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MANAGING YOUR CAREER

Why So Many Accountants Are Quitting

Even some accounting majors don't want accounting jobs

By *Lindsay Ellis* [Follow](#)

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More than 300,000 U.S. accountants and auditors have left their jobs in the past two years, a 17% decline, and the dwindling number of college students coming into the field can't fill the gap.

The exodus is driven by deeper workplace shifts than baby-boomer retirements. Young professionals in the 25- to 34-year-old range and midcareer professionals between the ages of 45 and 54 also departed in high numbers starting in 2019, according to the Bureau of Labor Statistics. Recruiters who have been luring experienced accountants into new roles say they are often moving into jobs in finance and technology.

The huge gap between companies that need accountants and trained professionals has led to salary bumps and more temporary workers joining the sector. Still, neither development will fix the fundamental talent pipeline problem: Many college students don't want to work in accounting. Even those who majored in it.



KPMG needs to recruit thousands of entry-level associates for fall 2023.

PHOTO: BILL MCCULLOUGH FOR THE WALL STREET JOURNAL

Jordan Pixley put his attention to detail and love of numbers into his Clemson University accounting classes. But in internships, he felt bogged down by the repetitive tasks of accounting—such as balancing cash sheets—and the work proved less interesting than the college class he enjoyed most—data analysis.

The 22-year-old accounting major attended a KPMG LLP recruiting event in Orlando, Fla., but ultimately chose not to apply. He graduated last week without a job lined up and is exploring opportunities with the U.S. military. Accounting's grueling hours—70- and 80-hour weeks are common at the biggest public firms before tax and audit deadlines—were part of the turnoff, he said.

"I was a little scared of it, not going to lie," Mr. Pixley said. "I don't know if I want to do all that."

KPMG said it is considering ways to reduce overtime hours and workloads during busy seasons. While salaries vary by market and position, most entry-level workers across audit, tax and advisory services at KPMG in 2023 will earn salaries that are 5% to 15% higher than those who graduated and joined in 2022, the firm said. One entry-level tax associate job based in New York City, which requires firms to disclose pay, has a posted range of between \$71,000 and \$82,000.

In the past 12 months, most KPMG employees have received three successive pay increases, a company spokeswoman said. Chief Executive Paul Knopp spent several days this fall on college campuses, including the University of Texas at Austin and the University of Illinois, pitching the company and meeting with students. He said the profession hasn't done enough to help students understand the career options in accounting.

"The accounting degree is an incredible, powerful tool to help you succeed longer term in the business world," he said.

It isn't an easy sell, said Steven Kachelmeier, who leads UT-Austin's accounting department. As the number of accounting majors has dropped, the bidding war to recruit students has intensified.



Industry groups are trying to change the perception that accounting work is tedious with daunting hours.

PHOTO: BILL MCCULLOUGH FOR THE WALL STREET JOURNAL

Firms promise higher salaries after a few years on staff, Prof. Kachelmeier said, but “when you’re 19 years old, you don’t think about 10 years from now or even five years from now. You think about right now.”

Students want to make more money up front than many accounting firms are paying—and they are finding it in other industries, according to professors. The expanded opportunities have come during a decadelong economic boom that has created new roles in sectors from banking to tech. Top students straight out of college can make significantly more going to work for consulting outfits and banks, rival fields that are drawing quantitatively minded students, according to recruiters.

“I don’t know who we’re not competing with, quite honestly,” said Rod Adams, who leads PricewaterhouseCoopers LLP’s hiring in the U.S. and Mexico.

The firm, which needs to recruit 4,200 entry-level associates for fall 2023, has prospects in its hiring pipeline as early as their sophomore years. Students do an internship after their sophomore year, and many of those interns are funneled into a second internship after their junior year, Mr. Adams said. Many go on to receive full-time offers.

One significant barrier to entry remains for many newly minted accounting graduates. To earn a certified public accountant license, a professional needs 150 credit hours, or 30 college credits beyond the typical 120-hour bachelor’s degree requirement. The 10 extra classes can add up to a fifth year of college, which can cost tens of thousands of dollars in additional tuition and fees.

PwC has joined with Saint Peter's University, based in Jersey City, N.J., so that some students can get the 30 extra college credits by working at the firm. The company is paying tuition and paying the students for the year of work. Company leadership hopes the pilot project that allows work for credit will result in more young professionals sticking with accounting and becoming full-fledged CPAs.

The number of U.S. students who completed a bachelor's degree in accounting declined nearly 9% to about 52,500 in 2020, down from almost 57,500 in 2012, according to the Association of International Certified Professional Accountants. The slump has continued over the past two years, according to the group, though it hasn't published final numbers for 2021 and 2022. Fewer students are also sitting for the four-part examination to become a CPA.

While some mathematically inclined students are drawn to accounting, the field still suffers from a stigma that it is uncool, with tedious work and daunting hours, said Keith Wolf, managing director at the Houston-based recruiting firm Murray Resources. Companies are sending young professionals into high-school classrooms to try to change that perception, and an industry group has drawn millions of views with a TikTok campaign to show the field in a fresh light.

Accounting is a reliable path to stable, steady work, Mr. Wolf said, but there are easier ways to enter the business world.

"There's so many options," he said. "Why pursue a much more difficult path?"

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Corrections & Amplifications

The CPA license refers to certified public accountant. An earlier version of this story incorrectly described it as the certified professional accountant license. (Corrected on Dec. 28)

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