difference.

Top 10 accountancy and finance jobs for 2019

1. Accounts Assistant
2. Accounts Payable Clerk
3. Credit Controller
4. Finance Manager
5. Payroll Administrator
6. Financial Controller
7. Finance Business Partner
8. Assistant Accountant
9. Management Accountant
10. Bookkeeper



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Dan Tout is a Partner at the Poole office of award-winning chartered accountants and business advisers, PKF Francis Clark. He deals with owner-managed businesses in a variety of commercial sectors across Dorset and Hampshire.

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WHY EXCLUSIVITY TRUMPS MULTI-AGENCY RECRUITMENT EVERY TIME

When it comes to using the services of a recruitment agency to fill your next vacancy, it can seem to make sense to cast your net wide. With multiple consultants working on your behalf, you'll find the perfect candidate for your business in no time, right? Not necessarily.

It's not so much a case of many hands make light work, but rather too many cooks can spoil the broth. Partnering with a recruitment agency on an exclusive basis does not mean you have to award all your available jobs to just one company, though. Different roles call for different skill and industry expertise, after all.

However, there are three key advantages to having just one agency working towards finding you talented candidates for specific vacancies as long as they have the specialist experience in those areas.

Candidate reach

There is a misconception that getting a number of recruitment agencies to advertise your jobs means your job will be seen by more candidates. While some job seekers do have an affiliation with certain recruiters, the reality is that most are registered on several job sites and with several agencies, especially when they are actively looking.

Any recruitment agency worth their salt will advertise your vacancies on all major job boards and social media sites. This means that using multiple agencies will potentially result in your job advert being seen several times by the same people. In turn, you might receive multiple applications from the same candidate via different agencies. This is not only frustrating for you, but frustrating for the job seeker who thought they had two applications being considered!

It's highly likely that you'll still reach a decent amount of candidates using only one recruitment agency, but that you'll also benefit from their long-standing relationships with passive contacts. Most quality agencies will proactively search for candidates utilising various tools and know of candidates passively looking, or alternatively headhunt.

Commitment to success

You might think that a multi-agency approach to recruitment drives commitment up, but it can actually drive it down. Instead of fighting to be the first agency to send you the biggest and best batch of CVs, consultants will follow their usual processes to get your job advert live and in front of job seekers, but spend little extra time actually looking for suitable candidates. When you provide a recruitment agency with exclusivity, there is still no risk to you other than the

fact that the job might not be filled (which is still the case when you use several recruitment agencies anyway!). The work to get your job specification right, advertised to the right candidates via the right channels, including a passive approach, and CV shortlisting and screening is all front-loaded. So, the agency takes on all of the risk and still won't earn a fee until a successful placement has been made. They will dedicate time and resources and work in partnership with you to filling your vacancy because they know that with commitment and less competition, they have a higher chance of success for both you and them plus your brand is not diluted in the recruitment sector.

Consultative approach

When awarded exclusive recruitment rights, consultants will likely spend more time with you initially to fully understand your business, its needs and the requirements of the role. Using their expert knowledge of the local job market, experience working with similar roles in your industry (because you should always look to work with recruiters with specialist experience) and understanding of candidate availability, they will be able to advise on the best way to position and package a job and a company.

With more time comes the ability for recruitment consultants to use their experience to go beyond basic CV skill matching within a candidate database. They will be able to spot hidden gems and talented individuals via proactive searches, in-depth conversations with candidates and their little black books cultivated over their years of experience.

The first step to exclusive agency recruitment

If you haven't yet worked with a recruitment agency, then 'trying before you buy' is an option. Just be prepared for a lower success rate and slower time to hire. When you do have the time, however, do your research and come up with a shortlist of recruitment agencies who you think could help you with your hiring needs.

Think about what industry you operate in, the various jobs and skills that your business needs and location. It can be a good idea to put together a Preferred Supplier List of agencies with different specialisms.

At Bond Williams Professional Recruitment, we pride ourselves on providing a committed service regardless of whether you work with us on an exclusive basis or not, but this is because we are confident that we can deliver results and encourage you to work with us exclusively next time! Our exclusive clients also benefit from preferential rates.

SUPPORTING STAFF WITH FINANCIAL WELLBEING COULD POSITIVELY IMPACT THE BOTTOM LINE



A survey by Barnett Waddingham revealed that some 88% of UK employers are concerned about the financial issues their employees are struggling with. In addition, the Financial Capability Strategy for the UK says that money worries have a clear impact on how people feel and behave in their day-to-day lives and at work.

This has since raised questions around whether businesses should focus on supporting the financial wellbeing of staff.

The problem

According to the Chartered Institute for Personnel and Development, adults in the UK believe their financial situation will only get worse in the future. This can be largely attributed to the impact of the 2008 financial crisis. In the years that followed, wages fell consistently in real terms, meaning that the money in our pay packets wasn't in keeping with the price of the things we needed to buy.

From mid-2014, wages started to increase above the rate of inflation, but to nowhere near pre-crisis levels. During this time, house prices have remained high, affordability criteria has changed and there has been a rising trend to live on credit.

According to figures from Equifax, UK adults owe £3,320 in unsecured debt on average and a third of us don't believe we'll ever be debt free. Add to that the fact that a fifth of us have been made redundant over the past two years, and it's no wonder that money worries are the biggest cause of stress for employees in the UK.

Why should employers care?

Financial concerns prevent 59% of employees from performing their best at work and a Global Benefits Attitudes Survey found that those employees who are troubled by their finances are twice as likely to be in poor health – resulting in increased absences.

All of this can clearly have a negative impact on the bottom line and a report from Barclays quantified this at 4%.

In addition to this, a pay increase is high on the list of reasons why people look for a new job but an increase in salary might not help employees overcome their financial issues.

Instead, having options and access to education with their current employer could result in them staying put, reducing costly staff turnover rates.

The solutions

Introducing benefits packages can go some way to alleviate money worries, especially those that are effective in helping employees to save money on living expenses, such as healthcare plans and discounted utility and insurance products. However, companies should review the paid benefits they are offering to see if they are effective, or even being used at all.

Employers should also consider salary sacrifice schemes, and even loan and savings schemes.

One of the more obvious but less widely adopted strategies for supporting staff with financial wellbeing is through education. All businesses have access to, either in-house or via a firm, accounting professionals. Why not invest some time in sharing tips for tracking income and expenditure, budget management and working out profit and loss with your staff? It could benefit your business in the long run if employees become responsible for departmental budgeting.

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