

# Executive Summary

This comprehensive report delves into the diversity, equity, inclusion and belonging (DEIB) challenges within the accounting industry, emphasizing the critical need for more inclusive cultures where employees can thrive and effectively serve clients. Despite efforts to prioritize DEIB, the accounting profession lags behind other industries in recruiting and retaining diverse talent. One contributor is a persistent perception gap between accounting leaders and employees regarding inclusivity in the workplace. While leaders may believe their organizations are inclusive, many employees feel otherwise, leading to potential attrition from the profession.

This call to action coincides with a significant challenge: a talent shortage exacerbated by changing demographics and shrinking workforce. Notably, research reveals that one in 10 accounting professionals has left the field due to insufficient inclusion and equity measures, highlighting the urgency for leaders to prioritize DEIB efforts.

## **Key statistics highlighted in the report underscore the urgency of addressing DEIB issues:**

**1. Diversity is Lagging:** Diversity disparities persist, particularly in leadership roles, with white employees and men dominating the accounting profession.

- Approximately **80% of senior leaders** are white and **60% are male**, while LGBTQ+ representation remains minimal.
- Despite **40% of accounting graduates** identifying as non-white, only **23% of professional staff** and **18% of partners** are non-white, reflecting significant diversity gaps within the accounting profession..

**2. Perception Gap:** A significant perception gap exists between leaders and employees regarding inclusivity.

- **68% of leaders** believe they foster empowering environments compared to only **36% of employees**.
- **97% of human resources (HR) leaders** believe their organization has improved DEIB, but most employees feel their DEIB needs are unmet, highlighting a disconnect in perception.

# Executive Summary (continued)

**3. Gender Inequities:** Despite progress, women in accounting still face barriers to advancement, including unfair treatment in recruitment, inequitable access to sponsors and mentors, and gender bias from leaders, leading to some leaving the profession.

- Over **60% of women in accounting** report experiencing inequitable compensation, lack of recognition, promotion inequity, feeling unsafe to contribute ideas, and being demeaned by coworkers or leaders.

**4. High Burnout Rates:** Burnout rates among accountants are alarmingly high, contributing to significant attrition from public accounting due to long hours and stress.

- Over **300,000 accountants** left the profession between 2021–2023, with long hours during busy periods and higher pay in other industries cited as primary reasons for departure.
- A 2022 survey revealed that **99% of accountants** suffer from burnout.

**5. Evolving Business Models:** Technological advancements and demographic shifts are reshaping the profession, necessitating a focus on attracting and retaining diverse talent.

While primarily focused on the United States (U.S.), the report also considers global trends. It highlights discrepancies between intentions and realities regarding DEIB through curated content from over 70 sources and interviews with accounting professionals across different organizational levels, offering strategic recommendations to bridge these gaps.

The report contains robust recommendations for extensive, intentional DEIB action, with an inclusive emphasis on leadership, allyship and mentorship. In *Taking Action* (page 31), Strategic Imperatives provide high-level approaches. They are followed by a *Best Practices Checklist* (page 37) containing specific actions organizations can adapt to their own needs.