

22/23 FINANCIAL YEAR

# ACCOUNTING FIRM SALARY GUIDE

*Partner to Junior Accountant*



LAWSON DELANEY

Prepared by  
Lawson Delaney  
Professional Services Team

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# A LETTER FROM US



As we look back on the 2022/23 financial year, several key themes emerge: **competition**, **reflection**, and the growing importance of **technical accounting skills**. This report aims to provide insight into these trends and their implications.

## Increased workloads are across the board.

Public practices continue to experience high demand for compliance and advisory services, which has kept them exceptionally busy even after the pandemic. The industry is grappling with a persistent shortage of skilled professionals, coupled with rapidly rising wage costs. As a result, many practices have had to adjust client rates to alleviate these pressures, leading to increased expectations from clients.

## Safety is everything.

FY 22 has also been a significant year of change for employee rights and workplace laws leading to greater transparency on subjects such as remuneration, whilst putting psychosocial hazards and a culture of safety on the agenda.

As of 2023, an employee's mental safety has the same legal importance as their physical safety. Firms must engage in proactive business management to avoid any risk to employee wellbeing - physical or mental - requiring consideration around high performance in a risk adverse environment.

Lawson Delaney understands these new changes and has worked with a number of businesses to assess and implement correct structures - please get in touch for an assessment of your practice.

## Accounting industry survey on superannuation changes.

According to research led by Lawson Delaney, 83% of Melbourne public practices will absorb the 1st July 2023 0.5% superannuation increase as a business expense.

We predict that this will set a precedent for the future superannuation changes to come.



# TALENT TRENDS



## Recruitment trends in Accounting

Competition in the employment market is still high, however firms are willing to wait for the right fit and are prioritising technical skills as a must-have. In recent years, the focus has been on soft skills, however mounting workloads have led to a greater demand for candidates who can quickly adapt and contribute effectively from day one. This is putting increased demand on the already candidate short market, especially at Senior Accountant level.

Remuneration is still trending upwards however we have seen a real disparity in salaries between bigger and smaller firms, especially at Graduate to Manager level.

Larger firms, predominantly in the CBD, carry better brand recognition and can offer candidates much more in addition to remuneration (think wellbeing services, professional development, progression pathways) whilst smaller practices will use larger salary packages to attract top talent. Our data shows that this evens out at Senior Manager level and above.

## Flexibility is here to stay.

Flexibility remains a key driver for employee engagement, with 90% of firms adopting an anchor/core day structure. Surveys across the market show a marked improvement in employee engagement. Productivity has not fared better or worse in this model.

## Salary isn't everything. Still.

Whilst remuneration packages are still on the up, most Accountants who are on the move are led by values misalignment or progression opportunities. Businesses that have invested in understanding and creating purpose for their teams have experienced significantly lower turnover.

## Location, location, location.

COVID introduced the trend of Accountants prioritising a workplace closer to home. Many candidates we speak with still want to strike a good work/life balance but without compromising the quality of the clients they work with or teams they sit alongside. As we move further from the pandemic, we suggest that CBD and inner suburb firms promote employee benefits and reconnection in recruitment campaigns.

# TAKEAWAYS

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- Hybrid working is here to stay, have you reviewed and put policies in place to support this?
  - Employee engagement is waning, have you considered culture related surveys to understand how your team think and feel?
  - Feeling valued and concrete career development will always be the biggest driver for the stars of tomorrow, however competitive salaries will get top talent through the door.
  - A culture of mental and physical safety must be prioritised with the new legislation.
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Please note:

This study has been compiled by contacting candidates and clients who work solely in public practice and is the most targeted study of its kind in the Melbourne market.

The remuneration figures recorded are made up of a base and superannuation only and doesn't reflect total earnings from profit share or dividend income.



We have a wealth of experience in our specialist Accounting Firm Recruitment & Advisory team here in Melbourne.

Should you want to discuss in-depth, feel free to reach out to our team. Best wishes for the new financial year ahead!

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# PARTNER/DIRECTOR

The market experienced significant disruption during the COVID-19 pandemic at Partner level, leading to notable changes in the market dynamics in the previous year. However, this last financial year (FY 21/22), the situation has stabilised.

To retain and recognise their top talent while also establishing robust succession plans, numerous firms have made internal promotions to Partner/Director positions.

Unfortunately, many candidates aspiring for Partner roles have been compelled to leave their current organisations due to inadequate staffing levels or unfulfilled promises of promotion.

Our research shows that the maximum pay bracket has increased by 3% in the last year.

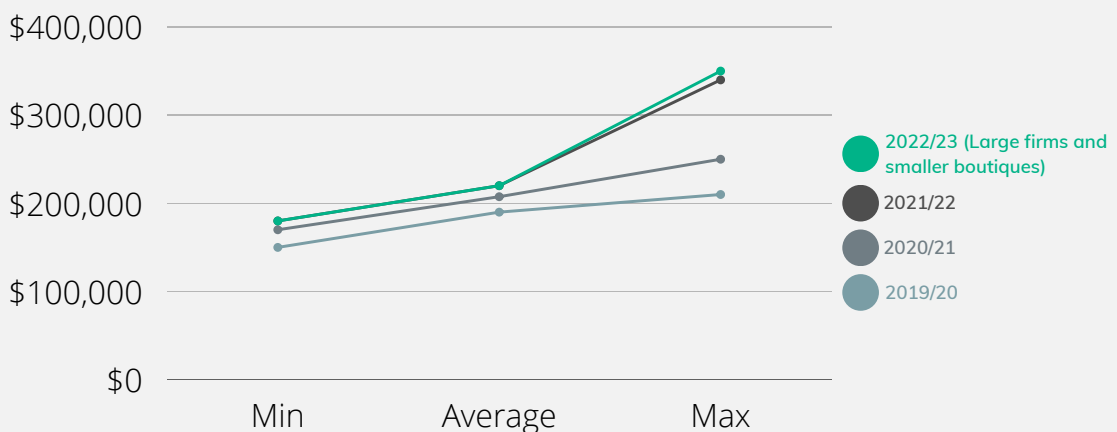
These packages don't include short and long-term incentives or income generated via shareholdings.

**Of interest:**

Senior Partners who are looking to change firms are prioritising company culture and how well they get on with their fellow Partners while Junior Partners are focused on numbers; when they will get equity, how much, and what that will mean for their total income.

Partner / Director 2022/23 FY Salary	
Min	\$ 180,000
Average	\$ 220,000
Max	\$ 350,000

FY Salary Comparison 2019-2023



# SENIOR MANAGER

In order to retain staff, it is crucial to develop a solid progression plan and implement a timeframe. Create clear paths for advancement and offer attractive incentives to mitigate turnover.

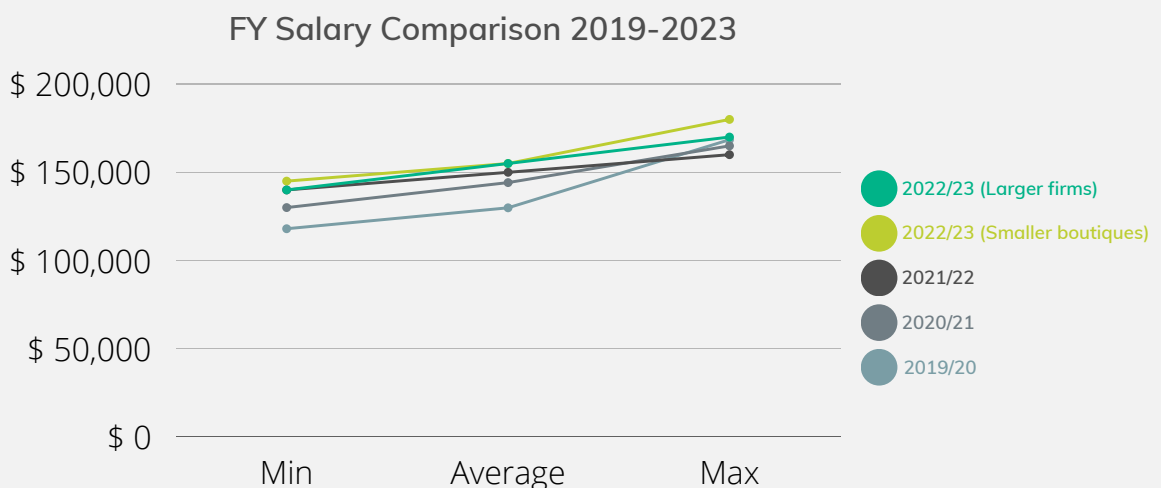
The definition of Senior Manager varies with differences in staff responsibilities. The years of experience required also vary widely, with an average of 14 years<sup>1</sup>, although some individuals may possess significantly more.

Salaries in this bracket have remained relatively unchanged since 2019 as we see remuneration leaps through transitions to Partner.

Career transitions for Senior Managers can be influenced by various factors, such as discrepancies in management styles between existing Partners and the individual, experiencing burnout, or being part of underperforming firms with strained client relationships, ultimately resulting in client attrition.

Interestingly, at the Senior Manager level, there were more male respondents than female and only 6% of those surveyed expressed a preference for a CBD office location.

Senior Manager 2022/23 FY Salary			
LARGER FIRMS		SMALLER BOUTIQUES	
Min	\$ 140,000	Min	\$ 145,000
Average	\$ 155,000	Average	\$ 155,000
Max	\$ 170,000	Max	\$ 180,000



# MANAGER

Over the past year there has been significant movement at the Manager level, driven by Partners planning for their own futures and establishing contingency plans with potential future leaders.

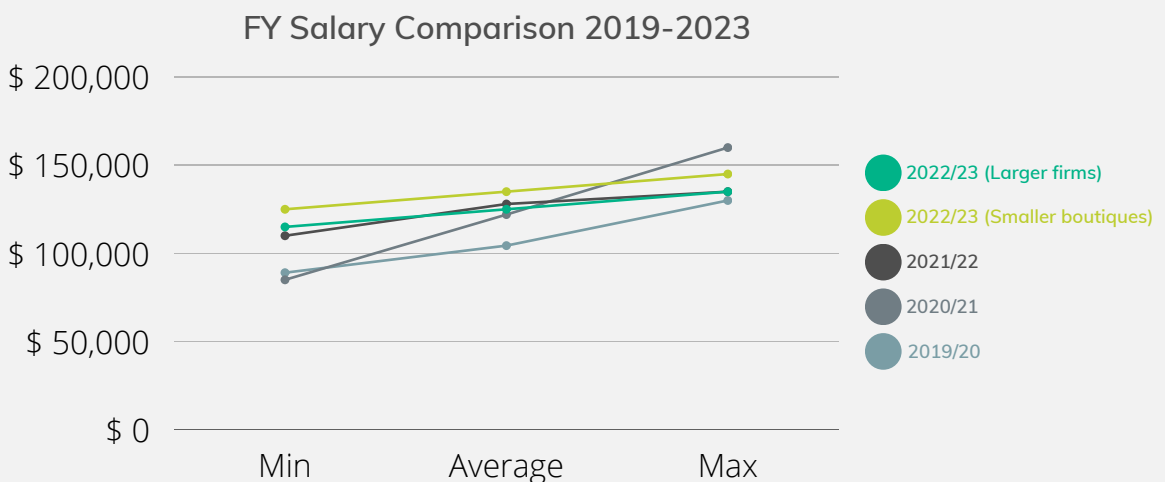
Managers typically leave firms at this level when seeking clearer partnership opportunities, facing issues with specific Partners, or desiring greater autonomy in leading their teams.

It's important to note the role of Career Managers, highly experienced individuals who have the capability to become Partners but choose not to. These profiles often seek new challenges and varied experiences by transitioning to different firms while delivering exceptional work without the pressures of ownership.

**Of interest:**

Average salaries at this level increased by 8% from last year.

Manager 2022/23 FY Salary			
LARGER FIRMS		SMALLER BOUTIQUES	
Min	\$ 115,000	Min	\$ 125,000
Average	\$ 125,000	Average	\$ 135,000
Max	\$ 135,000	Max	\$ 145,000





# ASSISTANT MANAGER

In many firms, Assistant Managers hold responsibilities for overseeing a team and managing a portfolio or set of fees. However, there are instances where individuals hold the title of "Manager" without the corresponding level of responsibility. Some Assistant Managers/Supervisors also engage in practice management, training, IT/web matters, and other non-billable tasks.

Accountants can view this level as a stepping stone to the Manager position and do not typically intend to stay for an extended period. If the promotion doesn't materialise, they will move on.

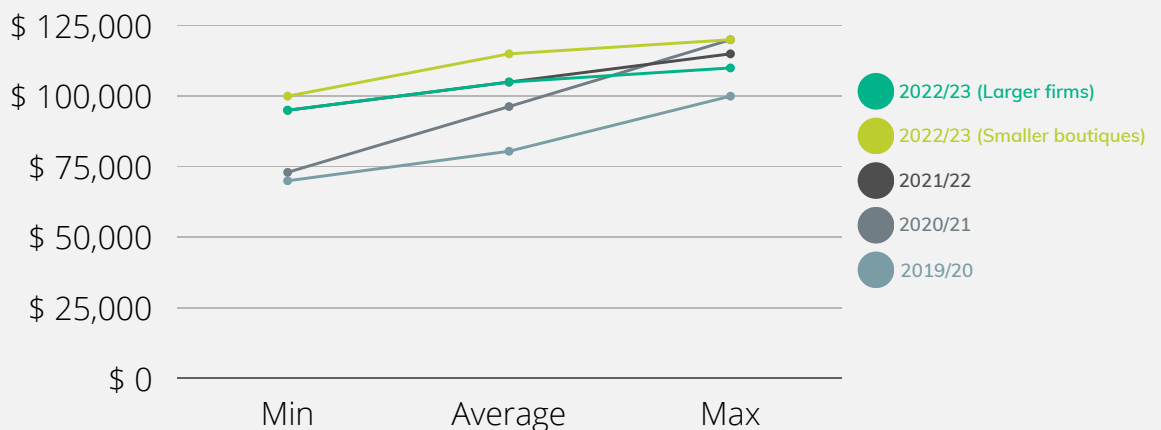
This level is gradually disappearing from the market as firms attract Senior Accountants by offering them management titles. This progression pathway remains an effective means of capturing the attention of Senior Accountants and showcasing a clear career advancement trajectory.

**Of interest:**

This year, we have noticed a growing disparity between salaries offered by CBD larger firms and high-performing boutiques at the Assistant Manager level. We also noted that most respondents preferred to work close to home.

Assistant Manager 2022/23 FY Salary			
LARGER FIRMS		SMALLER BOUTIQUES	
Min	\$ 95,000	Min	\$ 100,000
Average	\$ 105,000	Average	\$ 115,000
Max	\$ 110,000	Max	\$ 120,000

FY Salary Comparison 2019-2023



# SENIOR ACCOUNTANT

A "Senior" typically refers to an experienced Accountant with over three and a half years in the field, however some people choose to work at this level for their entire career depending on their preference and opportunities to lead.

A Senior is someone who can handle their work independently, actively interacts with clients, and is just starting to take charge of their own tasks while assisting a small team.

Firms still need Seniors but they're not desperate and can afford to wait for the right fit if necessary. Interestingly, throwing more money at candidates doesn't always seal the deal.

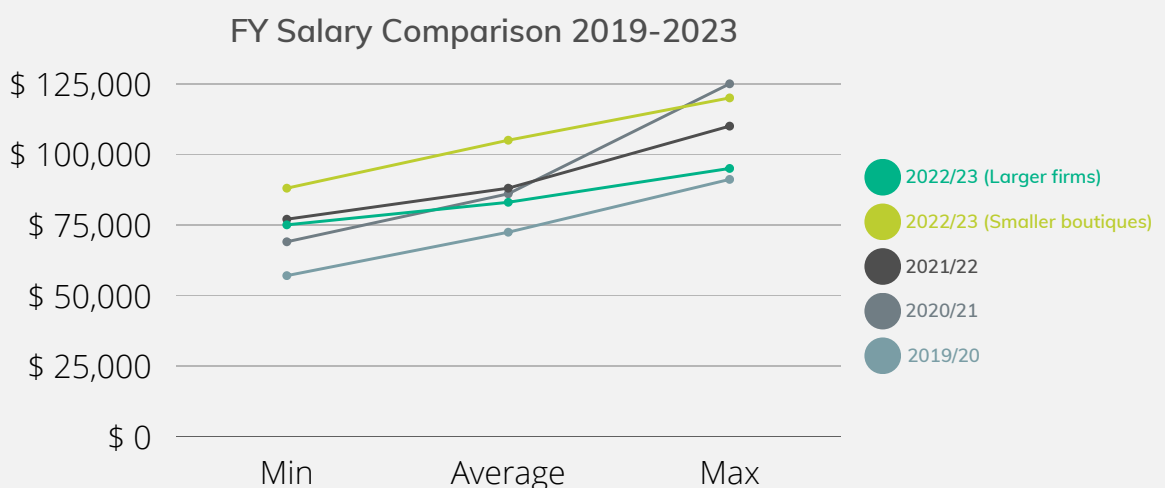
Nowadays, candidates are becoming more selective and value things like flexibility and a clear path to management, and even partnership, when deciding on a job offer.

Maximum pay packages for Senior Accountants have increased by 26% between 2021/22 and 2023.

**Of interest:**

50% of respondents identified as female. We have seen an increasing gap this year in CBD larger firm salaries and high-performing boutiques at this level, and as such have profiled the gap.

Senior Accountant 2022/23 FY Salary			
LARGER FIRMS		SMALLER BOUTIQUES	
Min	\$ 75,000	Min	\$ 88,000
Average	\$ 83,000	Average	\$ 105,000
Max	\$ 95,000	Max	\$ 120,000



# INTERMEDIATE ACCOUNTANT

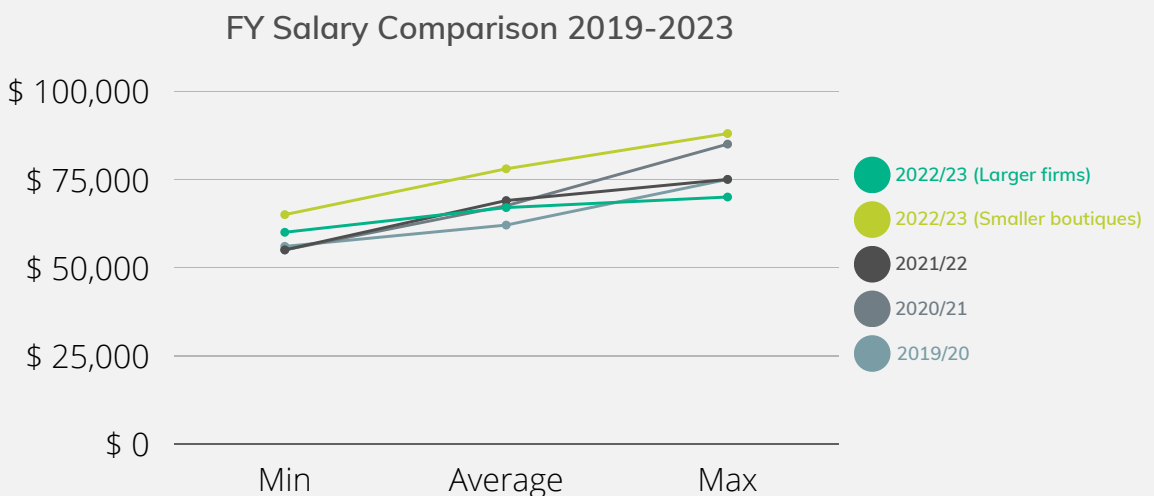
Most high-performing Intermediates typically have around one and a half to three years of experience, which means that many of them have spent the majority of their full-time careers working from home.

Quality Accountants at the Intermediate level are considered a scarce resource, prompting firms to invest more time in their search for the right candidate.

As a result, we have observed practices expanding their criteria and widening their search parameters.

In this group, we discovered that the majority of respondents were open to both working near their homes and in the CBD, however smaller suburban firms are offering much higher salary packages at Intermediate level.

Intermediate Accountant 2022/23 FY Salary			
LARGER FIRMS		SMALLER BOUTIQUES	
Min	\$ 60,000	Min	\$ 65,000
Average	\$ 67,000	Average	\$ 78,000
Max	\$ 70,000	Max	\$ 88,000



# JUNIOR/GRADUATE ACCOUNTANT/CO-OP STUDENT

A 'Junior' is an unqualified Accountant who has 0-12 months' experience, although we have seen an increase in the time spent in a Junior position with a portion of our respondents spending up to 4.5 years at this level.

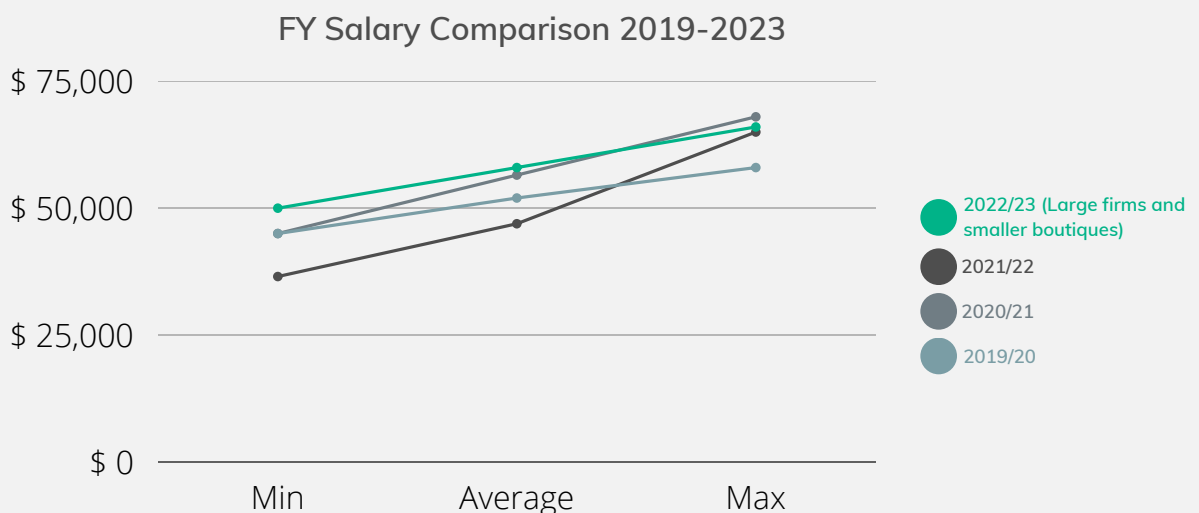
Our research shows that the majority of the respondents have spent the most of their new full-time career both working from home and at the office, and similarly to Intermediates,

this has resulted in professional training not being as well rounded as firms have been used to since before the pandemic.

**Of interest:**

Hiring Graduate or Junior Accountants with a long-term development plan could be the answer to the shortage of mid-level candidates. Organising part-time co-op students to intern, with a view to hire after graduation, is also a worthwhile option.

Junior/NGT Accountant 2022/23 FY Salary	
Min	\$ 50,000
Average	\$ 58,000
Max	\$ 66,000



# CONCLUDING STATEMENT

We hope that Lawson Delaney's 22/23 Accounting Firm Salary Report is a useful tool when navigating the market's changes. Our team is on hand to provide context to the nuances around the numbers, especially as the disparity between smaller and larger firms grows.

We encourage you to engage with our team to fully understand what other employers are offering to ensure you remain competitive. Our businesses are our people after all, and we should see the value in good employees and engage accordingly.

## Services available:

- Professional Services recruitment
- Cultural assessment tools
- Managed recruitment solutions (outsourcing talent strategy and management to improve quality, risk management and reduce spend)
- Website development and social media strategies for career platforms and talent pipelines



# TALK TO US

## Professional Services Team

Lawson Delaney's Professional Services Recruitment practice is focused on providing executive search, professional recruitment and advisory services specifically tailored to professional services firms in the Accounting market, both locally and nationally.

Our team's candidate focus ranges from Accountant positions through to Partner and Practice Lead roles, as well as support roles. Our local, national and international clients include Big 4, top 10 global firms, large national firms, and high calibre boutiques. We also support advisory, insolvency, corporate finance, insurance, risk, and tax consulting firms as well as Family Offices.



**Darren Banfield**  
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**Guy Sigston**  
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**Tania Rogers**  
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