

Profession Opportunity Update

Sue Coffey, CPA, CGMA – CEO Public Accounting

June 2025 – LEA Global

Forces shaping the profession

Evolution of
traditional services



Firm/business
structures

Government policy
and regulation



Quality
and trust



Human capital/
competency evolution

New and emerging
areas/competition



Innovation,
transformation
and technology

Current AICPA Strategic Priorities

Transform the global accounting and finance profession



Developing future professionals
(Addressing talent pipeline)



Serving the public interest
(quality and advocacy)



Enhancing people, culture, and capabilities
to serve our members excellently



Transforming professionals
(Skilling and reskilling)



Transforming firms, corporate, and NFPs
(TYBM)



Listening and connecting

Continue to share your feedback
at AskMark@aicpa-cima.com
or through the **Town Hall Q&A**.

AICPA CEO listening tour key themes

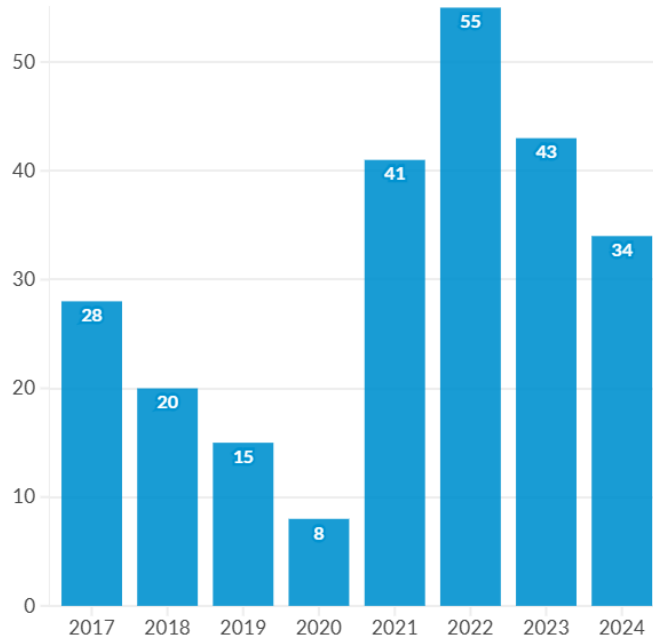
- Private equity
- Use of CPA
- Return to office
- PCAOB
- Building communities
- Small firm support

AICPA Future 2040 Project

- Collaboration with members and profession stakeholders
- Update to CPA Horizons 2025 and AICPA Vision Project

Current state of firms – continued growth achieved in various ways

Number of Top 100 firms and regional leaders with growth over 20%



How firms are growing

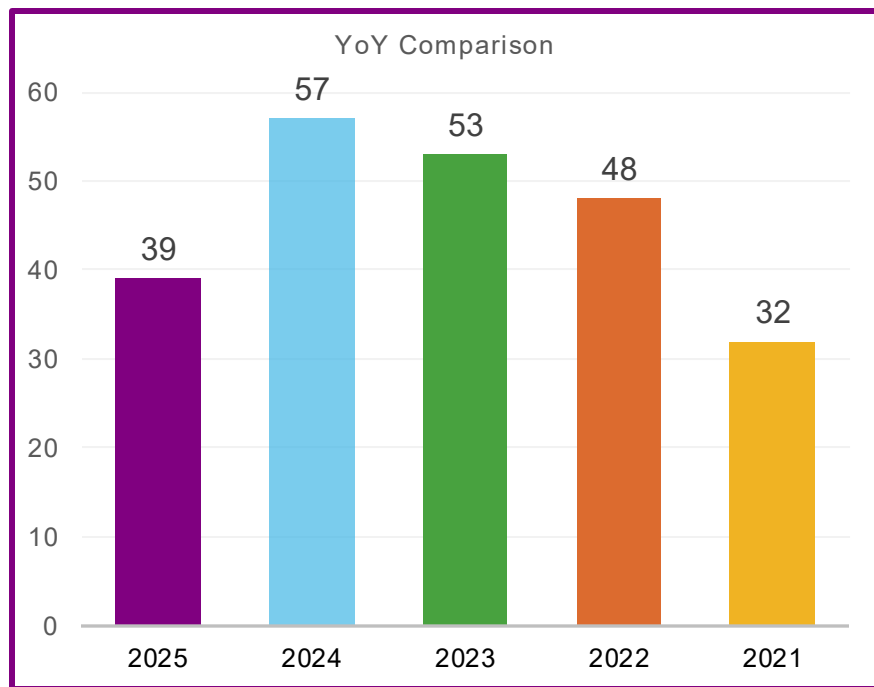
- Organic client service and specialization
- Expansion of advisory service
- Talent development
- Technology & AI
- M&A/Private equity/ESOPs/

Top niche services

- CAS/BPO
- Attest
- SALT
- Estate, trust, gift tax planning
- Business valuations
- M&A

Global consolidation of firms

US M&A activity as of April 2025



accountancy
TODAY

RSM US and RSM UK pursue transatlantic merger

The proposed merger is subject to further discussions and agreement on definitive terms

FINANCIAL TIMES

Grant Thornton US goes global in private equity-backed buying spree

Accountancy group plans to buy more than half a dozen sister firms in PE-fuelled spree across Europe and Middle East

Stephen Foley in New York
Published APR 23 2025 | Updated APR 23 2025, 09:17

accountingTODAY

ACCOUNTING TAX AUDIT PRACTICE MANAGEMENT TECH

PREMIUM PRACTICE MANAGEMENT

Grant Thornton US and Ireland complete merger

By Michael Cohn January 03, 2025, 11:53 a.m. EST 2 Min Read

THE WALL STREET JOURNAL

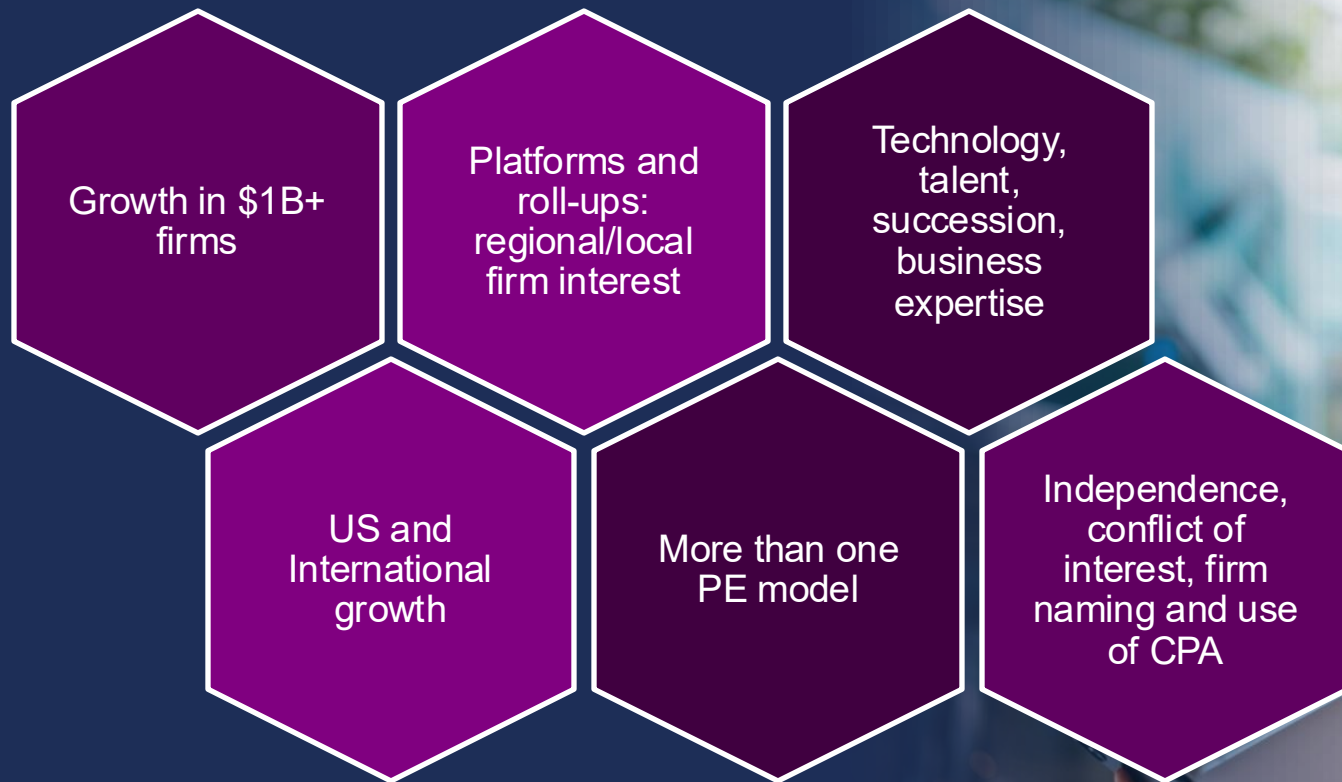
CFO JOURNAL

KPMG Shrinking Number of Country Units in Revamp of Global Structure

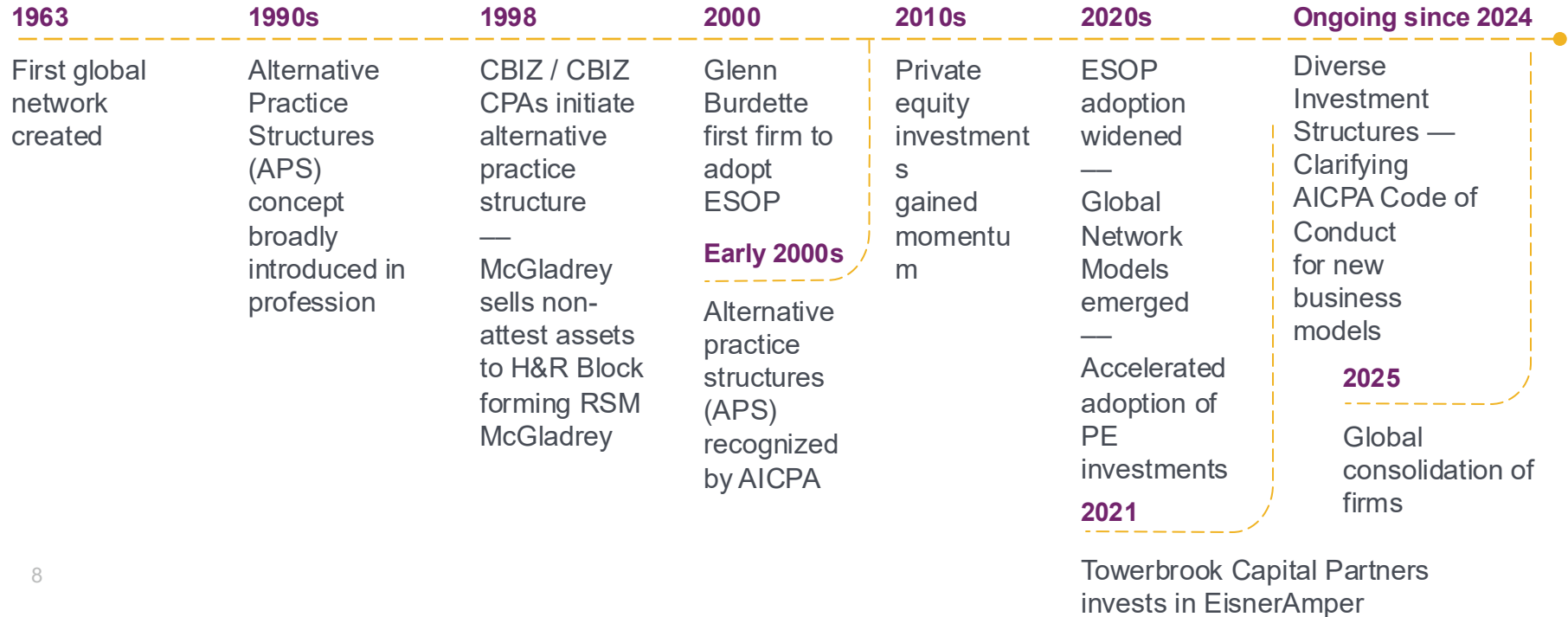
The Big Four accounting firm aims to integrate many member firms, particularly smaller ones, into larger operations

By Mark Glatzer | Follow
March 10, 2025 4:46 pm ET

Private equity



Alternative practice structures are not new



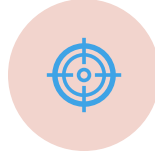
Or strengthen the firm you have



GOVERNANCE
STRUCTURE



OWNER
COMP
MODELS



STRATEGY
ALIGNMENT



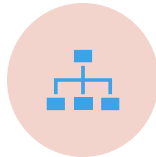
OTHER
CAPITAL
SOURCES



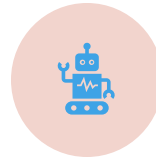
BUY IN/ BUY OUT
METHODS



ACCOUNTABILITY &
PERFORMANCE
MANAGEMENT



OFFSHORING/
OUTSOURCING



AUTOMATION &
TECHNOLOGY



OTHER
IDEAS?

Firms are transforming to meet market needs - TYBM



*Creating a culture focused on the success of people within firms will,
in turn, strengthen firms and the profession*
aicpa-cima.com/tybm

Transforming Your Business Model webcast series

Join the PCPS Team and experts in the profession to get actionable insights and discover resources to help firms adapt and thrive.

Upcoming webcasts – 2:00-3:00 PM ET

May 28	Ready, Set, Grow: The Starting Line of Strategic Planning
June 16	The Role of Governance in Business Transformation
July 22	Refining Your Service Offerings for a Happier Team, Delighted Clients and Better Profits
Aug. 27	Navigating Digital Transformation: Leveraging Technology for a Competitive Edge
Sept. 24	Competing for Talent : Closing Gaps and Building Firm Culture

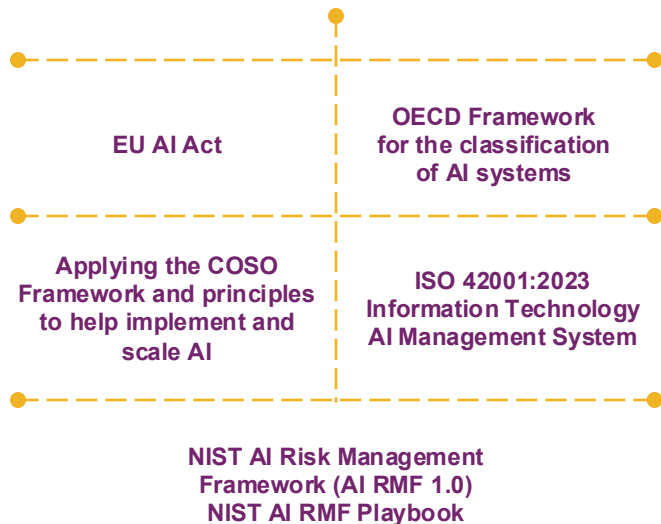


AI is driving business decisions: 5 key AI-driven practice areas

- 1 Bookkeeping & automation is already AI-driven, but will become fully automated with agentic AI
- 2 Tax preparation & compliance is evolving rapidly, moving toward near-total automation for prep and significant AI augmentation in review
- 3 Audit & risk analysis is cautiously adopting AI, with compliance and liability concerns slowing full automation
- 4 Client advisory services is currently less AI-driven, but as compliance work gets automated, AI-powered insights will fuel growth
- 5 Workflow & efficiency AI (including email automation, process optimization, and AI assistants) is already advanced and will become ubiquitous in firms

AICPA leadership in AI audit and assurance

Guidance and frameworks:

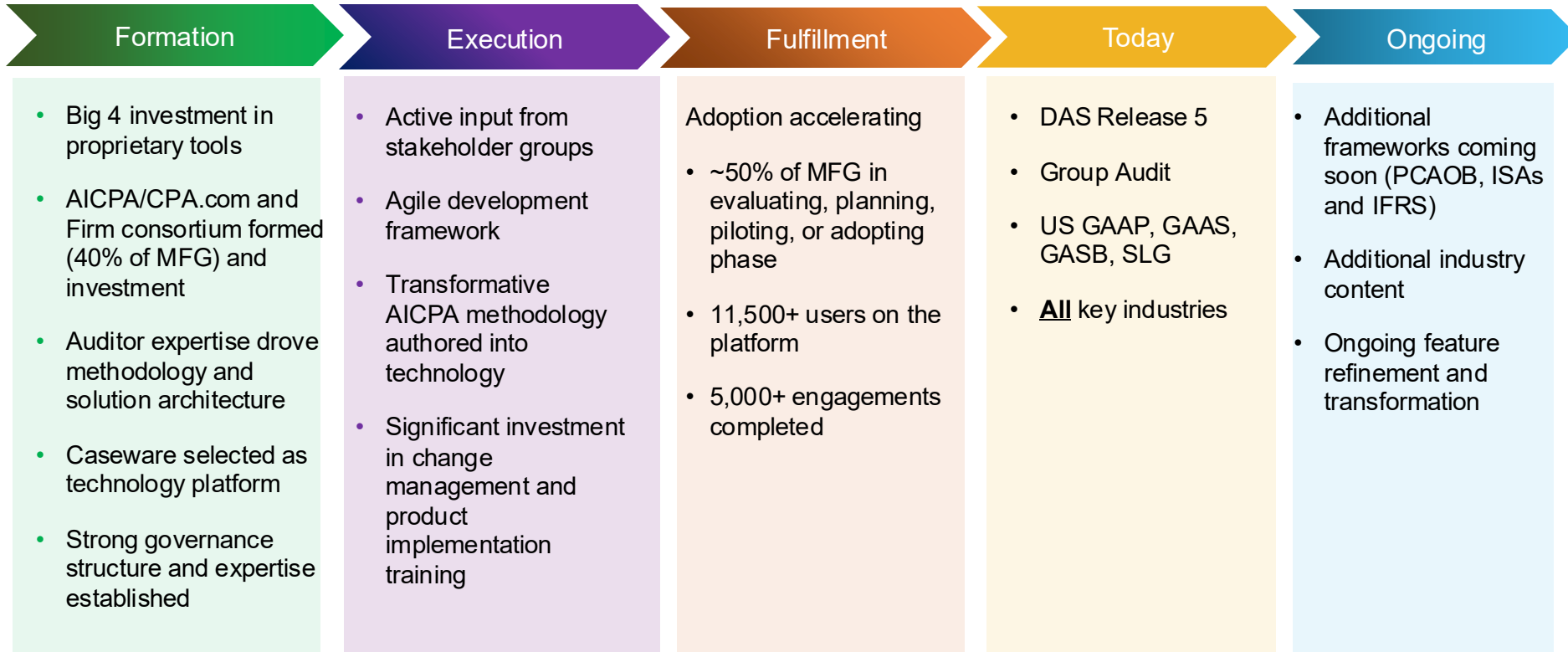


Organizations and accounting, audit and assurance practitioners face the same AI-related risks.

Three areas of focus:

- > Impact on existing accounting, audit and attestation services
- > Need for new attestation services
- > AI use in the performance of services

Audit transformation: Dynamic Audit Solution (DAS)



DAS Industry Content – Available Now

DAS has an extensive library of industries supported to tailor the audit to the nuances of the client's industry



Core commercial



Healthcare



Investment companies



Construction



Single Audit/SLG



Technology



Not-for-profit



Dealerships



Depository & lending



HUD



Insurance



Real estate

Plus: EBP, PCR

2025: PCAOB
2026: ISA

What is DAS innovation



Trust is our brand: Quality drives stakeholder confidence

- SOC
- Enhancing audit quality
- Regulation
- Risk
- Sustainability/ESG
- AI assurance
- Data analytics
- Blockchain and digital assets
- Standards modernization
- Peer review
- Valuation
- Cybersecurity
- Supply chain



Quality management is a risk area to focus on

Modernize firm quality management and reflect realities in practice through new standards that take a risk-based approach

- ➡ Emphasis on risk in practice
- ➡ Changes in technology
- ➡ Growing use of external service providers
- ➡ Scalable to firm size and engagements performed

- ✓ Dec 15 implementation deadline
- ✓ Start with existing system and modify
- ✓ Focus 2026 on monitoring and remediation
- ✓ Peer review focus area



System and Organization Controls (SOC) is too

SOC Engagement Deficiencies

- Missing report elements
- Inadequate documentation
- Insufficient evidence
- Over-reliance on SOC tools

Engagement Team Oversight

- Need for technical expertise
- Non-CPA involvement

Audit Findings

- User auditors not adequately addressing controls at subservice organizations

Managing the influence of international standards on the U.S.

Harmonizing U.S. standards with international only
where it makes sense!



Advocacy and current legislative and regulatory environment

Current affairs

- Quality/trust
 - Audit reform
 - Occupational/prof reform
 - Business ethics
- Protection of CPA license and mobility
- Services
 - Global taxation
 - Digital assets/crypto/banking
 - Emerging tech/Gen AI
 - ESG
- Tariffs

Regulatory issues

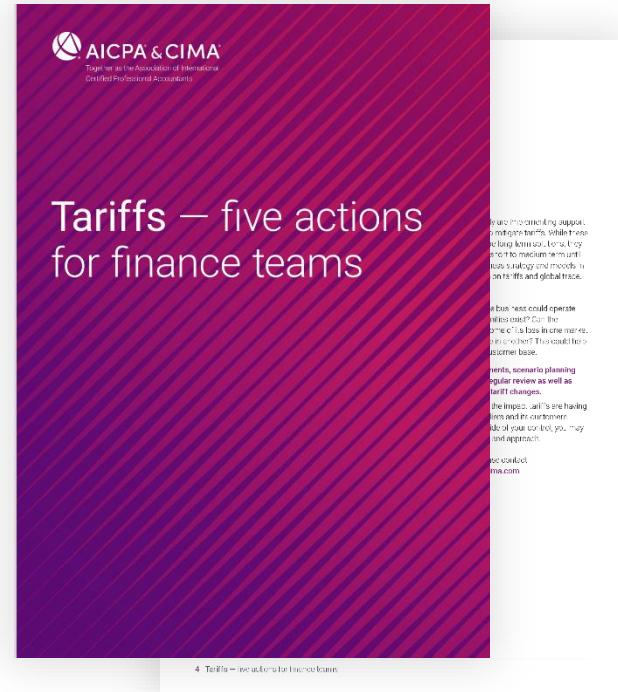
- Administration change
 - Treasury
 - IRS
 - SEC/PCAOB
 - DOGE
- Audit
 - Single audit
- Private companies
- Global

Legislative issues

- State
- Beneficial ownership information
- STEM
- SEC/PCAOB
- 2025 tax debate/reconciliation
- Priority tax profession issues
 - PTET SALT deduction
 - Section 199A QBI deduction
 - Section 174 R&E expense
 - Section 164(j) business interest loan deduction
 - 100% bonus depreciation

Being a trusted voice in turbulent times

1. Understand the risk and impact of tariffs on your business, its finance and operations.
2. Create an action plan to mitigate the effects.
3. Use tools such as cost control, product changes, supply chain diversification, pricing, inventory, currency risk management, tax and transfer pricing strategies to support your business. Understand any global government tariff relief measures.
4. Review the markets for new opportunities.
5. Keep your risk assessments, scenarios planning and responses under regular review and monitor the ongoing tariff responses.

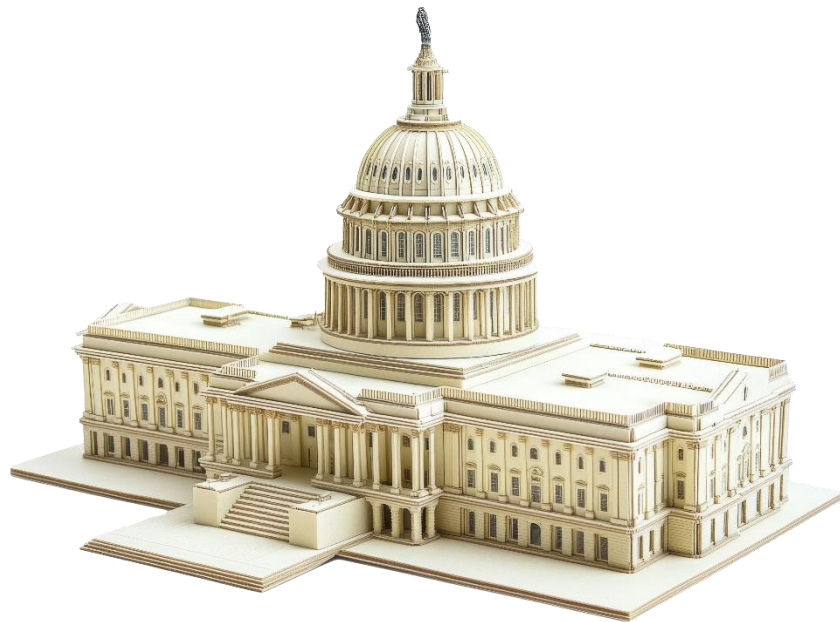


Resources for navigating
tariffs for accounting and
finance professionals



AICPA Council Hill visits key issues

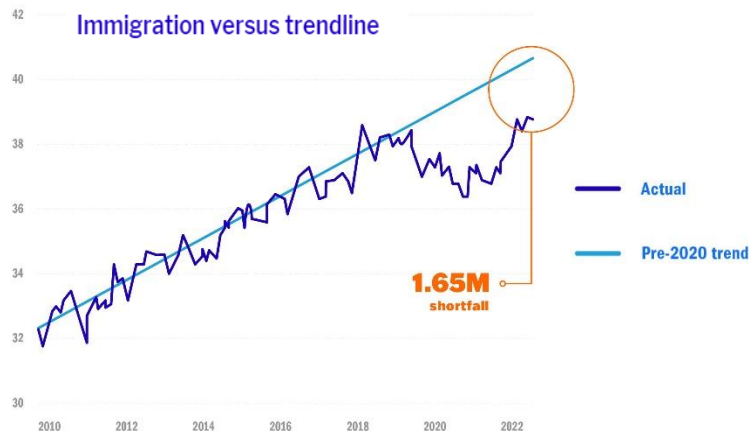
- Pass-through entity tax (PTET)
- Accounting in STEM
- Principles of Good Tax Policy
- Section 529 legislation
- Disaster relief



CPA talent pipeline: What's driving the problem?

Shifting demographics

The latest data shows **9.5 million job openings in the U.S.**, but only 6.5 million unemployed workers. Through 2032, the labor force is expected to grow by just 0.4% annually. The accounting profession's strategies for building a vibrant future workforce must reckon with this changing landscape.



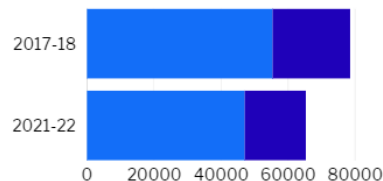
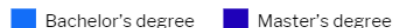
Parental preferences

When asked about their ideal scenarios with no barriers or limitations, **46% of parents favored something other than a four-year college** for their children after high school.



Accounting degrees

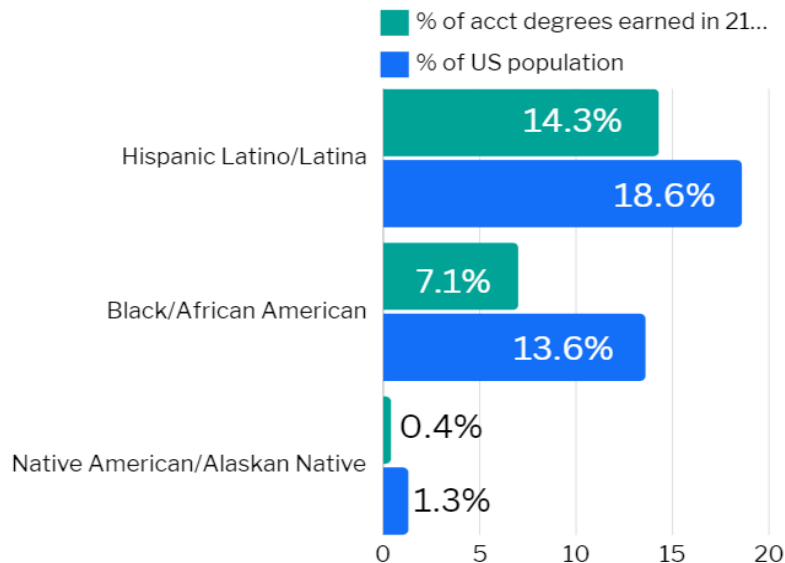
The number of students graduating with an accounting degree **continues to decline**.⁵





Only **1 in 8** business majors graduates with a bachelor's degree in accounting.

Representation among accounting grads lags U.S. population (21-22 bachelor's and master's; 2020 population)



Time and cost pressures

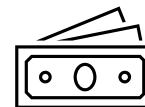
53%

of accounting and business students not planning to become CPAs cite **the additional education needed** as **not worth the time investment**.



46%

cite the additional education as **not worth the financial investment**.



Where we started and where we're going...



Themes in the talent data

- ✓ Make the academic experience more engaging
- ✓ Address the time and cost of education
- ✓ Grow support for CPA Exam candidates
- ✓ Expand access for underrepresented groups
- ✓ Enhance the employee experience
- ✓ Tell a more compelling story about accounting

Download the
full report:

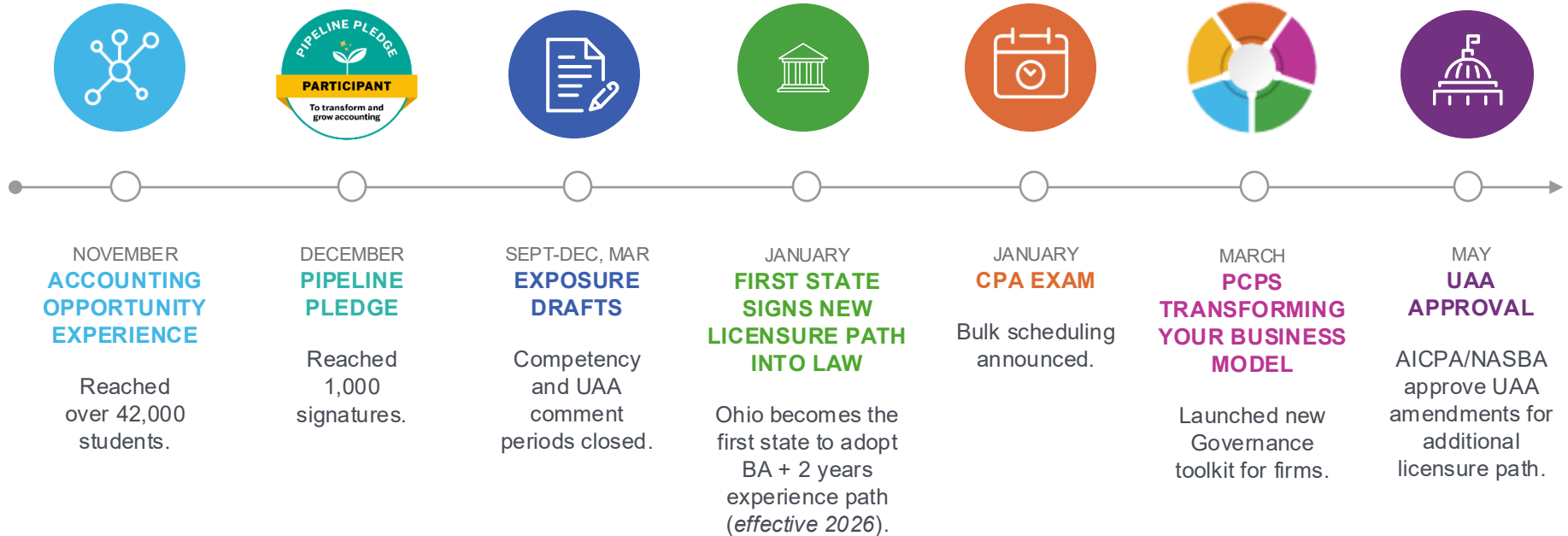


Accountingpipeline.org



**National Pipeline
Advisory Group**

Recent activities that are having impact



Is it making a difference? YES!



+12%

**In undergrad
accounting major
enrollments**
YOY Fall 2023/24
and Spring 2024/25

*National Student Clearinghouse
Research Center*



+74%

**Global hiring for
accountants year
over year**

+15%

Salary increases

State of Global Hiring Report 2024



+25%

**Salary increases
for accountants
in B&I compared to
2024**

Datarails – The CFO's Office 2.0



72%

**of Master's
of Accounting
programs**
applications seeing
increased
applications

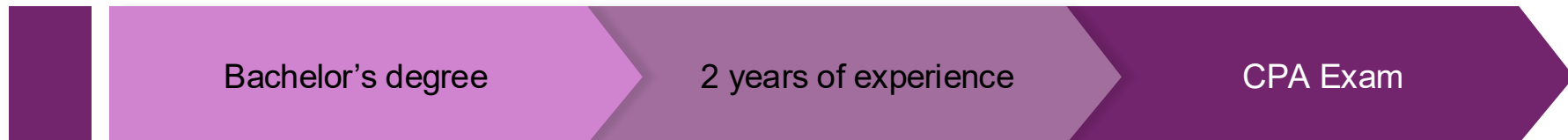
*Graduate Management Admission
Council*

Addressing the cost/time of education: Flexibility for CPA candidates in Uniform Accountancy Act

What stays the same: Two current paths to licensure



What's new: An additional path to meet changes in the market, cost and time concerns



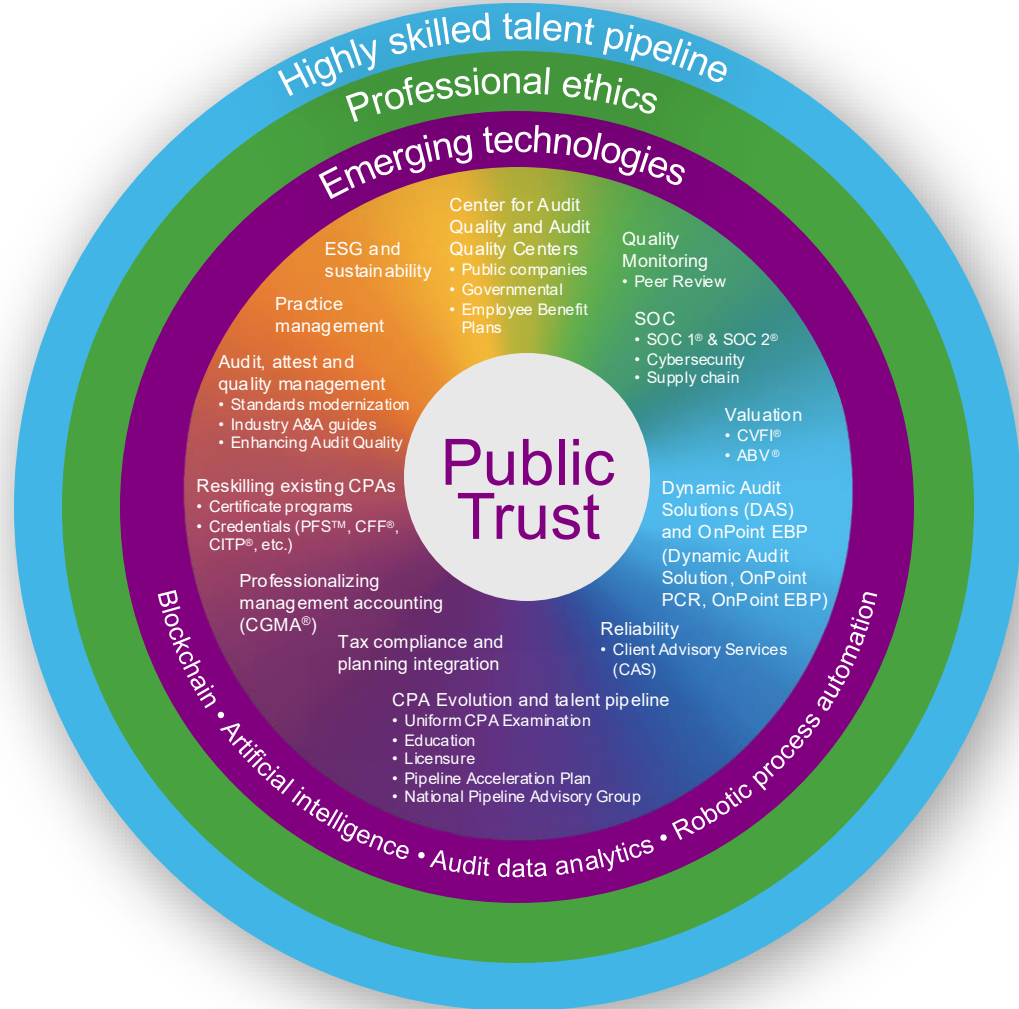
What's next: Enactment of uniform legislation and competency framework development

D&I and executive orders



- ▶ We reaffirm our commitment to fostering a professional environment where all individuals, with varied experiences and perspectives, are valued and respected
- ▶ The profession's strength lies in our people

Public accounting focus areas



Thank you