



# 2019 Pipeline Trends Report

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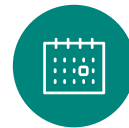
# Report history & methodology



• The report has been published by the AICPA since 1971.



• Identifies key trends in accounting enrollment, graduation and hiring.



• The 2019 report covers the 2017-18 academic year and 2018 hiring year.



• Provides estimated information based on statistical projections and descriptive statistics from a census survey of U.S. colleges and universities as well as public accounting firms.

## Interpreting the data

The *2019 Trends in the Supply of Accounting Graduates and the Demand for Public Accounting Recruits* report includes both statistical projections and descriptive statistics.

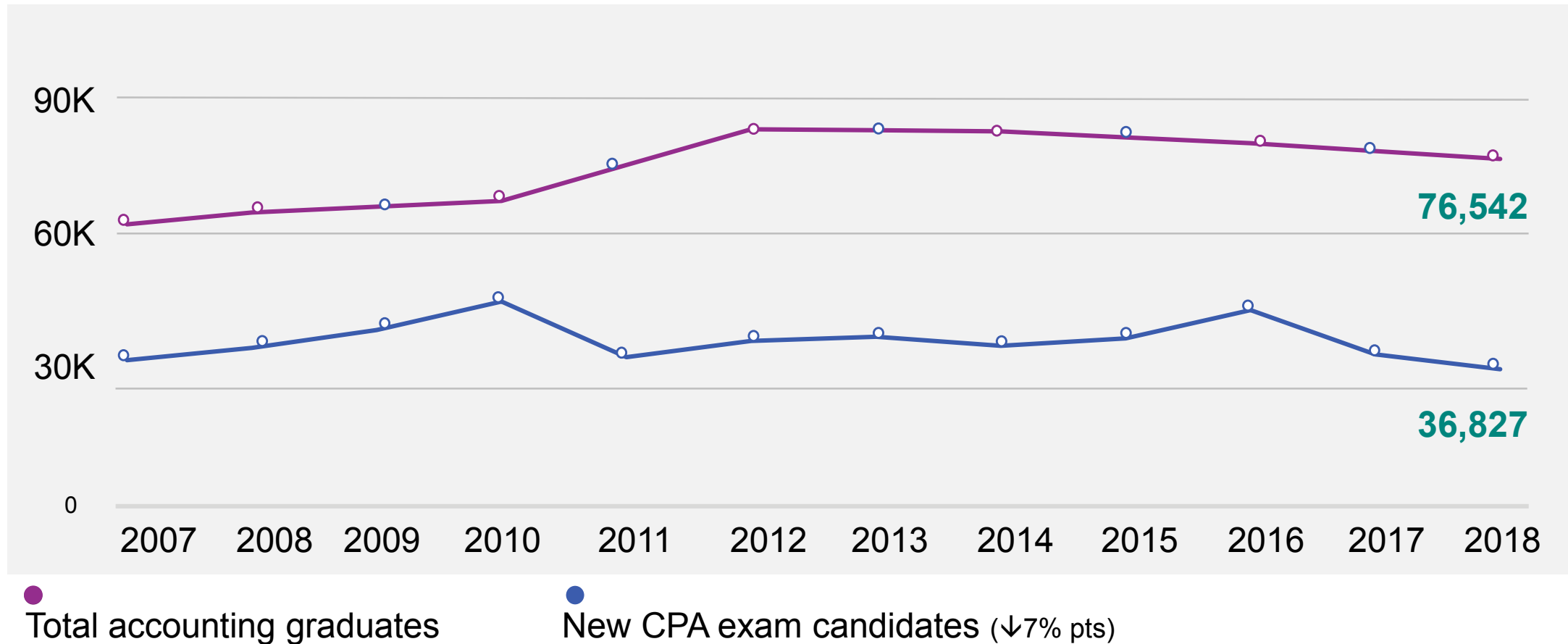
The data presented for overall numbers of enrollments, graduates, and hires are:

- Based on statistical projections;
- Calculated by creating a model that is meant to predict population values;
- Should be used to look at the overall trends in the reporting areas, rather than taken as a statement of exact values;
- Weighted to represent the total population.

Demographic breakdowns for enrollments, graduates, new hires, and firm demographics are descriptive statistics.

# Accounting graduates vs. new examinees

After the 2016 increase in CPA Exam candidates, attributed to new version of the Uniform CPA Exam that launched in 2017, the number has dipped to its lowest level in 10 years.



# Accounting enrollments

Total projected accounting enrollments are down 4% from the record highs of 2016 but are still among the highest.

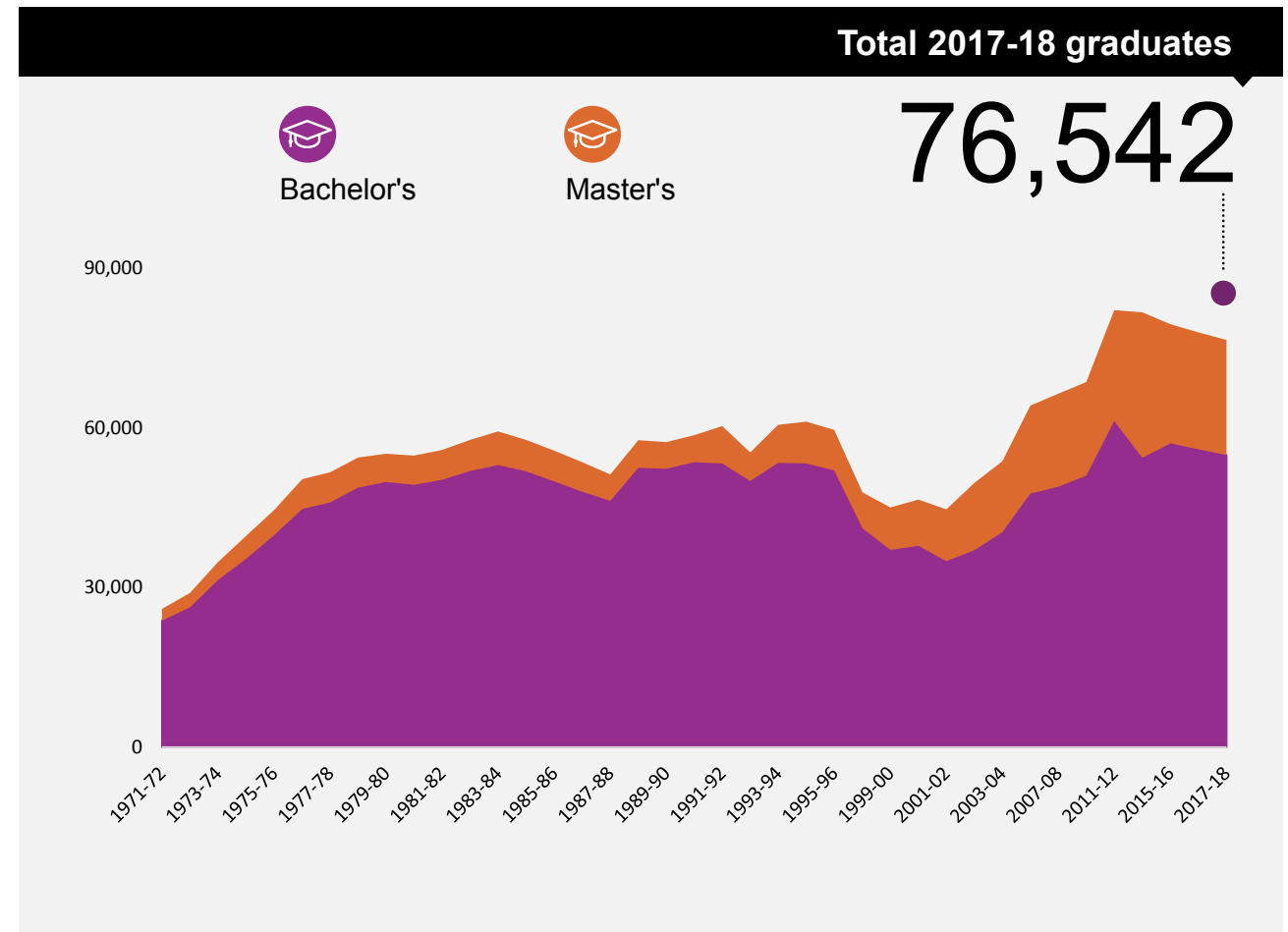


Total enrollments



# Total accounting degrees awarded

Projected accounting graduates trended downward in the 2017-18 academic year, with decreases of 4% at both the bachelor's and master's levels and overall.



# University Discussions

## Enrollments/ Graduates



- Many accounting programs expressing concern about the size of applicant pools
- Larger decreases at master's level
- Online enrollments up, face-to-face enrollments down

# University Discussions

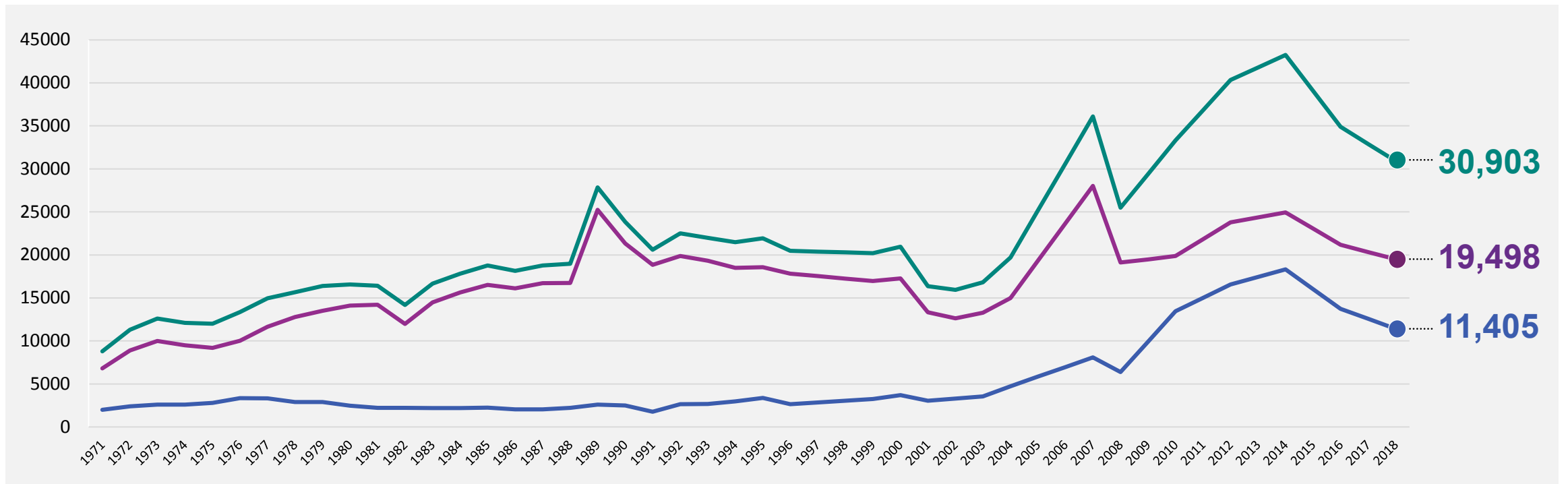
## Enrollments/ Graduates



- Decline in international applicants – especially from China
- Some report other international are increasing
- Universities with tech investments and firm partnerships experiencing increased enrollment

# U.S. public accounting firm hiring of new accounting graduates

In 2018, hiring of new accounting graduates slowed 11 percentage points.



Bachelor's

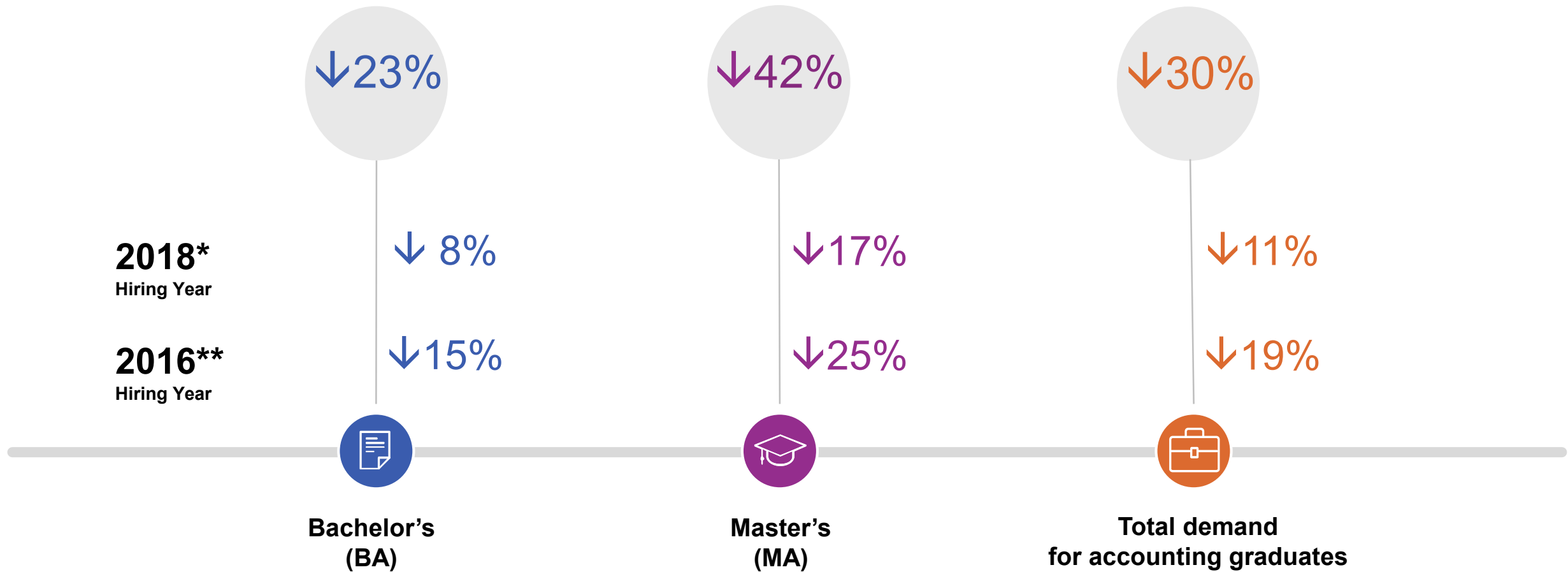


Master's



Total demand

# U.S. public accounting firm hiring of new accounting graduates declines across reports

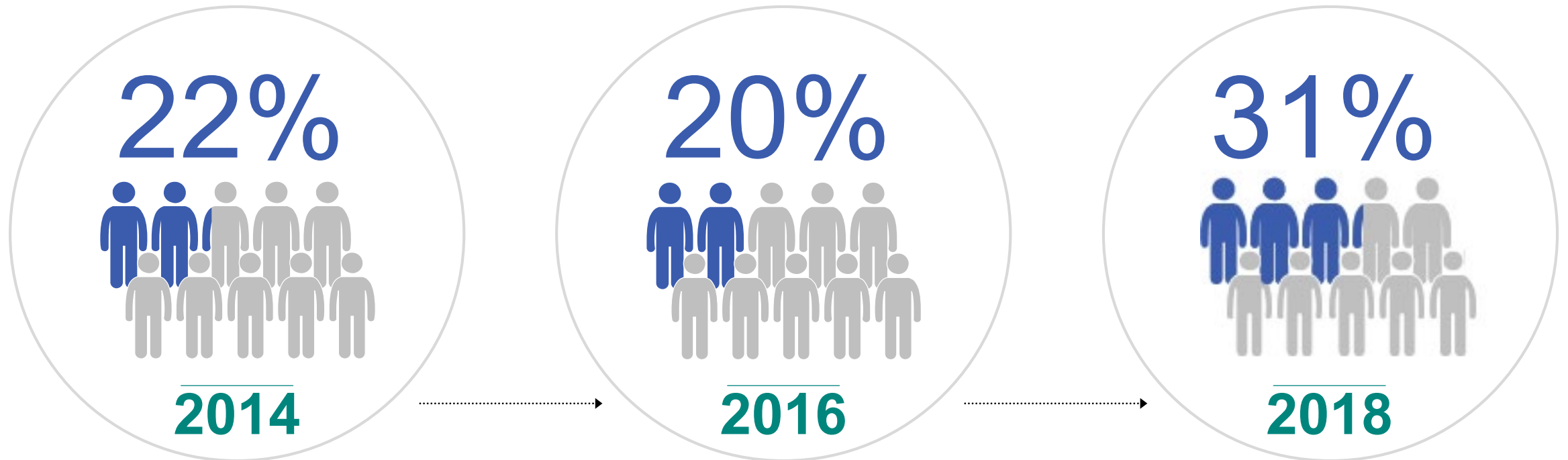


\*Percentage point change from 2016-2018

\*\*Percentage point change from 2014-2016

# Non-accounting new graduate hires

Non-accounting hires as a percentage of all new graduate hires are up 11 percentage points.



Non-accounting graduates

# Firm and University Discussions

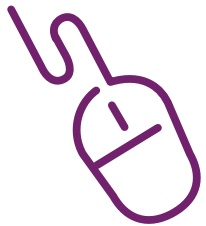
## Hiring



- Firm hiring remains stable – more hiring in technology and experienced
- More students are interested in non-public accounting careers
- Students value purpose, work/life balance and entrepreneurship

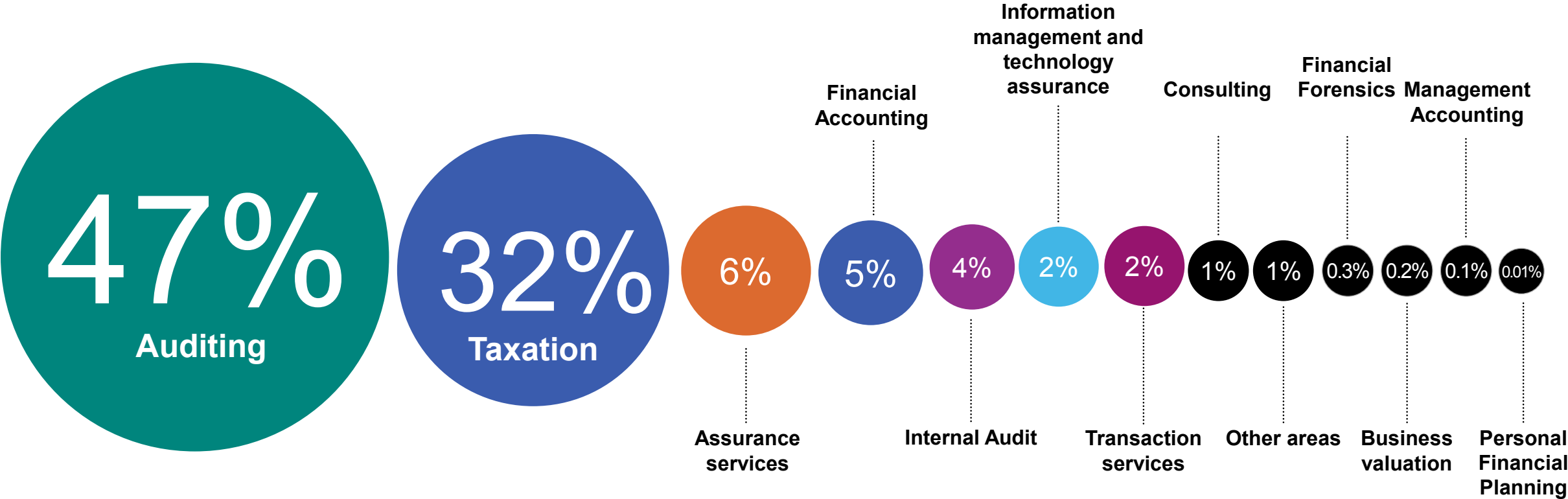
# University Discussions

# Technology Integration



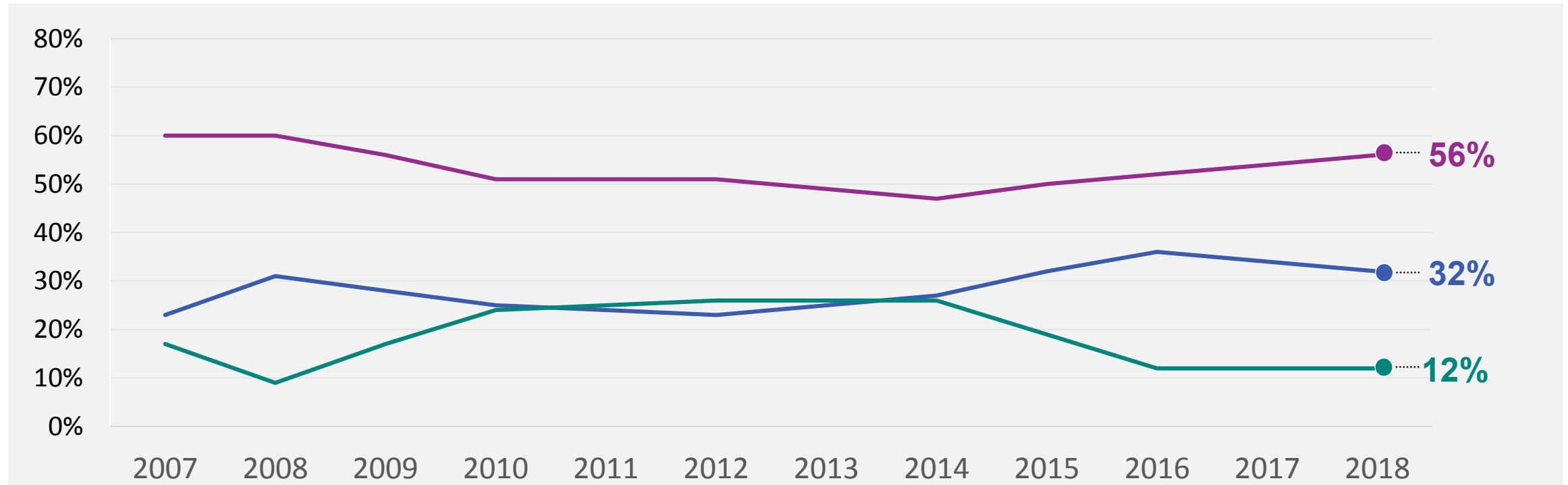
- Recruiters and Accounting Advisory Councils are requesting more technology
- Universities, like firms, are along the spectrum as far as integration
- Some programs in accounting are gaining STEM designation
- AACSB changed their accounting standards to require technology knowledge by students AND faculty

# Accounting Hires Discipline Assignments



# New accounting grads hired into accounting/finance functions of U.S. CPA firms

Audit and related services continue to increase as the largest area of assignment for new hires.



Accounting/Audit  
(↑ 4% pts from 2016;  
9% pts from 2014)

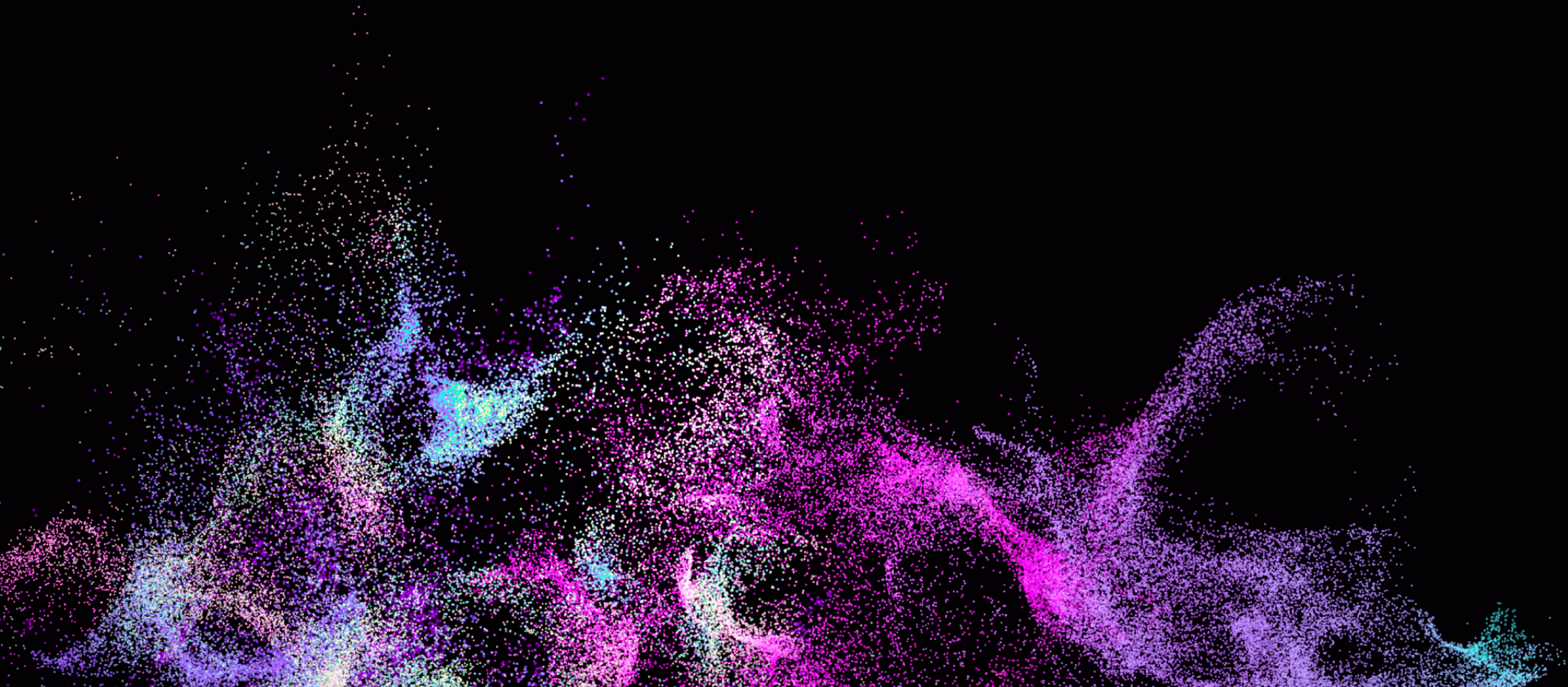


Taxations  
(↓ 4% pts)



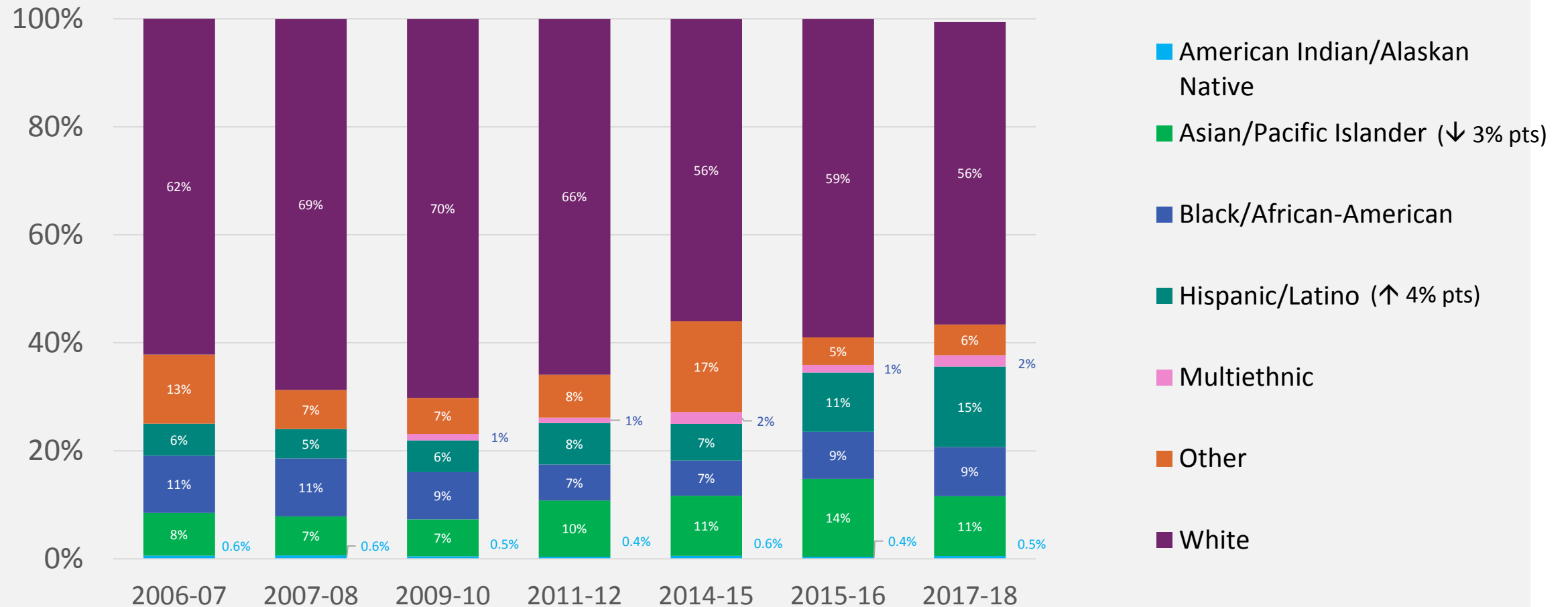
All other areas

# Diversity Trends



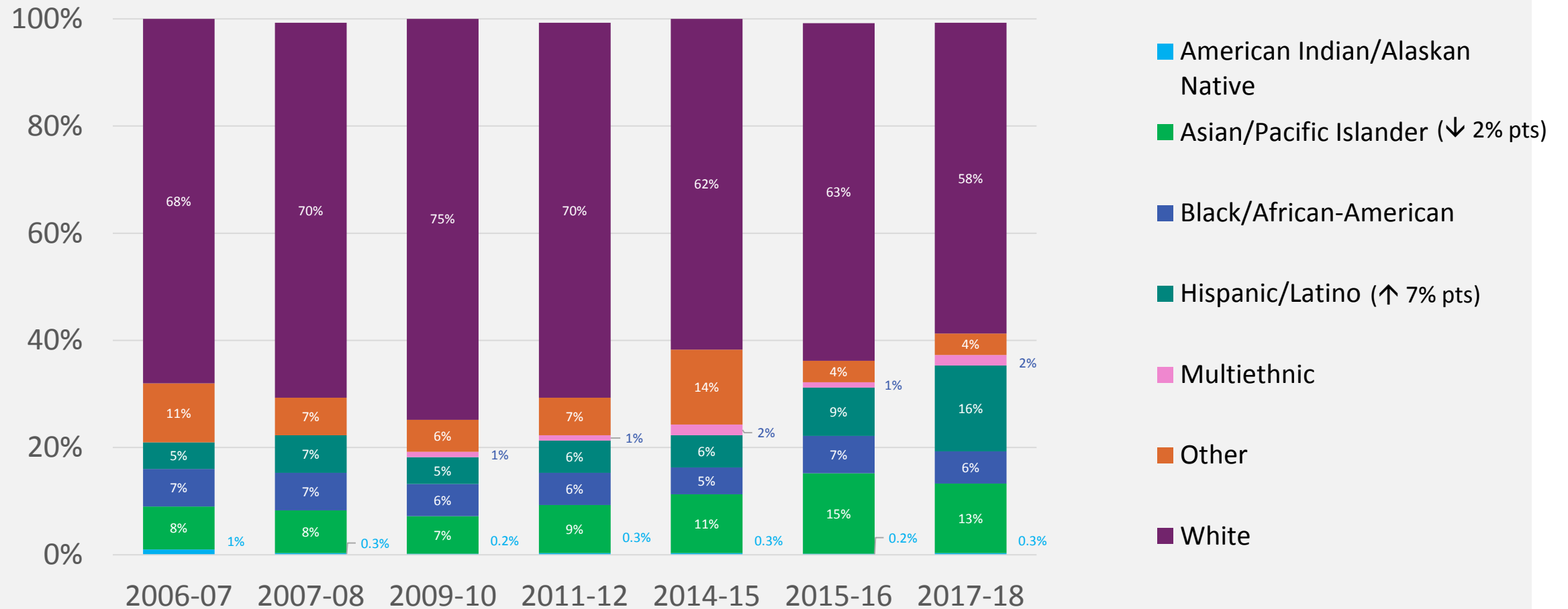
## Bachelor's and master's of accounting enrollees by race/ethnicity

(Non-white = 44%, ↑ 3% pts)



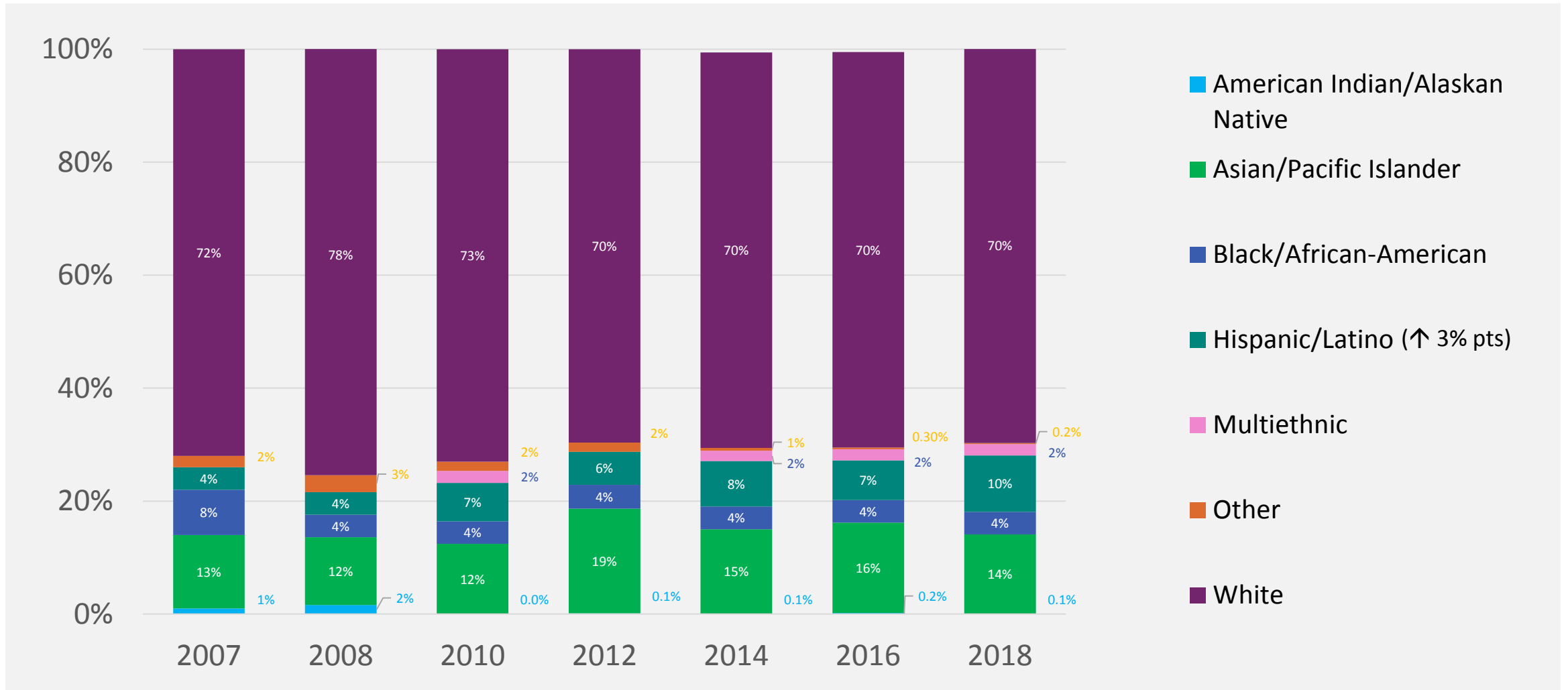
# Bachelor's and master's of accounting graduates by race/ethnicity

(Non-white =42% ↑ 5% pts)



## Bachelor's & Master's of accounting graduates hired into accounting functions of U.S. CPA firms by race/ethnicity

(Non-white = 30%)

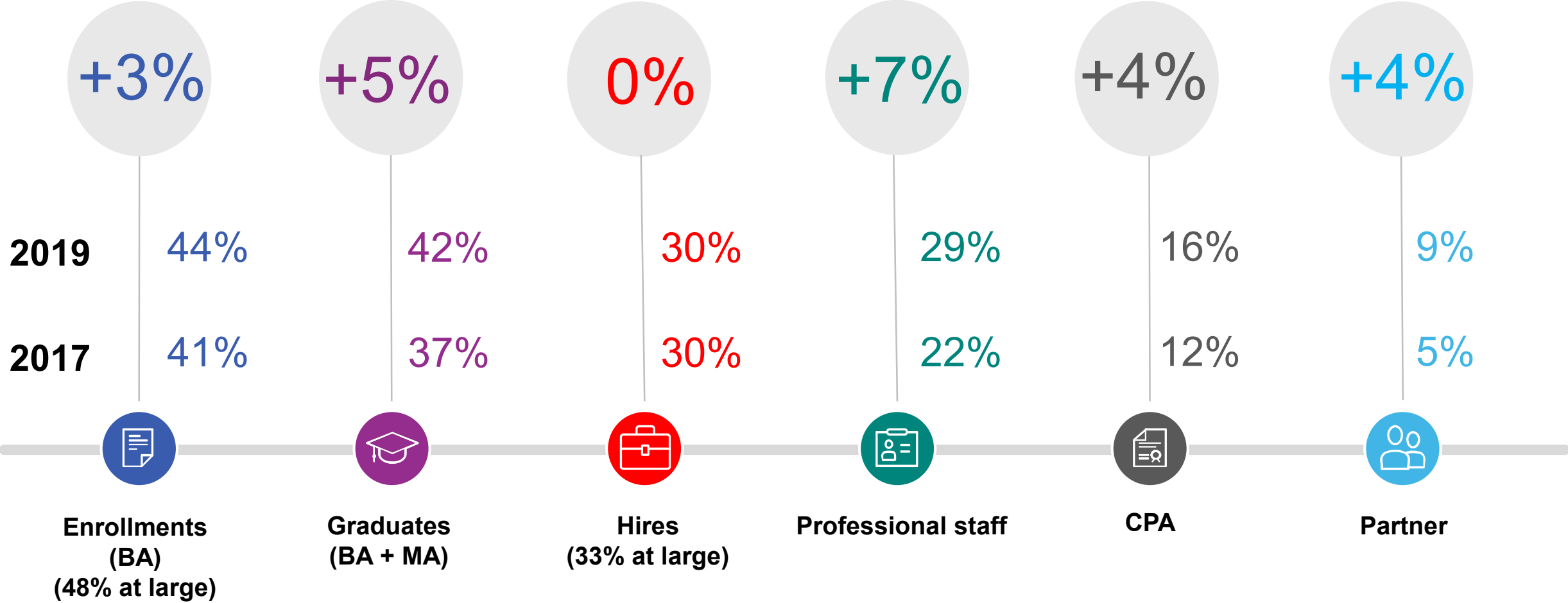


# Diversity along the accounting career pipeline

Total nonwhite populations make up a greater percentage of the beginning stages of the pipeline.



# Diversity along the accounting career pipeline is up from 2017



# Gender along the pipeline



	Men			Women		
	2017	2019	Growth	2017	2019	Growth
<b>Enrollments</b>	52%	51%	-1%	48%	49%	1%
<b>Grads</b>	52%	49%	-3%	48%	51%	3%
<b>Hires</b>	52%	49%	-3%	48%	51%	3%
<b>Professional Staff</b>	54%	53%	-1%	46%	47%	1%
<b>CPAs</b>	60%	58%	-2%	40%	42%	2%
<b>Partners</b>	77%	77%	0%	23%	23%	0%



# Firm Expectations

# Firm hiring expectations of non-accounting graduates

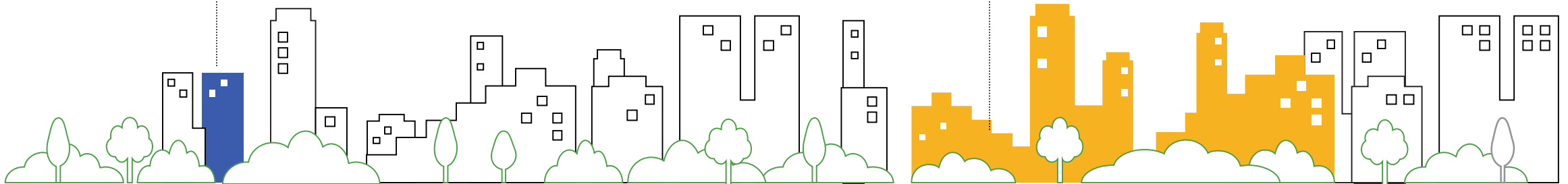
Of firm respondents **who hired** non-accounting graduate(s) in 2018,

**5%** (↑ from 3%)

expected to hire more non-accounting graduate(s) in 2019.\*

**32%**

expecting hiring would remain the same in 2019.



# Firm hiring expectations for new accounting graduates

Among those **who hired** at least one new accounting graduate in 2018,

**58%** (Same as 2016)

expect to hire at the same or higher rate in 2019.

Among those who **did not hire** accounting graduate(s) in 2018

**7%** (↓ from 9%)

expect to hire in 2019.



## Key takeaways



- Enrollments down 4%; among record highs



- Graduates down 4%; among record highs



- Hiring of new accounting graduates down, yet many opportunities exist



- AICPA laser-focused on the CPA pipeline

Visit [AICPA.org/PresenterToolkit](https://aicpa.org/presenter-toolkit) to get involved.

# AICPA programs dedicated to evolving the profession and growing the CPA pipeline

Academic Champions

Academic Executive  
Committee (AEC)

Accounting Accreditation  
Practitioner Engagement  
Program

Accounting Doctoral Scholars  
Program (ADS)

Accounting Program for  
Building the Profession  
(APBP)

Accounting Scholars  
Leadership Workshop (ASLW)

AICPA and National Academy  
Foundation Recognition Program  
Partnership

AICPA Fellowship for Minority  
Doctoral Students

AICPA Legacy Scholars Program

AICPA Student Affiliate  
Membership

Annual Accounting Profession  
Diversity Symposium

Bank On It

HBCU Toolkit

Real CPA Pipeline Campaign

Start Here, Go Places. (SHGP)

State Societies Dual Recruitment

ThisWaytoCPA (TWTCPA)

Uniform CPA Examination®



# Thank you

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