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# The financial cost of burnout in accounting

Replacement costs, capacity loss and delivery risk – understanding the true financial exposure from unmanaged pressure

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Burnout in accounting is often recognised late. A resignation lands. Someone takes time off. A team that usually copes well starts to wobble. By that point, the cost has often been building for months. In practice, it starts earlier, during busy season, self assessment season, or any sustained period of long hours and deadline pressure. Recent UK accountancy reporting found that 74% of accountants say January is the most stressful month of the year, 32% report feelings of burnout during that period, and 41% believe burnout has become a normalised part of the profession's culture.

For a senior partner, that matters because the financial impact rarely begins with absence or recruitment fees. It begins while people are still at work. Capacity starts to fall. Delivery becomes harder to protect. If pressure continues, turnover risk rises in a market that is already tight.

## **The first cost is hidden productivity loss**

The earliest financial hit is usually reduced productivity from people who are still present. They may take longer to complete work, need more effort to stay focused, or rely more heavily on review and support. From the outside, the firm can still look steady. Clients are still being served. Deadlines may still be met. The difference is that the work is being held together with less headroom.

This is why presenteeism matters. The Government's *Keep Britain Working* technical note estimates that poor workplace health costs UK employers around £21 billion each year in lost productivity from presenteeism alone. In an accounting

firm, that loss often appears as slower pace, heavier review load, more rework and less room to absorb the unexpected. Those effects can sit below the surface for a long time before they show up clearly in a KPI pack.

**34% of employers struggled to recruit for finance and accounting positions in the last year.**

AAT, 2025

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## Capacity loss spreads across the firm

Small reductions in productive capacity do not stay neatly attached to one person. They spread through the system. A manager spends longer reviewing. A partner gets pulled into more escalations. Work that should move cleanly between stages starts to gather friction. The firm still delivers, but it takes more effort to reach the same point.

That is why this is worth treating as a firm-level issue rather than a private struggle for individuals to absorb. When workload runs too hot for too long, the problem is not simply that people feel under pressure. The firm has less usable capacity than it thinks it has.

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## Delivery risk builds before the damage is obvious

In accounting, delivery risk tends to build quietly. Turnaround times stretch. Clarifications increase. Senior people absorb more coordination work. Teams have less room to recover between deadlines. None of this needs to look dramatic in order to be expensive. It simply means the firm is using more time and energy to produce the same output.

That risk is harder to manage in an already constrained labour market. AAT reports that 34% of employers struggled to recruit for finance and accounting positions in the last year. ICAEW also cites sector benchmarking showing average staff attrition

rose from 14.69% to 17.89%. Taken together, those figures matter because they describe a profession with less slack in the system. When pressure rises, there is often less spare capacity available to absorb it.

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## **Replacement cost is the most visible bill**

When someone leaves, the cost becomes easier to see. Recruitment activity starts. Internal time is pulled into interviews, onboarding and cover planning. Clients notice changes. The rest of the team carries extra load in the meantime.

What is often missed is where most of the cost sits. Oxford Economics' work on staff turnover, which included accounting as one of the sectors studied, found that the larger share of replacement cost comes from lost output while a new hire gets up to the standard expected of them, rather than from the logistics of hiring alone. That is an important point for firm leaders. Recruitment fees matter, but the bigger commercial drag often comes from the period before the role is filled properly and before the new person is fully effective.

This is why burnout can become expensive twice. First through hidden productivity loss while someone is still in the firm. Then through replacement cost if the pressure continues and they decide to leave. In a profession already dealing with recruitment difficulty and higher attrition, that exposure is hard to ignore.

## **Why senior partners should care**

Most firms do not lose money from burnout in one clean, visible hit. They lose it in smaller leaks that build over time. A team that is still delivering but with less margin. More partner time spent firefighting. Good people carrying pressure for longer than they should. A resignation that arrives after months of strain, not out of nowhere.

That is why this deserves attention at leadership level. When pressure is measured early, firms have more options. They can redesign workload patterns, reduce deadline compression and protect recovery before the cost compounds. When it is only picked up at the point of burnout, the firm is usually responding after productive capacity has already been lost.

## **The commercial point**

The financial cost of burnout in accounting is cumulative. It sits in the capacity already being lost across the team. It sits in the delivery risk that grows when there is less room left in the system. It sits in the replacement cost that follows if people decide they can no longer sustain the pace.

Senior partners do not need more noise around burnout. They need a clearer line of sight between workload, productivity loss, retention and delivery. That is the conversation that helps a firm protect both its people and its performance.

## References

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