



**Give your firm a staffing advantage
through **CPA continuing education****



Today's younger tax and accounting professionals desire to build their career and engage their work through constant learning. By creating an environment that encourages CPA continuing education, firms can get a recruiting advantage in a tight job market.

Introduction

Finding and retaining qualified staff is a challenge for tax and accounting firms nationwide. In Dialog Group's 2020 Radical Clarity research, firms of all sizes identified talent shortages and recruitment as a top challenge¹ — especially for smaller firms that can't offer the breadth of projects or training bigger firms can offer. Firms outside of major cities are also at a relative disadvantage when trying to attract new talent.²

There are various reasons for this staffing challenge:

- A January 2020 report from the U.S. Bureau of Labor Statistics puts CPA unemployment at around 1.4%,³ which means the pool of available talent is shrinking.
- Many junior tax professionals leave firms to take on corporate tax and accounting roles¹ because long workweeks around tax time have burned them out.
- More than half the respondents surveyed by ACCA said career growth and learning opportunities were more important than salary when evaluating job options.⁴

And the problem may get worse: A vast majority of tax and accounting professionals plan to retire within the next five years¹ — although the inability for the firm to find their replacement may force many of those professionals to delay retirement.²

Fifty-five percent of Generation Z tax and accounting professionals say they plan to look for a new job within three years.⁵ So those younger professionals can fill the talent gaps at firms. But they will have plenty of options for their next position, which will require firms to stand apart in their efforts to attract and retain talent.

To do that, firms need to offer their employees the chance to learn and grow in their profession. Young accountants say they want to build careers that have greater relevance to clients and their firms, and they're looking for firms that will support them in those efforts to learn more and gain new skills.²

This learning goes beyond required continuing professional education (CPE) — although ensuring access to CPE credits, and making it convenient to fulfill requirements, is essential. Firms also need to offer access to high-quality "soft" skills development opportunities that empower CPA other tax and accounting professionals.

In other words, firms need to create a culture of learning where education and development expand beyond simple compliance. They must have an environment that nurtures the natural curiosity of employees and exposes them to emerging skills and opportunities.

This white paper explores how creating a culture of formal and informal learning will help firms attract and retain key talent, how that culture will enable firms to evolve continuously, and how firms of any size can build such a culture.

CPA continuing education can enable your firm to stand apart in a crowded profession with too little available talent

While the new generation of tax and accounting professionals are still interested in compensation, they also seek more from their job. As firms look to compete in ever-shrinking talent pools, it's important to figure out what that "more" entails.

Data from the Rosenberg Study and Dialog Group's 2020 Radical Clarity research illustrate that tax and accounting professionals are focused on upward evolution and mobility. Firm staff, particularly younger ones, expect to have access to tools that will let them further their career and want to work for a firm that encourages and rewards learning.

This presents firms with an avenue to overcome the challenges in attracting and retaining talent. By offering formal and informal CPA continuing education opportunities, they can make themselves more attractive to current and prospective employees while increasing job fulfillment and better training staff to handle multiple aspects of accounting and technology.

Furthermore, firms often recruit tax and accounting interns from colleges to work part-time and then hire them full-time upon college graduation. This talent understands tax and accounting theory based on their college studies, but they often have little-to-no practical experience. A culture of learning will help new CPAs and other staff get up to speed with the latest techniques and skills faster.



Benefits to the firm

Continuous learning and professional development are crucial to tax and accounting firms' ability to evolve with the times. By constantly exposing employees to new rules, the best skills, and various opportunities, firms will be able to find the right people and make work more meaningful, especially as automation and outsourcing create extra time for more strategic assignments.

While in some industries a commitment to learning might be merely an empty promise or a "soft benefit," tax and accounting firms are differentiated by how CPE is tied to licensure. Clients want to work with firms that are evolving their expertise to meet emerging opportunities and challenges, and firms want staff who are motivated, deeply engaged, and feel like their work is meaningful.



Focus on formal and informal CPA continuing education opportunities

For firms, learning and development has two tracks:

- Accredited staff and firms must work together to ensure that compliance with CPE requirements is maintained.
- Firms must also make available informal opportunities to ensure that other skills are nurtured. Whether they're called "soft" or "adjacent" skills, these are subjects that are important to job success and may or may not be offered for CPE credit.

For firms looking to attract and retain key talent and continuously evolve the services they offer, both tracks are critical.

CPE

CPE rules were originally designed to ensure CPAs stayed up to date on regulatory changes, but over time the scope requirements have changed.

State requirements vary, with all states requiring minimum CPE hours across licensure requirements, while some states have a yearly minimum. Those numbers range from 12 CPE credit hours to a high of 40 CPE credit hours in Colorado and Washington, DC.

CPE subject area range is broad, covering accounting, auditing, fraud, taxation, consulting, financial planning, ethics, regulatory review, and information technology.

Traditionally CPE courses have focused on what's new in the tax code and business, but many regulatory updates are increasingly built into software analytics, minimizing the amount tax and accounting professionals must learn on a regular basis. New efforts like the NASBA CPA Evolution project are transforming the how and what behind CPE to modernize the process and update the content covered.

This modernized CPE is modeled off professional engineering licensure, where core capabilities are supplemented with specialized tracks, and is designed to give professionals access to advanced skills and systems learning that go beyond standard technology subjects. This can include analytics, artificial intelligence, machine learning, and more.

It's not just the topics that are changing. Traditionally, CPE requirements meant employees had to physically attend learning events and/or conferences. This was expensive in both time and money.

The rise of technology and the Internet has offloaded some of that burden. While face-to-face learning and professional development events are still popular (or were pre-COVID-19), more and more students are opting for remote learning events. They're taking continuing education classes from accredited institutions, consuming specialized content from "Big Four" firms and other providers, and attending online webinars and other digital engagements.

This means the opportunities for CPE are more diverse than ever.

It is vital for firms to work together with their accredited staff to ensure their CPE credentials are up to date — and tax and accounting professionals expect their firms to help them maintain compliance.

Beyond CPE

But CPE is just the start. Employees are also looking for experiences that help them improve skills such as leadership and communication, explore new opportunities and technology developments that make them more attractive in the marketplace, and expose them to new industries and job opportunities, inside the firm and out.

Whether it's adding new technical skills, expanding domain expertise, or acquiring adjacent (sometimes called "soft") skills, CPA continuing education in all forms is what enables a firm to maximize capabilities while giving employees the most fulfilling career possible.

There are many methods available to tax and accounting professionals to acquire these new skills, many of which go well past traditional CPE models:

- On-the-job learning
- Mentoring
- Further professional qualifications
- External seminars, workshops, events
- Coaching
- Job rotations and secondment (when a staff member temporarily works in a different division or department to gain new skills)
- Internal knowledge sharing sessions
- E-learning courses

This is both an obstacle and an opportunity for firms. On-the-job training and knowledge sharing are more effective and efficient than traditional CPE. Job rotations and secondment can translate more than knowledge; they can also impart best practices and help nurture collaboration and camaraderie.

All these methods require a firm to invest not just in licensure hours, but also an organizational commitment to creating a learning organization where formal and informal learning is encouraged, employees are given the time and resources to pursue education, and employees are rewarded for learning new skills.



How to build a culture of learning

How can firm leaders who want to meet young accountants' aspirations build this culture of learning? The easy answer is to commit to building it. From the top-down and from the bottom-up, firms need to encourage professional development and establish ways to enable staff to engage in learning inside the firm and outside of it.

From the top-down, this means changing firm goals. Rather than building the firm's culture entirely around individual productivity or hitting certain revenue numbers — which disincentivizes CPAs from taking time to seek out educational opportunities or develop professionally — they need to create goals tied to career development and keeping up with the latest skills and technologies.

For instance, firms could create a bonus system around furthering special skills, learning best practices, or mentoring a younger employee. That incentivizes employees to learn and sends the message that career development is valued throughout the firm.

Firm leadership should also encourage staff to ask questions — and create the expectations that those questions will be quickly, clearly, and expertly answered.

From the bottom-up means that when a CPA learns a new skill, they should be encouraged to tell others about what they learned — and how that skill is or will help them do their job better or advance their career. An example of this could be requiring someone who takes a new course or attends a conference must then present to their colleagues what they learned, either in a formal best practices presentation or informal information sharing during a meeting. That communication may inspire others to seek further education.

Also, firms should find champions among the rank-and-file who can help build support among the staff for engaging in learning. This can help employees understand the value of education and of their co-workers seeking career development.

After all, when a colleague is off learning a new skill, their daily tasks may fall to other employees. If the staff is frustrated or resentful that they must take on extra work while a co-worker is off developing new skills to further their career, that could undermine the building of a culture of learning. This can be a particular problem for small firms.

Firms, and staff, need to take the long view of the benefits these new skills will bring to the professional — and ultimately, to the firm itself. If a CPA, enrolled agent, or other professional learns to do a process faster or more efficiently, it will save the firm time and money later, bringing a return on time investment.

Technologies can help mitigate this pain by providing on-demand and remote learning that can decrease the time investment. Furthermore, technology can be a significant driver of access to professional development materials. Therefore, firms that have a culture of learning must provide tax and accounting professionals with access to a range of specialized content and resources, including:

- Online webinars
- Briefs and articles about regulatory changes
- Video interviews with subject matter experts
- Social communities for peer interaction
- Online coaching

But beware: Not all sources of content and resources are equal, and free continuing education resources may not be quality resources. It's vitally important to vet your resources.

Advice for firms by size

For small firms, clear communication throughout the firm is important. Shifting work to free up a staff member to pursue a learning opportunity can be burdensome and can create frustration and resentment if the benefits aren't clearly conveyed.

Communication should not just be about encouraging career development but should also include discussing why a CPA is learning a skill and how that will benefit the firm. Any new skills or techniques should be incorporated quickly so the firm can reap those benefits sooner.

Because CPAs at mid-size firms are often involved in multiple areas — not just taxation, but perhaps auditing and other services, as well — they need to prioritize one or two areas that they feel they need to learn first and focus there.

Large firms have more flexibility to shift work around, but there also tends to be more pressure to meet revenue and productivity goals. Here again, communication is key. Because large firms may have siloed departments, staff members in every department must feel supported from the top to pursue career development.

Large firms should also look at ways to incentivize teams, rather than individuals, to improve through learning and development, which creates a spirit of teamwork to allow for learning.



For education to be meaningful to a CPA or other tax professional, it needs to be delivered both in context and in application.

Learners need to understand what they're learning in the context of their job, focus, or specialty. They need to know how what they're learning is applied and when it gets applied.

Then, the learner needs the opportunity to execute what they learned in the job right away and get feedback on how well they performed the new skill or applied their learnings.

If the course or learning engagement doesn't include these two elements, the learning becomes an expense to the firm and the employee, not an investment in their future.

Conclusion

With the available talent base shrinking, firms need to find incentives beyond just salary to attract top talent — particularly smaller and mid-size firms. By offering their staff the chance to learn and grow in their profession, firms can stand apart from the competition, giving themselves a better opportunity to recruit and retain talent.

This learning and professional growth goes beyond CPE to “soft” skills learning opportunities that empower tax and accounting professionals.

To build that culture of learning, firms need solutions and partners that help them manage the complexity of staff learning. But building this culture can be challenging for firms that are focused on day-to-day goals. As a result, many firms are leaning more heavily on outside advisors to help them vet emerging tools and strategies, craft plans for adoption, and help lead the change to a culture of learning.

These firms accept that they cannot do it all themselves. Contracting for these resources is wise because, besides easing the burden on firm leadership, it also brings a fresh perspective, greater expertise, and more project accountability so firms adopt more quickly and successfully.

If you're seeking to build a culture that empowers your employees to grow in their profession to retain and attract the top talent, ask yourself the following questions:

- Has your firm built a culture of learning that goes beyond meeting CPE requirements?
- Do you provide the time and resources for your staff to develop their careers with new knowledge and skills in a variety of aspects?
- Have you established clear mentorships within your firm?
- What resources can you tap to empower your employees to learn and grow — today?

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¹ Dialog Group TRTA survey, Jan.-Feb. 2020

² Rosenberg Survey, 2019

³ "Make the most of the low accountant unemployment rate," Robert Half, January 14, 2020. <https://www.roberthalf.com/blog/job-market/a-look-at-the-quarterly-accountant-unemployment-rate>

⁴ "Generation Next: Managing talent in large accountancy firms," ACCA. https://www.accaglobal.com/content/dam/ACCA_Global/Technical/Future/generation-next-full-report.PDF

⁵ "The 2019 Yello Recruiting Study: Meet Generation Z," Yello. <https://yello.co/resource/white-paper/generation-z-recruiting-study/>

⁶ <https://www.evolutionofcpa.org/>

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