

Mid-Year Market Update: Accountancy & Finance - 2025

As we reach the halfway point of 2025, the Accountancy and Finance market continues to evolve – cautiously, strategically, and often frustratingly slowly.

While demand remains healthy in many areas, it's a more selective and complex hiring landscape than this time last year. From hybrid work to shifting candidate priorities, here's what we're seeing on the ground, based on our daily conversations with finance professionals and hiring managers.

Hiring activity

Compared to H1 2024, hiring activity has slowed in key regions, particularly in the Southeast of England and London. Roles are still being recruited, but fewer are being automatically backfilled. For example, when a Finance Director exits, many organisations are seeing it as a chance to restructure rather than recruit like-for-like. It's cautious pragmatism in action.

Interestingly, professional services firms, especially law firms and accountancy practices, remain active in the recruitment space. These businesses are focused on ultra-niche hiring, typically seeking candidates already doing the same job, in the same sector, elsewhere. Experience is key.

That said, hiring decisions are more measured. The process takes longer, there's more internal deliberation, and employers are highly selective, particularly at the mid to senior end of the market. Political uncertainty and economic hesitation continue to stall what could be a clearer path to growth as businesses continue to cope with both UK and international uncertainty.

Where the demand is

The real appetite right now is for senior finance professionals who can turn numbers into insight and insight into strategy.

Demand is strongest for:

- Finance Business Partners
- FP&A Professionals
- Financial Analysts
- Financial Controllers with a strategic mindset and a grasp on strong financial controls

Clients are prioritising candidates who can go beyond the books, those who leverage data, streamline operations, and use technology to drive cost efficiencies across the business.

There's also a notable rise in demand for finance professionals with private equity portfolio experience. Although it's a niche pocket, it speaks to the continued appetite for financial rigour and performance optimisation within investment-backed firms.



The rise of permanent roles

While permanent recruitment continues to dominate finance hiring, we're seeing notable shifts across the board. The interim and contract market, in particular, has faced headwinds. IR35 reform and rising employer NI contributions have reduced the appeal, and availability, of short-term finance talent, prompting many seasoned contractors to consider permanent opportunities for the first time in years.

This shift is subtle but significant. Businesses accustomed to scaling up with interim professionals may need to rethink their hiring strategies, especially for senior or specialist roles where demand is high and availability is tightening. Blended hiring models are becoming more complex, and more strategic, as companies balance cost, continuity, and capability.

Flexibility is the new currency

Hybrid working is the true non-negotiable in 2025. Around 70-80% of our finance candidates will not entertain a role if it's not hybrid. And it's not just about preference; it's now embedded in what candidates consider a standard working arrangement.

However, there's an undercurrent of change. Some employers, including large corporates such as Vodafone, Barclays and Amazon, and even SMEs and owner-managed businesses, are subtly (or not so subtly) dialling up their in-office expectations. We're seeing shifts from one day in an office to two, three days in-office to four, or more. It's the "thin end of the wedge", as one client put it. The hybrid model isn't going away, but the balance is shifting. The shift isn't just coming from clients, we're also seeing a growing number of candidates, particularly within certain demographics, actively seeking more time in the office. While a full return to the traditional five-day office week still feels unlikely, the contours of the "new normal" remain anything but clear.

Flexibility isn't limited to hybrid working. It now encompasses flexible start and finish times, job sharing arrangements, compressed hours, and even personalised benefits packages. The traditional 9-to-5 office structure is evolving rapidly, and employers who embrace this broader definition of flexibility are more likely to attract and retain the best talent in an increasingly competitive market.

Generational experiences with workplace norms do vary. Those who built their careers pre-COVID (typically Gen X and Millennials) tend to be more familiar with full-time office-based roles, while many post-COVID entrants (most often Gen Z) began their careers in a hybrid or remote environment and often see flexibility as standard. While hybrid working offers clear benefits, it also presents new challenges for onboarding and development. Without a well-structured approach, there is a risk that early-career professionals may miss out on the informal learning, mentoring, and day-to-day exposure that naturally occurs in a more office-based setting. We have seen that businesses that plan their hybrid models with onboarding, training and knowledge sharing in mind are more likely to avoid these pitfalls and support long-term team growth.



Retention, wellbeing, and the risk-averse Accountant

Retention rates have quietly improved, in part due to economic uncertainty. Accountants, often naturally risk-averse, are hesitant to make a move unless they're confident it's a sure thing. That said, when they do move, it's usually driven by:

- Lack of flexibility/hybrid working
- Poor culture or misalignment of values
- Mis-sold roles (e.g., promised change but no appetite for actual transformation)
- Blocked progression routes

In response, many employers are stepping up. We're seeing more investment in office environments, wellbeing initiatives, and a greater focus on employee engagement, all helping to retain and re-energise teams.

A more competitive candidate market

It's true there are more candidates in the market, and this is generally as a result of redundancies or employer instability. Clients regularly report a high volume of applicants to job ads. But quantity doesn't always mean quality. Many CVs aren't relevant, and sorting through them extends time-to-hire. Add multiple interview rounds, internal approval processes, and slow decision-making into the mix, and it's no surprise that some strong candidates drop out of the process altogether.

Meanwhile, top candidates, particularly those in business partnering or FP&A, are highly sought after. They know their value and are weighing up flexibility, company culture, and future growth as much, if not more, than salary.

Looking ahead

While the current pace of hiring may feel slow, there's cautious optimism for the months ahead. Clients are starting to plan future hires, particularly in strategic finance areas. And with economic and political landscapes (hopefully) stabilising, we may yet see a stronger push for growth in H2.

One thing's for sure: businesses that remain flexible, strategic, and candidate-conscious will have the best chance of attracting, and keeping, the finance talent they need.

Stuart Furneaux, Senior Divisional Manager of Accountancy & Finance at Henderson Scott, shares his take on the current market:

"The market remains challenging, with uncertainty unfolding across both business and political arenas. While many organisations view uncertainty as a barrier to growth, others see it as an opportunity – a chance to adapt, expand, and capture market share."

"When it comes to working patterns, the "new normal" is still far from settled. Interestingly, we're seeing shifting and sometimes contrasting perspectives from both candidates and clients."

Want to benchmark your finance function or explore smarter hiring strategies? **Get in touch** with our **Accountancy & Finance** team to talk through the trends, and how they apply to you.

