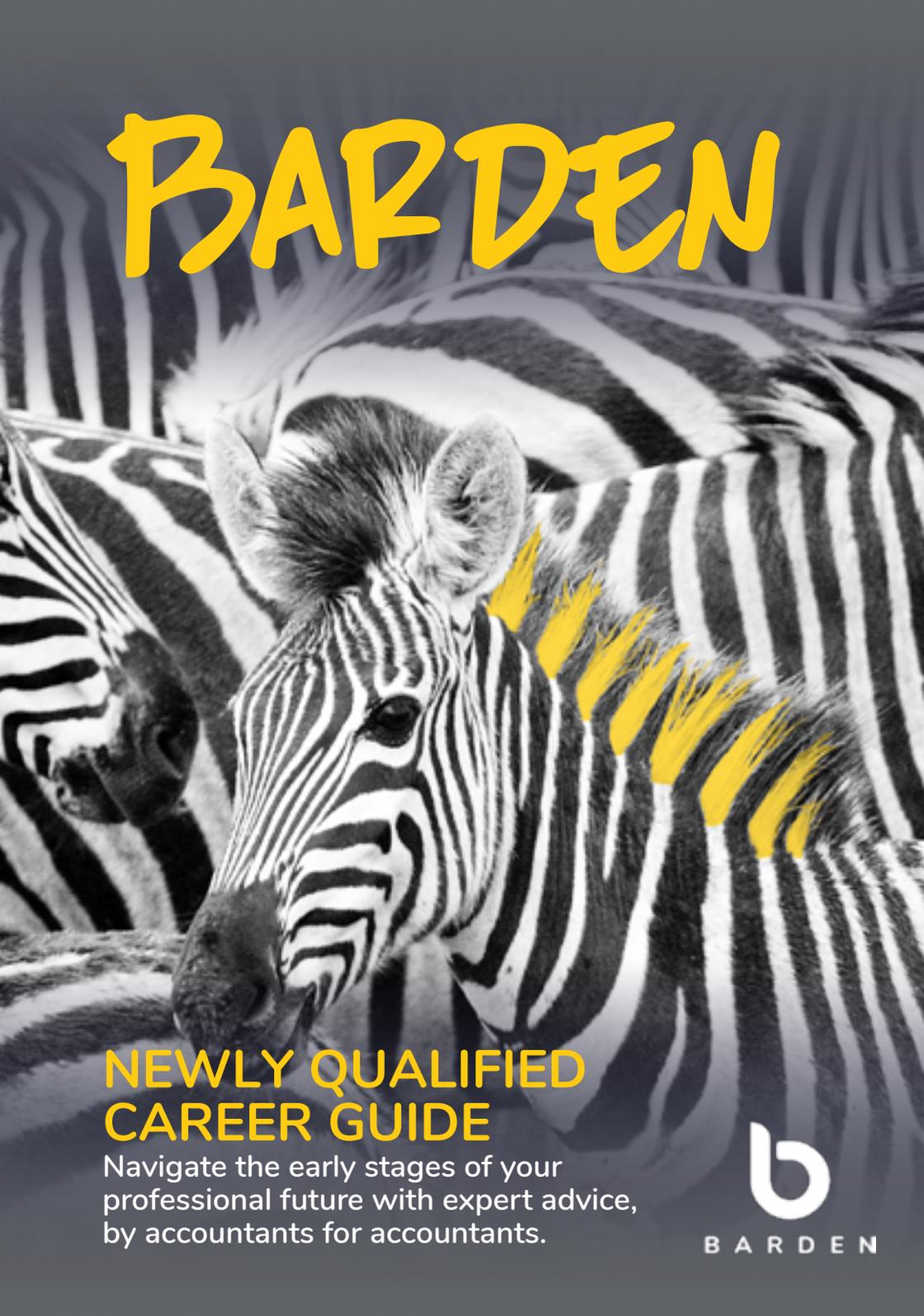


BARDEN



NEWLY QUALIFIED CAREER GUIDE

Navigate the early stages of your professional future with expert advice, by accountants for accountants.

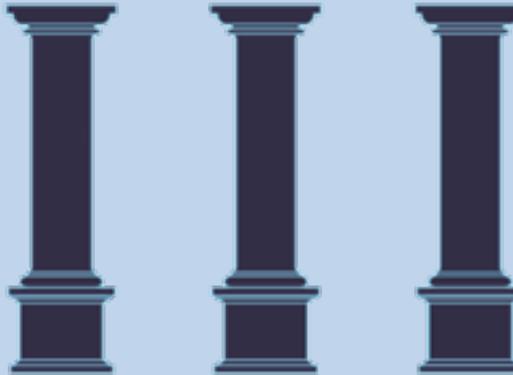


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04 THE THREE PILLARS



NAVIGATE THIS GUIDE...

You're going to spend over 90,000 hours in work. By the time you finish your training contract, you'll have about 7,500 of those hours banked. The decisions you make over the next two years will fundamentally impact the next 82,500 hours... that's a lot of hours!

Barden created this guide to help you decide how best to spend these hours. It's a product of our years of experience working with recently-qualified accountants. We've learned from them and now we want to share the wisdom of their experience with you.

This guide is objective. It contains the information you need to know **before** looking for a new role – internally or externally. To help you navigate this guide, we have divided the content as follows:

Section 1: Three ways to look at the jobs market (three pillars, organisational structure and activity);

Section 2: The Barden Career Model;

Section 3: Typical first steps after your training contract; and

Section 4: Other stuff you really need to know.

Barden created this guide as a supplement to other Barden and Accountancy Ireland publications (www.barden.ie/publications). Where you see the symbol,  you can refer to the other guides for more detail. Your future is too important to leave to chance. The more you use this guide, the more career informed you will be. Take control, get informed and plan your professional future with Barden. Let's make your next 82,500 hours count!

Disclaimer: this guide covers a lot, but it doesn't cover everything. It broadly covers the majority of options outside of practice but the general logic can be applied to any route you take. Read, reflect and apply – simple!

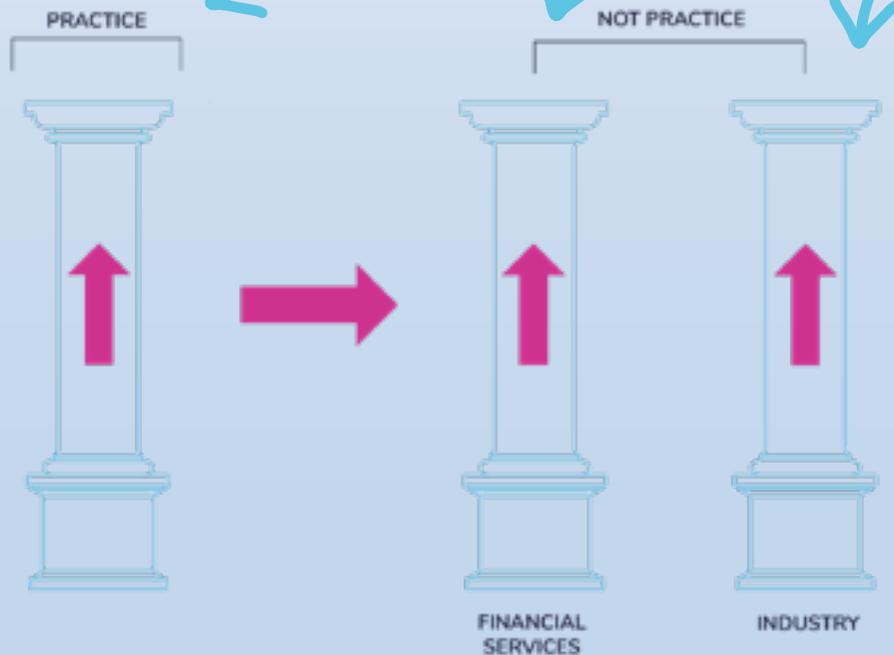
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THE THREE PILLARS



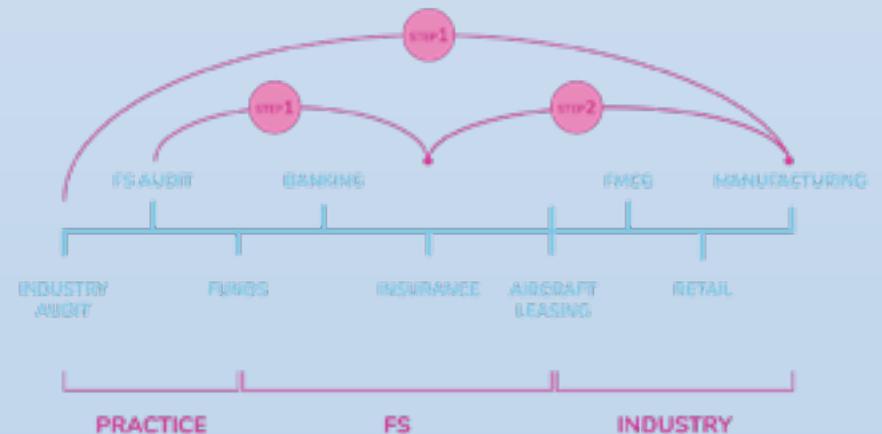
Before you start thinking about what role you want, you first need to take a step back and look at the wider context of the market. The first thing to focus on is '[The Three Pillars Model](#)'. 📍

It's pretty simple, but the overall market can be broken down into practice (accounting firms) and non-practice (everything else). Non-practice can be broken down into the two pillars of financial services (companies with a financial product or service) and industry (everything else). Simple, right? Here are a few rules of thumb:

- It's easier to move within a pillar than between pillars;
- The more post-qualified experience you have, the harder it is to move between pillars;
- When moving from the practice pillar, it's easier to move within the pillar that best reflects your clients in practice – the 'like with like' principle; and
- When moving from the practice pillar, it's easier to move to a role that involves similar activities.

'Like with like' is a fundamental truth you should put front and centre from here-on-in. It underpins everything in this guide. You'll be most likely to make a move to a company

MAKE 2 JUMPS INSTEAD OF TRYING TO MAKE 2 JUMPS IN 1!



or role that shares something in common with your most recent company or role. Take the example of Bridget Barden, an audit senior in a Big 4 firm and trained primarily through insurance audit. After qualifying, Bridget will be most likely to move to a manager role in practice or to an audit or accounting role in an insur-

ance company. Bridget will be less likely to move to an accounting role in manufacturing (a different pillar) and will be more likely to be able to move to an accounting role in banking (the same pillar). However, for Bridget, and you, nothing is impossible. Some things are just more likely than others.

ORGANISATIONAL STRUCTURE

WHERE YOU SIT IN YOUR FIRM WILL HAVE A BIG IMPACT ON YOUR FUTURE OPPORTUNITIES.

"SMALL SMES ARE VERY FAR AWAY FROM GROUP FUNCTIONS – MOVE TO AN SME AND YOU REDUCE YOUR CHANCES OF WORKING IN A GROUP STRUCTURE IN THE FUTURE."

Next, let's move to a concept that's fundamental to working in non-practice... organisational structure. Where you sit in the organisational structure of your next employer will have a key impact on the structures you can access in the future. To make this simple, we've broken down the market into four key structures: 📍

- **Group functions:** consolidation environments (HQ) where the Global/Group CFO and CEO sits. Where decisions are made but are often at an arm's length from actual business activity;
- **Finance Hubs:** these have lots of different names but are fundamentally where accounting functions are centralised for a particular geography (EMEA or APAC). All financial and statutory accounting for different jurisdictions are done here

and information is then pushed to HQ for consolidation;

- **SMEs:** the most common type of company ranging from the small local store to very large, privately-owned companies that are not part of a bigger multinational. Over 80% of people in Ireland are employed in SMEs and they come in every shape and form imaginable; and
- **Strategic business units:** a trading entity for a multinational that serves Europe or focuses on the Irish (domestic) market. It can look like an SME from the outside but has the

structures, systems and politics of a larger organisation.

These structures (or a hybrid thereof) can be used to describe 95% of companies out there. And guess what? If you work in a Group function, do you know where you'll be most likely to get a job in the future? In a Group function... the 'like with like' concept strikes again! Also, keep in mind that some structures are further away from each other than others. For example, small SMEs are very far away from Group functions – move to an SME and you reduce your chances of working in a Group structure in the future.



CONTINUUM OF ACTIVITY...

The second you start looking at job specs, [you'll see that different companies call different roles by different names](#). The best thing to do is to establish a common language to "translate" job specs. Broadly speaking, recently-qualified accountants moving to non-practice will see four different types of roles:

- **Financial accounting:** what happened in the last month, quarter or year. Everything up to and including producing a set of accounts for a company;
- **Financial analysis:** why it happened and what is likely to happen – the future. Budgeting, forecasting, analysis and planning on OPEX, CAPEX and revenue/sales;
- **Internal audit:** not external audit, can be financial and operational and involves varying degrees of travel. Often used as a stepping stone; and
- **Other roles:** Either specialist (treasury) or an extension of one of the activities above (like statutory reporting).

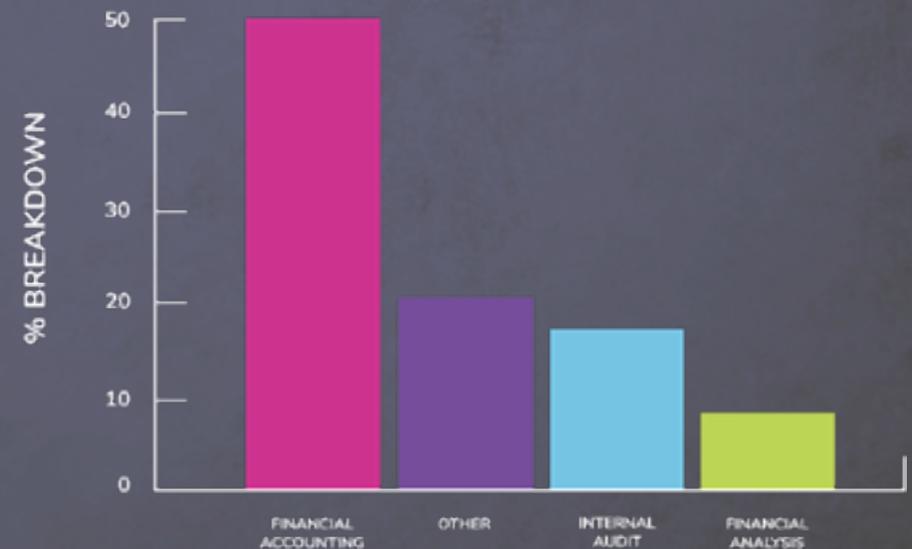
If a group of 100 people moved from prac-

tice to non-practice, the spread of roles they typically end up in looks like the graph to the right. Keep in mind:

- The majority move into some sort of financial accounting role;
- If you're willing to travel, you can get great experience using internal audit as a first step;
- A financial analysis role is rarely a first step in your career, yet a lot of people aspire to this type of role. Typically, it's better to get experience preparing financial accounts before you start analysing and commenting on them. Also, if you want to be Finance Director someday you'll need financial accounting experience under your belt – that's way easier to get earlier in your career; and
- Smaller companies will combine the four basic roles into one. In roles that involve a mix of activity, be sure to get a percentage weighting on where your time will be spent. The job specs might be the same but how you spend your time could be different.

"THE SECOND YOU START LOOKING AT JOB SPECS, YOU'LL SEE THAT DIFFERENT COMPANIES CALL DIFFERENT ROLES BY DIFFERENT NAMES."

Figure 1: Distribution of people in practice when they move to non-practice roles.



THE BARDEN CAREER MODEL

The Barden Career Model can be used in many ways – as a strategic tool to plan your career; as a reflective tool to compare hopes, dreams and aspirations with the reality of the external market; as a tool to help prepare your CV and prepare for interviews; and as a tool to help manage your salary negotiations. It's robust, but you'll only get out what you put in. 📍

STEP 1: DEFINE YOUR CENTRE

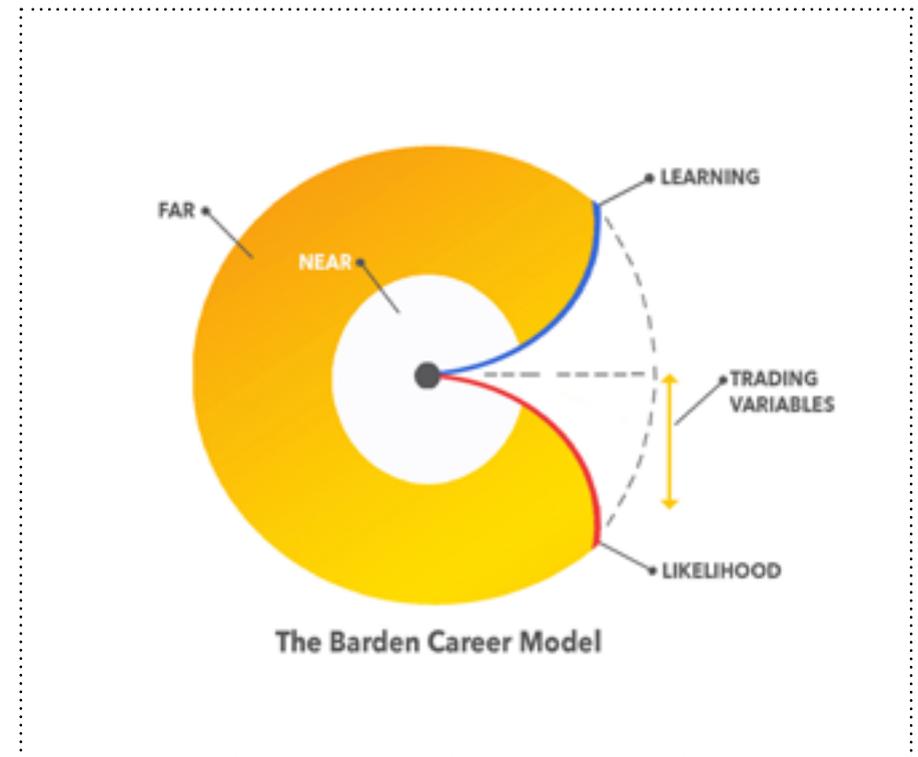
- Imagine your job options as a circle. Let the centre of your circle represent the company and role where you'll be perceived to add the most value and so, will be compensated the most for your time (i.e. paid more). "Perceived" is key, as this isn't just about you. It's about how a hiring manager will look at you compared to "the other guy".
- Your centre is most often a replica of your current role in your employer's nearest competitor. Say you're working in a Big 4 firm as an industry audit senior. It makes sense, then, that the easiest job for you to get out there will be as an industry audit senior in another Big 4/Top 10 firm. You'll create value for the firm straight away. However, there'll likely be little value added to your experience;
- Jobs in your centre are easier to get and you get paid more to do them, but they'll add little to your career development.

STEP 2: POPULATE YOUR NEAR AND FAR ENVIRONMENT

- Draw a circle within the circle and call that your near environment;
- Your near environment contains companies and roles that have something in common with your centre. For example, if you audited a lot of food companies, then the food industry would be in your near environment. This isn't a purely linear process and you need to use your imagination to populate your near environment;
- Your far environment contains companies and roles that have less in common with your centre.

STEP 3: YOUR ACCESS AND LEARNING CURVE

- The Barden Career Model has two lines – your access curve and your learning curve. The access curve represents the perception of your ability to do a job. The learning curve represents the perception of the amount of learning there will be (i.e. how much a company will need to invest to get a return);
- Your access curve begins to dip slowly as it moves through your near environment, dipping more sharply as you push out to your far environment. You're less likely to get a job in your far environment, hence your access curve dips;
- The difference or gap between your ac-



cess and learning curve represents the value you will gain in making a move.

STEP 4: TRADING VARIABLES

- You can reshape your access curve (i.e. make roles in your far environment easier to access) by using trading variables, which is another term for compromise;
- Compromise can come in the form of tactically reduced salary; working in more remote locations; availability to start immediately; and willingness to take on a contract. In return for a compromise, you should gain learning in a new type of role or in a new type of company, pillar or industry; and

- Using your trading variables strategically can help you shift your centre to facilitate your preferred career moves.

The earlier you are in your career, the larger the area of your near environment and hence the easier it will be to move between different pillars and roles. Why? Because the earlier you are in your career the less you are paid, the less of an investment/risk you are, the lower your competition and the higher the demand. As you gather specific post-qualified experience, you'll gain the ability to add more value and will cost more to employ. However, your competition will as well.

THE BARDEN CAREER MODEL IN ACTION...

Now, let's look at an example of the Barden Career Model in action – meet Billy Barden. Billy has just completed his training contract in the industry audit team of a Big 4 firm. Billy has good academics, is a first-time pass on the FAEs and has a 'two' (top 25%) performance rating in his training contract. Billy's clients were composed of a variety of large indigenous companies along with two large Irish plc Group functions. His clients crossed many industries but he did have three Irish food manufacturing clients throughout his training contract. Applying the Barden Career Model, Billy can discern the following:

- Given his client exposure, he will most likely be perceived to add the greatest value in Group (consolidation) or large Irish companies, food or consumer products, manufacturing or supply chain, IFRS or relevant GAAP equivalent;
- As he is coming from an audit team, he will find it easier to access financial accounting, internal audit or other roles (rather than financial analysis type roles);
- Given Billy's strong performance rating and academics, he will have a good chance

of accessing larger, more demanding companies (the industry equivalent of Big 4/Top 10 Irish companies).

The above will define companies and roles within Billy's near environment. Companies and roles that are likely to be in his far environment will include financial services companies; smaller Irish businesses and shared services centres; pharmaceutical or medical device companies; and retail, US GAAP environments.

As Billy is coming from audit, he'll be less likely to access pure financial analysis

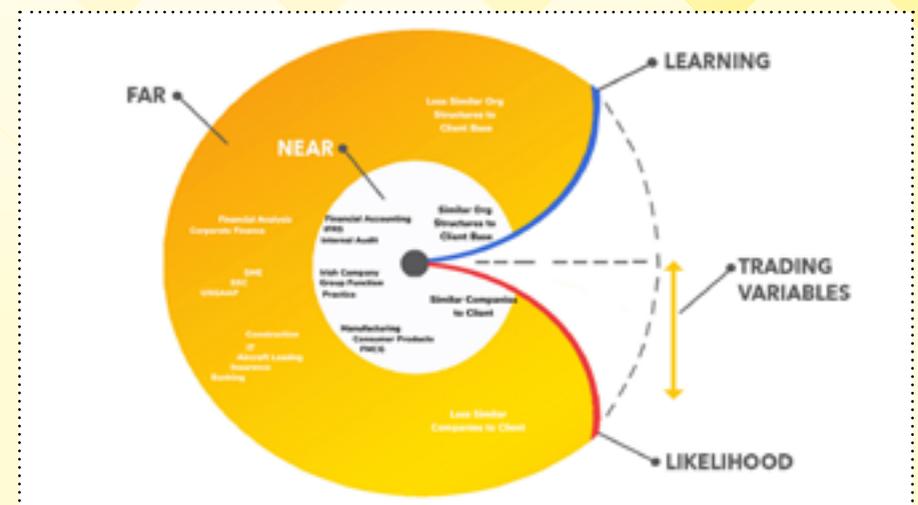
roles straight away. Why? Because his peers in non-audit teams in practice will be perceived to have a more applicable skillset for the financial analysis roles in question.

Careers are complicated things and the impacts of today's decisions can be hard to assess in the context of tomorrow's choices. Get the Barden Career Model right and you'll have the best chance of ensuring you walk the right path to your future. Contact your team at Barden for a personalised consultation on your [Barden Career Model](#).

Billy's career model

Billy can now use the Barden Career Model as a lens on the external market. The closer an opportunity is to his centre, the more he can expect to access the higher end of the salary scale for his level. If Billy has a strong aspiration to move into a financial analysis role in a financial services company, he might compromise a little on salary, location or perhaps look at a contract role (which are known as 'trading variables') to access opportunities in his far environment.

Supply and demand for talent will skew the model for Billy, however. An increase in demand and a decrease in supply will enlarge the area of Billy's near environment (and vice versa). These shifts in supply/demand can be seasonal (as a recently qualified accountant, Billy's competition will be highest around October/November and May as large numbers of people will be coming out of training contracts) or can be the result of a trend in the market (boom/bust cycles).



OTHER STUFF YOU SHOULD KNOW...

THE TOUGHEST PART OF WRITING A GUIDE IS TRYING TO FIT EVERYTHING IN...

Every person, every circumstance, every job and every company is different but there are a few rules of thumb that apply to most people. Here are some of the questions we hear on a regular basis.

Should I stay on in practice to become a manager?

It's hard to get objective advice on this one. A partner will always want you to stay on. A recruiter will more than likely advise you to move. Let's try to get an objective opinion by looking at the question through different lenses. You should seriously consider staying on to become a manager post-contract if:

- You wish to become partner;
- You'll gain exposure to a different client base or pillar;
- You get to move into another department that will help you move your centre.

You should not consider staying on to become a manager post-contract if:



- You don't wish to become partner;
- You plan to move to the client-side or to industry in the long-term;
- You weren't fulfilled by the work you did in your training contract.

We hear advice on a regular basis that goes along the lines of: "You should stay on to become an audit manager and then you'll be able to move to the client-side or industry at a higher level when you do make the move." This statement is fundamentally incorrect. Here's why: if a company is looking for a financial controller or finance manager, for example, they will (99 times out of 100) look for a qualified accountant with 'x' years of post-quali-

fied experience outside practice because their first choice will always be someone with practical experience as a financial controller. For the vast majority of hiring managers, there's no contest. Practical industry or financial services experience post-contract wins.

You'll move up in salary and benefits as time goes by in practice. You'll become increasingly valuable in practice but you won't be appreciating the same value for client-side roles – your peers that moved straight out of training contact will. As a first or second year manager in external audit, you'll still be well-able to compete for internal audit, technical external reporting and project-based transformation positions. Broader financial accounting or analysis will likely become increasingly difficult to access.

How much should I get paid in my first move after qualification?

The short answer is: it depends. It depends on how close or far the role you take is from your centre and how much you employ trading variables. Broadly speaking, your base salary will be €50-55K in Dublin and €45 – 50K in Cork. Remember though that base is only one component of total compensations – bonus, package and learning all have a part to play. Our Salary Survey with the Leinster Society of Chartered Accountants on <https://barden.ie/publications/> is a great place to get more details on salary.

What's the most important thing in my first move?

In our experience, it is without doubt

the person you work for and the people you work with. The calibre of your manager, their willingness to invest in you and the trajectory of their own career will have a deep, lasting impression on yours.

What should my CV look like and where can I get a template?

The good news is that there are tried and tested ways to pull together your CV and very specific things you need to include. You can download a copy of the Barden sample CV for recently-qualified accountants at barden.ie.

How should I use LinkedIn, prepare for interview, manage recruiters, prepare for a psychometric or aptitude test, and invest in my personal brand?

These and many more relevant questions are covered in detail our other publications on www.barden.ie

What's next?

If you have another year before you come out of your training contract, get your head down and be the best you can be over the next 12-18 months. If you're coming to the end of your training contract over the coming months, however, now is the time to get in touch with your team in Barden to get personalised, objective advice about your future. Over the next 12 months, you'll have more options open to you than at any other stage in your professional career. Get in touch with your recently-qualified accountant advisory team in for personalised advice about the critical decisions that lie ahead.



Experts in accounting and tax recruitment.

Building a world class team or thinking about your future? We're here to help you achieve your ambitions. Whatever you're looking

for, you can trust us to look after your best interests. Because the future doesn't just happen. We make it happen.

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