



The all-rounder in accounting **July 2012**

T/DIALOGUE

AAT:

Your passport
to a better career



Hong Kong Institute of
Accredited Accounting Technicians
香港財務會計協會

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July 2012

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From the President's Desk



From the President's Desk

Dear students and members,

We have an eventful second quarter of 2012 with a lot of exciting things happening. In April we organized the Accounting Education Conference in collaboration with China General Chamber of Commerce (CGCC), aiming at providing a platform for educators and accounting professionals from Mainland China and Hong Kong to share experience in equipping talents with an international perspective to meet the global challenges ahead. In June we also organized the Business Education Symposium by inviting speakers from secondary and tertiary education sectors to share their views on preparing students for a smooth transition from secondary education to higher education. These two inaugural events were very well-received. My heartfelt thanks go to all speakers for their support and making these events a great success!

Another great event is the Annual Award and Graduation Ceremony which was held on 4 May 2012. During this joyful occasion, I was delighted to meet many bright and aspiring graduates, outstanding students, and their proud teachers and relatives. I would like to take this opportunity to give my affirmation to the achievements of awardees again. Although there may be still a long way to go before reaching their goal, they are already on the right track from the first day they chose AAT.

At the ceremony we also presented awards to the first batch of top students and scholars of AAT Foundation Examination. To seize the opportunity of the education reform in the senior secondary curriculum, we launched this new examination last year to meet the broadening NSS curriculum requirements and our local business needs. We have been confident that it has gained wider and wider recognition from the secondary school sector with the dramatic and impressive surge in enrolments. We have received more than 5,800 examination entries this year, which is double the figure for the whole of previous year.

The success of our Accounting and Business Management Case Competition reflects that today's younger generation is keen to equip themselves to meet the demanding market needs. The final competition was held on 21 April 2012 with a record high of more than 2,100 students from secondary schools and tertiary institutes enrolled this year. The excellent participation is definitely an encouragement to us, but we are even more impressed by the students' great interest in accountancy, which is the ultimate objective of our continuous efforts in promoting accounting to young people.

How far you can go in your career depends on many factors. In accountancy, continually developing your technical knowledge is definitely critical in maintaining your marketability and shoring up your job security. According to our member and graduate survey conducted in February 2012, many respondents felt that the AAT qualification is very practical and helps them master multiple tasks efficiently. It also keeps their career moving forward and has provided them with an edge to stand out from their counterparts when being considered for a promotion, pay rise and job application. You can find out more about the survey findings in this issue.

In addition to possessing a recognized qualification, being able to deploy effective job-hunting techniques is also an essential element of success. In this issue we get employers' and recruitment experts' advice on some do's and don'ts when applying for accounting jobs. These are not only useful for fresh graduates who want to land their first job in the profession, but also for experienced accounting personnel who wish to find better opportunities.

Making our graduates marketable to employers requires a thorough understanding of employers' needs. It is a bold undertaking and has become the main direction of our forthcoming activities. As always, we will keep you informed of our progress and of any future developments in the pipeline, and we appreciate your continued support.

Stella Cho

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2012 Examination timetable

Accredited Accounting Technician (AAT) Examination

Date and Time	9:30 a.m. – 12:30 p.m.	2:00 p.m. – 5:00 p.m./6:00 p.m.*
Saturday, 1 December 2012	Paper 5 Principles of Taxation	Paper 1* Accounting and Computerized Accounts
Sunday, 2 December 2012	Paper 6 Fundamentals of Business Law	Paper 2 Business Communication and Organization and Management
Saturday, 8 December 2012	Paper 7 Financial Accounting	Paper 3 Management Accounting
Sunday, 9 December 2012	Paper 8 Principles of Auditing and Management Information Systems	Paper 4 Business Economics and Financial Mathematics

* Examination duration for Paper 1:
Sections A & B: 2:00 p.m. – 4:00 p.m.
Section C: 4:45 p.m. – 6:00 p.m.
Please note that the total time allowed for this paper is 3¼ hours (from 2:00 p.m. to 6:00 p.m., with a 45-minute break from 4:00 p.m. to 4:45 p.m.)

MYOB Accounting Software Premier Plus Version 13 (English version) will be used in the Paper 1 examination. Please note that the time allowed for this paper is 3¼ hours.

Professional Bridging Examination (PBE)

Date and Time	2:00 p.m. – 5:00 p.m.
Wednesday, 5 December 2012	Paper I PBE Financial Accounting
Monday, 10 December 2012	Paper II PBE Management Accounting and Finance
Wednesday, 12 December 2012	Paper III PBE Auditing and Information Systems
Friday, 7 December 2012	Paper IV PBE Business Law and Taxation

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The interactive panel discussion featured educators from Hong Kong, Mainland China and Singapore.

Accounting Education Conference 2012

More than 100 faculty members and government officials from Mainland China and Hong Kong met at the Accounting Education Conference on 20 April 2012. This event was jointly organized by the HKIAAT and China General Chamber of Commerce (CGCC), and its aim was to provide a platform for educators from two regions to share their experience in training accounting talents. The theme of this year's event was "Trends and developments in accounting education and training in Mainland China and Hong Kong in the landscape of internationalization". Prominent guest speakers from the commercial and education sectors discussed the qualities required of today's accounting professionals and the development of educational programmes to equip accounting talent with an international perspective to meet the global challenges ahead.

We would like to take this opportunity to thank the speakers for making this event such a great success through their presentations and sharing of experience, all of which was much appreciated by the highly receptive audience.

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(Left) Sam Hui, Group Finance Director, Convenience Retail Asia Limited and (right) Daniel Lee, Director, BDO Limited share their views on the qualities of accounting personnel from the employer perspective.



HKIAAT and CGCC representatives at the conference.

HKIAAT Annual Award and Graduation Ceremony



Guest-of-honor Dr. Carrie Willis presents award to top students.



Professor Stella Cho, HKIAAT President, presents award to the scholarship recipients.

The HKIAAT Annual Award and Graduation Ceremony 2011-12 took place on 4 May 2012. This auspicious event was well-attended by more than 300 guests, members of academia and accounting professionals who gathered together to show their support and appreciation for the outstanding achievements of secondary and tertiary students. We were proud to have Dr. Carrie Willis, Executive Director of Vocational Training Council, as our guest-of-honour to officiate at the event. During the ceremony, awards were presented to the top students in the HKIAAT examinations and the HKIAAT scholarships recipients. Certificates were also conferred to new graduates of the HKIAAT examinations and the Hong Kong Institute of CPAs / OUHK joint top-up degree programme. **T/D**



Awardees with our honourable guests.

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The HKIAAT accounting and business management case competition 2011-2012

Nurturing accounting talent in Hong Kong and Mainland China

This year, HKIAAT marks its 10th anniversary of organizing the Accounting and Business Management Case Competition. Students from both secondary schools and tertiary institutes are invited to analyze the financial position of a selected company and apply the knowledge they have learnt in classroom to this practical case. This year's competition not only breaks all previous records, with more than 2,000 students from secondary schools and tertiary institutions taking part, but is also the first time that college students from Mainland China have participated. It helps to broaden students' vision and develop their accounting knowledge and business skills.

Number of participants hits a record high

Since the Accounting and Business Management Case Competition started, back in 2002, more than 300 secondary schools and 20 local tertiary institutions have participated in the competition. It has now become a

significant annual inter-school event steering the interest of youngsters towards accounting. This year's competition attracted 564 entries, 40% more than last year. In addition to the 16 tertiary institutions and 87 secondary schools from Hong Kong, 80 mainland students from 9 colleges also joined in this year. In the tertiary institute group, a team from Wuxi Institute of Technology, Jiangsu Province, made it to the final six and competed against local students, making the final competition fiercer than ever.

Training soft skills while widening horizons

Johnson Kong, the immediate past president of HKIAAT, says it is encouraging to witness the rising popularity of the competition. He believes that this shows the importance of grooming all-round accounting talent in today's business world. As society evolves, accounting personnel need to possess not only accounting knowledge and skills, but also a wide spectrum of business



Winners of the HKIAAT accounting and business management case competition 2011-2012



The panel judges were Ocean Park management, HKIAAT board members and lecturers from tertiary institutes.

knowledge and generic soft skills, such as teamwork, communication, problem solving and language skills.

Combining application with theories

This year Ocean Park Hong Kong, a corporation that is well known to both students from Hong Kong and China, supports the competition by being the subject of the case study. Students are required to write a proposal on strategies for Ocean Park to sustain its growth. To assist students in their preparation, HKIAAT held a



All teams put a huge amount of effort into their presentations.

number of seminars and workshops and invited Matthias Li, Ocean Park's Deputy Chief Executive and CFO, to illustrate the company's business model, background and operations. This background helped deepen participants' understanding of a corporation in the real business environment.

The reviewers, who were lecturers from tertiary institutions and universities, undertook a blind review and shortlisted a total of six finalist teams each from both secondary and tertiary institute groups to enter the final on 21 April 2012. Each of the groups was required to make a 15-min presentation to the adjudicators. The champion team of tertiary institution group this year won a summer internship at Ocean Park. The other winning teams won a visit to Ocean Park, allowing them to understand its operations and work environment in person. They will also be able to take part in "Young reporters – meeting the professionals", enabling them to interact with senior CPAs and to write an article sharing their experience. The series of activities provides the winners with continuous learning opportunities to help them gain remarkable experience and broaden their accounting knowledge.

Tips from tertiary institute group:

Corporate image is key

Despite facing a challenge from mainland students' participation, Hong Kong students still performed outstandingly. After months of preparation, the team led by Yiu Tsan Hei from HKU SPACE Po Leung Kuk Community College finally won the Champion's prize. All four members are studying the Higher Diploma in Business (Accounting), and one of them participated in last year's competition.

Yiu believes that, as the cornerstone of Hong Kong tourism for many years, Ocean Park has a stable financial status. The team's study therefore focused on market analysis. Although Ocean Park is not listed, because of its high level of transparency it is not difficult to find its financial data. The challenge was in performing an analysis of its competitors since their data is difficult to find and lacks detail. Another challenge was that the team undertook a great deal of research, reading and analysis. To summarize all this information into a 20-



Champion of tertiary institute group goes to HKU SPACE Po Leung Kuk Community College.

page proposal, team members needed to have a thorough understanding on the subject matter so that the key points could be presented in a logical and easy-to-read manner.

As regards the mainland students' participation, Yiu says that it has offered a great opportunity for the different teams to learn from each other. "They have good memories which helped them perform naturally and confidently without referring to the script during their presentation. This is what we need to learn," Yiu says.

Tertiary institute group

Prizes	Institutions	Team Members
Champion	HKU SPACE Po Leung Kuk Community College	Yiu Tsan Hei (Leader); Ip Kei Tung; Sin Wai Him; Yu Chun Wai
1st Runner-up	Hong Kong Institute of Vocational Education (Kwun Tong)	Chiu Sin Hang (Leader); Chan Hung On; Chan Tsz Ki
2nd Runner-up	Hong Kong Community College, The Hong Kong Polytechnic University	Tse Yuet Fan (Leader); Chu Ka Ki; Mak Wing Yin
Best Presenter	HKU SPACE Po Leung Kuk Community College	Sin Wai Him
Best Written Report	Hong Kong Institute of Vocational Education (Kwun Tong)	Chiu Sin Hang (Leader); Chan Hung On; Chan Tsz Ki





The presentation made by the winning secondary school group team reached professional level.

**Tips from secondary school group:
Get first hand experience**

Queen Elizabeth School, the winning team of secondary school group, applied “edutainment” in positioning Ocean Park and raised a series of targeted suggestions. All four team members are students of business, accounting and finance studies (BAFS) and they joined the competition with their teachers’ encouragement.

They started their preparations for the competition last December while taking their school mid-term examinations.

Leader So Wing Yan says, “When we analyzed the annual report, we came across many technical terms and ratios which we had not learnt in the curriculum yet. Luckily by joining the seminars held by the HKIAAT and with our teachers’ assistance, we were able to complete our analysis. We also learnt how to evaluate the issue from different perspectives”. She adds, “We not only assessed Ocean Park from a tourist’s point of view but also put ourselves into management roles to seek a clearer and broader picture.” All members say they have a greater interest in business and accounting after joining this competition.

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Students from Queen Elizabeth School were the champions in the secondary school group.

Secondary school group

Prizes	Schools	Team Members
Champion	Queen Elizabeth School	So Wing Yan (Leader); Chan Wai Man; Cheng Man Yi; Li Yat Wa
1st Runner-up	Tung Wah Group of Hospitals Yau Tze Tin Memorial College	Tam Tsang Kwong Ngan (Leader); Kit Chin Hang; Tang Hang Ping; Yu Wing Shan
2nd Runner-up	Sacred Heart Canossian College	Luk Christine Karen (Leader); Chan Hei Ching; Siu Pui Kwan; Yeung Tsz Ching
Best Presenter	Queen Elizabeth School	So Wing Yan
Best Written Report	CCC Ming Yin College	Tsoi Ling Ling (Leader); Ng Miu Yi; Yick Yin Ping; Yuen Wing Sze



Increase in industry hiring

Gear up for the opportunities ahead



Affluent opportunities in specific roles

“We see a constant level of demand towards jobs of a diverse nature ranging from financial reporting and auditing to internal control,” comments Marc Burrage, from recruitment agency Hays in Hong Kong. He explains that there is consistent demand in the retail, information technology and telecommunications industries. In these industries, job roles such as financial planning and strategic business analysis are also under the spotlight because retail businesses are booming. “Corporations require highly efficient and accurate business analysis and strategic planning support to make decisions around launching new retail outlets, expanding market shares, and so on,” says Marc, adding that there is also a demand for supportive accounting roles which are required for companies getting ready for initial public offerings.

Following the global financial turbulence, there are mixed views on the future development of global economies. As far as recruitment is concerned, most corporations in Hong Kong take a flexible and cautiously optimistic approach towards their expansion plans. In this fast-changing recruitment market, what's in it for accounting talent, and how should they prepare to stay abreast of the latest recruitment trends? In this issue we offer a comprehensive overview of the job market in 2012 from different angles: those of the employer, recruitment agencies and job-seeker.

by Aldric Chau

From the employee's perspective, one of the key aspects to consider in the recruitment process is of course the remuneration package. Box I illustrates typical salaries from the latest salary guide released by Hays, which supports the positive forecast made by industry insiders.

The employer's view

With the encouraging recruitment trend, what are the views and expectations towards job applicants from employers? Gilbert Loke is the owner of a CPA firm Falcon CPA Limited, and has more than two decades of practising experience in the industry. With more and more CPA firms joining the market, competition is intensifying. He believes it is the quality of talent that distinguishes players from their competitors.

Box I. Salary guide 2012 (adopted from 2012 Hays Salary Guide - Asia)

Commerce & industry (accounting support)			
Accounts receivable 168 - 286	Accounts payable 168 - 286	Credit control 210 - 384	Bookkeepers 240 - 360
Banking industry			
Accounts receivable 200 - 300	Accounts payable 200 - 300	Credit control 200 - 320	Compliance / risk specialist 350 - 480
Professional practice (audit)		Professional practice (tax)	
Consultant 240 - 300	Senior associate / assistant manager 300 - 450	Tax consultant 240 - 300	Senior tax consultant 300 - 540

Note: salary range in '000

There are currently eight members of staff at Falcon. Gilbert is considering recruiting more in 2012 to support the company's business expansion, targeting at a mix of talent with AAT and CPA qualifications and varied work experience. Gilbert takes part in resume screening and the interview process to ensure the prospective employees meet the company's requirements. During the interview, Gilbert normally focuses on a few key pointers:

Attitude – whether the candidate has the appropriate manner and mindset as an accounting personnel.

Competence – how much the candidate knows about the profession's services. For instance, candidates will be asked about the methods of auditing fixed assets and see how they respond. The level of difficulty of this kind of question varies with seniority of the positions which the candidates are applying for.

Motivation – it is an important attribute as it affects how well the person will develop in the long term.

The interview process starts with a screening by the manager, then an interview with Gilbert. Normally up to five candidates are shortlisted for the first-round interview. The applicants are then required to do a test assessing their basic accounting knowledge and accounting software application. The leading questions that Gilbert asks interviewees normally cover their work experience. Fresh graduates with less experience may be asked about accounting concepts and technical knowledge such as how fixed assets are audited, how double entry is handled, and so on, ensuring that they have the required technical standards needed by the company.

AAT Member Natalie Lee went through three rounds of interviews as part of her application for the role of accounts & administrative clerk in a multinational corporation. These were chaired by the financial controller, the country manager and the regional financial controller. She suggests that a written test is not mandated



Gilbert Loke, owner of Falcon CPA Limited, thinks it is important for interviewee to express the commitment to interviewer.

for every job interview. However, she finds that an aptitude test is the most challenging session as it involves complex critical reasoning tasks.

“With a view to securing talent more efficiently, many companies are streamlining the interview process gradually,” says Marc. He explains that competition in the market is fierce, compelling employers to review and shorten the interview lead-time to two rounds of interview involving both line manager and recruitment manager in most cases.

Having met many job candidates, Gilbert has seen some good and bad examples. “There was a candidate to whom we offered the job, but on the first few days when he reported to work, he was found to still be looking for other jobs,” Gilbert says. Commitment to a job is vital. Therefore, he thinks it is important for the interviewee to take the opportunity to express this commitment through the questions he asks. Good topics to ask about at the end of an interview include career development plans, the company's direction and expansion roadmap.

Leaving a good impression that lasts

Gilbert says that in this increasingly competitive market, it is important for job-seekers to focus on dos and don'ts during a job interview, in order to stand out. What the employer suggests in fact echoes advice from recruitment agencies.

“To put your best foot forward, let your personality shine through as employers are looking for candidates who demonstrate excellent communication and interpersonal skills in addition to strong technical capabilities,” says Pallavi Anand, director of specialized recruitment firm Robert Half Hong Kong. She recommends that candidates pay close attention to the following:

Interview dos

- Do bring your own calculator as it may not be provided for numerical tests, which are normally held for accounting positions
- Do elaborate on your ideas with concrete examples: it is advisable to quote some major projects and tasks you have managed
- Do plan to arrive on time or a few minutes early. A late arrival for a job interview is never excusable
- Do complete all application materials neatly and accurately. However, don't rely on your application or CV to do the selling for you. Interviewers will want you to speak for yourself
- Do greet the interviewer by his or her surname if you are sure of the pronunciation. If not, ask the employer to repeat it. Use his or her name occasionally during the interview



During group interviews, Pallavi Anand from Robert Half Hong Kong suggests job seekers be confident and highlight the individuality while not dominating the discussion.

- During group interviews, be confident and highlight your individuality while not dominating the discussion. Be open to others' ideas, be cooperative and facilitate the flow of discussion.

Interview don'ts

- Don't make derogatory remarks about your former or present employers. When explaining your reasons for leaving, limit your comments to those necessary to adequately communicate your rationale

- Don't over-answer questions. And if the interviewer steers the conversation into politics or controversial subjects, try to do more listening than speaking since this could be a sensitive situation
- Don't inquire about salary, holiday, bonuses, pensions, etc., in the initial interview. If the interviewer asks what salary you are looking for, provide a range based on your knowledge of the skills and experience required of the position.
- Avoid costumes that are overly fashionable. Keep your appearance tidy, clean and conservative, matching with the professional image of accounting personnel and auditors.

“Attending an interview is a whole experience and your first impression is always the most important part of this experience,” says Marc. He adds that the first impression that candidates give to employers almost instantly determines the success rate of the interview, while the interviewers will spend the rest of the interviews either reinforcing or challenging that first impression. To build a strong first impression, a combination of a pleasant outlook and bright introduction is critical. Marc says, it is important that candidates keep self-introduction concise and impactful, highlighting only the most relevant ideas or skills that the employer needs to know about you.

Marc also suggests that accounting technicians read the annual report and media reports on the company, and conduct research on the company's background from both their official website and any other sources, in order to find out as much background information as possible. This kind of preparation also allows candidates to assess their compatibility with the job requirements and company culture, which could be highlighted during the discussion with interviewer.

Recipe for the winning resume

Pallavi advises that a job application process begins even before the actual interview. Before you greet your interviewer in the meeting, your

resume has been read and therefore you need to have spent time tailoring this important profile for each particular job. To start with the basics, here are her tips on the format of a winning resume:

- The length of your resume should aim to cover two pages and no more than 3-4.
- The resume should provide a database of skills, experience and achievements from which you should select material to reflect the requirements of the specific post.
- Always put the most important matching points first, even if they are less important in terms of your present job, or are skills or achievements that go back some time.
- If there is any gap in your employment history, specify the activities you have engaged during the period (e.g. study leave, gap year after graduation).

A pleasant format counts for nothing without the support from the appropriate content. Pallavi says that it is not sufficient simply to state the posts and responsibilities that you have held. "It's vital for applicant to illustrate the achievement, in order words, a statement of values added to the organization being served," she comments. For instance, "preparing financial reports and related documents to auditor" is a statement of job responsibilities, whereas "participating in annual internal audit exercise in achieving ISO compliance standards" is a convincing illustration of your actual achievement and its benefit to the company. While preparing your resume, it is important to remember that the resume will form part of the script for the interviewer's questions. Therefore, it's important for you to include all the aspects which you would like the interviews to ask about, and meanwhile, be prepared to elaborate further on it, supported by examples, during the job interview.

All these tactics in preparing for a job interview require a great deal of effort and attention from job-seekers. Natalie is well aware of this as

she has had the experience of working for different companies including multi-national corporations. "The format and content of each interview varies, but I take every one of them as an important lesson," she says. Natalie explains that throughout the interview experience she not only learns about the company she's approaching, but also finds out more about her own strengths and weaknesses.

Language requirements

When applying for an accounting job, Natalie particularly highlights the importance of having a qualification such as AAT on your resume. Her experience is that interviewers are interested in learning about the knowledge gained from different qualifications and how that can translate into other competencies when the candidate is recruited.

From the interviews she has attended in recent years, Natalie also observes that interviewers tend to increasingly assess the candidates' language proficiency. Good English skills are vital, but now employers are increasingly conducting interviews in Mandarin, especially accounting firms which require staff to travel to mainland China regularly.

According to Marc, in order to pursue promising long-term career development, job seekers should regularly review their position, skill sets and competitiveness in the market. Then, they should set a three-, five- and ten-year career plan with realistic goals. Some of these goals could specify job titles, salary packages and benefits. This can help you stay motivated and take control of your own career management.



Marc Burrage, Hays Hong Kong suggest job seekers should set a career plan, through attaining goals such as job titles, salary packages and benefits.

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Excellent employment opportunities for AATs

Results of 2012 HKIAAT student, graduate and member employment survey

by Aldric Chau



In early 2012, the HKIAAT conducted an employment survey of more than 3,000 students, graduates and members. A total of 471 replies were received and the response rate is 14%. The key objective was to find out about how students, graduates and members value the AAT learning experience and what they have taken from it in developing their professional career.

A myriad of advantages from AAT

Promotion and salary adjustment are often seen as the most direct advantage that a qualification brings. About 34% of respondents said that they were either promoted or received a pay raise after completing the AAT exam, and 80% of them believe that this reward was strongly or partially related to the AAT qualification. While some were promoted vertically within the company, the others enjoyed the benefits from having the AAT qualification when searching for other external job opportunities. The 62% of respondents who moved jobs after attaining the AAT qualification said that having the qualification was a big plus on their resume in helping them differentiate themselves from the competition.

Enhancing your competitive edge

This trust from employers and the enhanced competence of AATs are reflected in different areas of the survey. AATs' daily work covers a wide range of accounting matters, including handling and managing a full set of accounts, cash flow, tax matters and corporate administration. About 37% of respondents commented

that they are supposed to handle more than six tasks concurrently on a regular basis, suggesting that the AAT study has given their employers confidence in delegating more responsibilities to them in the knowledge they can manage their work and multi-task efficiently. In fact, 45% of AATs currently work in supervisory capacity in basic to middle management roles. They have even further potential for advancement as they develop their career through the Professional Bridging Examination (PBE) and the Hong Kong Institute of CPAs qualification programme (QP) study.

In addition to increased volume and complexity of work, AAT graduates tend to be given more business travel opportunities, with 15% being sent to mainland China for either temporary projects or on a long-term basis.

Motivations for attaining AAT

While enhancement of competitiveness remains the core driver for people applying for the AAT exams, many are also attracted by other factors such as the reputation of the AAT qualification and the articulation to the Hong Kong Institute of CPAs' QP. This is backed by the fact that 56% of AAT graduates have already completed or are going to sign up for PBE. What students have learnt from the AAT exam also lays a strong foundation for their PBE and future QP study since the knowledge from AAT, PBE and QP is all highly related.

Another key consideration for students taking the AAT exams relates to the syllabus as its focus on Hong Kong's accounting practice, supported by real business cases, makes it appealing to both students and recruiters. Survey respondents found the following four subjects to be the most useful and applicable at work: Principles

of Taxation, Financial Accounting, Accounting and Computerized Accounts, and Management Accounting. The overall syllabus with its eight subjects provides extensive coverage on everything the members need to know at work, making them all-rounders in accounting.

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45% of AATs currently work in a supervisory capacity in basic to middle management roles

37% of respondents are handling more than six tasks concurrently

56% of AAT graduates have already completed or are going to sign up for PBE

34% of respondents say that they were either promoted or received a pay raise after completing the AAT exam and 80% of them believe that this reward is strongly or partially related to the AAT qualification

Top three reasons for taking AAT Exam:

1. Practical / all rounded

2. Professional

3. Articulation pathway is clear

62% of respondents comment that AAT is a big plus on their resume helping them differentiate themselves from competition



Employer in the spotlight

James Kong

Observations from an experienced insider

How do employers view professional qualifications? What do they actually look for in prospective employees? James Kong, partner at James T. W. Kong & Co. CPAs and past Vice President of the HKIAAT, gives us a glimpse of the employer's perspective and shares with us some of the criteria he considers when hiring accounting personnel, through talking about Kathy Chow, an auditor at his firm.

Nurturing every staff member

James T. W. Kong & Co. CPAs is a typical local CPA firm like other small to medium-sized firms here in Hong Kong. With a staff of around 30, the firm offers a full range of services from auditing to tax and management advice to various clients.

Kathy Chow first joined the firm as an accountant in 2007. "I decided to hire her since I felt she had a pro-active attitude," says Kong. Very soon he found his observation to be correct. He says Kathy is very willing to talk with colleagues and superiors about problems, as well as to express her own opinion. This explicit willingness to ask

and learn, according to Kong, is an uncommon yet highly valuable trait among accounting personnel.

Kathy's positive attitude extends to her daily work. In Kong's opinion, she analyzes a situation and then applies the relevant knowledge she has gained from her studies for the AAT Examination. "Her application of technical knowledge is never a rigid process," says Kong appreciatively. She shows no hesitation in taking the initiative to handle work that is within her capacity. According to Kong, Kathy is a careful person. She completes her work with flying colours, and this also gains her a lot of credit from her supervisor. "As she is still young, and needs to be exposed to different aspects of accounting in order to grow, we decided switch her work from accounting to auditing in 2010," says Kong.

The importance of professional qualifications

Kong emphasizes the importance of attaining professional qualifications. "For accounting personnel, it is important to keep abreast of the ever-changing accounting standards and procedures. Therefore, we must undertake continuing

education to stay competitive and excel within the profession,” says Kong.

In particular, Kong finds that the AAT qualification is very helpful. “The AAT graduates whom we have hired have proved to be of very high quality.” According to Kong, AAT graduates like Kathy have a better grasp at applying technical knowledge at work, and are comfortable with any work ranging from general accounting responsibilities to more specific auditing tasks. For instance, Kong finds Kathy very adept in picking up new technical knowledge swiftly, and this means that she is therefore capable of dealing with more advanced tasks where there may be a more theoretical component such as auditing involved. She is also able to adapt herself to changing circumstances in practical situations in a timely manner. This good track record has inspired Kong’s confidence in the ability of AAT graduates in general.

Furthermore, Kong believes the AAT qualification’s emphasis on practical situations and real-life scenarios is a huge advantage for aspiring accounting personnel. It not only teaches them flexibility, which is crucial in dealing with day-to-day operations, but can also be very helpful for those who wish to further pursue qualifications through the Professional Bridging Examination (PBE) and the Qualification Programme (QP) offered by the Hong Kong Institute of CPAs.

Advice to a new generation of accounting personnel

While having a professional qualification is an important objective criterion for gauging job applicants’ abilities, Kong also pays specific attention to a potential employee’s interests. “Embarking on a career in accounting, or any

other profession for that matter, is no small decision,” he says. It is therefore important for a candidate not to be easily bored with the work involved and to have a real interest in the field.

More specifically, Kong says he looks at the exam results from different subjects to determine in which area of accounting a candidate’s interests truly lie. “It goes without saying that in most cases, under ordinary circumstances, a student fares better in any particular subject that he or she has a true interest in it,” he says. He also warns against focusing too much on monetary rewards at such an early stage, as the goal of this early stage of a career should be learning.



Identifying that interest and securing a suitable job, however, is only the first step. Kong reiterates his emphasis on the importance of continuing education for all accounting personnel. “The starting point is of course crucial, as it helps build up a foundation that can sustain further development,” says Kong. But beyond that, it is also paramount

that an accounting professional be able to carry on his learning and studies through further qualifications.

Kong also encourages accounting personnel to take up part-time teaching positions after qualifying. “If time allows, accounting professionals should really try to teach in a part-time capacity in the field of their choice. This is highly beneficial not only to an entire new generation of students, but also to the professional himself,” Kong suggests. And for Kathy, Kong has high regard on her. He believes she has the potential to become a partner of the firm once she has acquired the CPA qualification and gained sufficient experience. **T/D**


Versatile AAT – Kathy Chow
**Laying the
groundwork for future
achievements**

Before going down a particular career path and striving for success, it is important to be ready for the challenges that the long and winding road may bring. Kathy Chow, AAT graduate and auditor at James T. W. Kong & Co CPAs, shares with us her experience and observations on what it means to be ready.

Choosing the option most suited for yourself

There was nothing unusual to mark the start of Kathy's career in accounting. Like many, she started studying accounting when she was still in secondary school. She decided to pursue further studies and a possible career in accounting primarily because she was drawn to the professional aspect of this choice, as well as the fact that such a career path appeared relatively clear and straightforward.

Kathy completely understands that having a professional qualification is a prerequisite for long-term development in the accountancy profession. After some research and comparing different accounting qualifications, Kathy decided to go for AAT since it mostly suited her educational background and career goal. As a working person who entered the labour market immediately

after completing secondary education, high flexibility and no specific training being required in advance were her major concerns: AAT fulfilled her needs. She also appreciates the availability of an articulation pathway to the Qualification Programme (QP), even for those like her without an undergraduate degree.

Applying technical knowledge at work

Kathy started off as an accountant at James T. W. Kong & Co CPA. "I think it is vital that accounting personnel should start from the basics," Kathy recalls. According to Kathy, working as an accountant allowed her to acquire crucial experience in basic accounting work, as well as to learn much regarding clients' common needs and mistakes. This experience serves as an important foundation for work later on in any specific field.

When Kathy completed the AAT Examination in 2010, there was a chance for her to shift to auditing. Being an auditor can be a very different matter from being an accountant. Kathy's daily work as an auditor now involves a wide range of responsibilities, from drafting reports for superiors' review, to providing on-site services to major clients. Being able to fulfill these obligations regularly

requires deep knowledge in accounting concepts, and Kathy credits her studies for the AAT qualification as a main reason for her being able to adapt to such work with ease.

Kathy thinks that strong theoretical knowledge in areas such as taxation and auditing procedures cannot be acquired merely through work; some formal training is also required. By studying for the AAT Exam, Kathy gained a lot in these areas and this study prepared her well for the challenges of her new position. In addition, her studies for subjects such as Paper 2 “Business Communication and Organization and Management” and Paper 1 “Accounting and Computerized Accounts” were essential in helping her develop her professional capacity, as they improved her language and communication skills in dealing with clients and her fluency in using accounting software. These are indispensable skills for anyone wanting to thrive as an accounting professional.

Prudent time management skills

Given today’s competitive market, in which most prospective employees are graduates with bachelors’ degrees in accounting, it is crucial to keep abreast of the latest standards and procedures by taking courses and exams and attaining further qualifications. Kathy said she is no exception. “It can be tough having to study part time, but having an encouraging employer really helps a lot,” she says. She feels lucky that her superiors are supportive of her studies by being generous with study leave for her preparations for exams.

Another important point, in Kathy’s experience, is prudent time management. “In my opinion, it’s not always possible to cram at the last minute, especially once you’ve reached an advanced level of studies such as Professional Bridging Examination,” she observes. Therefore, Kathy believes that being able to follow your work and study schedule efficiently and effectively is the key to success.

In terms of exam technique, Kathy recommends practicing with past papers. “The questions in these papers are quite up-to-date, and sometimes contain current events which impact on the practice of accounting,” she says.

A versatile young talent

Currently, Kathy is pursuing a Bachelor of Laws degree. She believes that she should broaden her scope of studies and professional interest as early as possible as it becomes more difficult to begin studies in a different field when further along a career path. She thinks that her knowledge and background in accounting is highly complementary to related legal subjects such as taxation and business law. In addition, she believes that obtaining a law degree will allow her to keep her options open for the future both within and outside of the accounting arena, affording her opportunities in related fields such as company secretarial or other law-related work.

Kathy also aims to complete the QP in the near future. After being qualified, she will weigh her options and opportunities and decide on a career path most suitable for herself, be it in the commercial world, law-related work, or within the realm of accounting. Whatever her choice may be, Kathy stresses the importance of equipping herself with the necessary knowledge and qualification before embarking on this journey. “The first step has to be getting myself ready for the challenges ahead,” she says. “It is crucial that I equip myself well before making any final decisions.”

T/D

Kathy Chow’s study and career path

2007	Matriculate graduation
2007-10	Accountant at James T. W. Kong & Co CPAs
2008-10	Completed AAT Examination (exempt from one paper)
2010-11	Completed PBE
2010-present	Auditor at James T. W. Kong & Co CPAs
2011-present	Studying Bachelor of Laws at London University
current	Student of Hong Kong Institute of CPAs’ QP

Leaders and leadership

by Weelan Ho



Much has been written about management and leadership. Most people would agree that there isn't just one way to be a manager or a leader; the appropriate way to manage and lead varies according to the development level of the people involved (their capabilities) and circumstances.

Many people take pains to distinguish between managers and leaders. The often quoted distinction between managers and leaders is – managers do things right, and leaders do the right thing. I agree in part. Being a consultant, a practitioner and an observer, I have seen many company leaders who have been successful in creating and implementing the blueprints, transforming their vision into reality. But I have also seen many leaders fail to do so. The vision, no matter how grandiose, remains a concept, a dream or a possibility, if it is not fully implemented and realized. What distinguishes a successful leader is their implementation skills, which comprise detailed thinking and planning, having the ability and tenacity to follow up and follow through to ensure the whole implementation process does not fail. Successful leaders must possess management skills in order to be effective. Often, successful leaders are also

effective managers. They may not do the frontline work, but they certainly know how to motivate and empower so that the set goals are achieved.

Distinguishing factors for great leaders

It takes more than being an effective manager to be a leader. Leaders:

- See the big picture and have a great overview of all factors affecting the situation or circumstance. They have the ability to conceptualize, analyze and synthesize information, get to the gist of it, deal with the core issues and make a complicated situation simple so that the associated problems can be resolved. This is often known as “zooming in and out”, i.e. zooming in to look at details, zooming out to have an overview.
- Communicate clearly and succinctly, are focused, never lose sight of the big picture, keeping the end result in mind.
- Relate to people, convey positive energy and are constructive even when times are bad.
- Optimize resources, develop talent, are able to identify and select the right people for the right job.
- Take calculated risks, shoulder responsibility.

Bill Gates and Steve Jobs

Bill Gates and Steve Jobs are great leaders within the technology industry. There are some common threads between them. They both:

- Had clear visions of what they wanted to accomplish and were passionate about their work. They were tenacious and they didn't give up easily nor compromise on their ideals.
- Understood the intricacies of technical know-how, processes and components relating to the business very well and how these elements integrated together. Both could see the "big picture" and were detail-oriented, very thorough and capable.
- Had smart high performers to work with them, and were willing to embrace new ideas and take risks.
- Put adequate resources in the right areas to attain the desired performance and results.

Capable leaders like Bill Gates and Steve Jobs also need the support of others. They might not have been able to achieve such spectacular, transformational results that have had such a significant impact on all of us without the commitment and effort from a pool of talented people working with them. Therefore, a successful leader is one who can inspire others, lead by example and is trusted by his team.

Applications for middle managers, supervisors and self-managers

In today's workplace, accounting technicians like AATs are most likely to perform in the role of supervisors. Especially in some small-to-medium enterprises or practitioners, they are often called "self-managers". This term refers to staff who are self-directing within their own work scope while having to collaborate with other peers to accomplish their goals. They ultimately report to a boss or a senior executive

but have little supervision as they already possess adequate technical skills and therefore not much guidance is required.

In a way, we all are leaders within our scope or territory of work, and therefore, we can benefit by learning from great leaders. We need to:

- Align the department's or unit's goals to the company's goals. Have a clear picture of what you need to accomplish.
- Identify critical goals, success factors and barriers; look and think ahead, forecast, develop implementation plans and organize the work.
- Identify and develop talent, putting the right people in the jobs. But if you are a self-manager, identify and request the resources you need.
- Follow up and follow through, not haphazardly, but with a systematic approach using a management system.
- Communicate clearly and succinctly upwards, sideways and downwards.
- Shoulder and take responsibility, avoid blaming and make work fun so that the energy is positive.
- Give credit where credit is due.

Our roles and jobs may be different from those of Steve Jobs and Bill Gates, but the qualities of a true leader are actually very similar to those of an effective manager, supervisor or self-manager. **T/D**

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