



NEWS RELEASE

# Driven by Inflation Concerns, U.S. Business Executives Project Zero Profit Growth for Coming Year, AICPA & CIMA Survey Finds

9/1/2022

- Profit and revenue expectations drop for third quarter in a row
- Outlook on U.S. economy remains at 11-year low
- Hiring demand stays strong

NEW YORK--(BUSINESS WIRE)-- U.S. business executives again lowered expectations for profit and revenue growth over the next 12 months, as optimism in the U.S. economy remains tamped down by inflation worries and repercussions from both the Russo-Ukraine war and an economic slowdown in China, according to the third-quarter **AICPA & CIMA Economic Outlook Survey**. The survey polls chief executive officers, chief financial officers, controllers and other certified public accountants in U.S. companies who hold executive and senior management accounting roles.

Survey respondents now expect zero profit growth over the next 12 months, down from an anticipated rate of 0.7% last quarter and 2.5% a year ago. Revenue projections also fell, quarter over quarter, from an expected 3.4% growth rate over the next 12 months to 2.6%. Both key performance indicators are at their lowest levels since the latter half of 2020, when pandemic-related workplace shutdowns were still in force.

Only 18% of business executives expressed optimism about the U.S. economy's outlook over the next 12 months. That's the same level as last quarter, when the measure hit an 11-year low. Survey respondents' views on the economy have declined each quarter since midway through 2021. The outlook for the global economy also fell



three percentage points this quarter, with only nine percent of U.S. executives expressing optimism about its 12-month outlook.

“The degree of pessimism over the economy was unchanged this quarter after bottoming out in the spring,” said Ash Noah, vice president and managing director of learning, education and development for AICPA & CIMA, which together form the Association of International Certified Professional Accountants. “It’s concerning, though, that business executives’ views of their own company’s prospects are eroding. Only 41 percent of survey takers expressed optimism about their organization’s outlook this quarter, down from 47 percent. That’s a reflection, at least in part, of the pressure we’re seeing on profit and revenue projections.”

The AICPA survey is a forward-looking indicator that tracks hiring and business-related expectations for the next 12 months. In comparison, the U.S. Department of Labor’s August employment report, scheduled for release tomorrow, looks back on the previous month’s hiring trends.

Other key findings of the survey:

- On hiring, 34% of business executives said their organizations are looking to fill roles immediately, while another 19% said they had too few employees but are hesitant to hire. Five percent said they had too many employees.
- Inflation was the top concern of business executives for the fourth straight quarter. The other top two challenges were identical to last quarter: “Materials/Supplies/Equipment Costs” and “Availability of Skilled Personnel.” “Stagnant/Declining Markets” edged into the top 10 for the first time in some time.
- The percentage of business executives who said their companies plan to expand fell three points from 53% to 49%, quarter over quarter. Notably, the number who said they expected their companies to contract rose from 14% to 25% since last quarter.

## Methodology

The third-quarter AICPA & CIMA Business and Industry Economic Outlook Survey was conducted from Aug. 2-22 and included 375 qualified responses from CPAs who hold leadership positions, such as chief financial officer or controller, in their companies. The overall margin of error is less than 3 percentage points. A **copy of the report** can be found on [aicpa.org](https://aicpa.org).

## About the Association of International Certified Professional Accountants, and AICPA & CIMA

The Association of International Certified Professional Accountants (the Association), representing AICPA & CIMA, advances the global accounting and finance profession through its work on behalf of 689,000 AICPA and CIMA members, students and engaged professionals in 196 countries and territories. Together, we are the worldwide

leader on public and management accounting issues through advocacy, support for the CPA license and specialized credentials, professional education and thought leadership. We build trust by empowering our members and engaged professionals with the knowledge and opportunities to be leaders in broadening prosperity for a more inclusive, sustainable and resilient future.

The American Institute of CPAs (AICPA), the world's largest member association representing the CPA profession, sets ethical standards for its members and U.S. auditing standards for private companies, not-for-profit organizations, and federal, state and local governments. It also develops and grades the Uniform CPA Examination and builds the pipeline of future talent for the public accounting profession.

The Chartered Institute of Management Accountants (CIMA) is the world's leading and largest professional body of management accountants. CIMA works closely with employers and sponsors leading-edge research, constantly updating its professional qualification and professional experience requirements to ensure it remains the employer's choice when recruiting financially trained business leaders.

Jeff May

212.596.6122

**[jeffrey.may@aicpa-cima.com](mailto:jeffrey.may@aicpa-cima.com)**

Source: Association of International Certified Professional Accountants