

VERTIGO 



Welcome to VERTIGO 2024
Navigating Rapid Change

FORTUNE

There's an accountant shortage. And some CPAs say the 150-hour college credit requirement needs to change

BY SHERYL ESTRADA
September 7, 2023 at 5:30 AM MDT



The Washington Post

BUSINESS

The Accountant Shortage Threatens Capitalism's Future

JOURNAL OF ACCOUNTANCY®

Accounting talent shortage is focus of new advisory group

THE WALL STREET JOURNAL.

The Accountant Shortage Is Showing Up in Financial Statements

Multiplier

Navigating the Great Accountant Shortage of 2023

SRM

The CPA Shortage

Retiring Baby Boomers and expanding opportunities for newly minted financial professionals have employers scrambling to find qualified accountants.

THE DENVER POST

BUSINESS • News

Talent shortage forcing accounting firms to recalculate their approach

BA BUSINESS ALABAMA

CPA shortage a growing problem nationwide

Introductions

- Name
- Firm
- Role
- What has been to most "dizzying" component of your role over the last couple of years?

Trends we've seen this year

- Underperforming partners
- Ineffective advancement processes
- Lack of career paths, especially for non-traditional team members
- Challenges with onboarding practices for experienced hires
- Unsuccessful off-shore team member integration practices
- AI – What does it really mean and how can/should we use it?
- Ineffective supervisor/mentor relationships
 - Rethinking our approach to the employees with so many boundaries
- Less focus on business development because of the current workload



Gartner®

Top 5 Priorities for HR Leaders in 2024

Actionable insights to tackle
challenges and plan for success

Top 5 Priorities for HR Leaders in 2024

Gartner surveyed more than 500 HR leaders across 40 countries and all major industries to identify their priorities and challenges for 2024. The largest share of respondents put leader and manager development on their list, but many HR leaders will also prioritize organizational culture, HR technology, change management and career management and internal mobility.

**01
Leader and
Manager
Development**

**02
Organizational
Culture**

**03
HR
Technology**

**04
Change
Management**

**05
Career
Management
and Internal
Mobility**

Note: Percentages represent the share of respondents naming the priority.
n = 520 HR leaders
Source: Gartner 2024 HR Priorities Survey

What is driving these priorities?

01

“Unsettled” employee-employer relationship

CHROs are grappling with:



Flexibility controversy

Only 26% of organizations report that their employees fully comply with on-site attendance requirements.



Productivity anxiety

Nearly 50% of employees view their current performance as unsustainable.



Mutual mistrust

Only about 50% of employees trust their organization.

02

Persistent skills shortage

26% of CEOs rank talent shortage as the top damaging factor to business outlook.



03

Rising impact of AI on organization and workforce

68% of executives agree benefits of AI outweigh the risks.

.....
But only 22% of HR leaders are highly engaged in enterprisewide discussions on GenAI.



04

Pressure for operational efficiency

Executives and investors/owners are focused on productivity, efficiency and margin as profitability drivers.

Most prevalent efficiency-related keywords from S&P earnings calls 3Q23:

- 1 Productivity
- 2 Efficiency
- 3 Reduction



Source: Gartner

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01

Leader and Manager Development

Common challenges for HR leaders:

75% of HR leaders say their managers are overwhelmed by the growth of their job responsibilities.

73% of HR leaders confirmed their organization's leaders and managers aren't equipped to lead change.



Evolve the job itself

The best organizations have realized that investing in traditional manager development programs alone is not enough. Building manager expertise in “must-have” skills doesn’t address the foundational issue — the manager job is no longer manageable.

Top organizations instead are evolving the job itself by taking 4 critical actions:



1. Reset role expectations

Empower managers to connect employees with others for coaching and development, and rescope the role to focus on tasks that managers are uniquely positioned to execute.



Impact:

Managers are **1.4x more likely** to find their jobs manageable when their organizations focus on resetting role expectations.



2. Rebuild manager pipeline

Encourage aspiring managers to self-discover if management is right for them by exposing them to the toughest parts of the role early and normalizing opting out of management.



Letting managers self-discover their fit for role increases their likelihood of finding **their jobs manageable by 2.3x**.



3. Rewire manager habits

Equip managers to build strong people management habits through intentional cues, maintainable routines and focused reflection.



Investing in habit building pays off — organizations focusing on habit building **improve job manageability by 71%**.



4. Remove process hurdles

Enable HR leaders to eliminate low-value rules that burden managers and employees.



Managers are **1.4x more likely** to find their jobs manageable when their organizations take steps to simplify managerial tasks.

Top 5 Priorities for HR Leaders in 2024



Tool to get started:

[12-month action plan to improve manager effectiveness](#)

Source: Gartner

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02 Organizational Culture

Common challenges for HR leaders:

41% of HR leaders say employees' connection to culture is compromised by hybrid work.

47% of HR leaders don't know how to drive change to achieve the desired culture.

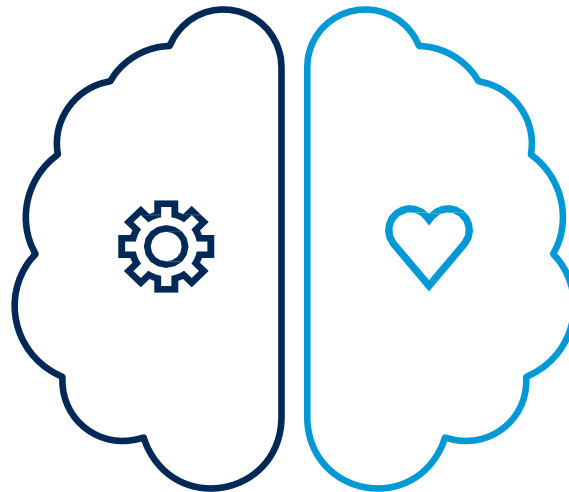
**PROBLEM TODAY**

Uncertainty about how to reshape culture for the hybrid workplace

Fewer in-person interactions, less time in offices and shrinking employee ecosystems have rocked the traditional cultural experience. For culture to succeed in a hybrid world, leaders must work intentionally to align and connect employees to it. Alignment and connectedness operate like the left and right sides of your brain — rational and emotional. Both contribute to culture's impact on outcomes, such as performance and retention. Connectedness suffers in a hybrid world, however, without intentional efforts to cultivate it.

Alignment

1. I know what the culture is.
2. I believe the culture is right for us.
3. I demonstrate our cultural behaviors.



Connectedness

1. I identify with the culture.
2. I care about the culture.
3. I belong within the culture.



Culture connectedness is in crisis and must be accounted for in the hybrid workplace.

Source: Gartner

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Facilitate connectedness by intention

The best organizations prioritize culture connectedness by enabling employees to engage with the culture wherever they work, establishing an emotional connection and equipping teams to create vibrant and healthy microcultures. By prioritizing these elements, organizations can create a strong culture that drives employee engagement, enhances productivity and fosters a sense of belonging and purpose.



Tool to get started:

[Evolve Culture & Leadership for the Hybrid Workplace](#)

Traditional Approach “Connectedness by Osmosis”

Diffuse culture in the office



Hybrid Disruption

Less time in the office



Hybrid Opportunity

More time with work

Connect through physical proximity



Fewer moments of being seen



Greater need to feel seen

Optimize macro- (large-group) experiences



Shrinking ecosystems



Intensified relationships

Connectedness by Intention

Diffuse culture through work

Connect through emotional proximity

Optimize micro- (small-group) experiences

Impact



Employee culture connectedness can increase by up to 43% when culture is diffused through work.



Employee culture connectedness can increase by up to 27% when employees experience emotional proximity.



Employee culture connectedness can increase by up to 19% when achieved through micro-based experiences.

Source: Gartner

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03 HR Technology

Common challenges for HR leaders:

60% of HR leaders are uncertain about the impact of evolving technology trends, such as generative AI, on HR and talent.

56% of HR leaders confirmed their HR technology solutions and strategy do not match their current and future business needs, such as digital transformation.



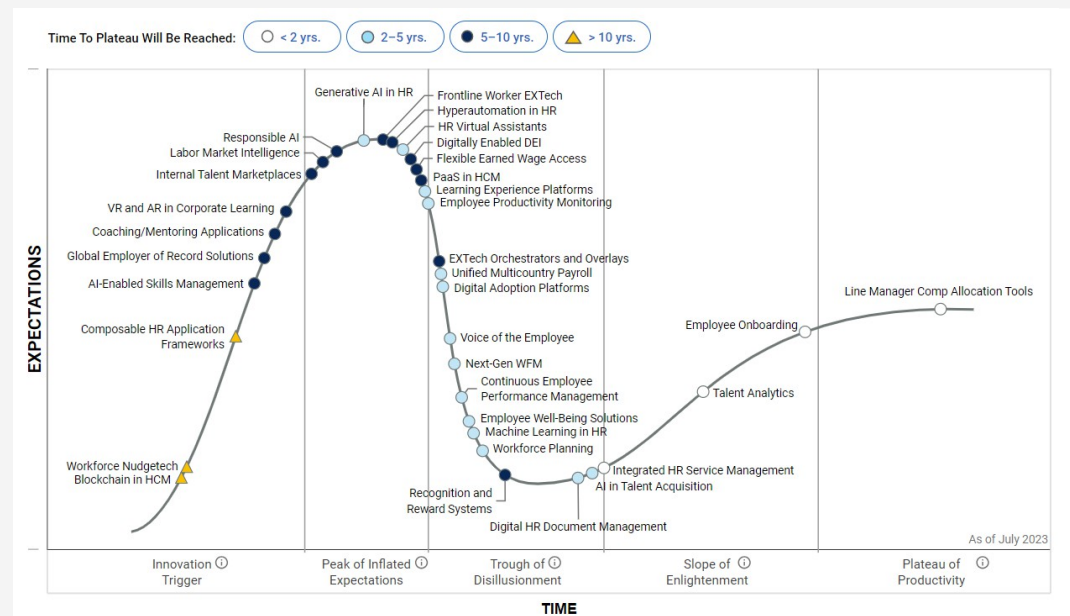
PROBLEM TODAY

HR technology leaders are uncertain about which technologies to adopt

HR leaders must manage an increasingly complex technology portfolio amid a continued need from HR and business leaders for greater agility and flexibility to address a constantly changing environment. There is increased hype around AI — especially generative AI — to drive productivity, but HR functions are unprepared to implement it. Uncertain labor and economic conditions add another layer of urgency to embrace innovations that support flexible HR strategy. Meanwhile, the demand for enhanced employee experience and human-centric work design continues. With many options to choose from, HR leaders need an evaluation framework to assess which HR technology to adopt.

76% of HR leaders agree they will be lagging in organizational success if they don't adopt and implement generative AI in the next 12 to 24 months.

Hype Cycle for HR Technology



Source: Gartner

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Evaluate the impact and adoption of emerging HR technology

HR leaders can create a future-ready HR technology stack using a framework for assessing technology adoption and answering key questions to guide the adoption strategy and roadmap.



[Tool to get started:](#)
[Checklist to Review Your HR Technology Roadmap](#)

Framework to assess technology adoption in HR



Balance impact across 4 key criteria — Key questions to consider and measure against



Governance

- Who will own, maintain and manage the technology?
- Can we easily identify key trigger points of negative consequences that would warrant directly intervening to amend or cancel the technology?



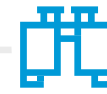
Workforce Readiness

- How will this impact current versus future ways of working?
- What is the impact on skills, roles, responsibilities and digital dexterity?



Risks and Ethics

- Can we tolerate any risks that are associated with it?
- Are the ethical risks easily mitigated?
- Should we keep in beta, educate, embrace regulation?



Vendor Landscape

- What is happening in the vendor landscape? Can we wait, or should we build our own solution?
- Can similar benefits be achieved with preexisting technology?

Source: Gartner

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04 Change Management

Common challenges for HR leaders:

77% of HR leaders say their employees are feeling fatigued.

82% of HR leaders share their managers aren't equipped to lead change.



Ensure change fatigue strategies become an inherent part of change plans

Data shows that only half of organizational transformations are successful. While the traditional change management formula of “communication x training” is still essential, it fails to account for change fatigue management. Organizations must plan ahead for change fatigue risks and build fatigue management into their plan to drive successful transformation.



Tool to get started:
[On-Demand Webinar: How to Identify, Fix and Prevent Change Fatigue](#)

Updated formula for organizational transformation success



3 pillars of change fatigue management

Identify	1 Educate workforce on fatigue drivers	2 Equip managers to identify hotspots	3 Escalate turning points
Fix	1 Exercise actionable empathy	2 Facilitate open change conversations	3 Employees own implementation plans
Prevent	1 Employees co-create chain strategy	2 Build psychological safety into teams	3 Normalize proactive rest

Source: Gartner

05

Career Management and Internal Mobility

Common challenges for HR leaders:

89% of HR leaders believe career paths at their organizations are unclear for many employees.

66% of HR leaders agree career paths within their organizations are not compelling for many employees.

**PROBLEM TODAY**

Traditional career maps aren't working

Due to rapidly changing business and employee needs, traditional career maps no longer fulfill business requirements or employee expectations. Outdated career paths leave employees needing help with how to proceed with their careers at their current organizations. Add mounting turnover rates to an already hypercompetitive labor market and the uncertainty increases for HR leaders trying to figure out how to support employee career growth.

Employee confusion around career paths



Less than **one in three** employees know how to progress their careers over the next five years.



One in four employees is confident about their career at their organization.

Stop traditional career pathing to a fixed destination

-  Designing static career paths
-  Defining careers with job descriptions
-  Building on organizational structures

Source: Gartner

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Start agile career pathing to a changing destination

-  Designing iterative careers that facilitate career growth by aligning business needs with employee's larger goals, interests and skills
-  Framing employees' professional journeys through searchable career portfolios to promote ease of movement
-  Building roles based on experiences that enable employees to expand variety of expertise



Design adaptive career paths to offer career-option experience

Dynamic organizations approach career pathing in an adaptive way by dividing work into short cycles and frequent iterations. Adaptive career designs also provide tools to help employees build experience rather than just providing information about careers. This allows employees to gain more confidence about their career choices, which leads to better talent outcomes.



Tool to get started:
[Career Pathing Should Be Like Satellite Navigation, Not a Map](#)

HR leaders can use satellite navigation to model career growth support

3 career growth moments



Source: Gartner

[Gartner for HR](#)

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"All organizations are perfectly aligned to get the results they get."

Arthur Jones



It's time to take big swings

- Experimenting with alternative ownership structures
 - BDO and Grassi moving to an ESOP structure
- Committing to a 40-hour year-round work schedule
 - Avizo Group – closes Friday afternoons all year
- Investing in Talent Advisors to support the development needs of less experienced staff
- Capitalizing on contract labor (international and domestic)
- Rethinking your ideal candidate
 - Stay-at-home moms and retirees



Director of Client Strategy



- AAFCPAs
- ATA CPAs and Advisors
- GBQ Partners
- Jackson Thornton
- Perkins & Co.
- REDW

Director of Client Strategy



- McClintock and Associates
- Rudler
- Talley
- Vesta

What to expect from Spiirall in 2024

- Building our own content
 - CAS content
- Amplifire
- More support for firms utilizing a global workforce
- Simultaneous launch of learning plans and our course catalog
- Greater emphasis beyond training plans and content
 - More concentration on talent related consulting engagements



**WE ARE NOT
HERE TO DO
WHAT HAS
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