

FUTURE OF WORK SURVEY

2022



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INTRODUCTION

As we approach three years from the beginning of the coronavirus pandemic, the fuzzy picture of the future of work is coming into clearer focus. The pandemic ushered in new ways of working that are here to stay, and now CPAs and their organizations are determining the best ways to use the information they gleaned from the past to create a sustainable future.

In 2021, CPA leaders around the state began asking: When will we or will we ever return to the office? What will the future of the workplace look like? Now, many believe hybrid work is here to stay, and they're doubling down on increasing technology investments to make that happen. More reliance on technology, however, increases heartburn over the risk of cyber threats.

In addition, capacity challenges continue to keep CPAs up at night. Talent wars, coupled with overwork and burnout, are forcing CPAs to implement creative solutions like outsourcing and offshoring — all while investigating salaries and benefits.

It's clear there are viable paths to ensuring the accounting profession is vibrant and healthy in the year to come. CPAs and their organizations just need to make sure a future-forward focus is part of their long-term strategies.

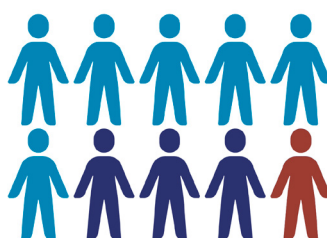


RESEARCH METHODOLOGY

The 2022 VSCPA Future of Work Survey was conducted online between June 21, 2022, and July 8, 2022, and was sent to VSCPA members across all industries in the CPA profession to explore attitudes toward the workplace of the future, including plans and key considerations.



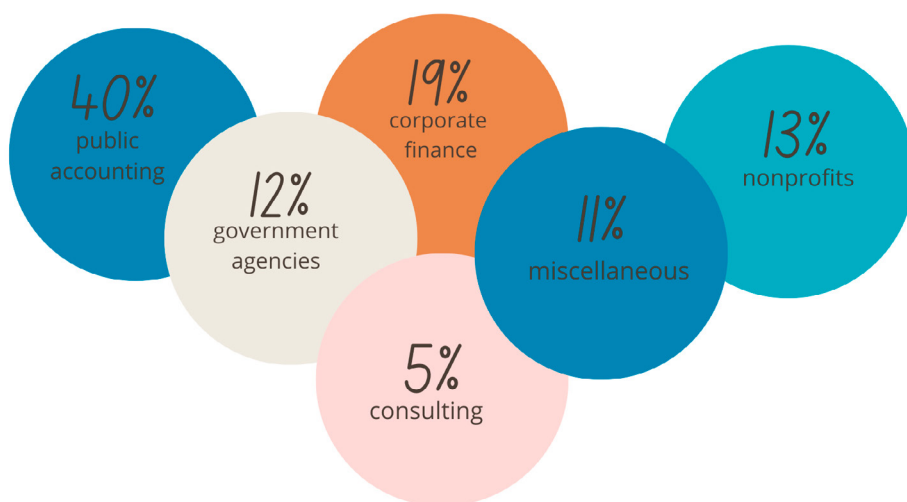
359
VSCPA
members
responded.



54% of respondents are female, 42% male, and the remaining 4% preferred not to answer.

77%

are in management positions and the remaining 23% are in staff positions or are firm administrators, educators or consultants.



29% work for organizations with an annual revenue of \$100 million or more, 48% in the \$1-100 million range, 20% in the \$50,000-1 million range, with the remaining 3% falling under \$50,000.

RESEARCH METHODOLOGY

AREAS OF VIRGINIA ARE ALL REPRESENTED

75%

are white/Caucasian, 6% Black, 4% Asian/Pacific Islander, and smaller percentages represent as Hispanic/Latino, multiracial or biracial, Native American or Native Alaskan or other.

29% of respondents are from Northern Virginia, 20% Tidewater, 18% Richmond, 6% Shenandoah Valley, and smaller percentages are from Battlefield, Central Virginia, Highlands, Piedmont, Roanoke and Thomas Jefferson. Almost 7% are from outside the state.

30%

of respondents are under the age of 45.

25%

are between the ages of 45–54.

32%

are between 55–64.

13%

are over 65.

MORE THAN HALF OF RESPONDENTS



work for companies with more than 50 employees. 20% represent organizations of 11–49 employees and 24% companies with 2–10 employees.

KEY FINDINGS

- **CPAs are open to change and embracing innovative practices to prepare for the future of work.** Organizations are quickly adopting new technology, enhancing work flexibility options, and prioritizing certain lines of business to meet their core business goals. They are making key investments over the next year, including accelerating automation.
- **The most significant challenge facing CPAs' firms and organizations is understaffing and overwork — and it's affecting employees' work-life balance and generating burnout.** More than half of respondents confirm that capacity challenges are constant in their firms and organizations — and workforce recruitment/retention is the most critical professional challenge. The No. 1 tactic CPAs are using to address capacity is automation and enhancing work with technology. Other tactics include upskilling current staff, widening diverse recruitment efforts and hiring remote workers.
- **Hybrid workplaces are here for at least the next year.** Whether it's a majority onsite or a majority remote, hybrid models reign supreme over the next 12 months.
- **Flexibility in schedules is more important than salary.** With the pandemic thrusting remote work and flexibility into the spotlight, workers value the ability to mold schedules and create better work-life balance. Workers at different levels, however, do rank benefits differently. Seventy percent of those in a staff position give flexibility the highest-importance rank, while only 54% of execs and 61% of partners rank it that high.
- **There is room for improvement in newer CPAs' salaries.** Those in manager, supervisor, associate and staff positions are not wholly satisfied with their compensation, while upper-level CPAs (partners, executives) are.
- **Preparing technologically for the future of work comes with security challenges.** Regardless of workplace, CPAs are concerned about cybersecurity threats. Additional challenges include training staff on new tech, high costs, and adequate IT support.



PREPARING FOR THE FUTURE OF WORK

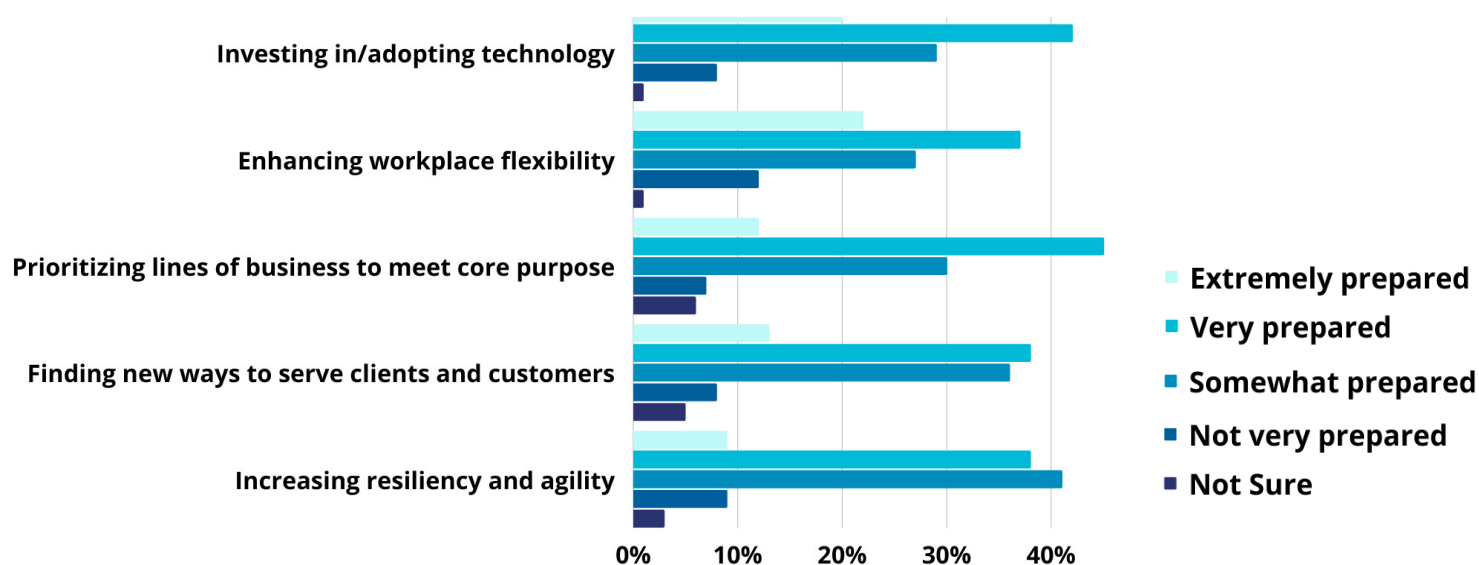
CPAs understand that making radical changes and embracing innovation will be key to growth and success in the coming years; the status quo is no longer good enough. With a variety of challenges hitting them from all angles, including a lack of staff and an abundance of commitments, CPAs are embracing new ways of tackling the world of work.

CULTIVATING A CULTURE OF CHANGE

First, however, leaders must be open to the possibility of change. Luckily 86% of respondents say that is the case at their organization. While encouraging, 51% believe leaders may be open but change happens slowly. As new markets and technologies emerge, change may have to happen more quickly than leaders would previously be comfortable with. There are positives and negatives to quick adaptation, however. As one respondent says, leadership “implements change without thinking through the full effect the change will have when rolled out.”

TECHNOLOGY PREPARATION IS CPAs’ LARGEST FOCUS

With all the changes pressing down on business, from inflation to shifting global dynamics to morphing federal regulations, CPAs are ensuring technology receives top investment and adoption. A full 62% of respondents say they are extremely or very prepared to invest in and adopt new tech. A full 77% of CPA firm partners believe their organizations are extremely or very prepared in this area; that number slips to 51% of executives or C-suite-level CPAs — perhaps showing a disconnect between tech adoption among firms and corporate finance departments.



PREPARING FOR THE FUTURE OF WORK

CPAs in the corporate finance world are more apt to expand their lines of business, with 46% extremely or very prepared; in public accounting, only 35% have that as a focus.

Enhancing workplace flexibility, prioritizing lines of business, finding new ways to serve customers, and increasing resiliency round out the top five areas in which CPAs believe they are most prepared.

Areas that require complete overhauls are not as high on CPAs' radar. Thinking about staffing and capacity in different ways, upskilling, reimagining organizational structure, and expanding new lines of business take strategic focus and time — something many organizations just don't have the bandwidth for. "I don't need new lines of business," one respondent says. "I turn clients away because I can't find staff."

THE WORK GETS DONE INSIDE AND OUTSIDE THE OFFICE

Most organizations are now deploying or plan to deploy a hybrid of remote and onsite work. Few plan to be fully remote or onsite within the year, while around a quarter plan to be in a hybrid model (whether mostly onsite or mostly remote) a year from now.

An over-arching theme? Uncertainty. A vast majority of respondents said they are unsure of any of the options.

When comparing these results to the 2021 Future of Work Survey, it's clear that CPAs do not have powers to see the future, unfortunately. During the summer of 2021, respondents were optimistic that onsite work would increase drastically — and double over the next 12 months. That, of course, was before multiple coronavirus variants instigated various levels of constraint. With CPAs having a better understanding now that "you don't know what you don't know," their uncertainty is warranted.

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"We are currently recruiting staff outside of our footprint and have fully remote team members. We will like reduce our footprint prior to expanding it, unless expansion is through an acquisition."

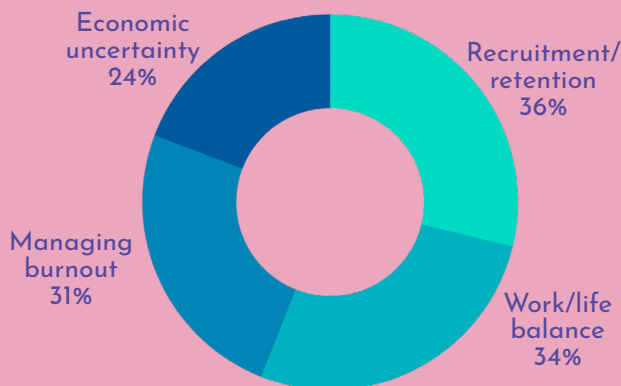
A PROFESSIONAL WAKEUP CALL

When CPAs list their top three professional challenges as workforce recruitment/retention, work-life balance, and managing burnout — the picture comes into glaring focus. The talent shortage is affecting all employees on a micro level, and it's bleeding into their day-to-day satisfaction.

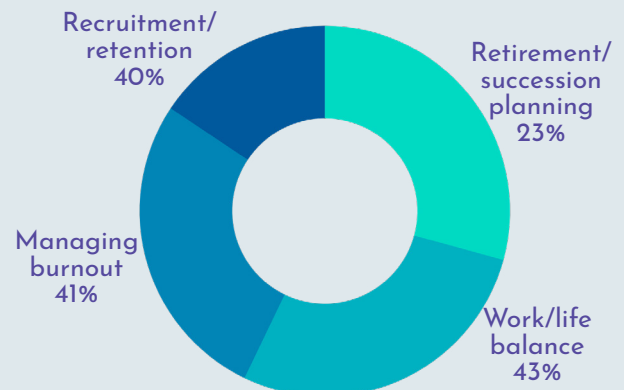
On the bottom of the list? Staying employed, for one. With rising talent wars, job security is at an all-time high. Capacity challenges permeate every industry, and CPAs are employing different tactics to combat them.

CPAs' CRITICAL PROFESSIONAL CHALLENGES

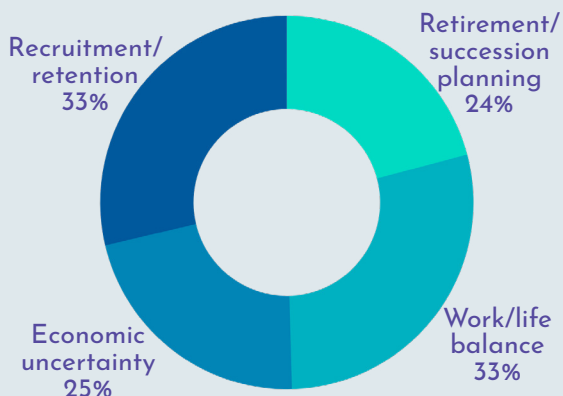
All respondents



Public accounting



Corporate finance



These findings mirror the 2021 survey results, when staffing challenges were also ranked in the top position.

CREATING CAPACITY TO DO THE WORK

Too much work and too few bodies. That's the challenge many CPAs face — particularly in public accounting. A total of 44% respondents say they are understaffed with too much work, but that jumps to 53% of those in public accounting; only 8% are at the sweet spot of the correct number of staff and work. Industry and corporate finance CPAs do fare better with 31% understaffed and overworked and 30% at the correct capacity level.

These results mirror findings from other studies. The [2022 CPA Firm Top Issues Survey](#) from the American Institute of CPAs found that, among public accounting firms with more than 10 employees, finding qualified staff was the top concern.

CPAs ON THEIR ORGANIZATIONS' CAPACITY



CALLING ALL QUALIFIED ACCOUNTANTS!

More than half of respondents confirm that capacity challenges are constant in their firms and organizations — and workforce recruitment/retention is most critical professional challenge.

As one respondent says, it's difficult to satisfy "the demand from existing clients and referral sources without stretching our workforce too thin and ruining people's work-life balance."

CREATING CAPACITY TO DO THE WORK

Overwork leads to low morale among employees, but hiring new staff can be nearly impossible in some markets. Several respondents cite high salary demands by CPA candidates as a barrier to hire, but even potential staff do not have the right skills to complete the work. A refrain from many CPAs: it's difficult to find quality employees who are motivated to work. With long-time employees and partners retiring in many organizations, the strain to fill shoes is felt across the board.

“Client requests, calls and emails are nonstop. I do this for eight hours a day, and then do “actual” work at night and on weekends. I’m so burnt out and exhausted and there’s no end in sight.”

CREATING SOLUTIONS

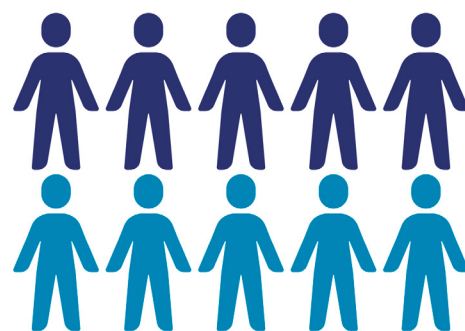
The No. 1 tactic CPAs are using to address capacity is automation and enhancing work with technology. Other tactics include upskilling current staff, widening diverse recruitment efforts, and hiring remote workers.

“We have too much demand for our boutique services and no one with adequate experience to join us.”

Remote hiring, outsourcing, and even offshoring are solutions being explored by public accounting firms. A quarter of public accounting respondents are now currently or planning to use offshoring solutions to alleviate the burden on United States-based staff.

Additionally, hiring challenges are forcing many employers to hire more non-CPA staff. A full 50% of respondents said hiring non-CPAs is a current tactic or in the works. This trend is especially prevalent in public accounting firms, with 64% reporting it as either current or planned.

Increasing salaries and adding benefits/incentives is also on the table. More than half of respondents in public accounting, 55%, are offering more money to recruits, as are 43% in corporate finance, 53% in nonprofits, and 59% in government.



**HALF OF RESPONDENTS
ARE HIRING NON-CPAS**

CREATING CAPACITY TO DO THE WORK



CPAs ARE
CURRENTLY USING
OR PLANNING TO
ADD THESE
INNOVATIVE
CAPACITY
SOLUTIONS

AUTOMATING OR ENHANCING
WORK WITH TECHNOLOGY

63%

UPSKILLING CURRENT STAFF

57%

WIDENING RECRUITMENT TO
MORE DIVERSE WORKERS

52%

INCREASING SALARY

51%

HIRING MORE NON-CPA STAFF

50%

HIRING REMOTE WORKERS
LOCALLY OR REGIONALLY

44%

HIRING GIG OR SEASONAL
WORKERS

43%

HIRING REMOTE WORKERS
NATIONALLY

38%

OUTSOURCING WORK WITHIN
THE UNITED STATES

36%

WHAT WORKERS WANT

As employers hope to attract more talent to alleviate capacity concerns, understanding the importance of certain benefits will be a key to success. CPAs rank the following as their top five most important benefits:

1. Flexible schedules
2. Salary
3. Benefits package (401K, bonus, health insurance, etc.)
4. Vacation and sick leave
5. Remote work

Fueled in the aftermath of the pandemic, flexible schedules outrank salaries — against popular assumption. There are differences broken down by position, however.

Executives/C-suite

1. Flexibility
2. Vacation/sick leave
3. Remote work
4. Salary and Benefits (tied)

Partners

1. Flexibility
2. Vacation/sick leave
3. Salary
4. Remote work
5. Benefits

Managers/Supervisors

1. Flexibility
2. Remote work
3. Benefits
4. Vacation/sick leave
5. Salary

Staff/Associates

1. Flexibility
2. Vacation/sick leave
3. Salary and Benefits (tied)
4. Remote work

Staff and associates are not as concerned with remote work; many are willing to go into the office, perhaps to make more face-to-face professional connections as they begin their careers. Less important benefits for all respondents were consistently employee resource groups, corporate social responsibility and childcare support.

It's worthy to note that the professional group most concerned about salaries are those specifically in the associate role — they're past their first promotion but are eager to climb the ranks and make more money.

DESIRE VERSUS REALITY

So, how are CPAs' employers performing on these factors? It depends on who you ask, and about what.

Some CPAs' satisfaction with their organization's benefits aligns with the importance respondents place on those benefits. For example, 43% of partners rated flexibility the highest on a 10-point scale, and 43% also said they are extremely satisfied with their company's offering in that area.

WHAT WORKERS WANT

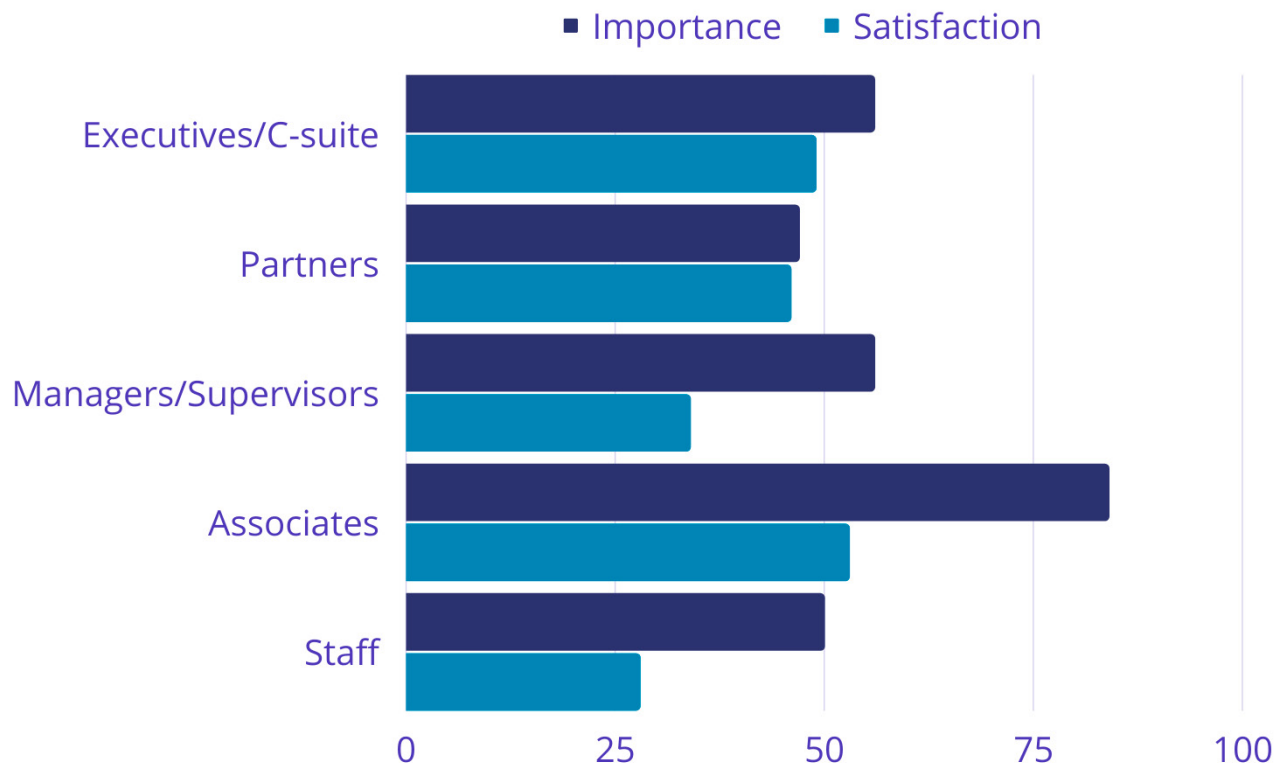
Salary is a different story. While it makes an appearance at No. 2 in importance for all positions, it drops to No. 4 when respondents rank satisfaction, indicating organizations are not meeting expectations.

But it's within each position that a clearer picture is told: Upper-level staff are fairly satisfied with their salaries, but satisfaction drops of significantly for entry-level CPAs and new managers.

"We have the best health insurance in the marketplace, excellent retirement benefits (especially for employees over 50), and excellent paid leave. Salary — not so much."

SALARY IMPORTANCE VERSUS SATISFACTION

The below graphs show the importance of salary to each position next to how satisfied respondents are with salary. These reflect any respondents who rated salary a nine or 10 in importance/satisfaction on a scale of 1–10.



TECHNOLOGY: FRONT AND CENTER

CPAs are largely focusing on technology investment and adoption to prepare for the future — with many CPA firms well-prepared already. The most adopted technology now, unsurprisingly, is a remote work solution such as Office 365, Zoom or Slack. Very few respondents are now using or even planning to use blockchain, cryptocurrency and non-fungible tokens, the metaverse, or digital twins in the next year.

The top five technologies respondents plan to add in the next year are, by order of importance, advanced cybersecurity measures (21%), artificial intelligence (14%), workflow software (13%), robotic process automation (10%), and enterprise resource planning (ERP) (10%).

While most business types align with their technical implementation, public accounting firms are falling short in comparison to their corporate cousins in ERP. 64% of industry respondents say they currently use or will be adding ERP, while 28% of public accounting firms are doing the same.

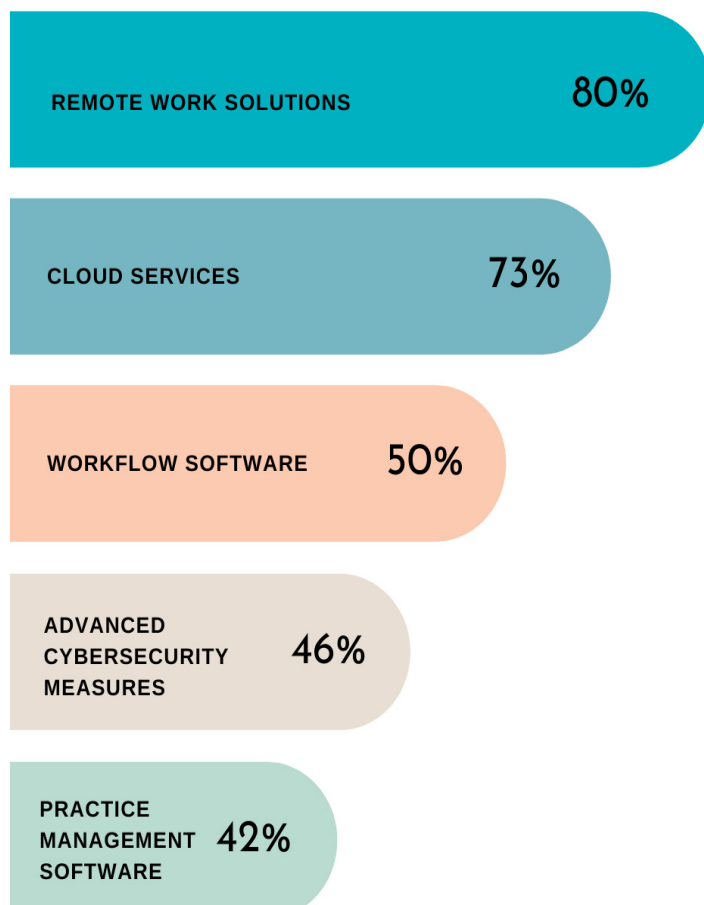
THE TECH BOOGEYMAN: SECURITY

It's clear that CPAs *want* to prepare for the future and are willing to implement new technologies to do it. But challenges remain. Cybersecurity keeps CPAs up at night, no matter where they work. Public accounting CPAs are particularly concerned about the security of client data, while other respondents worry about data privacy protection and cyberthreats.

Other technical challenges include the rising costs of new technology, knowledge sharing, platform reliability, staff and support, training, and project management/workflow.

“There is a lot of opportunity with technology, but a large learning curve to get it running efficiently and effectively and keeping it that way.”

TOP FIVE TECHNOLOGIES CURRENTLY USED BY CPAs



BECOME A FUTURE-FORWARD CPA AND ORGANIZATION

The VSCPA wants *all* CPAs to use the knowledge gleaned from this survey to develop viable paths forward and ensure the sustainability of their businesses and practices for years to come. Here are a few places to start:

- CPAs indicate they are open to change and are quickly adopting new technology, enhancing work flexibility, and prioritizing certain lines of business. That's why it's crucial to **develop a plan to assess, manage and adopt change quickly but thoroughly**. Leadership must consider all relevant stakeholders and be transparent to the full staff. Quick adoption doesn't necessarily mean skipping due diligence, so develop a plan that allows you to be agile yet thorough.
- With understaffing and overwork the most significant challenges facing CPAs and organizations, **leaders must recognize that people are burning out and need more balance**. Solutions to these issues may look different depending on company size, resources, etc., but acknowledgement and attempting solutions, no matter how small, will go a long way to show staff they are heard and valued.
- **CPA firms in particular must make solving the capacity crisis front and center**. This may mean getting uncomfortable with new solutions never considered — outsourcing, for example. To begin, this could look like making capacity the first line of business at partner meetings. Regardless of how an organization chooses to address capacity, a multi-pronged approach will be necessary.
- With flexibility the No. 1 benefit important to CPAs at all levels, enhancing flexibility options may be the golden ticket to keeping staff happy. **Leaders should regularly assess and review flexibility options, poll staff to ensure their needs are being met, and remain open-minded** to a new and potentially healthier way of working.
- **Top leadership and HR departments must consider what benefits are most important to specific positions**. If you need a new CFO or partner, offering unlimited paid time off could be enticing. Higher salaries or better 401K matching may lure a new staffer.
- **Review the compensation landscape each year to make sure you are paying competitively**. Will salary satisfaction ever be met for new and younger professionals eager to climb the corporate ladder and earn more compensation? Maybe not, but it's worth diving into market rates to find out what would make them satisfied.
- **The time is now to invest in cybersecurity**. Everyone is scared about adequately protecting client data and implementing lock-tight privacy practices. Engage with cybersecurity experts to ensure your organization is staying ahead — not falling behind.

BECOME A FUTURE-FORWARD CPA AND ORGANIZATION

LET THE VSCPA HELP

It can be overwhelming to keep up with day-to-day tasks, let alone plan for the future of your business. How do you know where to start? That's where we come in. We're here to be your go-to resource for professional issues updates, cutting-edge CPE and curated content.

Education catered to you: With hundreds of trainings available, you're sure to find CPE on topics important to you. And a bonus for all VSCPA members — you can earn [20+ free CPE credits](#) on emerging issues including talent retention, technology trends and more. Upcoming relevant education:

- [Capacity-focused CPE](#)
- [Technology-specific learning](#)
- [Leaders' Summit](#)
- [Mental Health Virtual Summit](#)
- [Succession Planning Bootcamp](#)

Strategic services to transform your workplace: As you've seen throughout this report, organizations are looking for solutions to strategically move their businesses forward. Whether you're reinventing your organizational culture, navigating an organizational shift, or just need a meeting facilitator, **VSCPA Strategic Insights** will help your business thrive well into the future. Learn more at vscpa.com/VSCPAStrategicInsights.

Staffing solutions: If you're trying to recruit great talent or just need advice on the hiring process in general, our [Career Center](#) has you covered. We've also partnered with [Accountingfly](#) to fulfill your remote talent needs, with special discounts for VSCPA members.

Resources galore: You've got enough on your plate, so we've compiled various resource centers, survey results and more to help your organization stay on a future-forward path.

- 2022 Future of Work Survey — view the full survey results
- [NEW — Capacity Resource Center](#)
- [Center for Innovation Resource Center](#)
- [Career Center](#)

ABOUT THE VSCPA

The Virginia Society of Certified Public Accountants (VSCPA) is the leading professional association in the Commonwealth dedicated to empowering CPAs to thrive. Founded in 1909, the VSCPA has nearly 13,000 members who work in public accounting, corporate finance, government and education. To meet its mission, the VSCPA is focused on five top strategies: create a culture of learning; drive innovation and vision; increase diversity, equity and inclusion in the profession; influence students to become CPAs; and advocate for CPAs' interests. For more information about the VSCPA, visit vscpa.com.

