

Hello. It looks like you're using an ad blocker that may prevent our website from working properly. To receive the best experience possible, please make sure any blockers are switched off and refresh the page.

If you have any questions or need help you can email us

controllers and other certified public accountants in U.S. companies who ...

Dec. 01, 2022



Some 51% of business executives say the U.S. economy is either already in recession or will be by the new year, according to the fourth-quarter [AICPA & CIMA Economic Outlook Survey](#). The survey polls chief executive officers, chief financial officers, controllers and other certified public accountants in U.S. companies who hold executive and senior management accounting roles.

Only 12% of business executives expressed optimism in the U.S. economy over the next 12 months, the lowest level since the throes of the Great Recession in early 2009. That compares to 18% last quarter and 41% a year ago. Inflation, rising interest rates and high energy costs were cited as key reasons for pessimism in the outlook.

One major overhang for finance teams in recent quarters is uncertainty. One-in-four survey takers say their organizations have increased their rounds of forecasting

compared to what they were doing during the pandemic economy. Roughly another

Hello. It looks like you're using an ad blocker that may prevent our website from working properly. To receive the best experience possible, please make sure any blockers are switched off and refresh the page.

If you have any questions or need help you can email us

supply chain integrity and recession risk,” said Tom Hood, CPA, CITP, CGMA, the AICPA & CIMA’s executive vice president for business engagement and growth. “We expect this pace to stay strong as companies work on their cash flow through the next few quarters.”

Key pressure points for CFOs as they grapple with heavier workloads, Hood noted, are finance team staffing and digital transformation of finance work streams.

The AICPA survey is a forward-looking indicator that tracks hiring and business-related expectations for the next 12 months. In comparison, the U.S. Department of Labor’s November employment report, scheduled for release tomorrow, looks back on the previous month’s hiring trends.

Other key findings of the survey:

- On hiring, 34% of business executives said their organizations are looking to fill roles immediately, the same as last quarter, while another 17% said they had too few employees but are hesitant to hire. Eight percent said they had too many employees, an uptick from five percent last quarter.
- Profit expectations for the next 12 months dipped into negative territory (-0.2% decline), down from zero anticipated growth last quarter. Revenue growth projections also fell from 2.6% to 2.1%, quarter over quarter.
- Business executives’ optimism about their own organizations’ prospects over the next 12 months dropped another six points from 41% to only 35%
- Forty-five percent of business executives said their companies had increased their cash position in the past 12 months, with 14% saying they had raised cash on hand substantially.
- U.S. business executives’ outlook on the global economy over the next 12 months also fell, from nine percent last quarter to seven percent.

- Inflation was the top concern of business executives for the fifth straight quarter.

Hello. It looks like you're using an ad blocker that may prevent our website from working properly. To receive the best experience possible, please make sure any blockers are switched off and refresh the page.

If you have any questions or need help you can email us

CPA Practice Advisor is registered with the National Association of State Boards of Accountancy (NASBA) as a sponsor of continuing professional education on the National Registry of CPE Sponsors.

© 2024 Firmworks, LLC. All rights reserved