The Quiet Defection

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Why most succession plans across the global accounting profession are already failing — and what intergenerational leadership now demands of a partner.

Walk into the partners' meeting at almost any firm be that in London, Singapore, São Paulo or Nairobi and you will find a succession plan. It will be in a binder, a slide deck, or in someone's head. It will list names against roles on a notional timeline, collect digital dust on a risk register between periodic reviews, and bear very little relationship to what actually happens when senior partners retire.

The evidence is now uncomfortable. The AICPA reports that around 75 per cent of its members are eligible for retirement; one in four firm partners is over 60; the US Bureau of Labor Statistics' reflect this trend, noting that the accounting and auditing workforce has shrunk by more than 17% since 2020, with over 300,000 professionals exiting.

And the picture is no steadier on the client side. Family businesses, a core segment of many firms' client bases, are working through their own unresolved succession questions at the same time, across every region. The conditions are set for a quiet, compounding crisis, and it is global.

Most firms have a plan for the previous problem - the orderly internal promotion of one partner to replace another. The current problem is a different shape, and it requires a different kind of leadership.

Four assumptions that need to go

The first is that succession is an internal exercise. It is not. It is a client-facing exercise. The moment of truth is not the firm's promotion announcement; it is the client's next significant transaction - the sale of the business, the cross-border restructure, the third-generation hand-down - in which the relationship is silently re-tendered. The Great Wealth Transfer is happening here and now, and the question your client's successor, be that their son, daughter or purchaser, is asking is not "who replaced our partner at the firm?" but "who do I want advising me for the next twenty years?" Firms that have not introduced their juniors into those relationships years before the handover lose the work. The succession plan worked perfectly. The client just chose someone else.

The second is that your best rainmakers are your succession asset. They are frequently the structural reason succession is failing. The behaviours that once made a senior partner irreplaceable - owning the client relationship personally, holding institutional knowledge in their head, being the indispensable point of contact - are precisely the behaviours that make that partner un-succeedable. Firms reward this for the duration of a team member's tenure and are then surprised when there is no one to take over. The conversation needed with senior rainmakers is not about retirement timing; it is about whether they are willing to dilute their own indispensability while they still hold it.

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The third is that the next generation is a waiting room. It is not. The CPA Journal describes how the profession is contending with what practice consultants call the succession delusion i.e. intended successors leaving before current partners retire, taking the exit strategy and a material portion of the firm's value with them. They look at the lock-in, the capital contribution, the personal liability, the slow returns and the demands on personal life, and conclude that the model is no longer worth the price of admission. Firms responding by 'developing' their juniors are answering the wrong question. The question is whether partnership itself is structured for people who would actually want it.

The fourth is that there is time. There is not, because the apprenticeship runway is collapsing in plain sight. The ICAEW and the Journal of Accountancy have both acknowledged this year that managers are struggling to find meaningful work for trainees; AI now handles the reconciliations, basic compliance and first-draft research that built junior judgement for 40 years. The risk is not that juniors will be displaced. It is that they will be promoted on schedule and arrive at senior roles without the accumulated reps their predecessors had. Succession needs a person ready to step into the seat, and the path to readiness is being quietly removed beneath them.

The shadow succession plan

Global research from the International Federation of Accountants points to the fact consolidation in accounting has quadrupled since 2021; deal volume rose from 22 transactions in 2023 to over 100 in 2025, and by early 2026 almost half of the top thirty US CPA firms had taken on PE capital or an alternative practice structure.

PE has now moved its attention squarely to the many mid-market independents across Europe, North America and Asia Pacific. For partners with no internal successor, the PE bid is increasingly the de facto succession plan. It pays out the equity, but rewrites the culture, the partnership model and the client experience the firm spent a generation building. Choosing not to act on succession is, increasingly, choosing this outcome by default.

How intergenerational leadership actually looks

If the aforementioned assumptions are in fact wrong, the underlying problems regarding intergenerational leadership cannot be fixed with an outsourced L&D initiative or performative designation of responsibility to an overstretched middle management team. It has to mean three concrete behaviours.

First, the deliberate, early and unsentimental transfer of client relationships. Not introductions; transfer. The senior partner present at the meeting but not leading it. The junior making the recommendation while the senior says nothing. The senior formally handing the relationship over five to seven years out, not five to seven months. This plays out differently across regions: in family-business-dominant markets in Asia, the Middle East and Latin America, the transfer is generational on both sides; in North American

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and European partnership models, it runs through joint client teams and structured account ownership. Either way, firms that wait until the year before retirement have already lost.

Second, the redesign of what partnership actually means before the next generation is asked to enter it. Equity timelines, capital contributions, governance, working patterns and the path for high performers who do not want full partnership but do want to stay and build. These are the terms on which the firm is asking its future leaders to bet two decades of their lives. If they have not been revisited in ten years, they almost certainly need to be.

Third, the explicit replacement of the lost apprenticeship runway. Where junior judgement used to be built by sheer volume of low-leverage work, it now has to be built by design, shadowing high-stakes client conversations, owning smaller relationships end-to-end, exercising professional judgement on AI-generated output, being trusted with accountability earlier than feels comfortable. The firms that get this right in the next five years will produce senior advisors a decade earlier than those that do not.

The harder truth

Most succession plans fail because they are written by the people whose interests are most threatened by genuine succession. Intergenerational leadership requires the incumbent generation to actively reduce its own central importance to the firm while it still has the standing to do so gracefully. That is not a planning exercise. It is a leadership choice - and a generous one. The partners who make it early will be remembered as the architects of the firm's next chapter. Those who do not will spend their final years watching clients migrate, equity erode and a generation of juniors leave. None of it will appear in the succession binder. All of it will appear in the numbers, one transaction at a time.

For Morison Global members, the question over the next decade is not whether succession will happen. It will. The question is whether it will be designed by the firm or imposed on it. The difference is not in the plan. It is in who, today, is prepared to leave the ladder down, and the door open.