The Great Recalibration

The Role of Technology in Retaining and Recruiting Accountants

Intro

Much has been written about the changing relationship between organizations and their employees. The Great Resignation and Quiet Quitting continue to dominate news reports and conversations from the cafeteria to the C-suite. Yet, little analysis has been given to these topics in the context of accountants and their employers. At FloQast, we're also curious about the role of the work environment—especially the influence of technology—in accountants' plans and expectations.

Thus, the core question guiding this chapter of the Controller's Guidebook is: **What can we learn about talent recruitment and retention from an accountant's perspective?**

Our objective is to inform the companies who employ accounting professionals to help them attract and retain top talent. We're also on the look out for perspectives on how accountants are faring in the current work environment. With a special focus on what influences whether an accountant will stay in or take a particular position, we provide actionable insights that employers and accountants can consider as they navigate the job market.

In conjunction with the University of Georgia Consumer Analytics program, we address this question in this next installment of the **Controller's Guidebook — The Great Recalibration: The Role of Technology in Retaining and Recruiting Accounting Teams.**
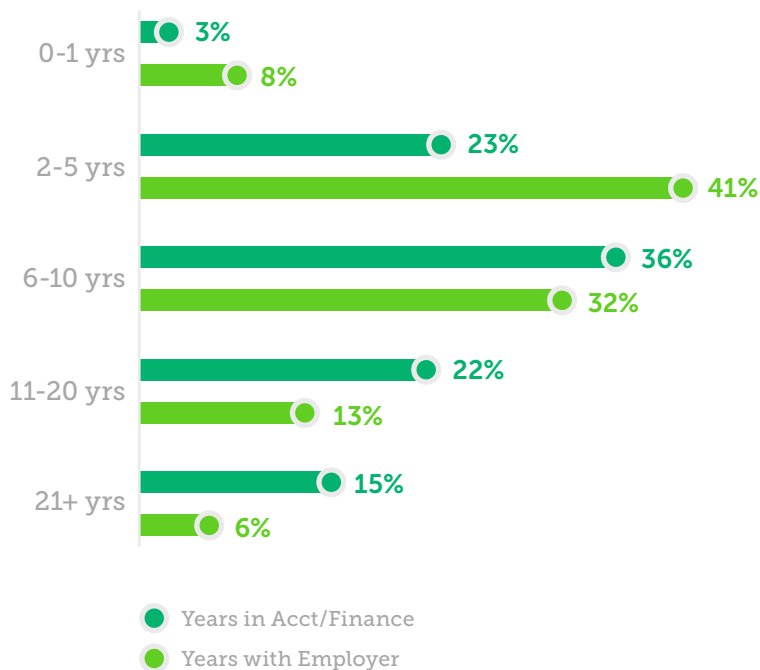
Survey Methodology

For this installment, we surveyed 203 accountants in October 2022. Most (36%) had been an accountant for six to 19 years with the highest percent (41%) being in their current organization for two to five years. Sixty-four percent are CPAs and 75% had worked as an auditor at some point in their career. While many job titles were represented, the two most prevalent titles were accountant (28%) and accounting manager (16%). The average company had been in business 16.5 years. There was a mix of company stages ranging from start-ups to public companies. The average number of accountants on the team was 13.7.
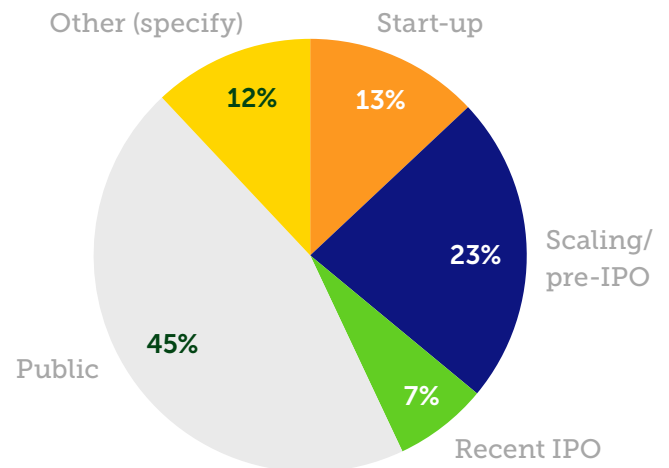
Titles Included in the Study

28% --- Accountant
16% --- Accounting Manager
7% --- Staff Accountant
7% --- Accounting Operations
6% --- Controller
6% --- CFO
6% --- Chief Accounting Officer
5% --- Financial Analyst
4% --- VP of Accounting
2% --- Auditor
2% --- Cost Accountant
2% --- VP of Finance
2% --- Assistant Controller
1% --- Internal Audit

Tenure in Profession and Current Employer

Tenure	Years in Acct/Finance	Years with Employer
0-1 yrs	3%	8%
2-5 yrs	23%	41%
6-10 yrs	36%	32%
11-20 yrs	22%	13%
21+ yrs	15%	6%

● Years in Acct/Finance
● Years with Employer

Company Stage

Other (specify) 12%
Start-up 13%
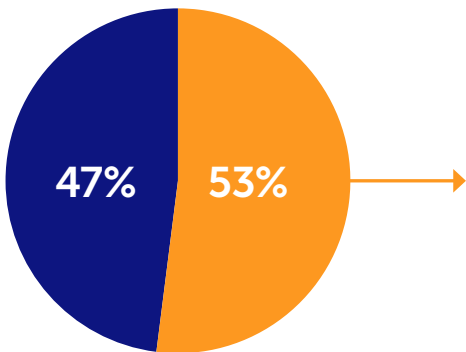Scaling/pre-IPO 23%
Recent IPO 7%
Public 45%

INSIGHT 1 »

About half of current accountants are not entirely sure they will stay with their current company in the next year. Some accountants aren't even sure they will still be accountants.

Our survey of accounting professionals revealed the following insights into the talent crisis currently facing the accounting industry, and the role technology can play as a potential solution.

In our most recent study, we found that 53% of accountants are not sure they will be with their current employer by this time next year. Sixty-five percent of the people who said they might not be with their company a year from now aren't even sure they will still be working in an accounting role. Together, those statistics should be a huge wake up call for employers and the profession.

How Likely Are You To Be Working In This Company A Year Or Two From Now?

How Likely Are You To Be Working Somewhere As An Accountant In Two To Three Years?

*of those who indicated they may not be with their company a year or two from now

47% **53%**

● Not sure
● Definitely will

65%
reported not sure

INSIGHT 2 »

In an attempt to make things tolerable, accountants are recalibrating their work life.

We've all heard about the Great Resignation and Quiet Quitting. People are exiting their jobs in droves, leaving employers struggling to hire while existing employees find new ways to quit without actually quitting. It would be so easy to chalk these findings up to that larger trend.

In our analysis, however, doing so would misrepresent what is really happening. And what is really happening has so much to communicate about what accounting and finance employers should do to retain and recruit employees.

Rather than a resignation or Quiet Quitting, we see these statistics as revealing a

Great Recalibration in which accountants (much like other employees) are rethinking how much of their time, energy, and life work should require of them and what makes work so demanding.

First, let's take a look at what accountants are facing. More than 60% of accountants report they struggle with imbalance between work and life, doubting they can complete the work they've been assigned and, yet, aspiring to take on a more strategic role in their organizations. This combination of struggle and aspiration is a key contributor to the high level of burnout accountants described experiencing in our first report in this series.
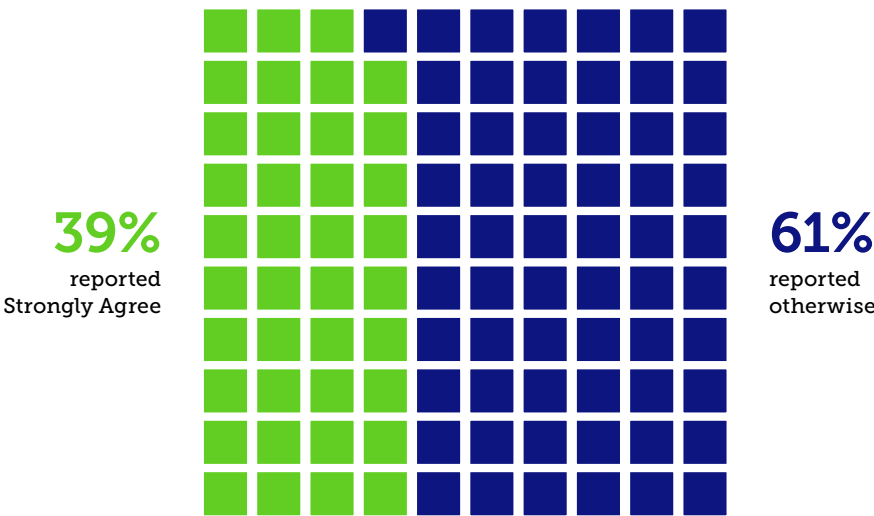
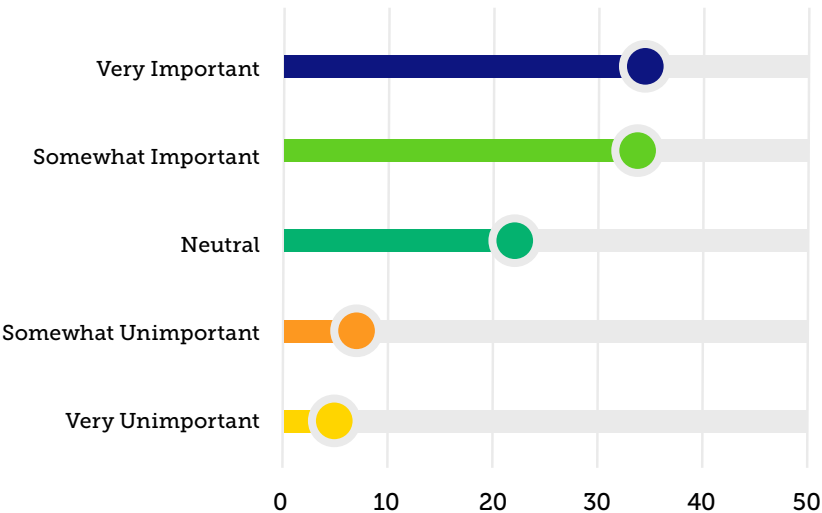## Satisfaction with Work-Life Balance

36% reported Extremely Satisfied

64% reported otherwise
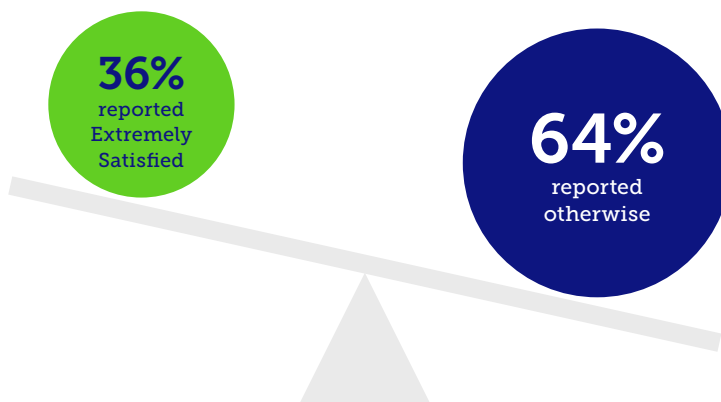
INSIGHT 2 CONT. **»**

Percent of Accountants Who Agree That They Are Able to Complete Their Work

39%
reported
Strongly Agree

61%
reported
otherwise

The Importance of Taking on a More Strategic Role

	0	10	20	30	40	50
Very Important				●		
Somewhat Important				●		
Neutral			●			
Somewhat Unimportant	●					
Very Unimportant	●					

INSIGHT 3 »

Fulfillment from the profession is key to retention.

In this study, we learned more about how burnout translates into retention and recruitment challenges for the organization. The worst outcome of burnout is a loss of fulfillment from the job and, for some, the profession.

Fulfillment from the profession comes from accountants believing their work is meaningful and important—feeling it would take a lot to cause them to leave the profession, and sharing with others how much they love what they do.

The fulfillment accountants get from being in this profession is the fuel that keeps them going and something that employers should have a role in protecting. Fulfillment is directly related to whether an accountant will stay in their job. When a sense of fulfillment is high, accountants are almost five times more likely to stay with their current employer than when fulfillment is just average. They're also more than 12 times more likely to stay compared to someone with low fulfillment.

Probability of Staying in Current Company by Fullfillment Score
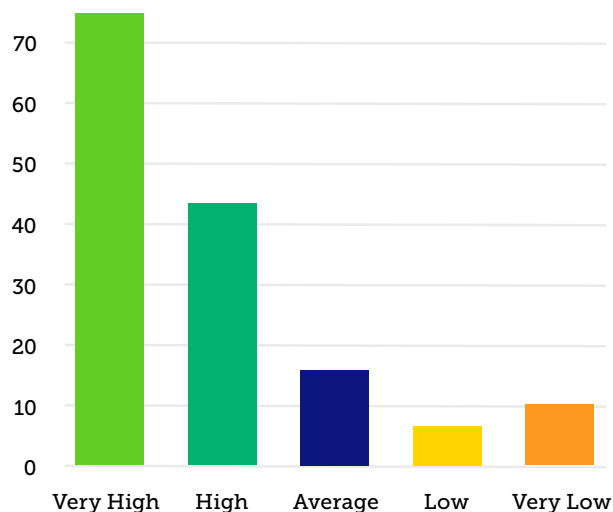
The challenge for employers is that only about 11% of accountants will speak up when they believe their work conditions are less fulfilling than they desire. Almost half (48%) will try to figure out how to fix the situation themselves while 41% will just leave.

The key for employers, then, is being proactive about removing obstacles and helping to restore and maintain accountant fulfillment from their roles. To do that, employers need to understand what matters.

INSIGHT 4 »

The technology and training a company provides its accountants matter in maintaining fulfillment and, ultimately, retention and recruitment.

As is true for people in many professions, flexibility and an opportunity for advancement are important elements, as is competitive pay. For accountants, however, technology and training on how to use that technology is a major factor in the fulfillment they gain from their work and the likelihood that they will stay in a job.

In our **Ch. 2 report**, we identified the different roles that integrated technology solutions, integrated technology systems, and technology with no integration play in accountant burnout.

We defined integrated systems as emphasizing the technology and a number of incorporated tasks or modules. An integrated system includes:

The sense that the technology generally contains certain core competencies, such as a platform build (e.g., many solutions with one interface),

Broad Application Programming Interface (API) functionality (e.g., the ability to talk with many systems agnostically), *and*

Some level of read/write functionality between systems (e.g., an action in one solution can drive action in another solution or vice versa).

INSIGHT 4 CONT. »

Taking the idea of integrated technology a step further, we can note the difference that exists between integrating elements of technology with other technology systems – and integrating technology into human processes such as accounting. The latter is more often referred to as an integrated **solution**, as the emphasis is on seamlessly meeting the user's needs.

In this study, we examined the relationship between these categories of technology and accountant retention through the eyes of the accountant.

Accountants who work with integrated technology solutions describe their technology as being *very integrated*, *fast* and *efficient*, and *more accurate*. They felt their technology made *data more easily accessible* and made their job easier.

"

I have no idea how I would get by at work without the technology I use. It allows me to be much more productive and efficient."

"

It gives the proper and accurate data by which we can make valuable decisions leading to better outcomes."

INSIGHT 4 CONT. »

In comparison, accountants who work with integrated technology systems or a collection of tools without integration tended to focus on the complexity of their systems. Several mentioned *glitches* and *malfunctions* or having to *identify workarounds to get the job done*.

When we asked accountants what they would improve about the technology they use, their responses pointed toward a desire for an integrated technology solution:

> "I would like a better all-around platform with integration for a variety of other tools I need and use."

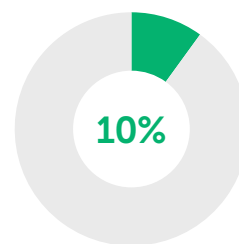> "I would like a completely clean slate and go with an all-in-one solution tailored to our industry."

We next asked whether these technology categories played a role in the likelihood of an accountant staying in or leaving their job. We found that it played a major role. **Accountants who worked with an integrated technology solution had an 80% chance of staying in their job. That dropped to 19% with an integrated technology system and 10% with no integration.**
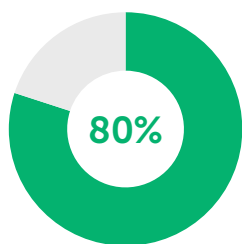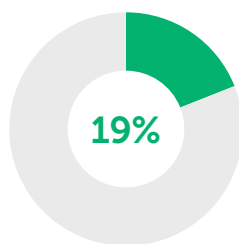
80%	19%	10%
Integrated Technology Solution	**Integrated Technology System**	**No Integration**

INSIGHT 5 »

The accountant's belief in their employer's ability to select and implement an effective technology solution matters in retention.

We learned that accountants look beyond the tools they have at the moment to consider their employer's ability to find and deploy technology solutions. Accountants in this study recognize that digital transformation is one of the driving forces behind long-term growth and success in the modern business world.

Having faith that their company understands how to identify, procure, and implement a technology solution that supports their work matters in retention.

We asked accountants how well they believed their company understood and could address the following:
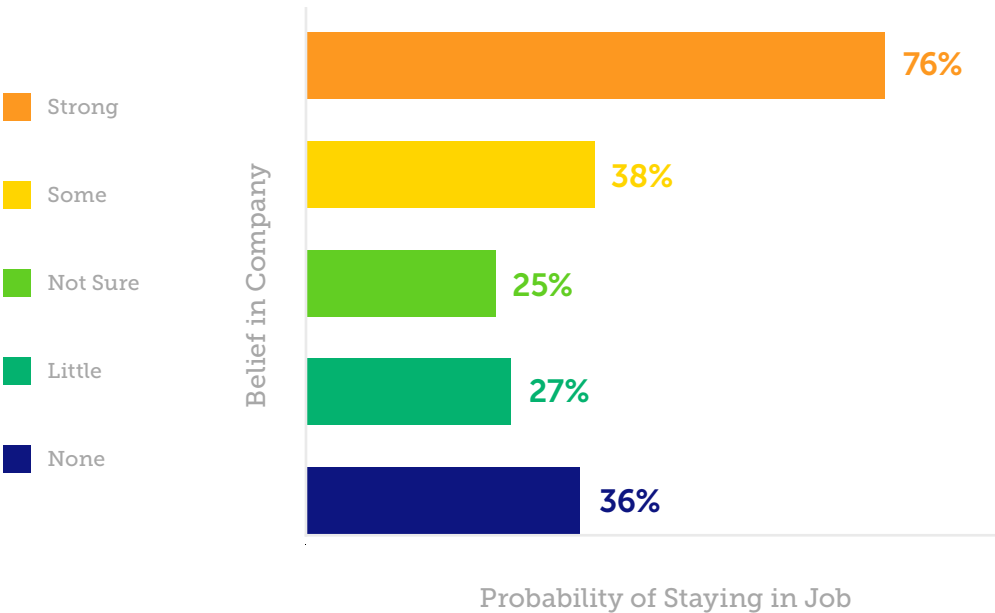
- What is (and isn't) working with current tech?

- The pain points or needs – the must-haves and the nice-to-haves

- Why change is important

- A plan to choose the right technology

- Awareness of options available

- How to decide on a technology solution

- How to implement a technology solution

- The training required to help accountants be successful

INSIGHT 5 CONT. »

When accountants have a strong belief that their company is capable of understanding and addressing these issues, they are three times more likely to stay with that company than when they aren't sure. In fact, 76% of accountants who strongly believe in their company say they are likely to stay in their jobs compared to 25% of accountants who are not sure about their organizations.

Probability of Staying in Current Company By Belief that the Company Can Select and Implement an Effective Technology Solution

Belief in Company

- Strong
- Some
- Not Sure
- Little
- None

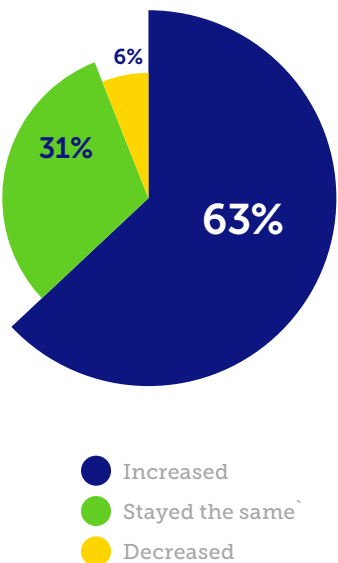| Belief	Probability of Staying in Job
Strong	76%
Some	38%
Not Sure	25%
Little	27%
None	36%

Probability of Staying in Job

INSIGHT 6 »

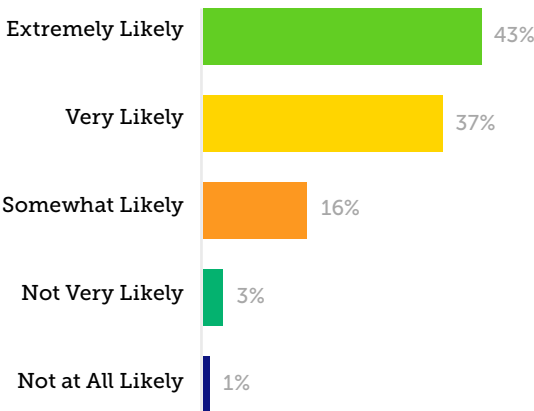# Technology is becoming more important in retention and recruitment.

Our study finds that technology carries a lot of weight in the accountant's decision to stay in their current job. More than 60% of accountants say technology is more important in their job satisfaction today than it was two to three years ago.

It is also a significant factor in an accountant's decision to accept a new position. Forty-three percent of accountants say they are extremely likely to ask about technology when interviewing for a new role. Interestingly, this finding held for all tenure groups—not just new accountants.

How Has The Importance Of Technology As A Factor Of Job Satisfaction Changed Over The Past Two To Three Years?

How Likely Are You To Ask About Technology In Your Next Job Interview?

6%

31%

63%

- 🔵 Increased
- 🟢 Stayed the same`
- 🟡 Decreased

Extremely Likely	43%
Very Likely	37%
Somewhat Likely	16%
Not Very Likely	3%
Not at All Likely	1%

What's an Employer to Do?

The Great Recalibration has revolutionized the role of technology in accounting and how accountants think about their careers. By leveraging integrated technology solutions, organizations are better positioned to remain competitive and continue attracting and retaining accounting talent.

✅ Take a proactive approach to assessing the technology your accountants use in their work.

✅ Seek integrated technology solutions that are purpose-built by accountants, for accountants to protect the sense of fulfillment that accountants gain from their work.

✅ Ensure your organization is capable of identifying, procuring, and deploying those solutions in ways that reinforce the accountant's belief in its abilities.

✅ Be prepared to address questions about your technology solutions when recruiting new accountants.
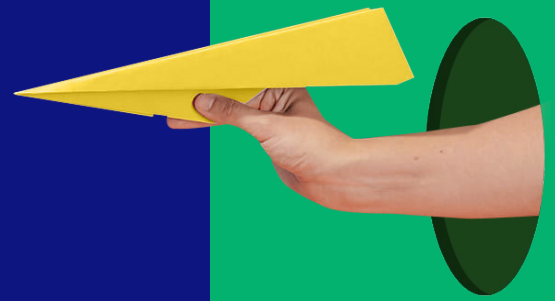
By making the right investments in technology today, you'll be on the path to future-proofing your organization and ensuring you're one step ahead of the competition in the war for top talent.

FloQast remains dedicated to decoding the DNA of accounting through ongoing research and exploring the critical issues impacting professionals while working to develop best practices and powerful solutions for the areas where current systems fall short.

To learn more and explore additional resources for managing burnout amongst accountants, including our **Ch. 1 and Ch. 2 Controller's Guidebook** research, visit **FloQast.com**.

FloQast works with the Consumer Analytics Program at the University of Georgia through an experiential learning partnership to complete this and other related studies. 100% of the program's funding supports the students who work on these studies. FloQast benefits from the insightful work the students conduct, and the students benefit from the real-world experience.