

## 2024 CPAFMA IT Survey Findings

(updated December 20, 2023)

by Roman H. Kepczyk, CPA.CITP, PAFM

The CPA Firm Management Association recently concluded the 2024 IT Survey designed to identify the technology that member firms are using and the trends impacting their accounting firms in the year ahead. The survey was conducted between November 28 and December 12, 2023, with 140 firms participating\*. The survey is representative of CPAFMA membership with 91% having 10 personnel or more and 40% (56 firms) having multiple offices. Two survey respondents were 100% virtual, which was a new finding in the survey. Below are the summary findings; CPAFMA will be hosting a MAPcast on Tuesday, December 19, 2023, at 3pm ET where CPAFMA will present the results along with additional insights and recommendations. Members can register for this webinar at: [CPAFMA: MAPCast Webinars](#).

*\*(While 140 firms participated, not all questions were answered by all firms, and in many cases members provided multiple products in a specific category resulting in the number of respondents being indicative of the number of answers to that specific question).*

**Technology Committee/Budget:** When discussing responsibility for IT Governance, a total of 122 firms responded with 38% saying they had a formal IT committee to discuss planning and budgeting. Of these firms, 22% met quarterly, 37% met monthly, and 4% met weekly. In regard to budgeting, 71% of firms stated they had an Information Technology Budget with the assumption that the remaining 29% buried costs within other departments or categories.

**Majority Applications Location:** The survey began by asking where the majority of the firm's applications and data are stored, and the cloud trend continues with 65% of respondents (91 firms) utilizing an external cloud provider. One quarter (25%) of respondents continued to maintain the majority in-house and an additional 3% utilized a colocation facility managed by firm staff. The remaining 7% primarily utilized an accounting vendor (CCH, Thomson Reuters, Intuit/Lacerte) to host the majority of their applications. In regard to IT staffing, the FTE requirements for firms hosting their own servers averaged at 5% of total staff whereas external cloud hosting and accounting vendors was at 4% and colocation facilities at 3% based on the information provided.

**Remote Access:** 100 members responded to which remote access solution was being utilized with 52% stating they used Citrix and 24% stating they used their "cloud provider solution," which we have found to also be Citrix in the majority of CPAFMA respondents. Just under one quarter (24%) utilized Windows Terminal Server/RDS which was a common solution for firms managing their own networks, particularly during the rapid transition caused by COVID.

**% Telecommute:** Participants were asked to estimate what percentage of their staff worked remotely at least one day per week. Of the 111 respondents 70 firms said more than 50% of their staff regularly telecommuted with the breakdown as follows:

-48% 54 firms (75%-100%)

-14% 16 firms (50%-74%)

-11% 12 firms (25%-49%)

-26% 29 firms (<25%)

**Conference Room Enhancements:** To see what firms were doing to facilitate better communications with both clients and firm telecommuters, the survey next asked what enhancements had been made in conference rooms in the previous year with many updating or adding additional large displays. 46% of

respondents added a 60" or larger single display and 11% added 60" or larger *secondary* display. 38% added Single/Multi-user video camera and 27% added enhanced microphones/audio. Combined video/audio devices were very popular with 15 firms buying Meeting Owls and 6 firms buying the Logitech Rally Bar. Other interesting devices included the Creston Flex Scheduling Panel, and Atlona PTZ and Emeet conferencing cameras.

**Workstations:** While there was a surge in laptop purchases during COVID and 10 respondents stating they no longer buy any desktops, of those that do, 73% chose Dell, 16% HP, and 9% Lenovo. For laptops the percentages varied slightly with 63% Dell, 17% Lenovo, 15% HP, 4% Microsoft Surface, and 1 firm standardizing on Apple MacBooks. When it comes to configuration, the most popular was the 15" with a built in ten-key representing 56% of purchases, 27% buying the larger 17" laptops, and 17% buying the 14"-15" without a built in ten-key.

**Workstation Specifications:** Even with the trend of moving to cloud workstations, firms are purchasing stronger processors with Intel's i7 being acquired by more than two-thirds (67%) of the 129 respondents. 10% of firms opted for the more powerful i9 chips, while purchases of the less powerful i5 (21%) and i3 chips (2%) waned. For RAM (random access memory), 16Gb was the standard for 61% of respondents, followed by 24% doubling up to 32Gb (and 5% even going higher...64GB!?). The remaining 11% opted for between 8Gb and 12Gb. For solid state disk storage, responses were primarily split between firms choosing either 512Gb (45%) or 256Gb (39%). A surprising 8% opted for more than 512Gb SSDs, pointing to some firms still storing considerable data locally.

**Workstation Applications:** The survey also identified Windows 10 as the most popular workstation operating system amongst respondents with 47% being "at least 90% Windows 10," however there is finally a noticeable move towards Windows 11 with 42 firms being split between both, and 17% of the firms having "at least 90% Windows 11." Only one respondent had answered primarily running on Apple iOS. For Browsers, Google Chrome continued to be the leader selected by 83% of firms, follow by 17% utilizing Microsoft Edge, and one firm using Firefox. For the Microsoft Office suite, 93% were utilizing Office365 in the cloud. 5% of respondents were using the perpetual license of Office 2019 and 2% Office 2106. In regard to PDF applications, Adobe Acrobat was the dominant product with 86% utilizing various versions. While 61% of all respondents were on the 12/Document Cloud version, there were still quite a few firms on the fixed perpetual version of Adobe 10, 11, and Acrobat 2017-2022.

**Monitors:** 130 firms responded to the question on displays with 46% standardizing on triple, 33% on dual oversize, 12% on dual standard, and 6% quadruple.

**Tablets:** As in previous IT surveys, CPAFMA asked whether firms provided tablets internally with 20% of firms doing so to various staff levels (19% partners, 4% managers, 1% staff) and two firms providing iPads to all members. Overall, those that did provide them to staff included 93% to Partners, 18% to Managers and 7% to Staff. The majority of these were either Apple iPads or Microsoft Surface/Go devices, but three firms had selected Remarkable as their tablet selection.

**Smartphones:** Firm-provided smartphones was the next question and overall, 36% provided them to partners, 11% managers and 3% to staff. Apple iPhones being by far the preferred product with a more than a 10 to 1 ratio over Android smartphones being provided. 46% of respondents stated that they DID provide monthly stipends to cover cellular plans with 25% providing \$25 or less, 35% providing between

\$25-\$50, and 35% providing more than \$50 reimbursement per month (the remaining 5% stated “varies.”)

**Telephones:** The transition to the cloud included telephone services with 81% utilizing SaaS/Externally hosted VOIP systems. While no vendor garnered more than 10% of total systems, a big surprise was the conversion of 12 firms to Microsoft Teams and 7 to Zoom as their phone system. Other popular vendors that had at least three respondents included GoTo, RingCentral, Nextiva, Mitel, 8x8, and 3CX.

**Scanning:** For *firmwide* scanning, the majority (68%) utilized centralized administrative scanners, 9% utilized distributed workgroup scanners, and 30% utilized individual workstation scanners. The question was asked later regarding specific *tax production* scanning and centralized administrative scanners jumped up to 83%, distributed workgroup scanners dropped to 20%, while individual scanners hovered at 33%. Fujitsu was by far the most popular brand selected by 70% (92 of the 131) of respondents, followed by 24 selecting Canon, and three each for Epson, Konica and Kyocera.

**Website Provider:** The move to the cloud was also exemplified with less than 5% of firms managing their own websites on-premise but 43 firms stating they used a “local or other” provider. Amongst the more popular website creators/solution providers, 16 firms selected CPA Site Solutions, and 12 utilized WordPress. CCH and Thomson Reuters were next with 10 firms each and GoDaddy and Rightworks Academy (formerly Rootworks) each had 7 firms.

**Groupware:** Groupware products became mission critical during COVID not only for internal collaboration but also for work with clients. While the vast majority (91%) had moved to the cloud with Microsoft Office 365, there were still 9% of respondents managing their own Exchange servers. For collaboration with clients, Microsoft Teams was selected by 75% of respondent and Zoom was selected by 51%, pointing to overlap where many firms were utilizing both products for collaboration. Firms using Slack or GoToMeeting dropped to 1%.

**Mailbox Capacity:** The next question requested firms provide the size limits for email and while 37% of respondents did not have any limit, the majority of respondents limited capacity. 21% had a cap of 100Gb, 31% had a cap of 50Gb and 9% had a cap of 1Gb, with the remainder between 1Gb and 10Gb.

**Anti-virus/Malware:** For protecting individual workstations from viruses and malware, 100 firms responded with 34 selecting BitDefender, 2e0 Windows Defender, and 14 selecting CrowdStrike. This was followed by Sophos, Webroot, and Norton/Symantec with five each, and Sentinel One being chose by four firms.

**Spam:** Not as many firms (88 total) responded to using spam filtering applications, but of those 32 selected Mimecast, 19 listed Microsoft O365, 6-Barracuda, 4-BitDefender, and two each for AppRiver, KnowBe4, ProofPoint, Sophos, and WebRoot.

**Remote Support:** The survey next asked which tools were utilized by firms to provide remote support for either employees or clients and MS Teams was the clear leader with 57 firms. This was followed by 15 firms using LogMeIn, 14 selecting TeamViewer, 8 with GoToMyPC, and 5 with Zoom. Two newer products listed this year included 6 firms selecting Splashtop and three selecting ConnectWise ScreenConnect.

**Multifactor Authentication:** 108 firms responded they were using MFA with 69 firms selecting Duo. This was followed by 20 firms selecting MS Authenticator, 13 firms selecting Auth0 Guardian, 9 with Google Authenticator, and 2 with Okta.

**Password Changes:** Discussions around password length and requirements abound but an area where there was diverse opinion is in how often they must be changed. Currently 59% change passwords every 90 days, 11% every 180 days, 16% annually, and 13% every 60 days or less.

**Password Manager:** In addition to complex passwords and MFA, 45% of responding firms also utilize password wallets to create complex and unique passwords for each login. LastPass had the most users with 27 firms, followed by Keeper with 7, 1Password with 6, RoboForm with 3, Bitwarden and Dashlane with 2 each, and 1 each for iPassword, JumpCloud, KeyPass, mSecure, and Zoho Vault.

**CAAS Tech Stack:** The rise of advisory services has led to the need of firms developing a technology stack of applications to support their clients. Just under half of respondents stated that they DID have a dedicated technology listing (and 177 applications were listed!). Of those 42 firms listed QuickBooks, 8 listed Sage/Peachtree, and Thomson ACS and Xero each had four listings for accounting products. Bill.com was the second most selected application with 41 listings, followed by payroll providers ADP (23 firms) and Gusto (7 firms). Other products listed by at least three firms as key applications in their CAAS tech stack were Dext, Avalara, and CCH Pfx Fixed Assets. At least two firms also listed Fathom, Karbon, LastPass, and Thomson Reuters Audit Cloud Suite.

**Productivity Boosters:** The survey next asked specifically about applications boosting Firm Productivity and the top mentions (and the number of firms that highlighted them) are below:

14 firms: SafeSend Suite

12 firms: CCH Axxess apps (Workflow, Workstream, Tax Suite)

9 firms: SurePrep/TaxCaddy

5 firms: QuickBooks

4 firms: Karbon, ShareFile

3 firms: ChatGPT, Ignition, SuraLink, MS Teams

2 firms: DataSnipper, Digilence, Bill.com, Liscio, ProStaff, RightSignature, Calendly, MS Bookings

A separate question regarding what tools were being used to optimize visualization (i.e. dashboards) was requested, and 40 firms stated they were using Microsoft Power BI, with one firm also using Tableau.

**System Backups:** The number of firms using web-based backup solutions jumped to 98% of respondents which is a very positive sign. 19% also utilized onsite network attached storage for some backups and surprisingly, 4 of the 111 respondents to this question still utilized onsite tape backups. Rightworks was the most listed backup provider by 29 firms, followed by 18 stating they used their “cloud provider.” When asked about backup frequency, 84% backed up daily, 10% weekly, and 6% two to six times per week. Interestingly, only 27% of respondents had tested their disaster recovery plan, with the remainder either not testing or not sure if it had been tested.

**Outages:** The survey next asked if the firm had experienced any significant downtime in the past 12 months, and once again Internet Outage was at the top of the list impacting 11 firms. This was followed by Cloud Provider Failure impacting 8 firms, Hardware Failure impacting 5 firms, and Compromised

Passwords, Viruses/Malware, and System Outages each impacting two firms. One firm also experienced a power outage this past year.

**Security/Phishing Training:** Security training is mandatory for any firm that processes tax returns and while 73% responded with a YES, it pointed to 27% that do not meet this condition. The requirement also goes for specific Phishing training, and only 70% were currently doing so, meaning that 30% still needed to provide it. While a limited number of providers were listed by firms, the two most prevalent were KnowBe4 (24 firms) and Rightworks Security Awareness Training (5 firms).

**AI/ChatGPT Impact/Policy:** With generative artificial intelligence having such a huge impact on technology, the survey asked respondents how they felt about the impact of AI/ChatGPT? While 28% state they were “Excited/Hopeful,” 63% had a “Neutral/Wait and See” attitude, and 10% responded they were “Worried/Concerned.” Also, with all the concerns touted in industry, it was surprising that only 22% of firms had implemented an AI Policy.

**Conferences/Education:** The IT survey also wanted to identify the key places where members are educated on information technology and the most selected items were the three major tax vendor user conferences, with 24 firms listing CCH, 14 listing Thomson Reuters, and 3 listing Intuit. This was followed by the CPA Associations which listed the following number of firms/associations: 15 CPAFMA (Annual/Webinars), 10 AICPA (7 Engage, 3 DCPA), 8 BDO, 3 CPAmerica, 2 AGN, 2 RSM, 1 Allinial Global, 1 MSI Global, 1 Prime Global. The other educators listed (and # of firms listing them) were: 7 Boomer, 6 Rightworks, 4 KnowBe4, 1 Scaling New Heights, and 1 K2E.

Again, CPAFMA will be hosting a MAPcast on Tuesday, December 19, 2023, at 3pm ET where the results will be presented along with additional insights and recommendations. Members can register for this webinar at: [CPAFMA: MAPCast Webinars](#).

*Roman H. Kepczyk, CPA.CITP, CGMA is director of Firm Technology Strategy for Rightworks and partners exclusively with accounting firms on production automation, application optimization and practice transformation. He has been consistently listed as one of INSIDE Public Accounting’s Most Recommended Consultants, Accounting Today’s Top 100 Most Influential People, and CPA Practice Advisor’s Top Thought Leaders.*