

Supporting the global profession

Purpose and the profession:

Social mobility and
the public sector

About ACCA

ACCA (the Association of Chartered Certified Accountants) is the global body for professional accountants, offering business-relevant, first-choice qualifications to people of application, ability and ambition around the world who seek a rewarding career in accountancy, finance and management.

ACCA supports its **208,000** members and **503,000** students in **179** countries, helping them to develop successful careers in accounting and business, with the skills required by employers. ACCA works through a network of **104** offices and centres and more than **7,300** Approved Employers worldwide, who provide high standards of employee learning and development. Through its public interest remit, ACCA promotes appropriate regulation of accounting and conducts relevant research to ensure accountancy continues to grow in reputation and influence.

ACCA is currently introducing major innovations to its flagship qualification to ensure its members and future members continue to be the most valued, up to date and sought-after accountancy professionals globally.

Founded in 1904, ACCA has consistently held unique core values: opportunity, diversity, innovation, integrity and accountability.

More information is here: www.accaglobal.com

Purpose and the profession:

Social mobility and the public sector

About this report

This report sets out different ways of thinking about social mobility, as well as the role of the public sector and the accountancy profession in providing equal opportunity to all.



FOR FURTHER INFORMATION:

Alex Metcalfe
Head of Public Sector Policy, ACCA

Foreword



ACCA was established in 1904 to improve access to the accountancy profession. At the time, professional accountancy was deemed a ‘closed shop’ – traditionally only accessible to an elite segment of society.

More than 110 years after its founding, ACCA continues to strive to open up the profession to people of all backgrounds and remove artificial barriers, innovating its qualifications and delivery to meet the diverse needs of professionals and their employers. ACCA believes that accountants bring value to economies in all stages of development and seeks to develop capacity in the profession and encourage the adoption of global standards.

The benefits of this approach are evident. ACCA will continue to advocate for a society where everyone has an equal opportunity to prosper. This means making our qualification accessible to individuals regardless of their social background, working to remove artificial barriers, raising awareness of the routes available into the profession and contributing to a system that makes opportunity available to all.

Helen Brand OBE
Chief Executive
ACCA

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Executive summary

Over the last three decades, people around the world experienced significant improvements in living conditions alongside a large global economic expansion – but the distribution of these gains has been unequal. To combat this challenge, governments will need to work to generate the right regulatory environment, as well as adopting the right employment and diversity policies to set good standards in the labour market.

DIMENSIONS OF SOCIAL MOBILITY

There are a variety of dimensions of social mobility that extend beyond the typical distinction between absolute and relative mobility. The report explores the following aspects.

- **Life-course mobility:** individuals can move up or down a social ladder in their lifetime; this is called intra-generation mobility. The report examines examples of these dynamics to show that social mobility is not static.
- **Educational attainment:** this includes how well a child performs in school and what overall level of education they achieve, where both of these metrics are strongly related to family background. The inequality of family resources used to support children is a challenge for policymakers and the goal of providing an equal opportunity for success to all children.
- **The gender dimension:** gender is one of the important dimensions that should be considered in shaping government policy for better social mobility. The World Economic Forum (WEF) publishes an annual report on the global gender gap, which benchmarks 144 countries on their progress towards gender parity across four thematic dimensions. Real progress is still required on economic participation and political empowerment.
- **The geographic dimension:** the degree of social mobility is often considered at a national scale, but countries can exhibit considerable variation in mobility outcomes depending on where individuals live. It is important that governments not only consider top-line indicators of social mobility in their country, but also work to understand how particular areas within the nation are performing on different indicators of mobility.

FACTORS IMPEDING SOCIAL MOBILITY

Income inequality and social mobility

There is evidence that inequality can exacerbate low levels of social mobility. Analysis by Miles Corak (2013) demonstrates that intergenerational mobility is worse than average in countries with high levels of income inequality, for a number of reasons.

Perceptions of corruption and social mobility

New analysis conducted by ACCA combines OECD and Transparency International data to demonstrate a relationship between perceived corruption and the degree of social mobility in a country. The results, both from 2017, show that as perceived corruption rises there is a corresponding drop in social mobility.

92%

of respondents stated that it was important that career opportunities are available regardless of people's social background

THE PUBLIC SECTOR AND SOCIAL MOBILITY

Policy levers to support change

Though clearly there is no single intervention that can create an environment where everyone has equal opportunities, governments do have a range of policy levers available to them, from setting minimum standards in parental leave to education policy, which can influence the level of social mobility in a country. This report maps the dimensions of social mobility listed above (ie, education, gender, geography, life course) to corresponding government policies that should be considered for improving outcomes under that particular dimension.

Public sector as an employer

Alongside the policy levers available to government, it is also possible to create a more equal and accessible environment for everyone working in the public sector. Public sector employment can exceed a quarter of overall employment in many countries and this creates a unique opportunity for the sector to 'lead by example': embedding good practices that support equal opportunity and diversity.

TANGIBLE STEPS FOR FINANCE PROFESSIONALS

Professional accountancy can make a meaningful contribution to improving social mobility around the world – with public finance professionals playing a key role in helping to equalise opportunity. Practical steps suggested in the report include:

- **raising awareness:** making the profession better known as a career choice
- **removing barriers:** making qualifications and employment opportunities more accessible
- **addressing skills and the changing world of work:** encouraging acquisition of basic skills and lifelong learning
- **collecting more data** on social diversity.

ACCA'S CAPACITY-BUILDING WORK

The role of ACCA in supporting the development of the global profession is a fundamental part of the organisation's purpose. The report concludes by highlighting three capacity-building projects that ACCA is leading to help develop the global profession in Rwanda, Afghanistan and Vietnam.



Headline findings from ACCA's survey

In 2017, 13,653 ACCA members and students from around the world responded to a survey exploring issues related to social mobility. Of these respondents, over 1,300 were working in the public sector.

i. Strong support from finance professionals for social mobility

Finance professionals working in any sector believe in equal opportunity for all: 92% of respondents stated that it was important that people should have access to career opportunities regardless of their social background.

Public finance professionals were more likely than other groups to say that equal access was 'very important'. Encouragingly, respondents from relatively privileged socio-economic backgrounds ("higher SEB") were just as likely as others to say that they felt equal opportunity was 'very important' or 'important'.

ii. Finance careers start later in the public sector

Public sector respondents started their finance careers later than their peers in other sectors. Two-thirds of respondents working in the public sector started their ACCA qualification when they were 26 or older – with the largest cohort starting in their late 20s. In comparison, respondents working in other sectors were much more

likely to have started pursuing their ACCA qualification between the ages of 18 and 22.

iii. Public finance professionals come from relatively disadvantaged backgrounds

Public finance professionals were more likely than other respondents to come from comparatively disadvantaged backgrounds. These findings were consistent whether the definition of 'disadvantaged' was based on an assessment of the educational attainment of the respondent's parent or guardian, or on the parent or guardian's occupation.

iv. Accountants from relatively privileged socio-economic backgrounds more likely to be influenced by parents in their career decision

Respondents from higher SEBs were more likely than their peers from lower socio-economic backgrounds to report that a parent had influenced their decision to join the accountancy profession.

Social mobility is important to finance professionals, regardless of sector or background*



Finance professionals see the ACCA qualification as accessible



**Finance professionals from more privileged socio-economic backgrounds just as likely as others to value 'equal opportunity for all'*

said access to career opportunities was important, regardless of social background

of public sector respondents described the ACCA qualification as 'accessible'

Public finance professionals are more likely to come from disadvantaged backgrounds



of public sector respondents came from a relatively disadvantaged socio-economic background



Public finance professionals typically start their ACCA qualification later in life



67% of those working in the public sector started their ACCA qualification at 26 or older



Societies with high perceived corruption also have low social mobility

Newly combined datasets from the OECD and Transparency International demonstrate that countries with higher than average perceived corruption have lower than average absolute social mobility



1. Introduction

In 2018, ACCA published *Purpose and the profession* (ACCA 2018a), the results of a global survey in which almost 14,000 members and students shared their views on, and experiences of, social mobility.

One of the key challenges of the 21st century will be reconciling growth and equity, where the distribution of economic gain will become an increasingly important question for governments and firms. Governments will need to work to generate the right regulatory environment, as well as adopting appropriate employment and diversity policies to set good standards in the labour market.

This report follows on from ACCA's award-winning report¹, *Purpose and the profession*, published earlier this year – which explored the global challenge of improving social mobility and the role of professional accountancy in achieving this goal. This follow-on report looks more deeply at the role of the public sector in achieving equal opportunities for all. The

report explores many dimensions of social mobility, such as: educational attainment, life-course mobility, gender, and geography – and then maps these dimensions to policy levers that governments can explore to help reduce the opportunity gap.

New analysis derived from combining datasets from the OECD and Transparency International demonstrates that there is an inverse relationship between the level of perceived corruption and the amount of social mobility in a country. The public sector is also an essential actor in limiting corruption and so helping to create an environment of equal opportunity.

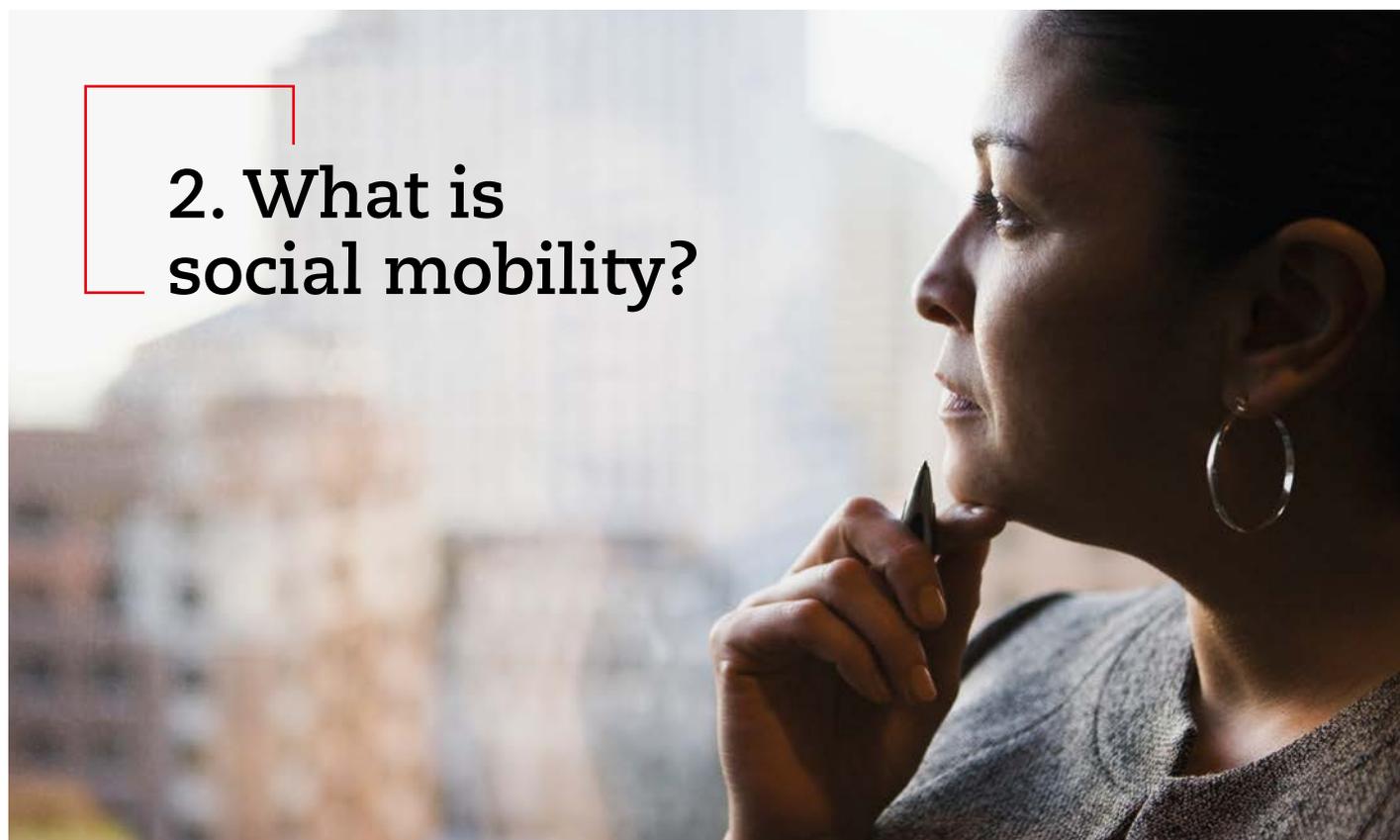
ACCA's global survey showed a number of distinctive results for the public sector.

The data showed that public sector finance professionals were more likely to come from comparatively underprivileged socio-economic backgrounds ("lower SEBs"), being more likely to have parents with only primary-level education and to have pursued an accountancy qualification later in their career, than those in other sectors.

Finally, the report discusses how the profession and public sector actors can step up and make a difference in improving social mobility. This is supplemented with examples of capacity-building work that ACCA is undertaking around the world in order to *develop the accountancy profession the world needs*.

¹ ACCA was awarded 'Best social mobility initiative by a professional body' at the 2018 Memcom awards.

2. What is social mobility?



There is significant interest from governments, companies and third-sector organisations in improving social mobility. For a professional firm this could mean endeavouring to develop a more diverse workforce, while governments could see social mobility as a means of achieving fairness and maximising the productivity of the country's labour market. But what does social mobility mean?

There is a frequent distinction between 'equal outcomes' where, for example, everyone has the same income and wealth, and 'equal opportunity', where every person has an equal chance at success, but outcomes will vary.

It is this latter objective of 'equal opportunity' that equates to relative social mobility. Relative social mobility measures how far a child moves up or

down the social ladder in comparison with their parents. The ladder, in this analogy, reflects the distribution of factors such as wealth, income or educational attainment in a society.

In comparison, *absolute social mobility* is based on a child's outcomes in comparison with their parents' situation. Absolute social mobility does not

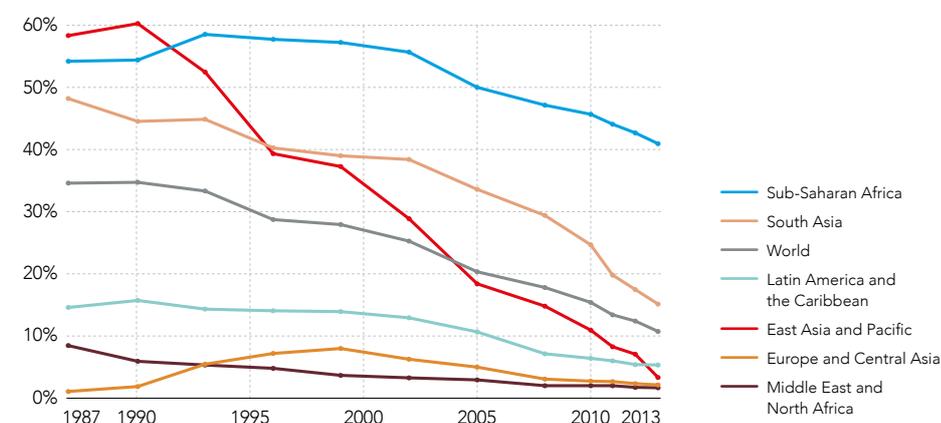
consider the position of the child in comparison with their peers. Globally, there have been important strides in improving absolute mobility – with extreme poverty falling in every region since the late 1980s (see Figure 2.1). The fall in extreme poverty means that overall quality of life for many of the youngest generation has improved compared with that of their parents.

Absolute vs relative mobility

There are two types of intergenerational social mobility: absolute mobility that measures whether (and by how much) living standards have increased or the extent to which people do better than their parents, and relative mobility that refers to the extent to which an individual's chances depend on their parents' education, class or income. Social mobility can be measured in terms of education, occupational status, individual earnings or household income.

Source: OECD, 2017

FIGURE 2.1: Share of population living in extreme poverty, by world region²



Source: Share of population living in extreme poverty by world region – PovcalNet World Bank; Our World In Data: <https://ourworldindata.org/extreme-poverty/>

² Extreme poverty is defined as living with per capita household consumption below 1.90 international dollars per day (in 2011 PPP prices). International dollars are adjusted for inflation and for price differences across countries.

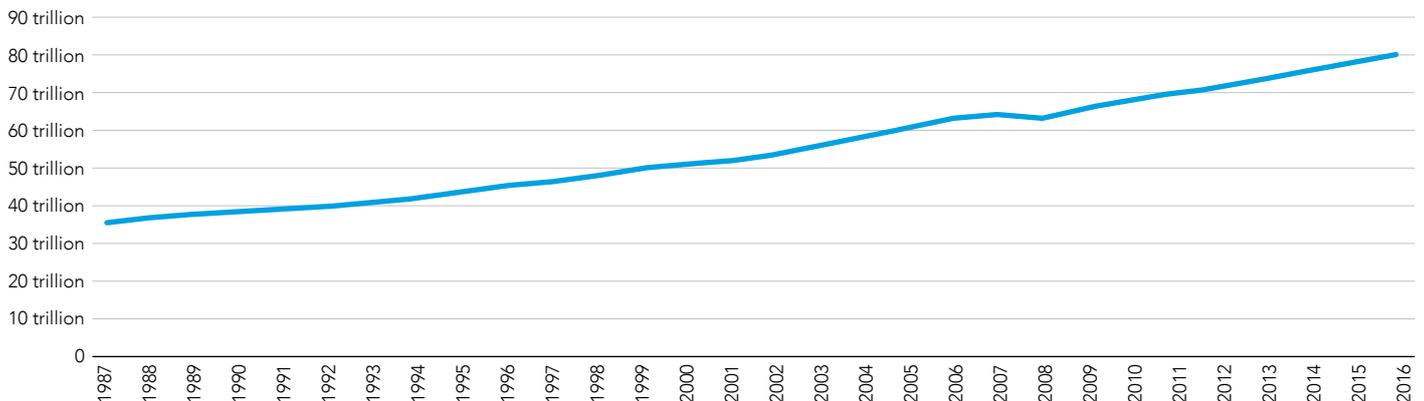
Between 1980 and 2016, real income growth was only 5% for the bottom half of the income distribution in the US and Canada, while the top 0.1% enjoyed income growth of 320% over the same period.

In parallel to the falls in extreme poverty, economic growth has expanded over the same period. In 1987, world GDP was almost \$34 trillion and this has more than doubled in real terms to over \$80 trillion in 2016 (both figures adjusted to 2010 USD values). This marks an impressive global economic expansion, but the spoils of this success have not been shared equally among countries or within them.

Furthermore, although quality of life can be said to have increased for large parts of the world, many are still denied the opportunities for living well. And at a level down from a 'bird's eye', 'absolute' view of the world, where some countries are now richer than they were and others remain poor, there are still entrenched inequalities within countries, advanced and emerging, which stop people from living fulfilled lives.

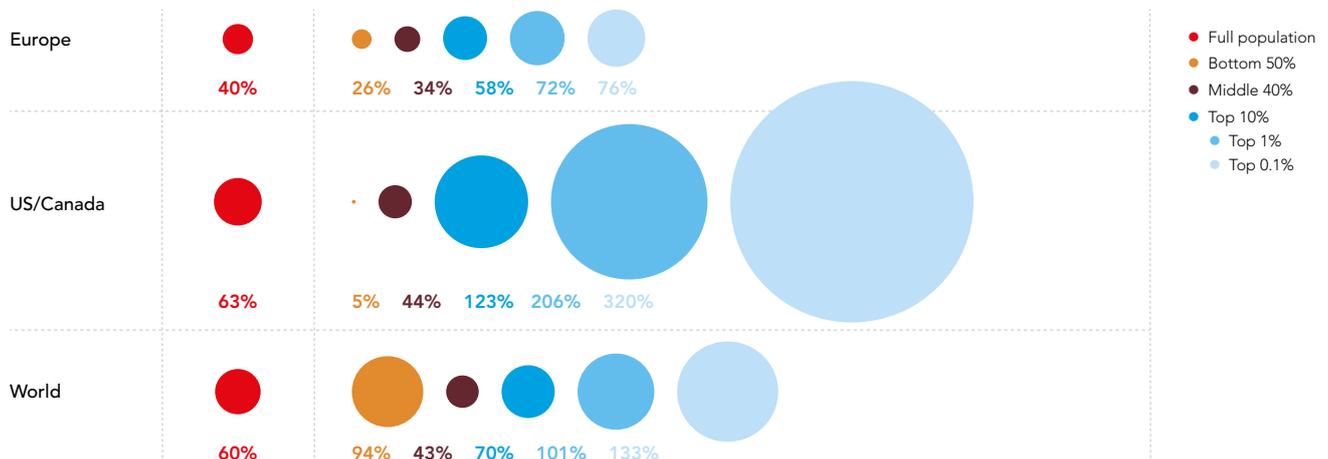
Data from the World Inequality Report show that, globally, real income grew by about 60% between 1980 and 2016. Starting from a low base, there were real increases in the bottom 50% of the distribution – with a near doubling of real income. But income growth has still concentrated disproportionately in the top 1% of earners. More developed countries have experienced a particularly acute disparity in income gain. Between 1980 and 2016, real income growth was only 5% for the bottom half of the income distribution in the US and Canada, while the top 0.1% enjoyed income growth of 320% over the same period. Other measures have supported the growing rate of inequality. In Asia, for example, the International Monetary Fund (IMF) found that income inequality, measured by the gini coefficient, rose in 15 countries from 1990 to 2013 (IMF 2016).

FIGURE 2.2: World GDP growth from 1987 to 2016, at constant 2010 values of USD



Source: World Bank/OECD 2018

FIGURE 2.3: Global income growth and inequality, 1980–2016



Source: World Inequality Lab 2018: Data from Table 2.1.1

The OECD found that, over a four-year period, about 60% of people in the bottom 20% of earners will remain stuck in the bottom.

2.1 DIMENSIONS OF SOCIAL MOBILITY

i. Life-course mobility

Absolute and relative social mobility both compare a child's socio-economic outcomes to their parents'. This provides an inter-generational view of social mobility. Individuals can also move up or down a social ladder during their lifetime; this is called intra-generational or life-course mobility.

The Resolution Foundation, a UK-based think tank that works to improve the living standards of low- to middle-income people, tracked how low-paid employees' incomes changed over a 10-year period. The Foundation identified three main groups from the cohort of low-paid employees:

- **Stuck** – employees who were in low-paid work in every year of the study
- **Escapers** – those who exited low pay by the final three years of the decade
- **Cyclers** – people who achieved higher wages at some point, but were not consistently out of low pay by the end of the decade.

Their findings of low-pay dynamics in Britain demonstrates what some have called the 'sticky floor' for social mobility, where only one in six (17%) of the low paid in 2006 were able to secure consistently higher wages by 2016 (Resolution Foundation 2017). These results also apply beyond the UK. The OECD found that, over a four-year

period, about 60% of people in the bottom 20% of earners will remain stuck in the bottom. Unpredictable income change was also more likely to drive upward mobility than any sustainable career progression (OECD 2018a). Clearly, examining intra-generational mobility demonstrates that social mobility is not a static outcome. Analysing outcomes over a life course shows that it is possible for people to repeatedly enter and exit positions of social and economic status.

ii. Educational attainment

Although educational attainment is an outcome, it is also a key factor in understanding the challenge of providing equal opportunities for all. Educational attainment includes how well a child performs in school and what overall level of education they achieve; both of these metrics are strongly related to family background (Wilkinson and Pickett 2010: 103). Families with sufficient resources will often support their children with private education, individual tutoring, and post-secondary education fees – through what has been called an 'educational arms race' – in order to give their children the best chance in life.

It is understandable that families seek the best for their children and will use the resources available to them to maximise the chance that their children will succeed in education and the labour market. At the same time, the inequality of family resources used to support children is a challenge for policymakers' goal of providing an equal opportunity for success to all children.

Each country makes use of a unique combination of these pillars to provide for needs such as childcare, education, health care and income replacement.

Social policy literature distinguishes between different societal actors that support the provision of welfare in a country. These actors – or pillars – are the state, the family, civil society, and the individual (Heuer et al. 2016). Each country makes use of a unique combination of these pillars to provide for needs such as childcare, education, health care and income replacement. For example, Sweden has a strong reliance on the state in the provision of income support – such as disability benefit and public pensions – and in the provision of health care. In comparison, the US places more reliance on the individual and market forces to meet social needs, such as through private medical insurance.

Evidence from an international review of 34 research studies from the US, UK, Canada, Norway and Mexico consistently found that the level of family resources available to a child affects their cognitive development and educational attainment (Cooper and Stewart 2013). A further UK study found that children from families with higher

SEBs had vocabulary that was typically 18 months ahead of their peers with lower socio-economic status (Bradshaw 2011). By the time they reach schooling years, differences in familial background can create challenging inequalities. Some governments have invested more in early childhood programmes to help close this gap, but the role of family support still helps to perpetuate individual advantage.

iii. The gender dimension

There are other dimensions beyond income, wealth or family background that need to be understood in countries that are working to achieve equal opportunities for all. Gender is one of the important dimensions that should be considered in shaping government policy to achieve better social mobility.

The World Economic Forum publishes an annual report on the global gender gap, which benchmarks 144 countries on their progress towards gender parity across four thematic dimensions: economic participation and opportunity; educational

FIGURE 2.4: Pillars of social provision

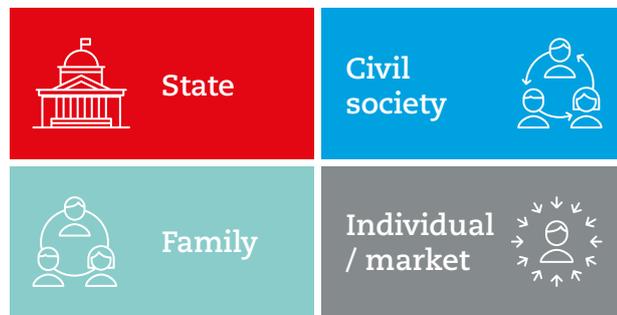
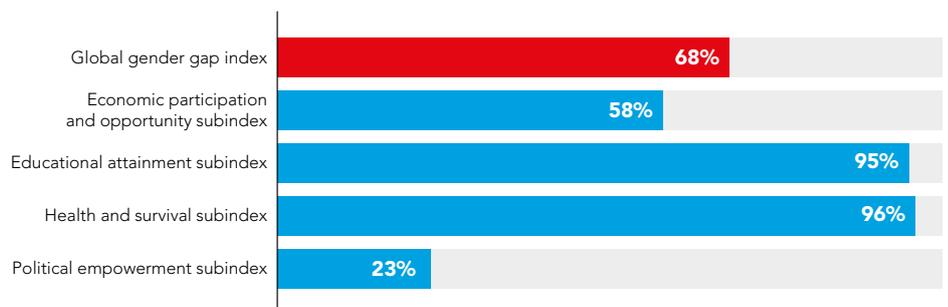


FIGURE 2.5: Global performance of the Gender Gap Index, 2017



Source: Global Gender Gap Index 2017.

Note: Covers all 144 countries featured in the 2017 index.

Economies around the world are negatively affected where women are not afforded an equal opportunity or are fully excluded from economic life.

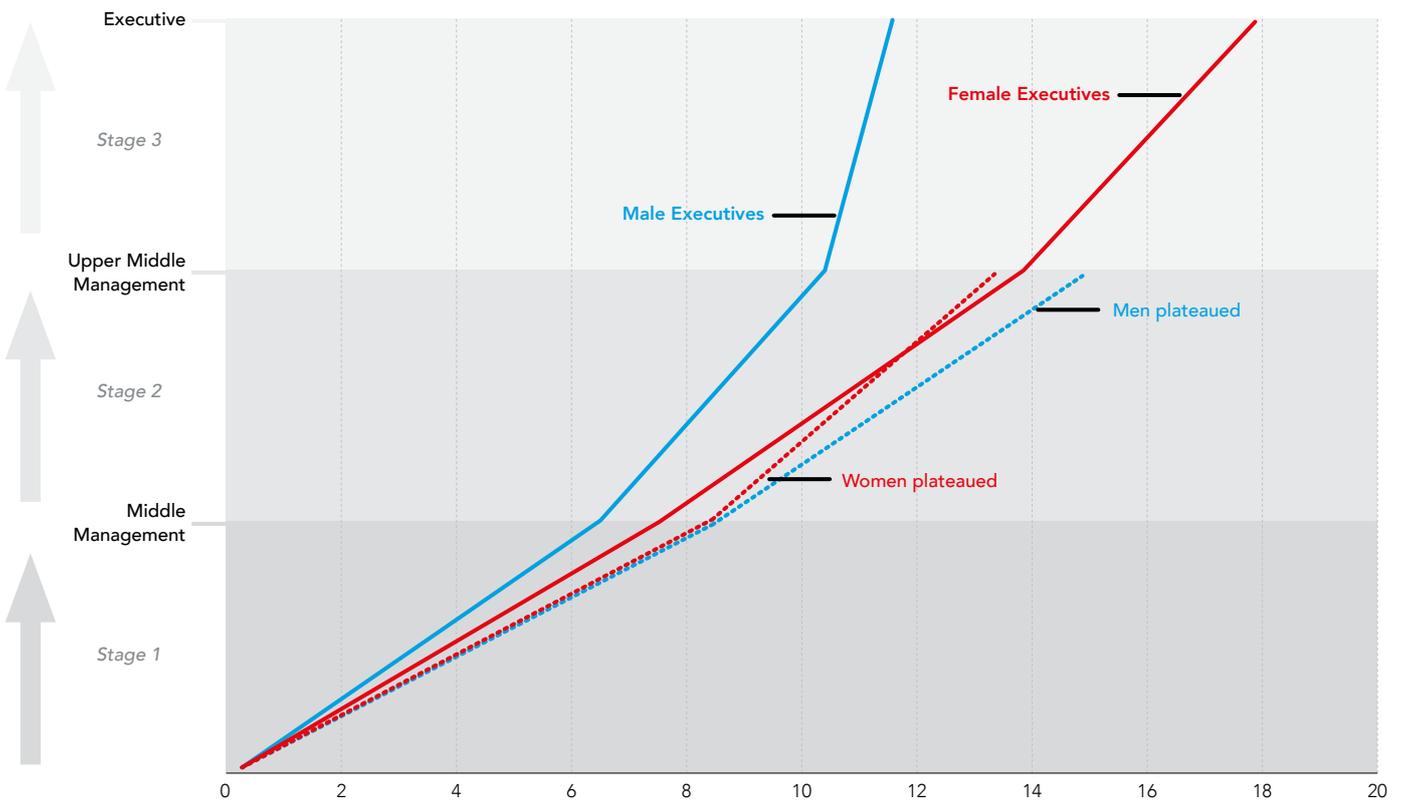
attainment; health and survival; and political empowerment (WEF 2017). The 2017 report demonstrated real success for female educational attainment – with 27 countries achieving a score of 1, for perfect parity. Globally, 95% of the educational gap has been closed. A great deal more progress is required in the areas of economic participation and opportunity, where the global gap sits at 42%. This sub-index includes indicators such as wage equality, access to the professions, and labour force participation rates.

Research published by ACCA in partnership with King’s College London shows that, in the UK, it takes women pursuing an executive role an additional seven years to reach their goal compared to equally qualified men (ACCA 2018b).

The research showed that the primary divergence in economic outcomes between men and women typically occurs in mid-career (Stage 2), once individuals have reached middle management. After this point, some men enter a fast-track route and reach upper-middle management well in advance of women. Despite this divergence, the careers of women accelerate at a faster rate if they manage to reach the executive level.

Economies around the world are negatively affected where women are not afforded an equal opportunity or are fully excluded from economic life. The findings also demonstrate that social mobility can be complicated by additional factors throughout individual career trajectories.

FIGURE 2.6: The two-tournament gender system



Men and women executives do not ascend the organisational hierarchy in parallel. Much earlier in their careers, men enter a fast-track route, arriving at upper middle management and executive level well in advance of women and other men whose careers had plateaued. The careers of executive women do accelerate after middle management but the divergence, particularly at Stage 2, means that women ascend a belated route in comparison to men in the accounting and finance sector.

Using 16 social mobility indicators, the SMC demonstrated that London accounts for nearly two-thirds of all social mobility hotspots.

iv. The geographic dimension

The degree of social mobility is often considered at a national scale, but countries can exhibit considerable variation in intergenerational mobility depending on where individuals live. The UK's Social Mobility Commission (SMC) published *State of the Nation 2017* focusing on the geographic variability of social mobility in the UK (SMC 2017). The report ranks all English local authorities into social mobility 'hotspots' and 'coldspots', and shows a stark geographic divide for social mobility outcomes within the country.

Using 16 social mobility indicators, the SMC demonstrated that London accounts for nearly two-thirds of all social mobility hotspots. Out of a total of 32 London local authority areas, 29 are hotspots and there are no coldspots (SMC 2017). This regional variation is not limited to the UK. A study from the US found that social mobility varies substantially across different areas of the US, where areas with less segregation and less income inequality had better social mobility outcomes (Chetty et al. 2014). It is therefore important that governments not only consider top-line indicators of social mobility in their country, but also work to understand how particular areas within the nation are performing on different indicators of mobility.

FIGURE 2.7: Hotspots and coldspots in UK social mobility

HOTSPOTS			COLDSPOTS		
Rank (best)	Local authority area	Region	Rank (worst)	Local authority area	Region
1	Westminster	London	1	West Somerset	South West
2	Kensington and Chelsea	London	2	Newark and Sherwood	East Midlands
3	Tower Hamlets	London	3	Weymouth and Portland	South West
4	Wandsworth	London	4	Corby	East Midlands
5	Hackney	London	5	Carlisle	North West
6	Redbridge	London	6	Allerdale	North West
7	Islington	London	7	Wellingborough	East Midlands
8	Hammersmith and Fulham	London	8	Ashfield	East Midlands
9	Barnet	London	9	Derby	East Midlands
10	Ealing	London	10	Mansfield	East Midlands
11	Greenwich	London	11	Waveney	East of England
12	Newham	London	12	Blackpool	North West
13	Southwark	London	13	Nottingham	East Midlands
14	East Hertfordshire	East of England	14	South Derbyshire	East Midlands
15	Camden	London	15	Wychavon	West Midlands
16	Hounslow	London	16	North East Lincolnshire	Yorkshire and The Humber
17	Lambeth	London	17	Fenland	East of England
18	Epsom and Ewell	South East	18	North Warwickshire	West Midlands
19	Waltham Forest	London	19	East Northamptonshire	East Midlands
20	Uttlesford	East of England	20	Hinckley and Bosworth	East Midlands

Source: SMC 2017

Low incomes for the less-well-off means that they may be able to access fewer opportunities. It may also mean that they have less influence in shaping policies that might benefit those on lower incomes.

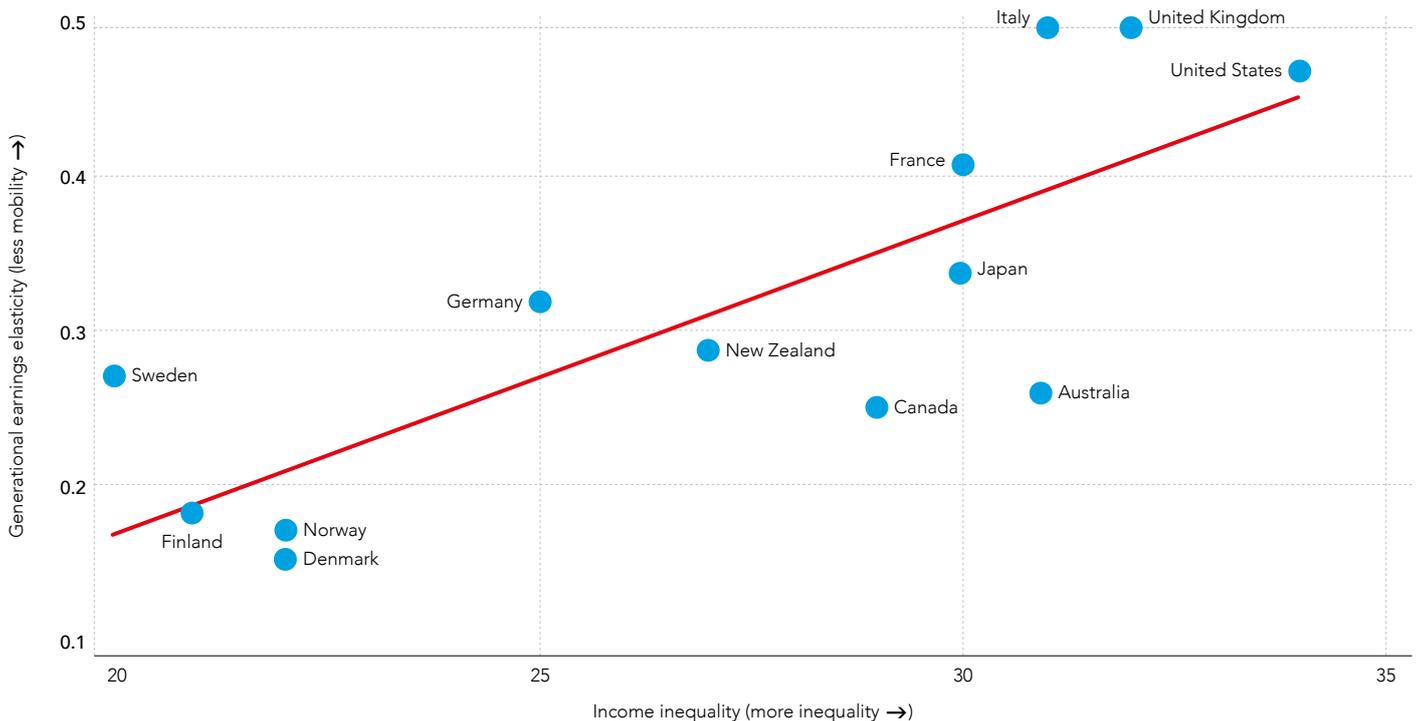
2.2 FACTORS IMPEDING SOCIAL MOBILITY

There are additional, often invisible, factors that can create barriers to accessing opportunities. This section explores two societal factors that may affect the levels of social mobility. The first, income inequality, has been well discussed in academic literature (Wilkinson and Pickett 2010; Corak 2013), whereas the second factor – perceived corruption in a country – has not received equal attention. The analysis below combines OECD intergenerational social mobility data with Transparency International's Perceptions of Corruption Index, demonstrating a correlation between high levels of perceived corruption with low levels of social mobility in a country.

i. Income inequality and social mobility (Great Gatsby Curve)

There is evidence that inequality can exacerbate low levels of social mobility. The Great Gatsby Curve (see Figure 2.8), devised by economist Miles Corak, demonstrates that intergenerational mobility is worse in countries with high levels of income inequality, for a number of reasons. For example, low incomes for the less-well-off means that they may be able to access fewer opportunities. It may also mean that they have less influence in shaping policies that might benefit those on lower incomes (Corak 2013).

FIGURE 2.8: The Great Gatsby Curve



Source: Corak 2013

Countries with public sectors that do not operate with impartiality towards their citizens are capable of dispersing the benefits of public services unfairly, reinforcing lower levels of social mobility.

ii. Perceptions of corruption and social mobility

Combining Transparency International's Corruption Perceptions Index data and the OECD's intergenerational social mobility data demonstrates a relationship between perceived corruption and the degree of social mobility in a country (Transparency International 2017; OECD 2018a³). The OECD's mobility data compares the relative earnings of sons with those of their fathers, while Transparency International produces a longitudinal dataset from a survey of individuals' perceptions of corruption in a country. Such data were matched across 20 countries – with representation in North and South America, Europe, Asia, sub-Saharan Africa and Oceania. The results, both from 2017, show that as perceived corruption rises there is a corresponding drop in intergenerational social mobility.

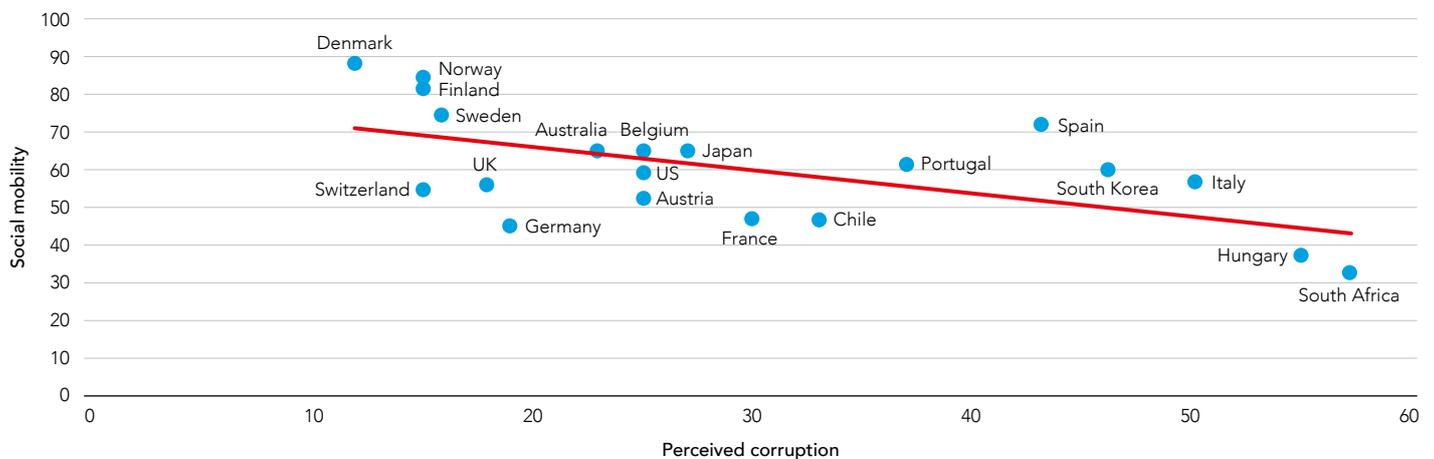
The prevalence of nepotism in a country, a type of corrupt behaviour, would understandably contribute to a fall in intergenerational social mobility in a country. Elite families or groups will be better placed to pass on their privilege to the next generation when a society's norms do not impose clear rules for fair competition. In addition, countries with public sectors that do not operate with impartiality towards their citizens are

capable of dispersing the benefits of public services unfairly, reinforcing lower levels of social mobility.

Fair access to opportunities requires a competitive, rules-based society with good governance. Meritocratic hiring into the civil service, through open applications that are transparent and challengeable, is an important prerequisite for developing an effective and trusted public service. Of course, applying a system of rules is not sufficient for achieving equal opportunity, as some systems can in fact help entrench advantage for those with higher SEBs. For example, the use of school catchment areas, where students are only drawn from the school's immediate vicinity, can limit access to high-performing public schools for lower-income students who live outside the school's neighbourhood.

Finally, as the analysis relies on perceived levels of corruption, this subjective view could be linked to the level of trust in a society. Under this assumption, the causation would operate in the other direction: countries with limited social mobility exhibit lower levels of trust. Ultimately, it is most likely that there are many factors interacting to create the correlation between social mobility and corruption, but it is clearly important to tackle corruption in order to improve social mobility outcomes.

FIGURE 2.9: Graph plotting intergenerational social mobility (OECD) against perceived corruption (Transparency International)



3 The intergenerational social mobility data (comparing fathers' and sons' incomes) can be downloaded through the final data link on page 22 of OECD 2018a.

3. ACCA member and student survey on social mobility

In 2017, 13,653 ACCA members and students from around the world responded to a survey exploring issues related to social mobility. Of these respondents, over 1,300 were working in the public sector.

ACCA members and students from over 160 countries took part in the survey. There was particularly strong participant in the UK, China, Pakistan and Malaysia. Public sector respondents were particularly well represented in sub-Saharan Africa, the UK and Pakistan.

The majority of demographic results from the survey, such as gender and respondent status (eg member or student), were similar across the public sector and other sector samples. The one major divergence was the age of respondents: public sector respondents were more likely to be older than respondents from other sectors. The largest cohort for the public sector was 36- to 50-year olds, whereas the largest cohort of respondents from the other sectors was between the ages of 25 and 36.

3.1 STRONG SUPPORT FOR SOCIAL MOBILITY

It is clear from the survey data that finance professionals working in any sector believe in equal opportunity for all: 92% of respondents felt it was important that people should have access to career opportunities regardless of their social background. A comparison of those in

different sectors who rate social mobility as 'very important' demonstrates some divergence (Figure 3.2). Well over two-thirds (71%) of public sector finance

professionals said that having an equal opportunity is very important, whereas only 63% of those working in other sectors took this view.

FIGURE 3.1: Age of respondents, by sector

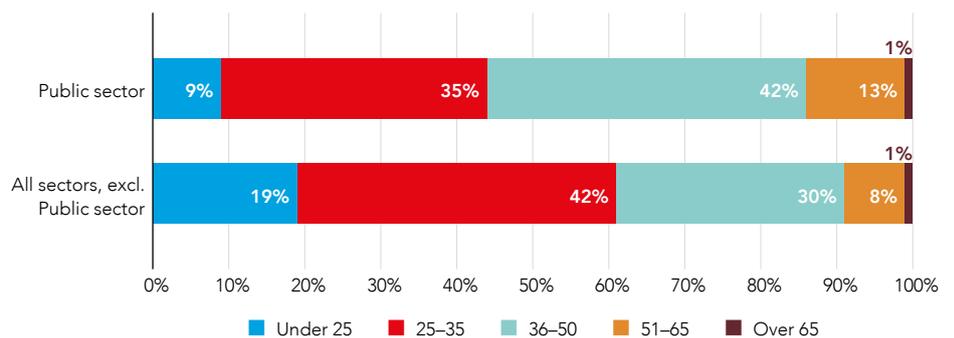
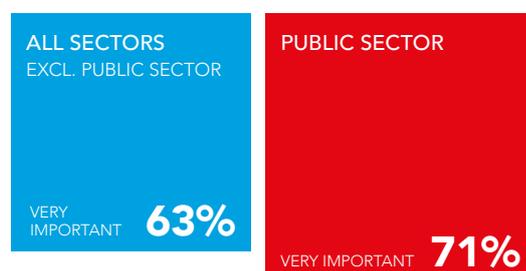


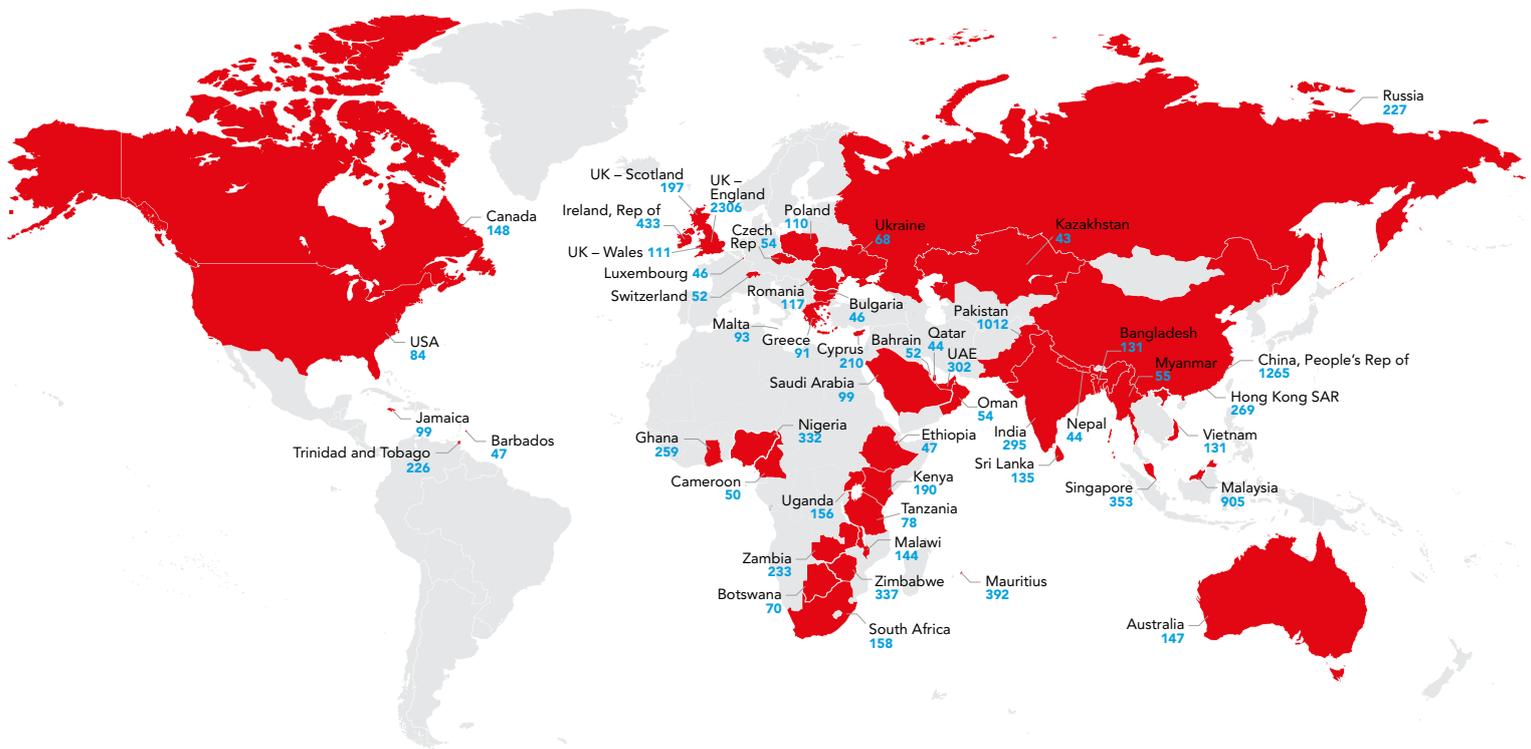
FIGURE 3.2: Importance of career opportunities regardless of background





71%

of public sector finance professionals said that having an equal opportunity is very important



COUNTRY	Number of Respondents
Kazakhstan	43
Nepal	44
Qatar	44
Bulgaria	46
Luxembourg	46
Barbados	47
Ethiopia	47
Cameroon	50
Bahrain	52
Switzerland	52
Czech Republic	54
Oman	54
Myanmar	55
Ukraine	68
Botswana	70
Tanzania	78
USA	84
Greece	91
Malta	93
Jamaica	99
Saudi Arabia	99
Poland	110
UK – Wales	111
Romania	117
Bangladesh	131
Vietnam	131
Sri Lanka	135
Ghana	259
Hong Kong SAR	269
India	295
United Arab Emirates	302
Nigeria	332
Zimbabwe	337
Singapore	353
Mauritius	392
Ireland, Republic of	433
Malaysia	905
Pakistan	1012
China, People's Rep of	1265
UK – England	2306

* These are the top 51 reporting countries and regions by number of respondents.

67%
of respondents working in the public sector started their ACCA qualification at age 26 or older

3.2 THOSE FROM RELATIVELY PRIVILEGED SOCIO-ECONOMIC BACKGROUNDS ARE JUST AS LIKELY TO VALUE SOCIAL MOBILITY AS THE LESS PRIVILEGED

Respondents were grouped into those with higher SEBs and those with less privileged SEBs. Higher SEB respondents had a parent or guardian who had completed at least a university degree and worked as a professional or manager. These higher SEB respondents represented only 27.5% of the total survey sample. Interestingly, support for 'equal opportunity' was just as common across the range of socio-economic backgrounds. Those with higher SEBs were just as likely as the rest to rate equal opportunity as 'very important' or 'important'. This demonstrates that finance professionals, irrespective of social background, are committed to equal access and opportunity.

3.3 FINANCE CAREERS START LATER IN THE PUBLIC SECTOR

The survey data show that respondents working in the public sector started their finance careers later than their peers in other sectors (Figure 3.4). Two-thirds of respondents (67%) working in the public sector started their ACCA qualification at age 26 or older – with the largest cohort starting in their late 20s. In comparison, respondents working in other sectors were much more likely to have started pursuing their ACCA qualification between the ages of 18 and 22 (43%). There are large differentials between the public sector respondents and their peers in other sectors across all age bands, with public sector respondents being more than twice as likely to have started their ACCA qualification in their 40s than a respondent working in any other sector.

FIGURE 3.3: How important is it to you that career opportunities are available to people regardless of their social background? (Responses split by socio-economic background)

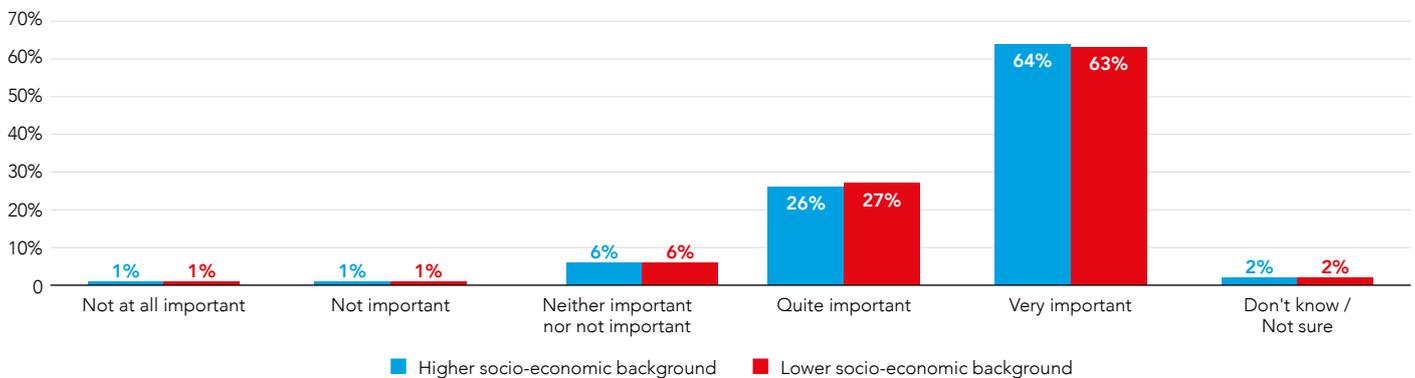
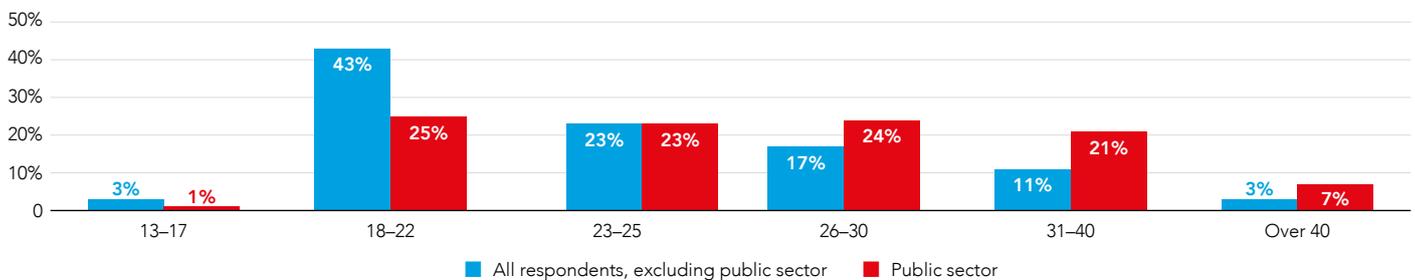


FIGURE 3.4: At what age did you start the ACCA qualification?



20%
of respondents working in the public sector came from a higher socio-economic background

Alongside starting their qualification later, public sector respondents were also more likely to achieve full membership at an older age (Figure 3.5). The majority (59%) of ACCA members working in other sectors became full members between the ages of 21 and 30, whereas most public sector respondents (54%) became full members in their 30s or 40s.

So public finance professionals typically began their ACCA studies, and became a member, later in life. This could be driven by the public sector’s accessibility as an employer for those looking to pursue a second career in accountancy and finance. The public sector might also be better placed for supporting individuals in achieving their career development goals. For example, an individual entering the civil service as a generalist could be supported in pursuing a professional qualification, even if it is relatively late in their career.

3.4 PUBLIC FINANCE PROFESSIONALS COME FROM MORE DISADVANTAGED BACKGROUNDS

There were significant differences in the SEBs of respondents by sector. The survey showed that public finance professionals were more likely than those in other sectors to come from comparatively disadvantaged backgrounds. Respondents with a parent who had completed university and worked as a professional or manager were categorised as coming from a higher SEB (Figures 3.7 and 3.8). On the basis of this grouping, only 20% of respondents working in the public sector came from a higher SEB. This was in comparison to 28% of respondents working in other sectors who came from a higher SEB.

FIGURE 3.5: At what age did you become an ACCA member?

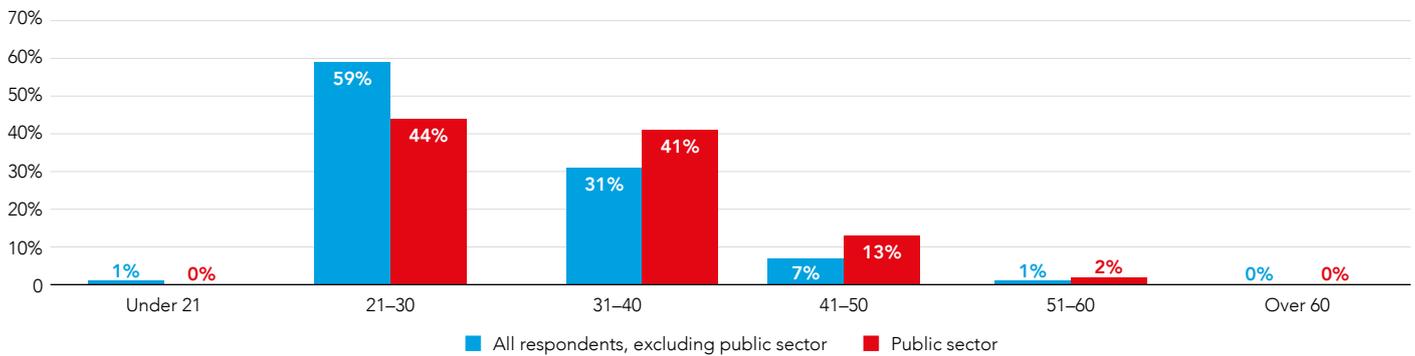


FIGURE 3.6: Socio-economic background, by sector

	HIGHER SOCIO-ECONOMIC BACKGROUND	LOWER SOCIO-ECONOMIC BACKGROUND
Public sector	20%	80%
All sectors, excluding public sector	28%	72%

These results suggest that, globally, the public sector finance function is providing a more effective route into the profession for those from lower SEBs.

These findings were consistent when assessing the educational attainment of each respondent's parent or guardian, as well as the parent or guardian's occupation. Public sector finance professionals were less likely to have parents or guardians working as managers or professionals and were more likely to have a parent or guardian who had completed only primary education.

These results suggest that, globally, the public sector finance function is providing a more effective route into the profession for those from lower SEBs. This could be the result of better diversity and open access initiatives in the public sector or it could be led by an organisational culture that is more aware of biases, where some of these issues are overcome through additional processes such as name-blind application assessment.

FIGURE 3.7: Profession of primary income-earning parent(s) or guardian(s) at the time respondents were between ages 11 and 16

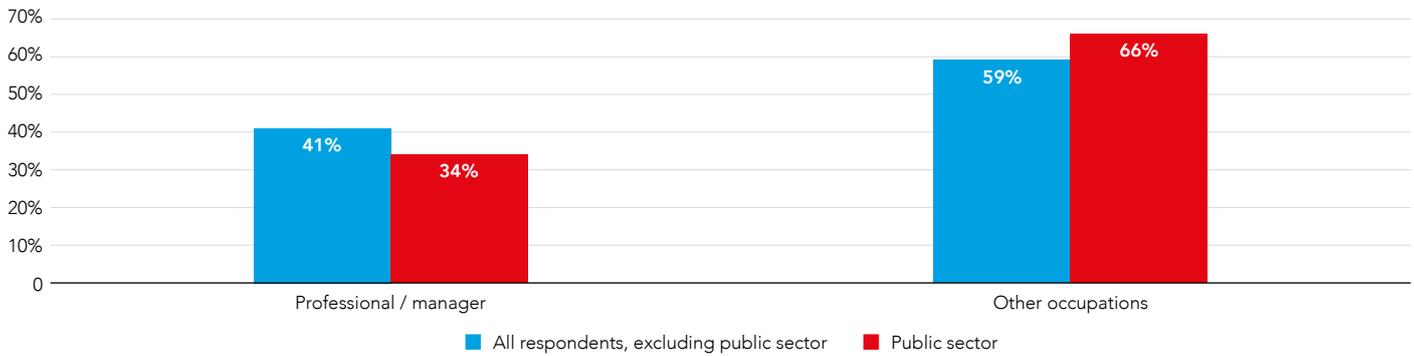
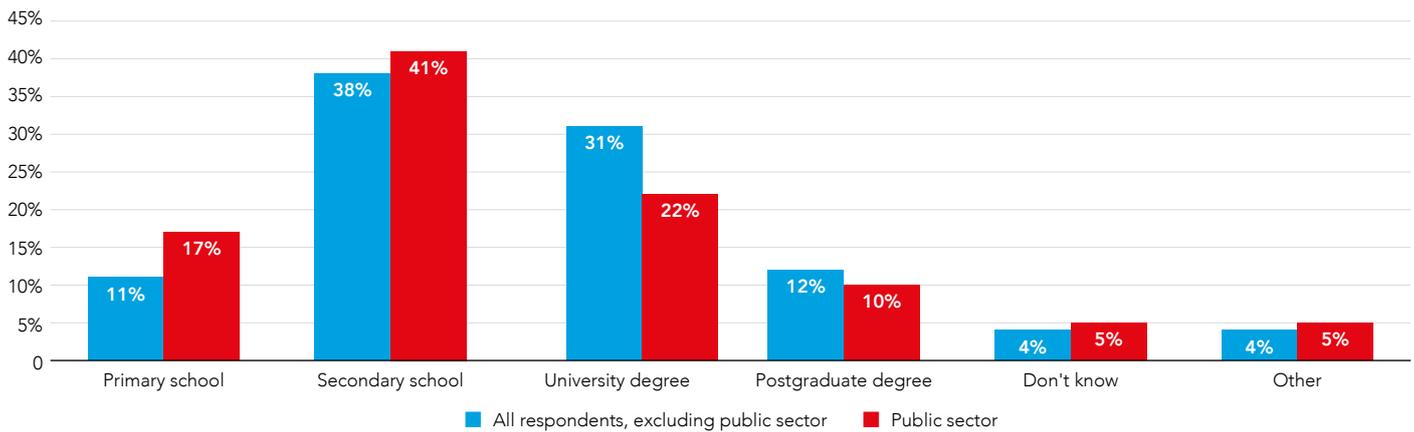


FIGURE 3.8: Maximum level of education achieved by parent(s) or guardian(s)



Irrespective of sector, respondents were most likely to decide independently to pursue an accountancy career and the most common influencer for joining the profession was a friend or colleague.

3.5 THOSE WITH RELATIVELY PRIVILEGED SOCIO-ECONOMIC BACKGROUNDS ARE MORE LIKELY TO BE INFLUENCED BY PARENTS IN CHOOSING A PROFESSIONAL CAREER

The survey also explored respondents' motivations for and influences on joining the accountancy profession. Irrespective of sector, respondents were most likely to decide independently to pursue an accountancy career and the most common influencer for joining the profession was a friend or colleague. Many of the results were consistent for respondents from lower and higher SEBs, but the influence of parents showed a pronounced difference between the two groups. Respondents from a higher SEB were more likely to report that a parent had influenced their decision to join the accountancy profession (16%), than their lower SEB peers (10%). Respondents from a higher SEB had exposure to university-educated family members who work as

professionals or managers. These respondents were able to benefit from the influence of parents in electing to pursue an accountancy qualification.

3.6 ACCA QUALIFICATION SEEN AS MORE ACCESSIBLE BY PUBLIC SECTOR RESPONDENTS

Public sector respondents were particularly likely to describe the ACCA qualification as 'accessible'. The survey showed that a large majority of both public sector (81%) and all other sector respondents (73%) described the ACCA qualification as 'accessible'. Finance professionals working in the public sector were more likely to report that the ACCA qualification was 'very accessible' (46%) than their peers working in other sectors (39%). This could partly be explained by the fact that public finance professionals start their careers later and are able to apply their existing work experience to their learning in pursuing a professional qualification.

FIGURE 3.9: Who influenced you in choosing to pursue a career in accounting and finance?

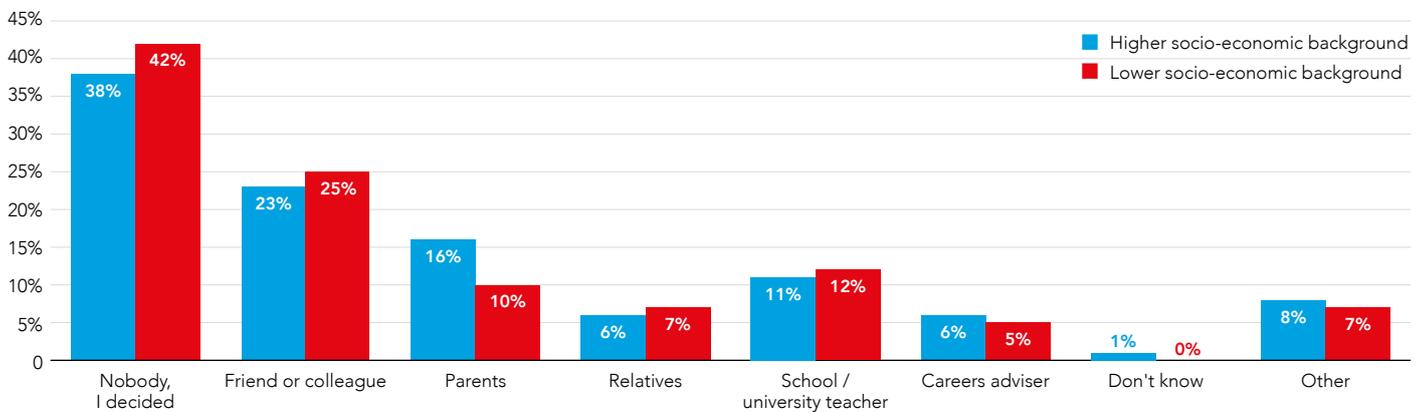
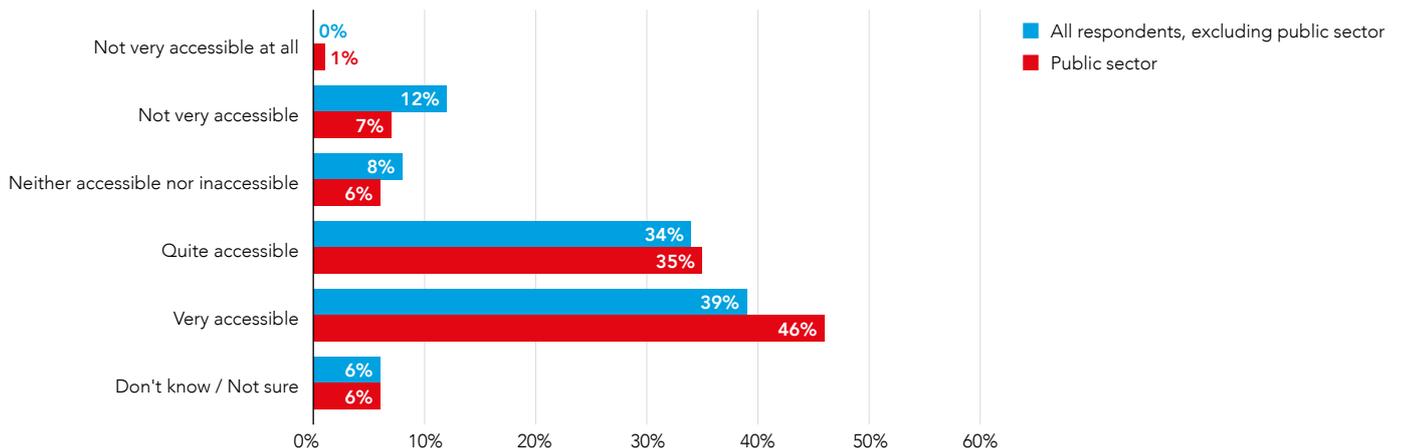


FIGURE 3.10: In your opinion, how accessible is the ACCA qualification compared with others?



4. The public sector and social mobility



ACCA’s survey demonstrated that, irrespective of social background, there is strong support across the profession for career opportunities to be available to everyone. The public sector plays an important role in making this ambition a reality.

Governments have a range of policy levers available to them, from setting minimum standards in parental leave to education policy, which can affect the level of social mobility in a country. Furthermore, the public sector in many countries is a major employer that can lead the way in implementing good practices.

This section explores these two routes, by which public sectors around the world can contribute to improving social mobility. First, the dimensions of social mobility described in Section 2 (ie educational attainment, gender, geography, life course) are linked to corresponding government policies that should be considered for improving outcomes under that particular dimension. The second area demonstrates how the public sector can make a difference through the adoption of good practices in employment and diversity.

4.1 POLICY LEVERS SUPPORTING CHANGE

There is no single intervention that can create an environment where everyone has equal opportunities. Government policy operates as a complex web of related impacts and improving social mobility requires the support of a range of public, private and third-sector actors across many policy areas. At the same time, the public sector is well placed to lead on the necessary change and can help shape the regulatory environment to encourage other societal actors to provide equal opportunities.

Analysis by the OECD shows that countries spending more on areas such as public education and health tend to see higher educational- and health-related absolute mobility (ie education and health outcomes are better for children than their parents). Importantly, however, more spending on public services is not always effective. Programmes that were well targeted to disadvantaged groups, focusing on equal access and quality, mattered more than the quantity of public money devoted to the policy area (OECD 2018a).

FIGURE 4.1: Dimensions of social mobility and examples of corresponding policy levers

DIMENSION OF SOCIAL MOBILITY	GOVERNMENT POLICY LEVERS
1. Intra-generational mobility or ‘Life course’ mobility	Welfare policy and poverty reduction Labour market policy
2. Educational attainment and family background	Education policy Early childhood education
3. Gender dimension	Health and social care Parental leave policy
4. Geographic dimension	Housing policy Public infrastructure

Life-course mobility and labour market policy are becoming particularly important with the rapidly changing nature of work.

i. Life-course mobility/labour market policy

Much of the social mobility literature focuses on the right policy intervention in early years and education, rather than on young adults and later working life. Evidence in Section 2 demonstrated that an individual's social circumstances are often fluid over their lifetime, ie one can enter periods of higher or lower earnings through different life stages.

Life-course mobility and labour market policy are becoming particularly important with the rapidly changing nature of work. ACCA's report on robotic process automation (RPA) showed that 46% of respondents to a global survey had deployed some form of RPA in their organisation (ACCA 2018c). Other forms of technological disruption, such as Cloud computing, analytics and artificial intelligence, will reduce the time professional accountants spend on repetitive, mundane tasks and allow the finance function to focus on interesting and high-value-added work. At the same time, these disruptive technologies will require reskilling for some portion of today's labour market. Alongside these macro labour market disruptions, governments need to consider how they support citizens experiencing negative shocks in their lives – including events such as job loss or ill health – as well as the right balance of tax and transfer. This will help mitigate the risk of downward mobility for the individual and their family.

Governments need to consider what policies can be put in place to support individuals pursuing second, or third, careers. This encompasses the need to review effective active labour market policies to help provide unemployed citizens with routes into fulfilling employment, but consideration should also be given to what support is in place to help those in work who are looking to upskill. For example, France applies a payroll training levy that requires employers to fund a minimum amount of training for their staff, measured as a percentage of total payroll. If the employer does not meet the required training threshold, they must pay an equivalent amount to support employee training in their sector.⁴ This policy is meant to encourage employers to fund

continuous learning in their organisations, where the government funds staff training programmes if the employer does not meet the minimum thresholds in a particular year. Of course, the balance of obligations in meeting training needs cannot fall only on employers. In providing equal opportunities for all, it is also important for governments to consider how they can provide opportunities for individuals that are further from the labour market, often with relatively less financial means, to upskill throughout their working lives.

ii. Educational attainment and development/early childhood education

Varied levels of familial support in the early years of child development result in a difficult policy challenge for governments working to create an environment of equal opportunity. Section 2 showed that children from families with higher socio-economic status can have vocabulary that is 18 months ahead of their lower socio-economic-status peers. Therefore, differences in family background can affect how prepared a child is for formal education.

The expansion of early childhood education can have the dual purpose of supporting the critical early development of the child, while also enabling parents to return to work to limit any interruption to their employment. Early childhood education can provide opportunities for young children from every background to develop and socialise. Norway has introduced 20 weekly hours of free childcare, targeted at lower-income families, in order to help close the development gap between young children from different social backgrounds (Government of Norway 2014).

Direct state intervention, through early childhood provision or similar programmes, may not always be appropriate for closing the development gap in the early years. Governments should also consider how they can support new parents in meeting the developmental needs of their children while remaining in the home. Other interventions can help reduce disadvantage for children in full-time education. For example, a simple change in the US, where children from lower-income families were opted into free

⁴ A further description of the payroll levy can be found in Ministère du Travail (2017).

Recent ACCA research has demonstrated that it can take a woman seven more years than an equally qualified man to reach the executive level.

school meals, instead of having to elect to participate, has meant that about 400,000 children in the US have adequate nutrition to support their learning (Gleason 2008).

iii. Gender dimension / parental leave

The World Economic Forum's Global Gender Gap Report (WEF 2017) shows that considerable work is needed to equalise opportunities between the sexes, with female political engagement and economic participation particularly lagging behind the levels enjoyed by males. Recent ACCA research has demonstrated that it can take a woman seven more years than an equally qualified man to reach the executive level. This research showed that the real divergence in career trajectory between male and female finance professionals occurs once individuals enter childbearing years. There are many drivers of this disadvantage, but governments can make a real difference to employment outcomes between genders by adjusting statutory parental leave requirements to help normalise equal care responsibilities between the sexes. Policy levers that can be adjusted in creating a more level playing field include:

- the minimum length of parental leave for each parent
- the wage replacement rate provided during that leave
- the allocation of leave between the parents, and
- the division of costs for parental leave between the state, the employer and the parent(s).

Governments will often set out in law the minimum standards for parental leave in the above areas. Beyond these minimums, it is also important for employers to consider what policies they can put in place to help create an environment that supports equal opportunity for every gender.

Some jurisdictions provide generous paternity leave conditions, but still experience very low levels of take up by new fathers. For example, Japan offers new fathers up to 52 weeks of paternity leave with a replacement rate of nearly 60% of their annual salary. Even with

these generous conditions, only 2% of eligible new fathers took any paternity leave in 2015 (WEF 2016). This demonstrates that the regulatory framework can be insufficient in tackling the division of care, which instead requires changing societal norms. Some countries have responded to this issue with policies where a portion of parental leave must be used by the father or it is lost – a 'use it or lose it' policy. Even with these complexities, the benefits of achieving equal care responsibilities are worth pursuing. Prejudice in hiring and promotion will be reduced if men take equal responsibility in providing care, and evidence suggests that children perform better when both parents are present during their early years of development (Craig et al. 2018).

iv. Geographic dimension/ infrastructure investment

Social mobility outcomes often vary considerably within a country. Section 2 demonstrated that countries can develop mobility 'hotspots' and 'coldspots', where upward mobility is more or less likely in certain parts of the country. There will be a range of factors driving these disparities, but governments can make a difference by considering the distribution of public investment across the country. The proximity and accessibility of core public services such as healthcare and education are important for a child's development. A lack of transport infrastructure can also cause certain areas within a country to become 'coldspots', as individuals are unable to travel reliably to educational or professional opportunities.

Finance professionals in the public sector are particularly well placed to help make the right public investment choices, as they can consider a broader range of factors when advising on where governments should allocate infrastructure spending. Economically prosperous areas are likely to see a larger forecasted economic boost from additional infrastructure spending than less-developed regions, and can therefore be the natural choice for more investment. It is important that public finance professionals look beyond bottom-line economic benefit, considering how the distribution of public money can create or reinforce areas of prosperity or deprivation.

ACCA’s global survey showed that finance professionals working in the public sector were more likely to come from disadvantaged backgrounds.

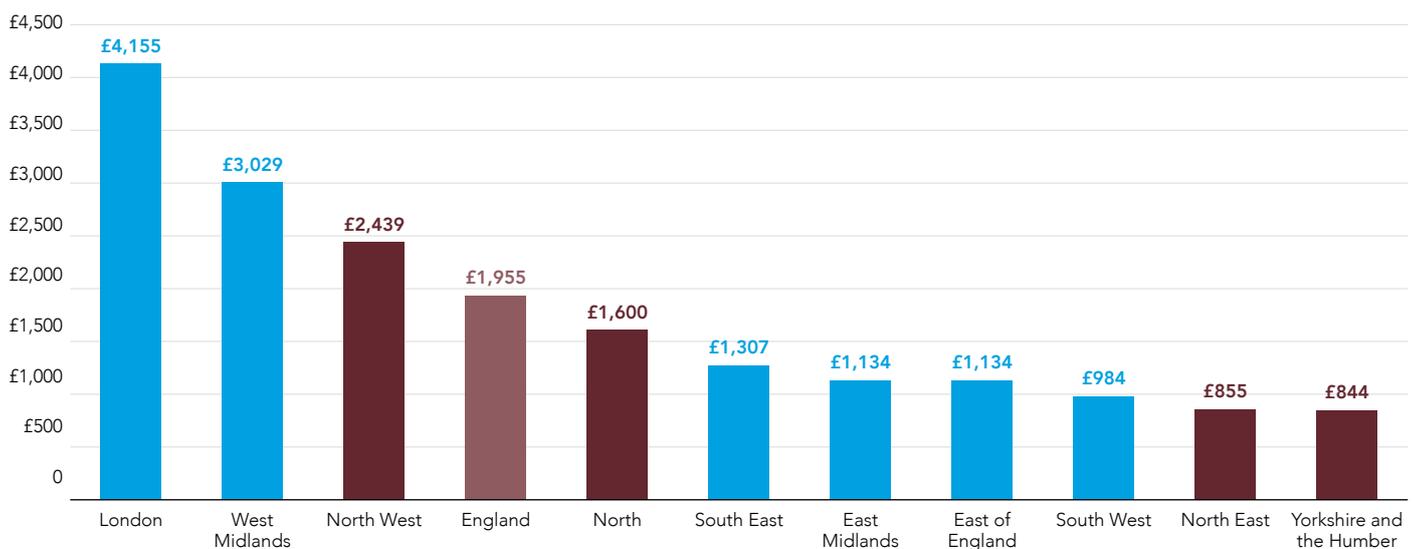
For example, analysis by the Institute of Public Policy Research (IPPR North) has shown that planned transport infrastructure investment for London (at £4,155 per capita) is almost 2.6 times higher, per capita, than in the north of England. In comparison, the Yorkshire and the Humber region has only £844 per capita of planned transport infrastructure investment – about 20% of London’s forecasted level of investment. The Social Mobility Commission’s top four mobility ‘coldspots’ in the UK, shown in Section 2, all received less than one-third of the transport investment planned for the London area. This distribution of investment can exacerbate regional inequality. Of course, the regional distribution of investment cannot be the only factor for public sector decision makers. The economic benefit associated with the investment, the forecasted level of use, and sustainability of the project are all important factors. Ultimately, governments working to create an environment of equal opportunity must assign due consideration to the distribution of their investments, where questions of equity are important in defining effective economic policy, if they are to limit the variation of social outcomes in a country.

4.2 THE PUBLIC SECTOR AS AN EMPLOYER

Alongside the policy levers available to government, it is also possible to create a more equal and accessible environment for everyone working in the public sector. To build legitimacy and trust, it is important for public sector workforces to be representative of the communities that they serve. Public sector employment can often exceed one-quarter of overall employment in many countries (OECD 2017) and this creates a unique opportunity for the sector to ‘lead by example’: embedding good practices that support equal opportunity and diversity. If this is done well, governments can set an example for other segments of society in improving overall mobility.

ACCA’s global survey showed that finance professionals working in the public sector were more likely to come from disadvantaged backgrounds – where their parents typically had lower educational attainment and did not work as professionals or managers. Finance professionals in the public sector were also more likely to begin and complete their professional qualification later in life. These findings demonstrate that, globally,

FIGURE 4.2: Planned transport infrastructure investment, per capita, by UK region



Source: IPPR North, 2016

Building a successful programme of equal access can, therefore, support organisational objectives as well as signalling a broader labour market shift to supporting equal opportunity, regardless of social background.

the public sector can be more effective at providing opportunities to individuals from varied socio-economic backgrounds, as well as supporting upskilling later in life.

Open competition for public sector positions, through a transparent and meritocratic process, can improve access for other segments of society. Public services that are based on merit should have openly advertised job vacancies, seek to select the best candidate for the job, and provide mechanisms for challenging the decision where a breach is suspected. At the same time, enforcing transparent meritocratic processes is often not enough to ensure that an equal opportunity is offered to all. Entrenched advantage from early childhood through to school years can mean that certain individuals are able to present themselves as more work-ready than their peers. How should public sector employers respond to this problem? Some have taken affirmative action in selecting candidates from more diverse backgrounds for hiring or promotion. For example, by offering guaranteed interviews to applicants from disadvantaged groups, an otherwise

exceptional candidate from a disadvantaged background, who might otherwise have been sifted out at the application review stage, could be offered the position.

It can be difficult to create an environment of equal opportunity in the public sector that seeks to prevent discrimination and to encourage applications from marginalised groups. At the same time, the size of the public sector means that systematic and cultural change from the top will be a challenge. The 'diversity dividend' that can arise from improved mobility into the public sector should not be underestimated. Representation from all segments of society can produce better engagement and organisational performance. Greater diversity has been demonstrated to improve decision making in an organisation (Hunt et al 2018) and increase innovation (Lorenzo et al. 2017). Building a successful programme of equal access can, therefore, support organisational objectives as well as signalling a broader labour market shift to supporting equal opportunity, regardless of social background.



CASE STUDY



**Claire Jenkins, Forensic accountant,
Integrity & Enforcement Unit, Companies House, UK**

Claire Jenkins works in the public sector in Wales. Use the link below to hear about Claire's story of becoming a professional accountant and joining the public sector.

<https://youtu.be/o9n5eyOpgIo>

5. Tangible steps for public sector finance and accountancy professionals



Professional accountancy can make a meaningful contribution to improving social mobility around the world – with public finance professionals playing a key role in helping to equalise opportunity.

By making opportunities available to all regardless of their background, removing artificial barriers and advocating improved social mobility within government, the profession can embed enabling of social mobility as a core reason for its existence. In so doing, it can build on and reshape its role in economies and societies that are undergoing dramatic change, are exposed to new risks and, in some cases, are dealing with the negative externalities of long-term practices that have made access to opportunities highly unequal.

For the accountancy profession, improving social mobility can go hand in hand with playing its role in building enduring and sustainable, inclusive economies. Through active engagement, accountancy can move beyond unrealised visions that are at odds with the systemic, complex nature of current challenges, and become a leader among the professions in demonstrating the value of improved social mobility in enhancing societal outcomes.

Addressing social mobility issues must not be an ineffective 'add-on' but be done in a way that is truly embedded into the profession's future. It can strongly link to the technical and ethical components of the profession that set it apart and that, in today's world, are more important than ever as globalisation and technological developments create ever more challenges. Some practical steps are suggested below.

5.1 AWARENESS: MAKING THE PROFESSION BETTER KNOWN AS A CAREER CHOICE

The survey results showed that individuals from higher SEBs are more likely to be influenced by their parents to join the profession. Therefore, there is a need to make the profession better known as a career choice among those who have not grown up among family and friends with professional qualifications or university degrees and those who live in areas that lack opportunities.

Increasing the number of people who study and qualify as professional accountants, whose parents did not go to university or have a professional qualification, means reaching beyond

traditional networks and developed urban areas. It requires meaningful engagement with schools and career services to ensure that they are equipped with the information they need to present professional accountancy as a career option.

5.2 REMOVING BARRIERS: MAKING QUALIFICATIONS AND EMPLOYMENT OPPORTUNITIES MORE ACCESSIBLE

Survey respondents, particularly from the public sector, said that the ACCA qualification was accessible, but that there is still room for improvement, and the goal of accessibility needs to be adopted across the global profession. Making accountancy qualifications more accessible will require improving the degree of flexibility in learning and examinations to meet the education needs of current student cohorts. Flexible learning that is more digestible, more relevant and more targeted than traditional methods will continue to be demanded, alongside traditional practices. Increasingly flexible approaches allow individuals who may not previously have been able to access qualifications, owing to work or family commitments, to be able to study at their own pace and for a part of the qualification that is meaningful for them (ACCA 2018d).

Equal opportunity and diversity need to be built into government decision making and finance professionals in the public sector are often well placed to measure these factors and champion social mobility as a priority.

For public sector organisations, barriers in the hiring processes must be lowered to remove biases that can affect the success of candidates. For example, while work experience may be valuable, some candidates may not have had the opportunity to take up a work experience position owing to their circumstances. The same applies to internships. Promotion must be handled in a similar fashion to avoid merely 'hiring in the hirer's image'. These activities make business sense and equip the organisation with the diversity of perspectives that are so necessary for today's world.

5.3 SKILLS AND THE CHANGING WORLD OF WORK: BASIC SKILLS AND LIFELONG LEARNING

The 'sticky floor' of social mobility described in Section 2, subsection 2.1 i, can be exacerbated by the prevalence of poor basic numeracy and literacy. Volunteering to develop financial literacy skills in the community can be an important contribution by those professional accountants who have the opportunity of acting as role models for young people who may not have considered working in a profession.

Lifelong learning must remain a driving purpose behind professional accountancy qualifications. The world of work is changing, being driven not only by

technology but also by other factors. Catering for a more diverse set of career opportunities – for example, environmental accounting, computational thinking and data analytics, broadens the usefulness of the accountancy profession and can help it become a career choice for those for whom it may not have seemed relevant previously.

5.4 DATA: GREATER DATA COLLECTION ON THE SOCIAL DIVERSITY IMPERATIVE

Understanding the issues that affect social mobility is one part of tackling it. For businesses and governments, making the case internally and externally requires evidence. Collecting more social diversity data from employees can help inform decision making and help improve social diversity within an organisation so that this can become a measurable part of strategic performance and a board-level issue.

Public sector finance professionals have an equally important role in collecting data, setting targets and measuring outcomes to help bring social mobility to the forefront of organisational thinking. Equal opportunity and diversity need to be built into government decision making and finance professionals in the public sector are often well placed to measure these factors and champion social mobility as a priority.

FIGURE 5.1: Tangible steps for public sector finance and accountancy professionals





6. ACCA's capacity-building work

The role of ACCA in supporting the development of the global profession is a fundamental part of the organisation's purpose.

As less-developed economies grow, urbanise and change at an increasingly rapid pace, their need for professional accountancy skills that can serve society is clear and well understood. It is also evolving. From facilitating trade and enhancing the investment climate, to promoting ethical practices, transparency and adherence to international standards, professional accountancy is a core part of the development and growth of healthy socio-economic ecosystems.

Beyond the traditional pressures affecting developing countries, the latter also face rising social, economic and environmental threats from issues that include overly rapid urbanisation, climate change, water scarcity and extreme weather. These will reduce both public and private sector effectiveness and add to an already challenging context.

Tackling these issues effectively demands an unprecedented level of collaboration. Professional accountants are a core part of this collaborative ecosystem of actors taking on these challenges, as they work to support effective public services, business growth and a transition to high-value and sustainable development – while at all times working to protect the

public interest. From digital tax collection enhanced by mobile technologies that help countries develop their tax base and build their ability to fund much-needed public services, to engaging with practices such as integrated reporting (<IR>) that help in accounting for social and environmental capital, professional accountants can play their role in supporting development that is equitable, sustainable and ready for the future.

That is why ACCA supports a broad range of capacity-building activity, working in partnership on over 50 projects around the world, over the last 30 years. These projects cover numerous areas to help establish and strengthen the accountancy profession; for example, helping to build national accountancy bodies, improving the take-up of international standards and setting out frameworks for regulating the profession. ACCA is committed to developing the global profession, fulfilling our vision to be number one in developing the accountancy profession the world needs, especially in places that most need it, through capacity-building projects and partnerships. The examples below highlight three capacity-building projects that ACCA is leading to help develop the global profession.

6.1 RWANDA

Established in 2008, the Institute of Certified Public Accountants of Rwanda (iCPAR) has a growing number of professional accountants supporting an expanding economy. Donors and international bodies have played an important role in the organisation's early accomplishments, with significant growth achieved over the last five years and strong expectations for continued success.

ACCA is a longstanding partner of iCPAR and, since 2016, has collaborated under the IFAC capacity-building programme with funding provided by the UK government. Through this project, and under the long-term partnership agreement, ACCA has worked with iCPAR to develop a robust strategy, with the right people in place. The partners have also collaborated to strengthen the Rwanda certified accounting technician qualification and iCPAR's continuing professional development programme. The project is supporting iCPAR to improve its capacity and accelerate its progress towards becoming a sustainable professional accounting organisation.



ACCA supports a broad range of capacity-building activity, working in partnership on over 50 projects around the world, over the last 30 years.

6.2 AFGHANISTAN

ACCA has partnered with Certified Professional Accountants Afghanistan (CPA Afghanistan) to strengthen the latter's role as the national professional accountancy organisation in Afghanistan, and to establish the accountancy profession. This collaboration is extensive and includes working to develop the 'pipeline' of professional accountants, supporting research to advance the accountancy and finance profession in Afghanistan, and developing and delivering the CPA Afghanistan strategy to work towards IFAC membership.

CPA Afghanistan and ACCA have an innovative partnership that is fast-tracking the establishment of the accountancy profession in Afghanistan – including the establishment of robust regulatory and governance frameworks for the profession.

This partnership supports CPA Afghanistan in building its capacity internally and establishing and enhancing the products and services provided to stakeholders. CPA Afghanistan has already achieved much, including access to quality

tuition in Afghanistan, sharing knowledge and resources, and collaborating on joint events that provide opportunities for professional accountants to maintain their knowledge and skills. CPA Afghanistan has harnessed partnerships globally to achieve results quickly – and the work with ACCA is central to this outcome.

6.3 VIETNAM

ACCA has worked with the Ministry of Finance in Vietnam to advise on strengthening its capacity to regulate the profession. This work produced recommendations to strengthen the system of regulation in Vietnam through a proposed new regulatory model. When implemented, these reforms will provide Vietnam with an audit regulator that can undertake full regulatory activities, as well as taking and enforcing decisions without influence by those regulated. At the heart of the recommendations is the establishment of the Accounting and Auditing Supervision Board as the new independent statutory regulator, whose primary function is to regulate the auditing and accountancy profession in Vietnam.



7. Conclusion

Over the last three decades, people around the world experienced significant improvements in living conditions alongside a large global economic expansion – but the distribution of these gains has been unequal.

Focusing on additional dimensions of social mobility, this report has demonstrated that social mobility is a multifaceted challenge. An examination of individual life courses, educational attainment, gender and geography gives a sense of the sheer number of dimensions affecting the social mobility agenda. Various factors must be mitigated, such as inequality and corruption, to provide an equal opportunity for all. Clearly, the factors discussed in this report are not an exhaustive list but instead demonstrate the breadth and complexity of the challenge.

The public sector plays an essential role in creating societies with equal opportunity. ACCA's survey has shown that, globally, the public sector has performed comparatively well at providing access to individuals from under-privileged socio-economic backgrounds. Finance professionals in the public sector were also more likely to have received their professional accountancy designation later in their working life, suggesting that the public sector can be more effective at supporting second careers and upskilling

during an individual's career. It is also important for finance professionals to consider the range of policy levers available to governments that want to tackle all the dimensions of social mobility. It can be particularly helpful to map these policy levers to dimensions of social mobility to demonstrate how complicated systems can affect a range of socio-economic outcomes.

Professional accountancy bodies and the accountants in their membership must play their part too. Global bodies, such as ACCA, need to continue supporting the development of the profession – collaborating with partners from around the world to build capacity and advocating adherence to international standards. Individual accountants can also make a difference. The report highlights how individuals in the profession can support the development of basic literacy and numeracy, raising awareness of the profession as a career choice, and advocating for equity considerations to feature in government and organisational decision making.

The OECD's latest report on education and social mobility shows that, overall, educational mobility is improving for member countries (OECD 2018b). This runs counter to the widely held view that mobility is stalling around the world and suggests that – if governments, the private and third sector come together – there is a real possibility for creating societies that provide an equal opportunity for all.

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