Quit the "Quiet Hire"

"Loud Hiring" is Possible with Finance Transformation

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Introduction

Around the world, employees and their employers are undergoing a grand renegotiation of what it means to work, to work hard, and to build lasting value for themselves and the companies they sustain. Of late, this conversation is taking place in a context of post-pandemic economic recovery, war woes, supply-chain snarls, and talent shortfalls. While such realities are daunting, disruptions of this scale invite us to reassess our assumptions about life and, more specifically, work.

This paper begins by exploring how recent global tumult led to the twin trends of "quiet quitting" and "quiet hiring." Further, we propose that because "quiet hiring" has tradeoffs for both employee and employer, especially in finance and accounting where long hours and rote activity threaten burnout and job dissatisfaction among "quiet hires," "loud hiring" is a more sustainable way forward. **Attracting and retaining in-house talent, recognizing and celebrating important contributions, and then supporting those roles with finance transformation tools, can be a winning strategy to navigate talent shortfalls while also strengthening the enterprise at large.** Finally, the paper proposes steps for CFOs and other finance and accounting leaders considering finance transformation.

Emergence of "Quiet Quitting" and "Quiet Hiring" Trends

It wasn't that long ago that the term "**quiet quitting**" entered our business lexicon. While there's some evidence of the term cropping up as early as 2009,[1] a related concept – tang ping (Mandarin), meaning "lying flat"[2] – emerged in China in 2021 to describe a worker's bare minimum productivity and a rejection of societal pressures to work hard with little reward. In early-2022, a career coach used "quiet quitting" to describe boundary-setting at work when demands seemed unreasonable and unhealthy;[3] Gen Xers soon seized upon the concept, also called "acting your wage," to push back on overbearing hustle culture.[4] Gallup's "State of the Global Workplace: 2023 Report" found that 6 in 10 workers around the world are "quiet quitting" or otherwise disengaging from work.[5] Some workers have taken disengagement to new levels, resorting to early resignations and dramatic "loud quitting."[6]

Placing heavy demands on workers, especially without just compensation, yields consequences beyond "quiet quitting." Employee disaffection also shows up as labor activity increases. The year 2022 a 50% spike in work stoppage over 2021,[7] including strikes from Hollywood[8] to the UAW[9] and beyond.[10] Adding to the pressure on talent in finance and accounting, specifically, is a mass exodus of workers: 300,000 accountants left their jobs in the last few years (a 17% overall decline) due to baby boomer retirement and transitions to related fields,[11] making it a "candidate's market" for anyone job-hunting. Prospects are dim of infusing fresh talent into finance and accounting positions because the number of graduates is plummeting due to stiff academic requirements,[12] long hours, and perceptions of work tedium.[13] Those who remain in the field are saddled with more work. Job descriptions for the field are expanding from bookkeeping and payroll to include business analytics,[14] the navigation of new environmental and social governance regulations,[15] and the integration of artificial intelligence tools.

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With “quiet quitting” and the mounting pressures on workers and employers alike, especially in finance and accounting, it’s understandable that companies turn to a “**quiet hiring**” strategy to cope. Cited as the #1 trend in 2023’s “Future of Work Trends” by the research and advisory firm Gartner,[16] “quiet hiring” describes employers who ask current employees or temporary hires, often in less overt ways, to cover responsibilities (thereby not adding to permanent staff headcount).[17] Consequently, and especially when these expanded responsibilities are not attended by rightful adjustments in compensation, companies can protect their bottom lines. Euphemisms like “stretching” and “upskilling” the current workforce suggest that the portfolio of responsibilities increases for those who are brave or energetic enough to stick it out in a “quiet hire” finance and accounting role.

The Up- and Downsides of "Quiet Hiring"

Hiring used to be a straightforward process. The typical sequence of events would be that a vacancy opens, a job position is posted, research and recruitment take place, applications pile up and are winnowed, top candidates are identified and vetted, negotiations unfold, a lucky person is selected and onboarded, and the work continues apace. Today, much of this process looks different because of the forces shaping the workforce, as outlined earlier. Employers turned to "quiet hiring" to manage these forces. With "quiet hiring" being a relatively new – albeit widespread – trend, we briefly examine pros and cons of this practice from both the employee and employer perspectives.

Employee Perspective

Permanent in-house employees may enjoy several upsides when considering a "quiet hire" proposition. Because the employer would not undertake an exhaustive traditional hiring process, the employee would likely not be competing with unknown or external candidates. Instead, the employee may be among a few known internal candidates vying for a larger set of responsibilities that may also come with greater job security. Acknowledging the larger portfolio of work, employers with astute business ethics may offer the "quiet hire" a pay bump, or a larger benefits package such as work-from-home or hybrid options, additional paid time off, or professional development perks. Employees may also have a chance to explore a new skillset or a different career path.

These sunny prospects may also come with significant downsides for the "quiet hire." In instances where the expansion of duties is not explicit, job description creep may breed confusion and resentment with longer hours or more responsibilities. Such sentiments could unwittingly backfire with a "quiet quit" response. If it's a temporary arrangement – whether by design or poor planning – the "quiet hire" may eventually need to revert to a status ante job description which could be demoralizing for a worker suddenly less challenged, less benefitted, and less compensated, than before.

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Employer Perspective

Employers must also weigh the pros and cons of a "quiet hiring" strategy. On the one hand, there's a very real attraction in protecting the bottom line. Traditional new hires typically cost 16-213% of salary,[18] and these turnovers, especially when compounded, add up to significant dollars and considerable logistics. Using in-house talent is a vastly cheaper proposition, even when considering the potential costs of supplementary "quiet hire" pay or benefits. An already stable workforce, if buttressed with temporary hires during high-demand periods, would be the envy of many finance and accounting departments.

On the other hand, employers must also consider that the hazards of a "quiet hire" are quite real. As with genetics, variation is the spice of life: "quiet hires" could lead to greater insularity, group think, and limited innovation when new or emerging practices and skills – think AI, Robotic Process Automation, etc. – are boxed out. Morale could suffer as the work is distributed among smaller teams, and long-term under-appreciation could result in attrition.

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In Praise of "Loud Hiring" + Finance Transformation Tools

With significant trade-offs for both employee and employer, the "quiet hire" is a gambit. There is an alternative – a "loud hire." In the field of finance and accounting, "loud hiring," coupled with finance transformation, holds real potential to retain talent and strengthen the organization at large. First, an explanation of "loud hiring" below.

What's "Loud Hiring"?

For finance and accounting departments whose traditional hiring approach is expensive, lengthy, and with uncertain success in today's candidate's market, **"loud hiring" recognizes, celebrates, and promotes highly motivated talent from within.** Whether on a temporary or permanent basis, "loud hires" are characterized by an employer's public effort to identify, appreciate, and recognize team members who take on additional work during high-need periods or on a more permanent basis.

Management and human resource gurus suggest that there is much to be gained from appreciating[19] and recognizing[20] employees under any circumstances, including that 53% of employees would stay longer at their company if they felt more appreciation from their boss.[21] (In contrast, 76% of millennials would quit if they felt unappreciated.[22]) Whether appreciation is anytime and person-based, or periodic and performance-based, "loud hiring" recognizes – in concrete ways – the value of in-house employees who step up and take on more responsibility. Examples of such measures could be thank-yous copied to finance executives, raises, awards, promotions, time off/sabbaticals,[23] work-from-home stipends, access to career coaching, and learning and development opportunities.[24]

Finance Transformation Must Support the "Loud Hire"

A tidy benefits package, work-from-home options, eloquent public acknowledgement of effort, and handsome pay – on their own – may still be insufficient to attract and retain a "loud hire" in finance and accounting. Why? Because the field of accounting, especially for those on the front line, is uniquely rife with rote activity. A newly placed "loud hire" may soon be relegated to mundane tasks that detract from job satisfaction and increase the chances of burnout or attrition. If employers are lucky enough to have a willing-and-able "loud hire" on deck, they must relieve that employee of activities that lack engagement or fulfillment. Otherwise, finance and accounting leaders risk running that hire into the ground,[25] ultimately meeting the same fate as an unfulfilled "quiet quitter" or a saddled "quiet hire."

For "loud hiring" in finance and accounting to be sustainable, for companies to recruit, retain, and motivate top talent, they must also equip "loud hires" and their teams with critical **finance transformation** tools to contribute to the company's success, especially as workers take on expanded responsibilities to address periodic or long-term talent gaps. As a strategic enabler, finance transformation – ushering in people, process, technology, and information improvements across the enterprise – **can address root causes of employee disengagement**. With advanced tools, early-career "loud hires" could see more fulfillment[26] and purpose[27] in their work, beyond mundane number crunching. Tasks such as core subledger and financial close activities like applying cash to open invoices, preparing reconciliations,[28] or submitting corrected journal entries[29] are low-value workloads that could all be automated. "Loud hires" could then take on higher-level functions such as sustainability reporting and assurance,[30] the development of new business models, and participation in value-added advisory services. Beyond that, a company's move to cloud solutions, as a component of finance transformation, could also offer the "loud hire" the option of a flexible venue for this work, a factor desired by nearly half of the global workforce considering a job change.[31]

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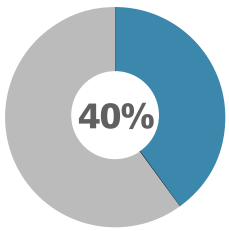
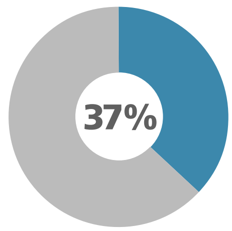
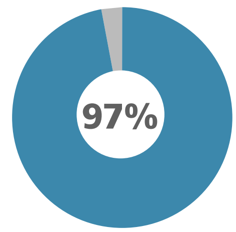
Well beyond the upside of organizations being able to attract and retain "loud hires," **finance transformation can push other enterprise goals forward**.



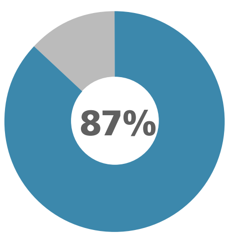
Finance transformation could help maintain a **competitive edge** for the 40% of C-suite respondents who worry that their company does not have skills to digitally transform as quickly as competitors in coming years.[32]



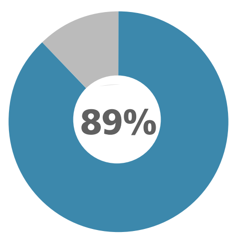
Finance transformation offers **data reliability and anytime-anywhere visibility**, a tantalizing prospect for the 37% of C-suite members who do not trust their own financial data because reports lean too heavily on "clunky spreadsheets and outdated processes that leave F&A teams in the dark until month-end."[33]



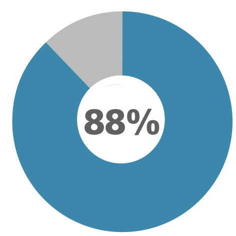
CFOs also report the need for **greater speed** afforded by finance transformation: 97% suggest their biggest concern is missing reporting deadlines,[34] often due to uneven month-end close workloads.



Finance transformation builds **resilience** too, with 87% of finance and accounting leaders "significantly" or "somewhat" more prepared after adoption of advanced analytics tools in finance (e.g., audits, budgeting).[35]



Similarly, 89% of finance and accounting leaders report that finance transformation yielded the same preparedness improvements in **operations analytics** (e.g., predictive maintenance, pricing).[36]



Since early 2000, 88% of finance executives report increased implementation of finance transformation tools like **automation and AI** in a bid to stay agile amidst global uncertainty.[37]

Finance transformation also offers ways to **reduce costs**: one study noted that even amidst rising wages and inflation, "digital world class companies" taking on comprehensive finance transformation have reduced finance operations costs, as a percentage of revenue, by 53%.[38] Meanwhile, their lower performing peers incurred more modest savings, reducing finance operations costs by 12%.

Steps to Consider

For those considering finance transformation to recruit and retain a "loud hire," improve job satisfaction for all employees, and strengthen finance and accounting functions at large, we suggest the following steps.

1. **Begin with goals.** It's hard to know what finance transformation tools, processes, and people should be in place without having a clear sense of your goals. Consider bringing on board an outside agency to help identify where you want to be.

2. **Design a path to your future state.** All of us have "if only we could…" scenarios in our head, ideal ways of doing the work that would make a meaningful difference in the quality of our output and our teamwork. Include your "loud hires" and frontline staff accountants in asking these questions. They are often best equipped to identify current pain points and future opportunities for standardization, control, efficiency, and continuous improvement.

3. **Opt for "leading practices" to achieve your future state.** "Best practices" in finance transformation – which sometimes imply one-size-fits-all fixed solutions – are falling away in favor of more adaptable "leading practices" which respond to the unique situation of every company. An experienced agency, if you hire one to help, will still draw from well-documented, data-driven learning in finance transformation and change management to devise a strategy customized to your needs and goals. Make sure those leading practices include high-quality top-to-bottom communication about forthcoming changes, occasions to celebrate interim wins, and mechanisms for continuous improvement.

4. **Prioritize cloud solutions.** Tech improvements are occurring at a dizzying pace. To maintain focus on your own core competencies (which may not be ERP software development), consider transitioning to configurable, easily scalable cloud-based solutions that would also allow your "loud hire" and relevant personnel to remain flexible in their work locations.

Include your "loud hires" when identifying current pain points and future opportunities for standardization, control, efficiency, and continuous improvement.

5. **Seek and secure automation tools.** Automation and bots may be everywhere in the headlines today but despite automation's ability to improve the accuracy, reliability, and visibility in the numbers game, controllers still spend 70% of their time on the traditional "steward and operator" work.[39] Automation will relieve your "loud hires" of manual tick-and-tie tasks, deliver modern accounting across the entire record-to-report process, and carve out space for creative minds to engage in strategic and value-add activities. Start with low-hanging fruit: core subledger and financial close activities such as applying cash to open invoices, preparing reconciliations, or submitting corrected journal entries.

Conclusion

If finance and accounting leaders had a fairy godmother, they would likely make a wish to clone their best accounting and finance personnel, replenishing the talent pipeline for generations to come. While they were at it, they may also wish for a calming of unprecedented tumult in our backyard, and across land and sea. With a real-world reckoning, however, we must avail ourselves of non-wand tools to address our talent shortages and recognize conditions within our spheres of control that are ripe for finance transformation and resilience.

The Bureau of Labor Statistics predicts that the demand will rise for financial specialists (5%), and accountants and auditors (4%) through 2032, faster than the average growth rate for all other occupations (3%).[40] This means that finance and accounting leaders must work to keep the great talent they already have. Identify, celebrate, and invest in "loud hires" among in-house ranks, spotlight those who have the potential to rise to meet challenges, support such individuals with attractive recruitment and retention offers, and incorporate financial transformation tools to make their time at work more meaningful and their impact upon your organization lasting.

The demand will rise for financial specialists and accountants, so finance and accounting leaders must work to keep the great talent they already have.

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