

MASON ALEXANDER

Market Trends & Insights for
Accounting Professionals

January 2020



Market Trends & Insights for Accounting Professionals

Be correctly informed, make the right decision

A review of industry trends in 2019 as we enter 2020

Employment opportunities for accountants remain very strong but navigating your way through the various prospects can be challenging and sometimes frustrating. Mason Alexander endeavours to make your move a little easier by providing you with information on each of the major sectors and offering insights, trends and market information to keep you informed.

2019 saw Dublin maintain its status of being a very appealing market for accountants. Below we have outlined some industry agnostic trends we experienced throughout the year, most of which we expect will continue in 2020:

- Recently qualified accountants between the salaries of €50k and €70k have a lot of control in the employment market, allowing them to carve out the career they want.
- From €70k to €90k, the employment market is still busy, however, businesses have more control, putting a preference on relevant industry experience, specific technical skills and testing emotional intelligence and commercial acumen, especially for those business partnering and commercial roles.
- From €90k+ the employers have control. Hiring at this senior level, businesses have a very clear idea of what they need. This is a big investment for any company, therefore, ensuring they get the best person available on the market is crucial. Taking a standard organisational structure of a finance team into consideration, there is less room at the top of the pyramid. With fewer senior vacancies available at any one time, we generally find that candidates seeking roles north of €90k are interested in hearing about the employment market regardless of their current working situation. We expect this to continue into 2020.

The pressure for accountants to offer more than just technical accounting skills is on the rise. As overhead departments become more blended and the development of automation and AI continues, the demand for tech savvy accountants who are capable of coding, robotics, or who have BI (business intelligence) experience continued to grow in 2019. Businesses are now spending more money on upskilling their key talent to secure this skillset. However, in order to retain the talent they have invested in, they should match the salary to what the rest of the market would be willing to pay which is unfortunately, a common oversight employers tend to make.

Not only are technical skills in demand, accountants must also align with a company's "culture fit". Certain personality traits are tested throughout the interview process with employers using psychometric testing and situational based questioning to determine how an individual would react in different

scenarios. Emotional intelligence, empathy, and an ability to motivate others are common traits sought in candidates.

In 2019, the technology sector continued to be the market leader for employee benefits, especially in the more established technology businesses. However, 2019 saw a growing trend from other industries, who are

"The resounding message we have heard from accountants throughout 2019 is a desire to work in a business that is disruptive, market leading, growing and environmentally friendly"

competing with the tech sector for talent, raising the stakes with their benefit offerings to both new and existing employees, to attract and retain talent. 2019 saw Dublin continue its healthy track record of start-up support and we predict this will remain a sector of interest to the accounting market in 2020.

The resounding message we have heard from accountants throughout 2019 is a desire to work in a business that is disruptive, market leading, growing and environmentally friendly. We have been working with many

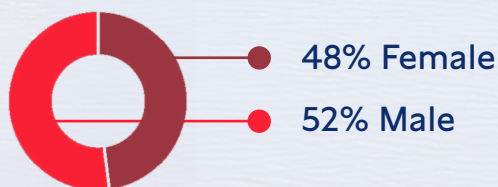
clients on best practices to articulate those points during the interview processes to ensure that they are putting their best foot forward when meeting potential employees and highlighting their CSR activity where applicable. Accountants want to add value and get involved in a company's future direction. While this is true of nearly all accountants we meet, 2019 was a year of real shift in the newly qualified market, seeking these opportunities.

The demand for commercial roles from this cohort was extremely high, something we expect to continue. However, the steep learning curve for the newly qualified market who are transitioning from practice to industry can be overwhelming. At Mason Alexander, we advise those that are making that first move to industry to focus on securing an opportunity with excellent mentorship and training in a business that can offer a pathway to commercial roles. Those businesses that have functioning business partnering models have the greatest ability to ensure that the bridge between the core finance function and the commercial role is achieved.

As we embrace 2020, understanding the changes in each sector is crucial to ensuring your career move is aligned to your career aspirations. Mason Alexander has outlined the bespoke trends of some of Dublin's major industries. Read on for more information.

Accounting Statistics in the Irish Market

Gender Balance




+6%

Percentage change in this talent pool on previous year

Fastest growing skills among this talent

- Business Analytics
- Continuous Improvement
- Leadership
- Automation and Robotics
- Presentation Skills
- Systems Implementation

Pharma & Life Sciences

The pharma and life sciences sectors have been phenomenally successful in Ireland over the last 20 years and have been a strong source of employment for accountants. Ireland is home to the top 10 global pharmaceutical companies, with 14 of the world's leading 15 multinationals having operations here.

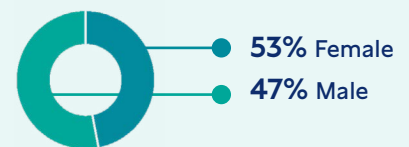
This sector is truly global in its outlook and there is a tendency for the creation of globally focused accounting positions.

Due to the international aspect of a lot of these organisations there are complexities in terms of multi-jurisdictional statutory financial reporting and compliance. This has led to a demand for accountants with strong technical reporting experience and shared services experience.

Key industry observations include:

- Exposure to global businesses
- Strong job security
- Clearly defined roles and career paths
- Robust processes and structures
- Exposure to M&A activity
- Strong remuneration package including market leading benefits
- Potential for involvement in large scale projects
- Career progression opportunities
- Employment opportunities both within Dublin as well as regional areas (can appeal to candidates who may wish to relocate outside of Dublin in the longer term)
- Increased reporting due to it being a regulated sector
- There can be increased layers of management meaning the ability to work with key decision-makers may be limited

Gender Balance




+9% Growth in finance headcount on previous year

Fastest growing skills among this talent

- Business Analytics
- ERP Systems
- Tax
- Financial Reporting
- Consolidated Accounts



FMCG

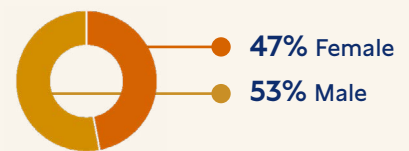
Dublin hosts some major players in the FMCG market to include Valeo Foods, Pallas Foods, Total Produce, and Kerry Group (albeit just over the border in Kildare!). Numerous mergers and acquisitions have occurred in the sector in 2019 to include Valeo’s acquisition of Kettle Foods originally owned by Campbell Soup. What’s more, the sector continues to look beyond the borders of Ireland and seeks international opportunities – a trend that will ensure Ireland continues to have a robust FMCG sector long after Brexit and its associated impact on the market.

For accountants, FMCG remains an appealing industry. Businesses are typically large in scale and the tangible products and brand association can attract good quality accountants. They are generally businesses with large commercial finance teams. 2019 saw an influx in the market of newer FMCG businesses who are targeting the healthy eating mentality of the consumer such as Strong Roots, Fulfil Nutrition and Nobo. These companies are very appealing as they offer the start-up culture plus the product association and can offer a role that has a true business partnering function rather than just technical accounting.

Key industry observations include:

- Established businesses, which can suit accountants seeking stability
- Opportunity to partner with some of the world’s largest brands
- Employment prospects and growth opportunities
- Fast-paced and innovative sector can equal a demanding work environment
- Good salaries – usually mid to top end depending on the nature of the role. Salaries are likely to be slightly lower for start-up businesses
- Accountants can be based in regional locations, on site, and travelling to different sites or factories can be a common requirement
- Multiple management layers in place and subject matter expertise is the preference, therefore, getting broad exposure can be difficult for accountants unless on rotation
- Resilience is essential for success
- FMCG can be impacted by global trade relationships, Brexit, FX fluctuations, and consumer trends

Gender Balance



Fastest growing skills among this talent

- Business Analytics
- Pricing
- Tender Negotiation
- Cashflow Management
- Relationship Building
- Supply Chain and Procurement Analysis

Indigenous Start-Ups

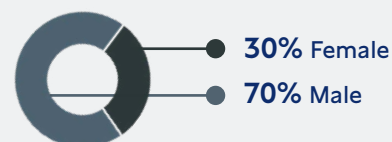
The Irish SME/Start-Up sector; the backbone of the Irish economy, continued to thrive in 2019. We now work with many start-up businesses where founders have come from large international FDI companies and are starting out on their own – a real positive in how the FDI businesses can help to further grow the local economy. Competition for roles in this sector is hotly contested but at Mason Alexander, we know this market is not for everyone. Recruitment trends within finance include hiring talent who enjoy working in a fast-paced, fluid environment, often with little structure and with the skill set to bed down financial processes and controls.

Candidates with broad experience, who are commercially focused are of interest, as there is a need to wear multiple hats in a start-up environment. This sector tends to attract entrepreneurial candidates who can see the bigger picture in terms of the opportunity that working in a high growth business gives. The overall remuneration package available can be lower than in a more established business, but for many candidates, the desire to work in a start-up means they may be more flexible on the remuneration package.

Key industry observations include:

- Greater access to decision-makers
- Learning opportunity from innovators
- Diverse range and higher level of responsibility
- Exciting businesses
- A tendency to have flexible and close-knit working environments
- Innovation and autonomy
- Share options are sometimes available
- The sector may not suit a risk averse accountant as not all start-ups are successful
- Salary and benefits generally tend to be lower than in established businesses
- Work/life balance might be less balanced than in other sectors

Male/Female lead start ups



221,895

Employed in Enterprise Ireland Companies

Fastest growing skills among this talent

- Agile Mindset
- Presentation Skills
- Relationship Building
- Process Improvement and Automation
- Business Analytics
- Capital-raising
- Financial Modelling



Retail

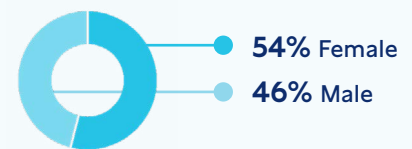
The retail sector, although reasonably small, given the high level of concentration, continues to be a strong employer of choice for top-tier chartered accountants. This is due to the tangible nature of the products and the strong feeling of brand association. However, in recent years, we have witnessed quite a substantial shift in the industry with the sales from brick and mortar retail decreasing and the demand for online retailers on the rise.

Finding the best technology solutions for the retail industry continues to be a leading priority. Based on what we have seen from the sector in 2019, retail is one of the main areas where a wider skillset is being sought from accountants as these businesses become ever more data centric and the ongoing necessity for retailers to “know” their customer grows. However, the retail sector is being challenged daily by e-commerce and tech advancements as well as the downward pressure on margin. Many of these businesses are still playing catch-up when it comes to compensation and benefits.

Key industry observations include:

- A focus on commercial roles
- Involvement in projects including software integration and transitioning to an e-commerce business
- Ever-changing and very fast-paced, no two days are the same
- Accountants in retail typically have very strong analytical skills that are in demand across the greater market
- Challenging landscape with low margins and extreme competition
- Salaries are typically at the lower end of the bracket
- Due to the changes in the industry, financial control teams can be quite lean

Gender Balance



Growth in finance headcount on previous year

Fastest growing skills among this talent

- Business Analytics
- Financial Modelling
- ERP Systems
- Analytical Skills
- Stakeholder Management



FDI

Ireland remains one of the most attractive locations for foreign direct investment globally due to our educated workforce, low tax regime, our English language advantage as well as being a launch pad for the rest of Europe. The number of people employed at IDA Ireland-backed firms reached another record high in 2019. A total of 21,844 new positions were created by multinationals. The FDI success story is not limited to Dublin, with over 50% of IDA supported roles based outside of Dublin. The impact of FDI on indigenous Irish firms cannot be underestimated, many of whom rely greatly on foreign investment and multinational companies for their own businesses to succeed.

Particular notable investments from last year included major announcements from Salesforce (1,500 jobs over the next five years), Facebook (1,000 new jobs), Indeed (500 new Dublin jobs), Johnson & Johnson Vision (100 new jobs in Limerick) and Allstate Sales Group (200 jobs in Sligo and Waterford).

In relation to Brexit, the IDA stated that almost 90 individual Brexit related investments have been made here since the referendum, with 5,500 associated jobs, a reflection of the vote of confidence in our economy. The FDI sector is dominated by technology companies ranging from fintech to e-commerce as well as businesses within the asset management, business services and renewable energy sectors.

Key industry observations include:

- Strong remuneration packages
- Exposure to businesses who want to scale quickly
- Career progression opportunities
- These investments can elevate companies to a higher level leading to better systems and processes
- A fast-paced environment which can be demanding – the investors can have high expectations
- Can accelerate companies to an international level relatively quickly

21,844

New Jobs Created

250

Investments made in 2019

In 2019, 63% of investments came from the US

Fastest growing skills among this talent

- Technical Accounting
- Process Implementation
- International and Irish Tax
- Tender Negotiation
- ERP Implementation
- Languages
- Financial Modelling

Technology

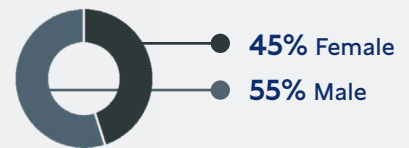
2019 has been a very successful year for the technology sector. The Irish technology start-up culture in Ireland has grown substantially and there has been a continued drive in new FDI companies setting up corporate HQs in Ireland. Mason Alexander is of the opinion that technology is within the top three industries of choice for the finance world. It remains very competitive with both accountants competing for the jobs, and companies competing for the best talent. Due to the overall demand for talented software developers and IT staff, the "Google culture" in technology businesses continues to thrive, resulting in uniform benefits for all staff which is very appealing to accountants.


Areas of key growth include Fintech and Blockchain which are going from strength to strength. Fintech differs from tech as it covers areas such as payments (Bluefin, Circle, Savvy), credit lending (Invoicefair, Trezeo and Flender) and RegTech (AQMetrics, Fenergo and Gecko) as well as others. Ireland is positioning itself as a blockchain hub with companies across every sector actively experimenting with this budding technology. These fast-growing industries are highly attractive for accountants who welcome change and innovation.

Key industry observations include:

- Fast growing businesses
- Disruptive – at the forefront of change
- Dynamic workplace, flexible
- Competitive salaries
- Job variety
- Exposure to the business and senior stakeholders
- Fun/energetic culture
- Learning and development opportunities
- Potential for IPO involvement
- Difficult sector to enter with no prior tech experience
- Worth noting base salaries can be lower but overall packages including benefits, share options, flexibility can make up for it

Gender Balance




+12% Growth in finance headcount on previous year

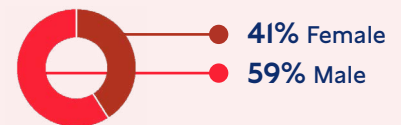
Fastest growing skills among this talent

- Customer Experience
- Business Analytics
- Relationship Building
- Financial Modelling
- US GAAP

Financial Services

Accenture recently valued the improvements that AI can offer the financial services industry at €140 billion. Automation is growing across multiple industries and experts believe 7–10% of tasks can be automated across banking, insurance and capital market firms. This in turn will allow employees to focus on high value work (building client relationships or new service lines/products). Traditionally, financial services have hired large workforces (skilled and unskilled) but with AI, the focus will be to hire staff with a specific skillset such as data analytics etc. As such, the traditional role of the accountant is changing where we have seen a growing demand for intermediate to advanced coding skills.

Gender Balance



+8%

Growth in finance headcount on previous year

Banking

Banking has been a pillar industry in Ireland. However, 2019 has been a particularly challenging year with Brexit's uncertainty as well as record low European Central Bank rates. Despite this, it remains an appealing sector for accountants. The major Irish and international banks offer training programs and internal rotation schemes that allow employees the opportunity to gain new skills and different experiences. International banks have seen growth within their Irish operations but the slowdown in hiring within Irish banks is a result of the pressure on institutions to monitor their spending.

Key industry observations include:

- Internal rotations and development programmes
- Career progression opportunities
- Exposure to projects
- Clearly defined roles
- Structured training programmes
- Work/life balance
- Large teams and social atmosphere
- Regulated environment
- Multiple management layers, exposure to senior management can be limited

Fastest growing skills among this talent

- Regulatory and Statutory Reporting
- Credit Risk Management
- Internal Controls and Governance
- Report Writing
- Leadership
- Change Management

Aircraft Leasing

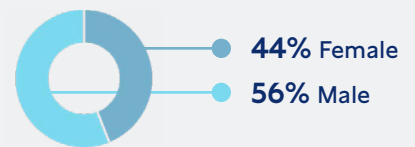
Ireland is the global market leader in Aircraft Leasing and the primary factor is a deep pool of local expertise as well as government support. Since the 70s there has been a steady growth of operating lessors to 'other owners'. Employment in this industry quadrupled from 2007 to 2016. Recently headwinds have caused lessors to focus on cost reductions such as staffing, so employment growth has not hit the same levels of 2016/2017.

This industry has a lot of appeal for accountants and we expect this to continue in 2020. We find that when people join this industry, they rarely leave due to growth opportunities, technical and commercial skills development and potential for market leading remuneration and bonuses. Gathering industry experience can be difficult, most accountants would use their technical knowledge of financial reporting/month end accounting to get in the door before transitioning to a more commercial role.

Key industry observations include:

- Flagship industry
- Great benefits and salaries typically fall within the top end of the bracket and bonus potential is quite substantial
- Potential for exposure to different business areas and work closely with senior management
- Acquisitions exposure and deal transactions experience
- Aircraft lessors are very willing to spend money to make money and have very sizeable balance sheets which can be exciting for accountants
- Extremely competitive employment market - very difficult to enter without prior experience
- Industry is sensitive to macro-economic conditions and pressures from environmental agencies are heightening in particular around carbon emissions on the older aircrafts
- Aircraft leasing as a sector doesn't have a huge international presence outside of Ireland, therefore, if working abroad is of interest, it is unlikely you will accelerate your career in the sector outside of Ireland and Asia

Gender Balance



Growth in finance headcount on previous year

Fastest growing skills among this talent

- Internal Controls and Governance
- Financial Reporting
- Risk Management
- M&A
- Presentation Skills
- Financial Modelling



Property

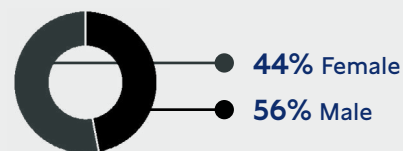
Property has remained a hot topic in Irish media in 2019. In the last 2-3 years there has been a spike in property investment. 2019 was the biggest ever year for transactions, with €5 billion traded. According to the Irish Times, “this was driven by the fact there were 14 deals greater than €100 million in the last 12 months. Most notably, this includes the sale of Green Reit, which is one of the largest sales in the history of the Irish market at €1.34 billion.” The Times also identified a key trend of overseas investors in the market, “representing approximately 70 per cent of total volumes in the last 12 months. The most active have been Germany, the US and southeast Asia.”

The increasing presence of developers has led to an increase in demand for finance professionals who also understand the bespoke complexities of the real estate market. Common technical skills include fundraising and investment management, due diligence, complex financial modelling, cash flow and treasury management, as well as maintaining relationships with key stakeholders and funding partners such as banks and financiers. These are very attractive opportunities for candidates, allowing accelerated career progression in an industry that appears to only be at the beginning of its growth potential in Dublin over the coming years.

Key industry observations include:

- Offers great commercial opportunities
- Strong salaries and bonus potential
- Fast progression and deal exposure
- Attractive and diverse job responsibilities
- Tangible products although closely aligned to the financial services sector
- Sensitive to market conditions and the economic climate
- Accounting systems can be very excel driven with accounting packages tailored to the property/construction market being reasonably outdated
- Cash-flow is typically a challenge in these businesses meaning headcount in cost oriented teams can be on the lower end

Gender Balance



Growth in finance headcount on previous year

Fastest growing skills among this talent

- Financial Modelling
- Corporate Finance
- Due Diligence
- Capital Raising - Debt and Equity
- Process Implementation
- Cash-flow Management

Conclusion

In 2019, the accounting and finance market continued to grow across most sectors with this growth seen in traditional industries like pharma and FMCG but also across the property, fintech and start-up sectors where Mason Alexander has seen an increase in recruitment activity.

Recently qualified accountants, with up to two years' PQE are particularly in demand and those with strong profiles have lots of interesting options on the market especially in terms of commercially focused roles.

Salaries continued to grow steadily during 2019 and whilst monetary benefits continue to be important there has been a distinct emphasis on flexibility, work life balance and employer branding. We have seen a shift towards companies investing more in their brand and culture in order to attract the right talent.

If you are interested in hearing about how Mason Alexander can assist you with the direction of your career, get in touch with the team. We will provide you with honest and frank feedback and will listen to your career aspirations. We will support you in making the right decision that will enrich your skill set and set you on the path to success, whatever that means for you.

Your Accounting and Finance Recruitment Team



Sarah McKenna

Senior Appointments

s.mckenna@masonalexander.ie

087 109 5318



Louise O'Leary

Industry

l.oleary@masonalexander.ie

087 352 7692



Nick McCarthy

Financial Services

n.mccarthy@masonalexander.ie

01 685 4127



Shauna Lee

Newly Qualified Accountants

s.lee@masonalexander.ie

01 685 4105



