

The battle for High-Potentials in the tax sector addressing future competence requirements

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Abstract

The tax sector is facing enormous demographic challenges. The increasing need for well-trained specialists, who are traded as high potentials in the tax sector, poses serious problems for employers. This affects both the tax administration and the tax consulting professions equally. Increasing staff shortages and age-related retirements can no longer be compensated for by increasing simply the number of trainees or recruiting lateral entrants.

The research is highlighting the emerging trend of skills shortages and seeks to identify what structural problems are there by analysing existing data obtained from the personnel statistics of the states or from publications of the professional chambers. In addition, the age cohorts of both study groups were discussed and interpreted. Another focus are the transfer opportunities between the study groups (tax administration and tax consultancy) and entries from outside, e.g. from similar business areas in other EU countries.

Results show similar problems in both study groups, but a steadily decreasing number of self-employed tax advisors and that there is a change towards network structures or mergers. Furthermore, a large proportion of tax consulting firms do not have the necessary resources to compete successfully with large employers in recruiting. This actually results in noticeable recruiting problems, especially for smaller companies. In this context, the investigated lack of transfer opportunities amplifies the overall situation.

Considering the efficiency potential of digitization and the increased development of future competencies among employees, structural development needs and the harmonization of qualifications are addressed as results and recommendations for action.

Keywords: taxation, tax administration, tax consultancy, labour shortage, digitisation