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Tailored Solutions | Unlocked Potential



Offshoring Solutions in the Evolving US Audit Landscape

In an era characterized by technological integration and dynamic market shifts, the demand for skilled accounting and auditing professionals in the United States has reached unprecedented levels. Gold City Offshoring (GCO) stands out as a provider of tailored solutions, offering offshoring services from South Africa to alleviate the acute skills shortage faced by US firms.

Marc Rosenberg of the Rosenberg Survey notes the increasing prevalence of remote work, with firms transitioning towards hybrid models to balance productivity and employee satisfaction.[1] However, the persistent challenge lies in staffing shortages, prompting firms to seek innovative solutions. Here, the integration of offshore professionals becomes crucial, providing top-tier talent in accounting and auditing tailored to the specific needs of US firms. Industry surveys indicate a growing trend of offshoring initiatives among accounting firms, with firms of all sizes, especially those with revenues

exceeding \$10 million, increasingly engaging in such activities.[2] While this strategic shift towards offshore talent is proving instrumental in enhancing audit efficiency and effectiveness, one of the main purposes remains to support US firms with experienced, client facing individuals to deliver to current clients and enable growth.

Offshore professionals already play a significant role in the US audit landscape, supporting global organizations and executing audit procedures under the supervision of US audit teams. Their contributions accounted for 22% of US audit hours

in fiscal 2023, emphasizing their integral role in meeting the evolving demands of the audit industry.[3] A key challenge facing CPA firms is staff retention, as the workforce seeks greater work-life balance and job satisfaction. GCO's robust retention rate of 96% highlights the effectiveness of its approach, providing a compelling case for firms aiming to enhance their talent retention strategies and address staffing challenges for the long haul.

The dwindling number of accounting graduates in the US further underscores the urgency for firms to explore alternative talent pools.[4] Offshore professionals offer a viable solution to bridge the talent gap, ensuring firms have access to skilled professionals to meet their evolving needs.

The emergence of South Africa as a hub for world-class auditors and financial professionals, as indicated by the global professional trust survey conducted by Edelman ranking South Africa at number 1, further enhances the appeal of offshoring to the region.[5] South African Chartered Accountants (CA(SA)) have garnered unparalleled trust, positioning the country as an ideal destination for offshoring accounting and audit talent. It is no wonder then that South Africa has emerged as a replacement competitor to locations such as India and the Philippines.

The move to the utilization of an offshoring partner rather than setting up their own offshore offices do not only provide companies with substantial cost savings, up to 40-50% according to one Deloitte report, but also limits exposure risk and provides immediate access to market knowledge.[6] Moreover, South Africa's accessible and affordable broadband infrastructure, significantly bolstered by the roll-out of the seacom cable, facilitates seamless integration and efficiency in outsourcing operations.

Looking ahead, the landscape of accounting and auditing will continue to evolve, driven by technological advancements and shifting market dynamics. Agile



auditing emerges as a promising methodology, offering flexibility and adaptability in audit planning. Companies offering offshore solutions remain at the forefront, poised to provide innovative strategies that empower firms to thrive in this dynamic environment. At GCO, we offer Offshoring 2.0 which includes full integration, with an experienced professional providing a personal solution and no longer an hourly service that could be completed by a rotating group of individuals.

In conclusion, the future of offshoring accounting and audit talent lies in leveraging integrated solutions tailored to the specific needs of firms. With a commitment to unlocking potential through offshore talent, the integration of offshore professionals into the US audit landscape, and South Africa's rich pool of talent, firms have a compelling opportunity to address their staffing challenges and thrive in an increasingly competitive landscape.

References

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