

# The future of tax talent

By [Emily VanVleet](#) November 23, 2021

Tax departments have reached a tipping point and are actively rethinking their tax operating models. As companies look ahead to the post-pandemic world, they are turning to the tax function to play a more strategic advisory role on issues such as emerging digital business models and sustainable transformation. Tax leaders are also looking at ways to evolve their own technology infrastructures to free up resource capacity, operate more efficiently and use data more effectively.

At Deloitte, we focused on the role talent plays in these trends through our recent [Talent reimaged](#) survey. Ultimately, we found that most tax leaders have a clear vision for the future of their function, one in which the department's operating model and its role in the business have been transformed. The survey also indicates that there is a scarce supply of skills needed to support this tax transformation.

To achieve the vision of the tax department playing an expanded advisory role, leaders need the right talent. At a time of unprecedented global shifts to remote and hybrid working, the challenge of finding the right combination of skills is more complex perhaps than ever.

## The future of work in tax

There are dramatic shifts underway in how tax work is done. Deeper automation is a top priority for nearly half (41%) of tax leaders surveyed. Tax leaders recognize their teams need entirely new technical skills, with data analytics (45%) and technology transformation (43%) at the top of their priorities. However, these team members also need to be able to flex their cross-business advisory (39%) and interfacing and education (35%) skills. This means they may need to upskill and diversify the roles on their teams to meet increasing business advisory demands.

Hybrid and remote work models have become the norm quicker than most envisioned pre-pandemic. Over three-quarters (78%) of tax leaders surveyed say these approaches to work are here to stay, which means they need to develop sustainable business models. This places needs related to talent recognition, career development, technology and workflow adaptation at the top of leaders' agendas.

## The hybrid-skilled employee: The elusive tax unicorn

Individuals who combine technology skills with a deep understanding of tax and finance processes are in high demand. Data science and technology transformation skills are the most sought after. Future tax professionals also need to be able to communicate effectively with other parts of the business. The survey identified a clear need for such capabilities in the areas of digital business models (65%), supply-chain restructuring (49%) and sustainability (48%). The tax leaders who say their teams successfully demonstrate additional value creation are more optimistic about the prospect of recruiting top talent. Almost half (49%) of respondents think tax teams that deliver highly effective scenario modeling to support business decisions are more capable of recruiting talent, compared with just 28% of those whose scenario modeling is ineffective.

## **Power pairings**

It will take time to upskill tax professionals who have both technology skills and tax and finance expertise. To bridge the gap, leaders are often pairing in-house technology specialists with business analysts or other specialists in the wider finance team to combine their knowledge on specific projects.

Many tax and finance leaders also recognize that not all their resources need to be full-time employees and are reconfiguring their teams to utilize outside expertise. Some find it easier and more effective to buy access to external talent with specialized tax technology skills rather than recruiting and training their own in-house teams. The same thinking applies to address the increased need for specialized tax skills. Many tax and finance leaders are re-thinking which expertise is core to their business, deciding whether they need niche expertise in-house or whether they are better off using external advisors who are proficient in the topic at hand.

## **A new paradigm for tax talent**

For the leaders of tax functions, building teams with this array of capabilities can be a difficult but often necessary process. The what, the who and the where of their operating model must be examined to find and develop the people to deliver on the function's elevated objectives.

Technology, regulation and the wider business environment are evolving steadily and rapidly, which means tax leaders should act decisively and quickly. With this in mind, the reimagining of the tax function should at least match or outpace these forces that are driving such rapid change.

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