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firms to turn down clients during busy times.

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*By Lizzy McLellan Ravitch.
The Philadelphia Inquirer (via TNS)*

Molly Kowal decided to become an accountant in part because she knew it would be a stable career. After graduating from college in 2021, she saw friends in other fields struggling to find work but knew she would be able to find a job.

But that doesn't mean she's willing to work into the wee hours during busy season.

“My generation is more focused on maintaining that work-life balance,” said Kowal,

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“I left because at some point I didn't feel like myself,” Pham said. Last summer she became a tax accountant at wealth management firm Stonehage Fleming. “The workload is definitely a lot more manageable,” she said.

The 2024 tax and audit season, which generally stretches from mid-January to mid- or late April, hasn't been quite as challenging as it was in pandemic years, industry experts said. But the accounting field is still in the midst of a talent shortage that's [causing some firms to turn down clients](#) during busy times.

It's pushing accounting leaders to consider new ways of operating their firms, as young talent gets frequent outreach from competitor firms and recruiters.

“We're a couple of years into [this human capital issue](#),” said Jen Cryder, CEO of the Pennsylvania Institute of Certified Public Accountants (PICPA). And the problem has become more severe for employers that didn't adapt.

“The firms that have taken it seriously in the last four years made significant changes, implemented technology, and really thought about ‘How do we make this a great place for our people to be?’ have far less of a talent crisis right now,” Cryder said.

Finding flexibility and efficiency

Cryder said accounting is experiencing the same talent crunch many other professional services are seeing, but perhaps “more acutely” because of the specific educational requirements for public accounting. A CPA must complete 150 credit hours of college education, get a year of work experience, and pass an exam.

To bring in new hires, firms have gotten more flexible in their hiring, said Christine Endres, a senior regional director for recruiting firm Robert Half. They may bring on

somebody with a lower skill level who seems trainable, or they add flexibility for

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work and also have the ability to get other things done,” Grace Kowal said. “It’s a good way to ensure (people) stick around or to make hiring easier.”

But for some young talent, time in-person with colleagues may be a draw. Molly Kowal is expected in the office three days a week, and she likes being there. During busy season, she said, “the days are long, but you get to see your coworkers and suffer through it together.”

Endres said fully remote hiring has largely subsided in accounting, but “free-flowing” hybrid arrangements with less-than-strict requirements for in-office hours are the most common.

“I don’t think there’s a right answer in terms of fully remote or hybrid,” Cryder said. “That is so specific to the firm culture and who their team is and who they’re serving in their client base.”

A 55-hour rule

While the Kowal sisters have different arrangements and preferences for where they work, both have seen their firms encourage a limit on billable hours per week.

Molly Kowal said some firms are also advertising this externally, often using a “55-hour rule” during busy season as a way to draw in candidates. Grace Kowal said this seems to be a decrease from years ago, when people might bill 60 to 70 hours a week, or more.

“I have managers that are making sure we’re not working crazy hours,” Molly Kowal said. “As a way to maintain people staying, they’re aware of trying to keep a more realistic goal.”

“We’re getting the work done, but not burning people out,” Grace Kowal said.

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replaced by technology for most firms these days.”

They are also increasingly bringing on non-accountants to handle administrative work and other non-accounting tasks, Endres said. She’s noticed more hiring for those support roles in recent years.

Still, some firms must turn down potential client work at times.

That often leaves smaller and highly regulated organizations, like nonprofits and community banks, without a public accounting firm to help with their audits, Cryder said. One of the ways PICPA is looking to address this is by pushing for state legislation that would raise the revenue threshold at which these organizations must be audited.

“On the surface that might sound counterproductive,” Cryder said. “But we feel like the threshold is too low, and it’s requiring a lot of these really tiny organizations to get audits that just don’t need it. The risk is just not there.”

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