

Accountancy as a STEM Subject

A public consultation issued by The All-Party Parliamentary Group on Accounting for Growth
Comments from ACCA to The All-Party Parliamentary Group on Accounting for Growth

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About ACCA:

ACCA (the Association of Chartered Certified Accountants) is the global professional body for professional accountants.

We're a thriving global community of **247,000** members and **526,000** future members based in **181** countries and regions, who work across a wide range of sectors and industries. We uphold the highest professional and ethical values.

We offer everyone everywhere the opportunity to experience a rewarding career in Accountancy, finance, and management. Our qualifications and learning opportunities develop strategic business leaders, forward-thinking professionals with the financial, business, and digital expertise essential for the creation of sustainable organisations and flourishing societies.

Since 1904, being a force for public good has been embedded in our purpose. We believe that Accountancy is a cornerstone profession of society and is vital in helping economies, organisations, and individuals to grow and prosper. It does this by creating robust trusted financial and business management, combating corruption, ensuring organisations are managed ethically, driving sustainability, and providing rewarding career opportunities.

And through our cutting-edge research, we lead the profession by answering today's questions and preparing for the future. We're a not-for-profit organisation. Find out more at accaglobal.com

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GENERAL COMMENTS

We believe that simplicity and open access for all are core considerations when considering the classification of subject areas, funding models, and career support for both individuals and organisations.

Our members work across a range of sectors, including in practice as critical advisors to SMEs, in the public sector, public practice, financial services, manufacturing and all key sectors of the economy. We also have partners across a broad range of academic institutions and training providers around the world.

Improving levels of awareness around the broad range of entry routes to a fulfilling career in the Accountancy profession is one of our core priorities; this includes work being undertaken across schools and education institutions in the UK and worldwide. A significant amount of work is being undertaken across STEM fields to encourage greater uptake across both young people and those seeking to re-train into a new field. The inclusion of Accountancy as a STEM subject presents an exciting opportunity to reach a broader audience of talent.

Although the inclusion of Accountancy as a STEM subject has the potential to reach a broader range of individuals seeking to build a career in a new profession and many other potential benefits, there are a number of factors which must be considered;

- The impact on equality, diversity and inclusion – the accountancy profession has made significant progress towards diversity and inclusion, attracting a broader spectrum of talent at all levels, including individuals from various ethnic, gender, and culturally diverse backgrounds. The work in this space must continue across both the accountancy profession and STEM.
- Perceptions linked to mathematics – potential learners must understand that although a solid foundation in Numeracy can be beneficial to those seeking to enter the profession, expertise in mathematics is not a prerequisite for a career in Accountancy.
- Strong and established links exist between innovation, technology and the accountancy profession – professional accountants are crucial in driving productivity across organisations of all sizes and the broader economy.

Accountancy as a STEM Subject

Across the UK, both employers and individual learners face significant challenges in navigating a complex education landscape. Individuals must navigate various choices when seeking to upskill or reskill into new areas, which can lead to many not engaging with the education system to realise their potential. These factors combined have led to significant and sustained skills challenges for organisations of all sizes seeking to attract and retain talent, particularly within the accountancy profession.

Professional body courses can offer exceptional value for money, granting learners the option to begin continuous learning journeys with initial funding support, with the option to continue to achieve professional qualified status.

Chartered professional bodies such as ACCA offer access to a vast range of training courses and qualifications, which have been developed with employers to ensure that the content is both relevant and practical. This approach also ensures that employers can quickly utilise skills gained. Continuing professional development and lifelong learning are core in the profession and enable professional accountants to ensure they continue to enhance the value they deliver in a constantly changing economic environment.

Diversity and Inclusion in Accountancy

Government, employers, education institutions and learning providers have made significant efforts and investments to improve diversity and inclusion in STEM fields. However, there continues to be a substantial underrepresentation of women and minority groups within STEM fields. Investing in inclusion across these fields is crucial to continue addressing these disparities. The accountancy profession has made significant progress towards diversity and inclusion, attracting a broader spectrum of talent at all levels, including individuals from various ethnic, gender, and culturally diverse backgrounds. Since 2018, the vast majority of accountancy bodies have increased their percentage of female members worldwide. ACCA continues to have the highest percentage of female members of all the accountancy bodies,

as detailed in the FRC Key Facts and Trends in the Accountancy Profession publication¹. ACCA also had the largest percentage of female students in 2022 at 60%. It is critical to ensure everyone everywhere has the opportunity to experience a rewarding career in the profession.

ACCA's founding principles are based on access for all, regardless of age, background or prior skill level. In 1909 Ethe Ayres Purdie became an ACCA member, the first woman to belong to a professional body. Inclusion, Integrity and Innovation are our core values – for this reason, we support a range of learning routes to improve accessibility to adult education. This might include flexible study options such as:

- Self-study around existing commitments
- Online or face-to-face structured form of study
- Demonstrating competency on the job
- Asynchronous learning

We have a large network of learning providers that support learners and employers with this activity across the UK.

We are committed to improving social mobility in professional Accountancy and contributing to building a more equitable future for all. In 2017, Access Accountancy, a group of professional accountancy firms and bodies, of which ACCA is a member, together with The Bridge Group, a social mobility research charity, produced a report that analysed socio-economic diversity data relating to almost 140,000 school leaver and graduate applicants to the profession. The report found that 40% of applicants had parents with no higher education experience and that 76% attended publicly-funded state education (as opposed to fee-paying schools)². Professional occupations have a central role in addressing access to opportunity issues for the benefit of broader society.

¹ <https://www.frc.org.uk/library/supervision/professional-bodies-supervision/key-facts-and-trends-in-the-accountancy-profession/#:~:text=Key%20Facts%20and%20Trends%20is,provide%20contexts%20to%20its%20work.>

² <https://www.accaglobal.com/gb/en/technical-activities/technical-resources-search/2018/january/Purpose-and-the-profession.html>

Mathematics and the Profession

One of the most common misconceptions of the Accountancy Profession is that individuals need to be experts in maths to successfully pursue a career in the profession. Although a solid foundation in numeracy can be beneficial to those seeking to enter the profession, advanced expertise in mathematics is not an essential prerequisite. Accountancy enables individuals to acquire a vast range of knowledge and skills, such as analytical, critical thinking and communication skills. Those seeking to become fully qualified also develop this range of knowledge and skills further through practical experience.

Professional accountants play a crucial role in driving increased productivity across the economy by utilising a broad range of analytical skills and practical application of both knowledge and skills. Dispelling the misconception that math expertise is a prerequisite to becoming a professional accountant is vital to ensuring the profession remains fully accessible to individuals of all backgrounds. If Accountancy is to be considered a STEM subject, it is crucial to ensure this message is clearly articulated to those exploring a career in the profession.

Technology, Data Analytics and Productivity

The accountancy profession plays an essential role in transforming the world to deliver a more equitable, green and inclusive future. In 2021 ACCA and PwC conducted a joint piece of research titled 'Finance functions: seizing the opportunity'³. This research details eight core areas that finance functions must address to ensure future success and develop an increasingly strategic role across the organisation; Organisational purpose, maturing function, evolving operating models, ESG, Financing, Planning budgeting and forecasting, Data and technology, and Human Capital. This research highlights the importance of investing in technologies that can be used to create and support an enterprise-wide data model, and explores some of the benefits which can be realised by using predictive analytics based upon this model to drive more holistic business decision-making.

Technology has been actively embraced by the profession and continues to drive efficiency and enable professional accountants to deliver enhanced value. Our recently published UK

³ <https://www.accaglobal.com/uk/en/professional-insights/pro-accountants-the-future/finance-functions-seize-opportunity.html>

Talent Trends in Finance research⁴ surveyed over 600 professional accountants from across the UK and found that 90% of respondents understand how technology helps them add more value to their organisation and or clients. The use of technology in the profession will continue to grow and become more sophisticated, making this one of the strongest alignment areas between Accountancy and STEM.

⁴ <https://www.accaglobal.com/uk/en/professional-insights/pro-accountants-the-future/uk-talent-trends-2023.html>