



COVID-19 Connecticut CPA Benchmarking Survey

Survey 3 – Spring 2021

Conducted by:



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Overview and Methodology

This is the final report in a series of benchmarking collaboratives conducted by Avenue M Group (Avenue M) on behalf of over a dozen state CPA societies from across the United States. At the end of April through early May 2020, 18 CPA societies took part in the first round of a COVID-19 Quick Pulse Survey, and 14 of the societies elected to participate in a second round of the survey in September of 2020. The third and final round of the survey was fielded in January of 2021, with 15 state CPA societies taking part in the research. The following report is an analysis of the continued impact of COVID-19 on the CPA profession based on the data collected from these surveys.



15 State CPA Societies
8,300+ CPAs

Quantitative Research Overview

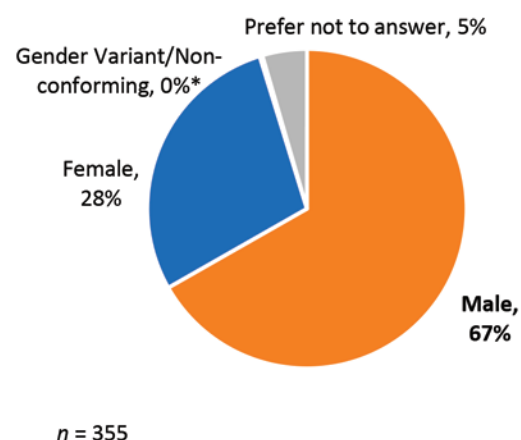
The CTCPA survey launched on January 14, 2021 and closed on January 28, 2021. An invitation to participate in the survey was sent to 3,161 individual email addresses. A total of 393 surveys were collected with an overall response rate of 12%. The survey had a margin of error of +/-5% at the 95% confidence level. The industry standard for member research studies is to achieve a margin of error of +/-5% at the 95% confidence level. CTCPA is within this goal; thus, the results are considered representative of CTCPA's audience overall. In other words, if the survey were conducted over and over, 95 times out of 100, one would obtain results within +/-5% of the results garnered in this survey.

Demographic Overview

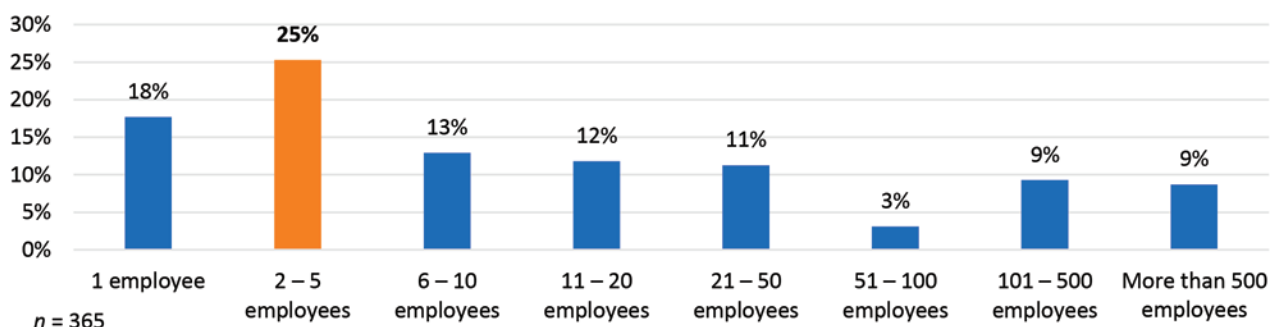
The tables and charts below show an overall view of Connecticut respondents that provides context needed to better understand the findings and results that emerged from this study.

Employment Status	Percent
Partner/Shareholder/Owner	39%
Sole Practitioner	27%
Retired but still practice	2%
Director/Manager	9%
Staff Member	7%
President/CEO/COO/CFO	5%
Corporate Accounting/Finance Professional	2%
Controller	2%
Retired and no longer work	1%*
Consultant	1%*
Government Employee	2%
Unemployed	1%*
Internal Auditor	1%*
Department Chair/Professor/Teacher	0%*
Other ¹	1%
<i>n</i> = 389	

Sector	Percent
Public accounting	81%
Business & Industry/Corporate Finance	10%
Not-for-profit organization	2%
Consulting/Advisory	3%
Education/Academia	2%
Other	2%
<i>n</i> = 381	



Years a CPA	Percent
Fewer than 3 years	1%*
3 – 6 years	3%
7 – 10 years	2%
11 – 20 years	11%
21 – 30 years	23%
31 – 40 years	39%
41 – 50 years	19%
More than 50 years	1%
<i>n</i> = 352	



- Around two-fifths of respondents are partners, shareholders, or owners.
- Just over two-thirds of respondents identify as male.
- A little over four in five respondents work in public accounting.
- Roughly two in five respondents have been a CPA for 31 to 40 years.
- One-quarter of respondents work in an environment with 2 to 5 employees.

Executive Summary

On behalf of 15 state CPA societies, Avenue M Group launched a third and final sentiment survey in January 2021. As the COVID-19 pandemic continues to affect CPAs, both personally and professionally, the same survey was administered three times over the course of a year in order to track changes and trends and provide benchmarking data to organizations. Responses came from partners, shareholders, sole practitioners, C-Suite executives, staff members, controllers, corporate accounting and finance professionals, educators, and government employees.

The overwhelming sentiment shared by 97% of CTCPA respondents was that COVID-19 has been disruptive, to varying degrees, to their organization. This statistic is the same from Survey 1. More specifically, fewer than 5 respondents (0.54%) shared that COVID-19 has continued to cause complete disruption to their work. This is more than 4% lower since the initial survey (Survey 1: 5%, Survey 2: 2%), and 11% of CTCPA respondents report a reduction in staff (down 6% from Survey 1).

The financial implications brought about by the pandemic have shifted over the course of the 3 surveys. Back in the Spring of 2020, 6% of CTCPA respondents indicated they were not experiencing any financial impact on their business. After the fielding of the second survey, the number of respondents that selected “There has been no financial impact on my business” increased by 15% (21%). This number went up an additional 7% (28%) with the third survey. Overall, these numbers point toward the fact that, even if individuals experienced negative financial impact earlier on in the course of the pandemic, nearly three in ten are now in a more positive financial situation.

More specifically, over one-third (36%) of sole practitioners reported that they have not experienced a financial impact on their business due to COVID-19. However, nearly two-fifths (37%) of respondents who work at a company with 500+ employees anticipate the financial impact from the pandemic will last between 13 and 24 months.



97%

Of Connecticut CPAs said that the COVID-19 pandemic has been disruptive to their firm, organization, or company. This number remains unchanged from the initial survey.



28%

of Connecticut respondents indicate they are not experiencing any financial impacts of COVID-19 on their business. This number increased steadily over the course of the three surveys.

Immediate Challenges



31%

of respondents indicate that there is reduced staff in the physical office and the majority of employees are still telecommuting. This is up from 3% percent from the second survey.



29%

of Connecticut respondents report concern over losing revenue due to business closures. This is a significant improvement over the 60% citing this concern in the Spring of 2020.



47%

of respondents cited the ability to maintain a work/life balance as a challenge. This is up 9% from the initial survey.

Staffing Continues to Be in Flux

In the second survey, it was reported that 28% of CTCPA respondents had a reduction of staff at their physical office and most employees continued to telecommute. The data in the third survey is up by 3% (31%).

Additionally, the number of respondents whose companies are working completely remotely dropped by half from Survey 1 to Survey 3 (Survey 1: 20%; Survey 2: 11%; Survey 3: 10%). As health and safety concerns continue to change, fluctuations with remote working situations may persist. While some employees can expect to work 100% remotely in the future, it is likely more will return to the office (whether full-time or hybrid with remote working) as the vaccine rollout efforts progress.

Those working in the business and industry/corporate finance sector have faced significant reductions in employees at their places of work as a result of the pandemic (Survey 3: 38%).

Financial Concerns Continue to Ease

In the final survey, nearly three in ten (29%) of Connecticut respondents reported concerns over losing revenue due to business closures. Over the course of the past year, this statistic has improved. In the spring of 2020, three-fifths of CTCPA members were concerned with business closures and nearly two in five (38%) respondents expressed the same concern in the second survey.

Other business concerns expressed by CPAs include slow responses from banks and service vendors that employ remote staff and having unfilled open positions.

Work/Life Balance Concerns Continue to Be a Challenge

The ability to maintain a work/life balance remains a challenge for many CTCPA members. Slightly less than half (47%) cited this as a challenge, which is up 9% from Survey 1 (38%). Overall, 28% of respondents are concerned with maintaining connection and company culture while working from home, which could be contributing to challenges with maintaining a work/life balance.

Other comments expressed include employees leaving due to stress dealing with remote/hybrid school.

Most Pressing Concerns

Similar to the previous studies, CTCPA members' most pressing concerns and challenges surrounding COVID-19 continue to vary based on their business sector. Maintaining a work/life balance is a constant concern for all members, with those working in the public accounting sector showing a 10% increase from Survey 1 (from 39% up to 49%). Additionally, for those working in public accounting, one of their most pressing concerns continues to be navigating PPP/SBA and evolving changes in law (Survey 2: 52%, Survey 3: 56%).



71% of respondents at not-for-profit organizations and **50%** in education/academia cited reevaluating budgets and business plans to ensure long-term stability as a top concern.

Most Pressing Concerns Benchmark Between Survey 1, 2, and 3

Please see the tables below and on the following page for further details and to see a comparison between the data from rounds 1, 2, and 3 of the survey.

Survey 1 Responses					
What are your most pressing concerns?	Public accounting	Business & Industry/ Corporate Finance	Not-for-profit organization	Consulting/ Advisory	Education/ Academia
Ensuring the continued health and safety of our employees	57%	64%	62%	29%	50%
Losing clients/revenue due to business closures	68%	36%	33%	41%	30%*
Keeping a work/life balance	39%	49%	33%	6%*	30%*
Helping clients/employer meet government deadlines	45%	12%	24%	24%*	20%*
Reevaluating our budget and business plan to ensure long-term stability	25%	42%	71%	18%*	50%
Handling stress related to a personal situation and/or family needs	29%	29%	48%	12%*	50%
Collecting tax information from clients	37%	2%*	0%*	12%*	0%*
Servicing clients or customers when there are travel restrictions	28%	14%	14%*	29%	0%*
Staying employed/keeping my job	13%	37%	14%*	18%*	30%*
Laying off or furloughing staff due to a drop in business	17%	29%	29%	6%*	40%*
Conducting audits when agencies, organizations and institutions remain closed	22%	3%*	10%*	6%*	10%*
n =	411	59	21	17	10

Survey 2 Responses

What are your most pressing concerns?	Public accounting	Business & Industry/ Corporate Finance	Not-for-profit organization	Consulting/ Advisory	Education/ Academia
Ensuring the continued health and safety of our employees	53%	56%	63%	27%*	60%*
Keeping a work/life balance	47%	48%	50%	27%*	40%*
Navigating PPP/SBA and evolving changes in law	52%	23%	44%	33%	0%*
Maintaining connection and company culture while working from home	28%	44%	31%	33%	40%*
Losing clients/revenue due to business closures	43%	21%	25%*	33%	40%*
Handling stress related to a personal situation and/or family needs	29%	39%	38%	27%*	40%*
Helping clients/employer meet government deadlines	40%	8%	0%*	20%*	0%*
Reevaluating our budget and business plan to ensure long-term stability	14%	39%	56%	7%*	40%*
Collecting tax information from clients	29%	0%*	0%*	13%*	0%*
Servicing clients or customers when there are travel restrictions	22%	13%	13%*	27%*	0%*
Staying employed/keeping my job	10%	18%	19%*	20%*	0%*
Conducting audits when agencies, organizations and institutions remain closed	16%	3%*	13%*	7%*	0%*
Laying off or furloughing staff due to a drop in business	6%	15%	19%*	0%*	0%*
n =	343	61	16	15	5

Survey 3 Responses

What are your most pressing concerns?	Public accounting	Business & Industry/ Corporate Finance	Not-for-profit organization	Consulting/ Advisory	Education/ Academia
Ensuring the continued health and safety of our employees	56%	57%	75%	8%*	40%*
Keeping a work/life balance	49%	35%	38%*	38%	40%*
Navigating PPP/SBA and evolving changes in law	56%	30%	25%*	23%*	0%*
Maintaining connection and company culture while working from home	26%	38%	50%*	31%*	20%*
Handling stress related to a personal situation and/or family needs	29%	38%	38%*	38%	60%*
Helping clients/employer meet government deadlines	42%	8%*	13%*	15%*	0%*
Losing clients/revenue due to business closures	30%	22%	25%*	31%*	20%*
Collecting tax information from clients	38%	0%*	0%*	31%*	0%*
Servicing clients or customers when there are travel restrictions	26%	8%*	25%*	15%*	0%*
Reevaluating our budget and business plan to ensure long-term stability	10%	49%	38%*	15%*	20%*
Staying employed/keeping my job	4%	24%	38%*	0%*	20%*
Conducting audits when agencies, organizations and institutions remain closed	17%	0%*	38%*	0%*	0%*
Laying off or furloughing staff due to a drop in business	2%	19%	0%*	0%*	0%*
n =	286	37	8	13	5

*Less than 5 respondents

*Additional response options were added to this question in Survey 2 & 3 based on frequency of open-end responses from Survey 1

Business Disruption and Decreases

One percent (less than 5 respondents) of CTCPA members continue to experience complete disruption to their work due to COVID-19. This is 1% lower than the second survey and is 2% lower than the benchmark average from survey 3.

Nearly one-third (32%) of those working in the business and industry/corporate finance sector have found the pandemic to be extremely disruptive to their place of work. Ten percent of those working independently have not found COVID-19 to be disruptive to their business. See the charts below for a comparison between all three surveys.



The number of Connecticut respondents citing a complete disruption of work decreased from **5%** in the first survey to **1%** in the third.

Connecticut also continued to report lower disruption than the national average.

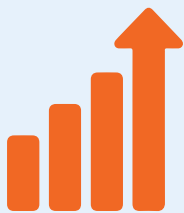
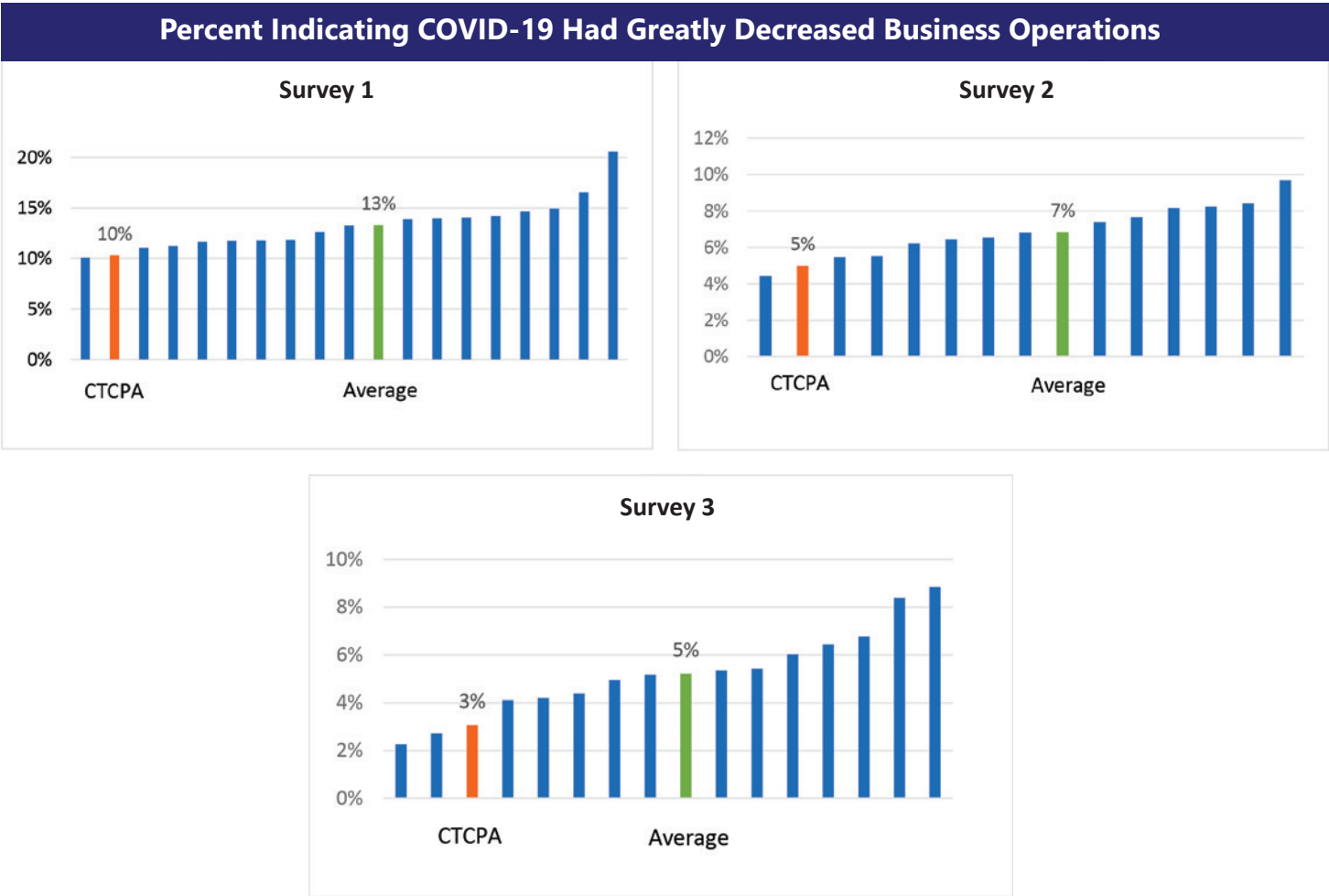
Percent Indicating COVID-19 Had Completely Disrupted Firm, Organization, or Company



CTCPA members (3%) are less likely than the aggregate group average (5%) to indicate COVID-19 has greatly decreased their business operations. Overall, the percentage of CTCPA members indicating the pandemic has greatly decreased business operations dropped by 7% since the first survey was fielded and by 2% since the second survey was fielded.

On a positive note, business has greatly increased for 14% of those specializing in managerial/corporate accounting/finance work. See the charts below for a comparison between the three surveys.

Connecticut respondents continue to report less of a decrease in business operations than the national average.



14% of respondents specializing in managerial/corporate accounting/finance work indicate that business has greatly increased.

About the Connecticut Society of CPAs



The state's premier membership association for certified public accountants and other finance professionals, the CTCPA serves almost 6,000 individuals in public practice, business and industry, not-for-profit, government, and education. The organization is led by a seven-person volunteer Board of Directors and a 30-person volunteer Advisory Council.

Our members are trusted business advisors who help individuals, businesses, and other organizations plan and reach their goals.

Our mission includes promoting a culture of life-long learning, providing member engagement through virtual and in-person networking and collaborative events, helping our members leverage the latest technology, and cultivating relationships with policy makers, governmental officials, and fellow professionals.

Much like the finance professionals the CTCPA serves, the society also was forced to pivot in March 2020. Technology, which has been a major focus for the society and members alike in recent years, became a critical investment when the CTCPA switched all of its in-person classes and events to livestream.

More than 97% of this year's survey respondents were CTCPA members.

Find a CPA in your area or become a part of our dynamic membership at www.ctcpas.org.

About Ion Bank



Ion Bank, based in Naugatuck, is a mutually held, community bank serving Connecticut individuals and businesses for over 150 years. Our philosophy centers on identifying and achieving the financial goals of our customers and building lifetime relationships with them.

When it comes to the financial resources to help individuals and businesses, we offer a full range of deposit products, lending solutions, cash management, wealth management and insurance products – all with the personal service you'd expect from a true community bank.

With 19 convenient locations, online banking including bill pay, mobile check deposit, remote deposit capture, and bank by phone, you can bank with us 24/7/365 from anywhere. For ultimate convenience, our innovative Personal Teller Machines connect you to a live Personal Banker via video to perform real-time transactions with extended hours from 7am to 8pm Monday through Friday and 7am to 3pm on Saturday.

"With Ion Bank, we feel a partnership has developed allowing us to devote more time on growing our company."

Joe Cardinale,
Corporate Director of Finance – HRP Associates

Upgrade to better banking today. Call us at 203-729-4442 or visit ionbank.com to learn more.