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2016 AICPA PCPS / CPA.com MAP Survey Reports Guide

Welcome to the Guide for the 2016 AICPA PCPS/CPA.com National Management of an Accounting Practice (MAP) Survey Results Report!

Personalized reports (available to survey participants) include an Excel workbook that has been built especially for each firm. This workbook includes multiple spreadsheets with a compendium of national statistics for firms of various sizes and those in various regions.

Reports are in "xlsx" format, which can be opened in Microsoft Excel 2007 or more recent version of Excel. If you cannot open your spreadsheet, please email pcps@aicpa.org to request an alternate format.

Private and Confidential

We print "Private and Confidential" atop the reports because (1) this report contains information that many firms confine to owners. And (2) benchmarks are gathered at significant cost from participants (who we estimate spend well over two hours of managing partner time per survey fielding). Benchmark quality is proportional to the number of participants; we lose a valuable incentive for future participation if participating firms share their report with non-participating firms.

Medians

Statistics have been prepared using medians. The median value represents the middle value in a data range. Median values help to prevent unusually large or small data points (outliers) from skewing results.

Multiple Choice Questions

Results for multiple choice questions, such as Fee Source Allocation, Benefit Programs Offered, Partner Compensation Formula, and others are based on firms that provided information for that section. This approach delivers the most accurate picture in these categories eliminating "nil" or "zero" answers, because not all firms had data to incorporate into those sections.

Report Formatting

The results within the Excel workbook into several categories. Your report contains the following tabs/spreadsheets:

- A. Firm Information –geographic data on firms completing survey along with general demographic information on the firms including number of years in business, office size and fiscal year end.
- B. KPIs - Key Performance Indicators

- C. Financial – detailed income and expense data as well as breakdown of fee sources and accounts receivable statistics
 - D. Staffing & Compensation – all the details on staffing, billing rates, utilization and compensation
 - E. Benefits – the specifics of paid time off and other benefits offered
 - F. Technology – firm policies for technology and social media are summarized
 - G. Owner-Partner – a high level review of owner-partner programs and partner agreements
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Other important information

FTE (Full Time Equivalent)

In 2016, the AICPA PCPS /CPA.com National MAP survey continued to use full time equivalent (FTE) basis for calculating the number of staff, where 2080 hours (52 weeks x 40 hours) equals 1 FTE. That is, if a firm had one manager who worked 2,310 hours, they would have entered the compensated hours, and the system would have interpreted the firm as having 1.11 FTE managers. This response would be equivalent to a firm that had 2 managers, one of whom worked 1,000 hours, and one of whom worked 1,310 hours. This change was made in 2012 to better accommodate the growing prevalence of part-time work. Some variation with years prior to 2012 may result.

Comparison with past years

Some respondents may compare this year's results to prior years. With each fielding of the MAP Survey, different firms respond. These differences can have significant impacts on observed metrics. For example, in 2016, a lower proportion of <\$500K firms completed the survey than in 2014. Some changes from 2014 to 2016 may be an artifact of the different firms who completed the survey.

Top Performers

"Top Performing" firms include the top 25% of firms with regard to net income per partner. Top Performers are based only on earnings, not benefits or balance. Not every firm wants to be a "Top Performer", but the benchmark is useful.

Small firms

There may be some areas where not enough responses were gathered to provide meaningful benchmarking statistics. Often a particular survey question is 'not applicable' for the small firm respondent. Under these circumstances, the reports indicate a dash ("-") where there was not enough data collected to include in the report, For example, this is true especially with respect to staffing for the <\$200K tier firms. Data for the \$200-500K firms will have similar instances.

Thank you again for your participation. Please feel free to send your feedback and questions to pcps@aicpa.org.