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a smart and strategic solution for accounting firms to address the ongoing talent shortage in the U.S.

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By Paula Laurenti, Key Accounts Manager at [SAPRO](#).

The U.S. accounting profession is facing a severe shortage of certified accountants.

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complexity, while fewer students pursue accounting as a profession. Despite a 9.10% increase in regional completions from 2010-2021, there was a 12,789 completion decline from 2019-2020 alone. Encouraging more students to pursue accounting careers is necessary to meet the growing demand for skilled professionals in this field.

The baby boomer generation retiring at a rapid pace is leaving a significant gap in the accounting industry, and firms are struggling to replace experienced professionals. Annual Replacement Employment for accountants and auditors in the US was 114,730 between 2020-2021, projected to rise to 129,627 by 2025-2026.

The pandemic has also impacted the accounting industry, with firms cutting back on hiring and training, challenging talent attraction and retention, and exacerbating the shortage of certified accountants. The labor force participation rate in the U.S. has steeply declined, from 63.4% pre-pandemic to 62.1% currently, largely explaining the shortage of skilled accounting professionals.

### **Addressing the Shortage with Talent Augmentation**

The shortage of certified accountants in the U.S. is a significant problem requiring immediate attention. One solution is talent augmentation, outsourcing talent to reinforce the workforce and access expert talent globally. Talent augmentation companies have a vast network of highly skilled professionals for short or long-term projects. They provide the expertise accounting firms need to stay competitive, saving on training costs and reducing the burden on existing staff to focus on core tasks.

### **Gain a competitive advantage with on-demand talent**

Talent augmentation provides accounting firms a competitive edge by accessing a diverse pool of talent, including niche experts, for complex projects. Along with the

shortage of certified accountants, firms face budget and time constraints, and the

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Continuous high-quality work is another advantage. Additionally, extensions can help firms create a more diverse workforce by accessing talent from around the world.

The key advantage of extensions is preferential pricing. When a firm enters into a multi-year agreement with a talent provider, they can negotiate better pricing and save significant costs over time. Outsourcing talent can furthermore help firms save money on salaries, benefits, and other costs associated with hiring and training employees, as well as avoid the costs associated with maintaining office space and equipment.

Access to growth markets is another benefit of extensions, as firms gain access to a dedicated facility and talent pool to help them expand into new markets and regions. This can be especially valuable for firms that lack the resources or expertise to do so on their own.

### **Retain access to skilled global talent through extended outsourced talent contracts**

Extensions also offer solutions to attrition and retention concerns in today's fluid market conditions. Outsourced talent providers have a steady pool of talent sourced globally, so firms can easily replace resignations or poor performers without disrupting their operations. Longer-term deployment reduces volatility and increases flexibility, which helps firms better plan and manage their operations. Firms can scale their workforce up or down as needed. This approach is especially useful for firms that experience seasonal fluctuations in demand or need to staff up for specific projects.

Extensions can recession-proof a business and help firms achieve growth aspirations. Partnering with an extension provider gives access to talent and

resources to weather economic downturns, expand services, and compete with larger

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address the ongoing talent shortage in the U.S. This approach can help firms achieve their growth aspirations while providing high-quality services to their clients.

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