AICPA® PCPS
Private Companies Practice Section

The 2011 PCPS Top Talent Study

Attracting and Keeping the Best CPAs

In February, AICPA's Private Companies Practice Section (PCPS) completed its 2011 Top Talent Study in partnership with Next Generation Consulting. High Potentials, and their leaders, from 50 states and one U.S. jurisdiction completed 1,195 surveys within CPA firms and business, industry and government.

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Introduction

What to expect from the 2011 Top Talent Study

We are proud to present you with the results of this study.

The Top Talent study has been completed three times: in 2000, 2006 and 2011. Each time, the survey was strengthened while preserving the intent: to understand what high potentials value at work.

The 2011 study is similar to previous studies in several ways. For example, we:

- Inquired about the importance of compensation and benefits, education and development, and environment and culture on their effect on the willingness of high potentials to join or stay with their employer
- Asked partners which factors they believe are most important to top talent
- Asked about top talent's perspective on performance reviews, mentoring programs and other initiatives commonly used in their development

In addition, the 2011 PCPS Top Talent Study introduced several new features designed to help PCPS members fine-tune their initiatives to develop and keep high potentials. For example:

- We introduced a fourth category of retention and attraction factors: work/life balance.

- We analyzed three demographic groups to see how well firms' attraction and retention initiatives are paying off. They include:
  - **Parents with young children.** As young professionals get married later in life, how does parenthood impact their preferences regarding work-life balance, compensation, etc.?
  - **Non-white high potentials.** Have our efforts to diversify the profession paid off? How do non-whites feel about their employment in the CPA profession? What more can be done?
  - **Single (unmarried) high potentials.** Many new recruits to our firms are unmarried recent college graduates. What do firms need to do to attract and retain them?

In addition, the current study accounts for the upheaval in the economy, and responds to these questions:

- How have top talent's expectations of their employers changed since 2006, the last time the Top Talent Survey was administered?
- What is *not* changing? What are the core elements of talent retention and attraction that an organization must get right, regardless of the economy?

Finally, the 2011 Top Talent Study reached beyond CPA firms and invited high-potential CPAs from business, industry and government (BIG) to participate.

For public accounting leaders, this section provides excellent insight into why some professionals leave their firms to go to BIG and what they could be looking for when considering a transition back into public accounting. In addition, this information could help public accounting leaders strengthen their trusted advisor relationship with clients in business and industry by sharing valuable and strategic information with clients experiencing human capital concerns. Section 3 is devoted to this group.

So, let's get started.
How do top talent feel about working at their firms? What will keep them? What repels them? And what are their wishes?

The 2011 PCPS Top Talent Study introduced several new features designed to help PCPS members fine-tune their initiatives to develop and keep high potentials.

Executive Summary

A Profile of Top Talent

Overall, the 2011 PCPS Top Talent Study respondents[1] are an ambitious, experienced and well-educated bunch. The top talent we studied represent all staff/seniors/managers who have been identified, either formally or informally, as future leaders.

On average, high-potential CPAs:

- Have nearly 14 years of experience as a CPA
- Have been with their current employer for more than 10 years
- Are committed to the profession; two-thirds say they would make the same career choice — to be a CPA — all over again
- Believe they are being groomed for leadership in their firms (63.7%)
- Would like to be partners or senior leaders in their firms (62%)

High potentials are as committed and ambitious as ever. What does it take to keep, develop and attract them to your firm?

[1] Throughout the report, "top talent" refers ONLY to top talent who work in CPA firms. Although the 2011 Top Talent Study was completed by many respondents from business, industry and government, their responses have been extracted, analyzed and reported in Section 3.

The Economy and Top Talent

In 2006, the last time PCPS published a Top Talent Study, the report noted:

"Finding and retaining qualified staff has consistently been the key concern of firms since inception of the Top Issues survey in 1997."[2]

Looking back to that time, it's incredible to consider just how much has changed in the CPA labor force. The chart below tells an astonishing story: Just one year after the last PCPS Top Talent Study, CPA firms employed a record number of workers in 2007.[3] At this time, finding and keeping top talent was on every firm's radar screen.

But when the recession hit, demand for CPA talent dropped precariously. In 2009, hiring freezes and deferred offers to college graduates became common. Layoffs were executed in many public accounting firms.

By January 2011, CPA firms had shed more than 29,000 jobs; total employment was 401,100,[4] a 6.7% drop from its 2007 high.

High-potential CPAs have felt the impact. Many who were on the partner track prior to the recession have been asked to be patient; their partnership has to wait until their firms are on better economic footing. Partnership agreements in many firms also are being rewritten for new partners, with more clear and aggressive business development goals than their senior partners have.

The 2011 Top Talent Study asked several questions about the impact of the recession on top talent.

When asked, "On a scale of 0 to 10, where 0 is not at all affected and 10 is extremely affected, how has your firm been affected by the economic recession?"

- 71% of top talent scored a 5 or higher, indicating their firms had been at least moderately affected
- 41% scored a 7 or higher, indicating that the recession has had a deep impact on their firms

Top talent's feelings about how their firms have handled the recession are mixed. And because high-potential employees often are role models within their firms, their feelings toward the firms' leaders are critical. The 2011 Top Talent Study asked, *"Throughout the economic recession, has your level of trust in your firm or leadership decreased or increased?"* Table 1 shows their responses.

[2] The PCPS Top Talent Study (2006), available here: **aicpa.org/InterestAreas/PrivateCompaniesPracticeSection/Resources/HumanCapitalCenter/WorkLifeandRetention/DownloadableDocuments/PCPSTop_Talent_Booklet_Interactive.pdf**

[3] Rick Telberg, CPA Trendlines, March 2011: **cpatrendlines.com/2011/03/04/accounting-and-bookkeeping-sectors-loses-2300-jobs-in-february/**

[4] Ibid.

Table 1: Top Talent's Trust in Firm or Leadership

Throughout the economic recession, has your level of trust in your firm or leadership decreased or increased?	Percent Agreement
My level of trust has remained about the same	46.0%
My level of trust has decreased somewhat	28.6%
My level of trust has decreased significantly	11.7%
My level of trust has increased somewhat	10.4%
My level of trust has increased significantly	3.3%

Four out of every 10 (41%) high-potential individuals report some level of decrease in trust in their firm or leadership. Only 13.7% say their trust increased during the recession. This may indicate that:

- Firm leaders did not communicate well during the recession. When employees — especially high-potential employees — feel that they are not being "kept in the loop" on important firm information during turbulent times, research shows that employee morale and trust decrease.
- Relatedly, high potentials want to understand the reasons behind key decisions. If top talent didn't feel that adequate explanations were given for sweeping changes, such as across-the-board layoffs or major changes in strategy — it may have had an impact on their trust in firm leadership.

Keeping top talent "in the loop" on critical firm information is important at all times, but especially during a recession. To retain them, it must be possible for them to understand the rationale behind key decisions and see how their future aligns with the firm's strategy. If top talent feel isolated or ignored by senior leaders during a recession, they may be among the first to leave your firm when the economy picks up.

Attracting Top Talent, 2011 vs. 2006

If you're trying to attract high potentials to your firm today, you are wise to focus on career growth opportunities, salary, paid time off, open door/accessible management and your office atmosphere.

The following table lists the "top 20" factors that attract top talent to your firm, and compares the percentage of agreement among 2011 and 2006 survey respondents.

Table 2: Top 20 Attraction Factors, 2011 vs. 2006

Rank	Top Attraction Factors	2011	2006	Percentage-Point Change
1	Career growth opportunities	91%	80%	11
2	Salary	88%	78%	10
3	Paid personal/vacation time	86%	79%	7
4	Open-door/accessible management	83%	68%	15
5	Comfortable office atmosphere	81%	69%	12
6	Interesting, challenging client projects[5]	81%	71%	10
7	Medical benefits	73%	70%	3
8	Firm's reputation or prestige	73%	59%	14
9	Retirement savings plan	72%	67%	5
10	CPE credit reimbursement	65%	50%	15
11	Team-orientation of firm	65%	56%	9
12	Frequent client contact	61%	48%	13
13	Paid sick days	60%	55%	5
14	Flexible work schedule	59%	65%	-6
15	Bonus incentives	58%	52%	6
16	Access to the latest, cutting-edge technology	57%	52%	5
17	Size of firm	57%	44%	13
18	Dependent medical benefits	50%	37%	13
19	Regular performance reviews/feedback	50%	40%	10
20	Interesting, challenging internal projects[5]	49%	71%	-22

[5] In 2011, top talent were asked to rank the importance of both "interesting challenging internal projects" and "interesting, challenging *client* projects." In previous surveys, no distinction was made between challenging internal vs. client projects.

Eighteen of the top 20 attraction factors either remained important to top talent in 2011 (vs. 2006) or became more important. Only two attraction factors — No. 14, Flexible work schedules and No. 20, Interesting, challenging internal[6] projects — fell in importance.

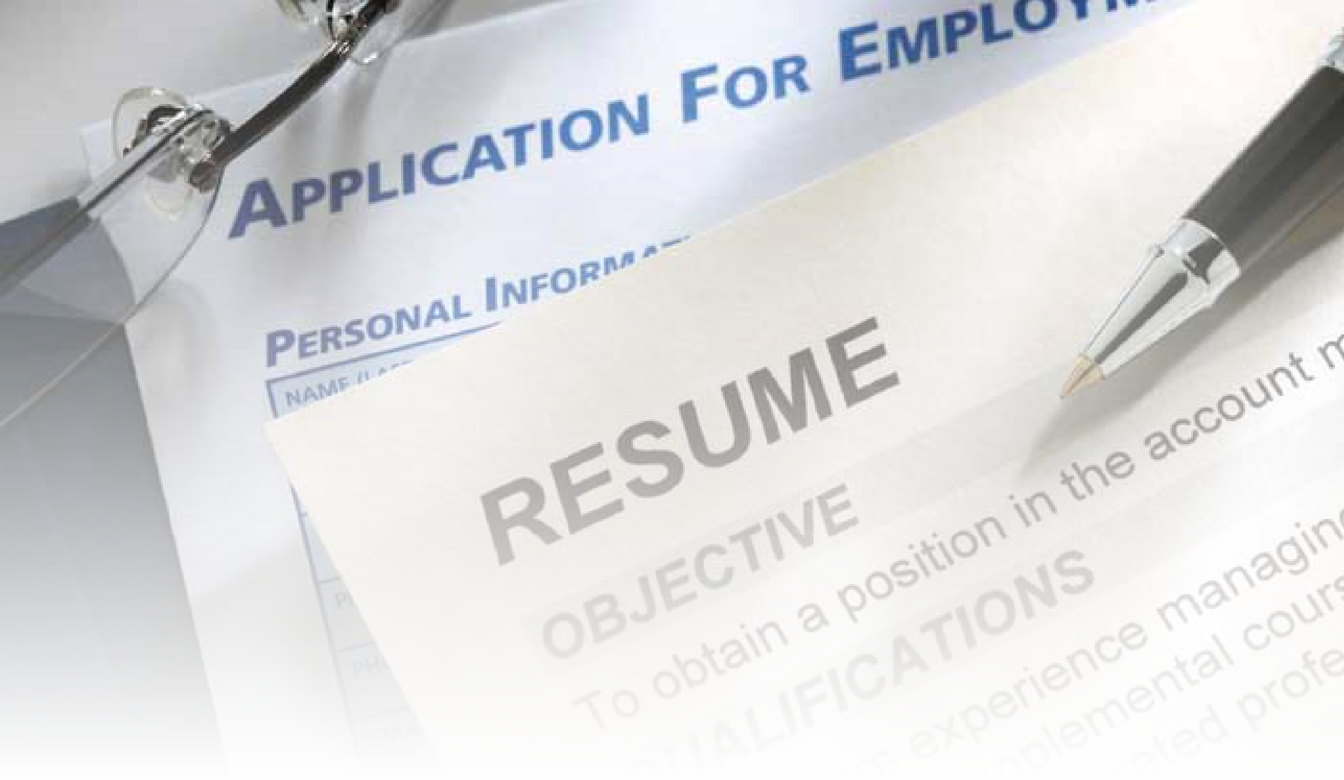
When it comes to attracting top talent, compensation and career development seem to explain why they choose to start their career in public accounting. Even though work/life balance is less of a priority in the beginning and fell in importance, it certainly plays an important role in keeping them in the firm.

Here's another way to look at how the preferences of high potentials have shifted between 2006 and 2011:

Table 3: Top 5 Talent Attraction Factors, 2011 vs. 2006

2011 Rank	2011 Top Talent Attraction Factors	2006 Rank	2006 Top Talent Attraction Factors
1	Career growth opportunities (91%)	1	Career growth opportunities (80%)
2	Salary (88%)	2	Paid personal/vacation time (79%)
3	Paid personal/vacation time (86%)	3	Salary (78%)
4	Open-door/accessible management (83%)	4	Respect for company mission statement or vision (73%)
5	Comfortable office atmosphere (81%)	5	Interesting, challenging client or internal projects (71%)

[6] In 2011, top talent were asked to rank the importance of both "interesting challenging internal projects" and "interesting, challenging *client* projects." In previous surveys, no distinction was made between challenging internal vs. client projects.



The top three attraction factors — career growth, paid personal/vacation time and salary — have shifted in overall ranking since 2006, but they have all become more important to top talent:

- Career growth opportunities became 11 percentage points more important to top talent since 2006, and maintains its first-place ranking.
- Salary became 10 percentage points more important to top talent in 2011, and moved to second place, up from No. 3 in 2006. It is important to note that salary topped paid vacation time by only 2 percentage points in 2011 and was 1 percentage point less important than paid vacation in 2006.
- Paid personal/vacation time is 7 percentage points more important in 2011 vs. 2006, even though it slipped from second place in 2006 to third place in 2011.

Two factors showed up in the "top five" list that weren't on it in 2006: "open door/accessible management" and a "comfortable office atmosphere." It's impossible to know precisely why this happened, but we speculate that these two factors have become important as a countermeasure to the stress and tension felt in many CPA firms during the recession.

In other words, as public accounting was going through its recent layoffs and restructuring, top talent placed more value on working in an office where they had access to leaders (and were kept in the loop) and felt comfortable (not tense).

Retaining Top Talent, 2011 vs. 2006

The factors that retain top talent also have changed since 2006. The following table outlines the top factors that keep talent at their firms, 2011 vs. 2006.

Table 4: Top 20 Retention Factors for High-Potential CPAs, 2011 vs. 2006:

Rank	Top Retention Factors	2011	2006	Percentage-Point Change
1	Salary	95%	89%	6
2	Career growth opportunities	93%	92%	1
3	Paid personal/vacation time	90%	86%	4
4	Open-door/accessible management	89%	89%	0
5	Interesting, challenging client projects[7]	88%	88%	0
6	Comfortable office atmosphere	87%	83%	4
7	Firm's reputation or prestige	79%	74%	5
8	Flexible work schedule	78%	88%	-10
9	Retirement savings plan	77%	78%	-1
10	Frequent client contact	76%	74%	2
11	Medical benefits	75%	71%	4
12	Bonus incentives	75%	70%	5
13	Team-orientation of firm	72%	75%	-3
14	CPE credit reimbursement	67%	57%	10
15	Access to the latest, cutting-edge technology	67%	73%	-6
16	Telecommuting/work-from-home options	63%	67%	-4
17	Regular performance reviews/feedback	62%	61%	1
18	Paid sick days	60%	58%	2
19	Training & professional development opportunities in soft skills or areas beyond traditional, technical CPE requirements	59%	78%	-19
20	Interesting, challenging internal projects[7]	59%	88%	-29

[7] In 2011, top talent were asked to rank the importance of both "interesting challenging internal projects" and "interesting, challenging *client* projects." In previous surveys, no distinction was made between challenging internal vs. client projects.

Comparing 2006 to 2011 results, three factors slipped in importance by 10 percentage points or more: Flexible work schedules (-10), training and professional developing in soft skills (-19) and interesting, challenging internal projects[8] (-29).

One reason for this decline could be that these factors do not produce an immediate ROI for the individual. Rather, in a tough economy, personal stress and tight home budgets are common and therefore top talent respondents who felt any level of a pinch were most likely thinking in the short-term about benefits and the near-term when it comes to opportunities that come along with career growth.

Furthermore, it may appear particularly important for top talent to focus on their billable time and chargeable rates in periods of recession and layoffs as firm's owners may tend to lay off employees who cost more than the revenue they are bringing back to the firm. As a result, non-chargeable time (e.g., training or internal projects) lost most of its appeal. Also, work/life balance seems less of a priority considering temporary staff compression (due to layoffs) and their understanding of what is asked from firm's key players to cope with difficult times.

What hasn't changed? Table 5 (below) compares the top five retention factors in 2006 to the top 5 retention factors in 2011. Top talent in 2011 value all of the same retention factors, except two: "respect for company mission" and "flexible work schedules."

We speculate that "respect for company mission" made the Top 5 list of retention factors in 2006 in the wake of numerous high profile accounting scandals in the early 2000s. With the accounting profession — and public accounting especially — suffering a high-profile reputation meltdown, top talent valued working for firms whose mission statements they and the firms' owners respected.

Table 5: Top Five Retention Factors, 2011[9] vs. 2006

2011 Rank	2011 Top Retention Factors	2006 Rank	2006 Top Retention Factors
1	Salary (95%)	1	Respect for company mission (93%)
2	Career growth opportunities (93%)	2	Career growth opportunities (92%)
3	Paid personal/vacation time (90%)	3	(Tie) Salary and Open-door/ accessible management (89%)
4	Open-door/accessible management (89%)	4	(Tie) Flexible work schedule & Interesting challenging project[8] (88%)
5	Interesting, challenging client projects[8] (88%)	5	Paid personal/vacation time (86%)

[8] In 2011, top talent were asked to rank the importance of both "interesting challenging internal projects" and "interesting, challenging *client* projects." In previous surveys, no distinction was made between challenging internal vs. client projects.

[9] The 2011 ranking reflects ALL high potentials who completed the Top Talent Study in CPA firms. See section 3 for high potential in business, industry or government.

It's also interesting to note that the top attraction factors and the top retention factors overlap in rank and importance (Table 6, below). This seems to indicate that firms should focus on these factors throughout all the phases of the career of high potentials, from candidate selection through orientation and development.

When it comes to rewarding top talent, career development and compensation are their top priorities. Ongoing communication and comfortable interaction seem to be highly valued firm attributes to drive their professional growth.

Table 6: Top Attraction and Retention Factors, 2011

Rank	2011 Top Attraction Factors	Rank	2011 Top Retention Factors
1	Career growth opportunities (91%)	1	Salary (95%)
2	Salary (88%)	2	Career growth opportunities (93%)
3	Paid personal/vacation time (90%)	3	Paid personal/vacation time (90%)
4	Open-door/accessible management (83%)	4	Open-door/accessible management (89%)
5	Comfortable office atmosphere (81%)	5	Interesting, challenging client projects (88%)

Of course, top talent is not a homogenous group. The overall results of this survey give the reader a good basic understanding of high potentials. But readers should remember that there are many nuances between groups (e.g., singles vs. marrieds, non-whites vs. whites, etc.). In other words, each of your high potentials is unique and their individual circumstances may have an impact on the factors they favor when choosing to join or stay at your firm.

Partners' Perspectives

In 2006, the PCPS Top Talent Survey broadened its reach beyond high-potential CPAs and asked partners how important they felt attraction and retention factors were to their high potentials.

In 2011, we repeated this query.

Overall, partners are in touch with what top talent are looking for during the attraction and retention phases, as the following tables demonstrate.

Table 7: Top Talent vs. Partners[11] – Top 10 Attraction Factors

Rank	Top Attraction Factors	Top Talent	Partners	Percentage-point Difference
1	Career growth opportunities	91%	84%	7
2	Salary	88%	90%	-2
3	Paid personal/vacation time	86%	83%	3
4	Open-door/accessible management	83%	74%	9
5	Comfortable office atmosphere	81%	77%	4
6	Interesting, challenging client projects[10]	81%	77%	4
7	Medical benefits	73%	71%	2
8	Firm's reputation or prestige	73%	78%	-5
9	Retirement savings plan	72%	61%	11
10	CPE credit reimbursement	65%	58%	7

When it comes to *attracting* top talent to their firms, partners generally understand what matters to top talent. However, there are two areas that partners undervalue, but top talent more strongly value: "open-door/accessible management" and "retirement savings plan."

[10] In 2011, top talent were asked to rank the importance of both "interesting challenging internal projects" and "interesting, challenging *client* projects." In previous surveys, no distinction was made between challenging internal vs. client projects.

[11] Three hundred fifty-eight (358) partners and CEOs took the survey. Of them, 95.3% work in public accounting firms and 3.5% work in business, industry and government (BIG). Because the percentage of BIG respondents is not statistically significant, we have included them in this section.

These two findings seem consistent with the two top talent priorities noted earlier: professional growth and compensation. Top talent view their retirement saving plan as a key component of their compensation package. Also, ongoing communication and confortable interaction seem valuable characteristics to enable their professional growth.

When accepting a position, top talent seem very concerned with mid- to long-term opportunities within firms: career growth opportunities, open-door/accessible management and retirement savings plan are key decision points for top talent, but remain undervalued by their partners.

How well do partners understand what keeps their high performers?
The following table demonstrates:

Table 8: Top Talent and Partners[13] – Top 10 Retention Factors

Rank	Top Retention Factors	Top Talent	Partners	Percentage-point Difference
1	Salary	95%	88%	7
2	Career growth opportunities	93%	83%	10
3	Paid personal/vacation time	90%	84%	6
4	Open-door/accessible management	89%	83%	6
5	Interesting, challenging client projects[12]	88%	84%	4
6	Comfortable office atmosphere	87%	82%	5
7	Firm's reputation or prestige	79%	80%	-1
8	Flexible work schedule	78%	76%	2
9	Retirement savings plan	77%	64%	13
10	Frequent client contact	76%	73%	3

[12] In 2011, top talent were asked to rank the importance of both "interesting challenging internal projects" and "interesting, challenging *client* projects." In previous surveys, no distinction was made between challenging internal vs. client projects.

[13] Three hundred fifty-eight (358) partners and CEOs took the survey. Of them, 95.3% work in public accounting firms and 3.5% work in business, industry and government (BIG). Because the percentage of BIG respondents is not statistically significant, we have included them in this section.

When it comes to retaining top talent in their firms, partners also are generally in touch with what their top talent values. There are only two areas that partners tend to undervalue, but top talent value greatly: Career Growth Opportunities and Retirement Saving Plan.

Again, these findings seem consistent with the two top talent priorities noted earlier: compensation and career development. Top talent view their retirement saving plan and paid personal/vacation time as key components of their compensation package. Also, ongoing communication and comfortable interaction seem valuable characteristics to enable their professional growth.

These findings strongly imply that partners must understand what it takes to attract and keep top performing CPAs, since they often make the final decisions on budgets, policies and practices that have a direct impact on recruiting, development and engagement.

Impact of Mentoring and Sponsorship Programs

Mentoring programs historically have been used within CPA firms to help up-and-coming professionals "learn the ropes" and advance in their careers. Readers familiar with mentoring programs might assume that the top talent are highly mentored and garner many of the benefits of these programs.

The 2011 PCPS Top Talent Study looked closely at high potentials' involvement in mentoring programs, as well as the programs' effectiveness. The tables below summarize the results.

Table 9: Mentoring Programs for High Potentials

What kind of mentor program does your firm have?	Percent Agree
My firm has a **formal** mentoring program instituted by H.R. or firm management.	53%
My firm has an **informal** mentoring program adopted independently by employees.	26%
My firm does **not** have a mentoring program.	21%

Table 10: Participation in Mentoring Programs Among High Potentials

Do you receive mentoring at your firm?	Percent Agree
Yes, informally.	41%
Yes, through a formal program.	37%
No.	22%

It is interesting to note that more than half of all CPA firms have a formal mentoring program, yet only 37% of CPAs within those firms receive formal mentoring. For those who participate, mentoring programs have tangible benefits, as Table 11 shows:

Table 11: Results of Participation in Mentoring Programs Among High Potentials

What has been the result of your participation in mentoring at your firm?	Percent Agree
I have had some opportunities for growth, but mostly have become a better professional.	31%
I have established a strong relationship with my mentor, who has become a sounding board and advisor.	30%
I have had many more opportunities for leadership and growth in my firm.	23%
None of the above.	16%

For the firms that have worked hard to establish any type of mentoring relationships, it's heartening to note that 84% of top talent report benefits from these programs.

What about Sponsorship?

Firms that are intent on retaining and developing top talent increasingly are looking at the success of sponsor programs, and the 2011 Top Talent Study investigated that trend.

What's the difference between a mentor program and a sponsor program? The 2011 Top Talent Study defined them as follows:

- *Mentor programs* match an employee with a peer or supervisor who can provide professional support, advice and focus on personal and professional development.
- *Sponsor programs* involve mentoring from a senior manager or superior with influence who can help the young professional get exposure to opportunities and promotions.

TOP TALENT INSIGHTS:

Overall, 63% of respondents reported that their firms do not have a sponsor program. Among the 37% that do have either a formal or informal sponsor program, 57% of high potentials do not receive formal or informal sponsorship. As is the case with mentoring, the most popular reported result of participating in sponsor programs are opportunities for growth and the chance to become a better professional (19%.)

Conclusions about High Potentials Based on the 2011 Top Talent Study

Top talent is not a homogenous group. The overall results of this survey give the reader a good basic understanding of high potentials. But readers should remember that there are many nuances between groups (e.g., singles vs. marrieds, non-whites vs. whites, etc.).

In other words, each of your high potentials is unique and his or her individual circumstances may have an impact on the factors that influence whether he or she joins or stays at your firm.

In the next section, we introduce you to three groups of high potentials, to further amplify their unique attraction, retention and development needs.

High Potentials Profiles & Analysis

For the first time, the 2011 PCPS Top Talent Study looked closely at demographic information about its respondents. Our intention was to help readers understand different life stages among employees, and to gain sensitivity to groups that are sometimes overlooked. For example, do high potentials with young children value different things than those without young children? What about non-white high potentials? What makes them tick?

TOP TALENT INSIGHTS:

These subsets of high potentials have not been discussed in prior PCPS Top Talent Studies, but they are important to the profession. For the PCPS 2011 Top Talent Study, we chose four subgroups:

- Single high potentials
- Non-white high potentials
- High potentials who have young children (under 6 years old)
- High potentials who work in business, industry and government ("BIG")[14]

To bring these groups to life, we created brief narratives about each. The narratives portray fictional characters who are data-derived. In other words, we poured over all the data about each demographic group to build the character's gender, marital status, number of children and years in the profession. We filled in the missing spaces by drawing from our own research and deep experience working in public accounting firms.

[14] The profile of CPAs who work in business, industry or government is included in Section 3.

The profiles are not intended to be universally true. It's possible that high-potential singles in your organization, for example, share nothing in common with our fictitious character, Lane. That said, we suspect that many of you will read Lane's profile and be reminded of those in your firm who share her sensibilities, frustrations and sense of opportunity.

Meet Lane – A Single, High-Potential Employee

Lane Brighton has high expectations for herself — both on the job and after work. She and her girlfriends — several from college and others from her firm — spend their leisure time traveling, having wine parties and serving in her community's young professionals organization.

Lane has ambitions to make partner someday. Trouble is, she's not sure if the partner track is available to her at her firm. There are only two female partners in her firm; in some ways, it still feels like an "old boys' club."

Phil, Lane's informal mentor, assures her that's it's possible for Lane to make partner, and that the firm has plans to develop a partner track, but so far, nothing has happened. A few months ago, Lane tried to find out for herself. She invited Julie, one of the two female partners at her firm, to lunch. Lane planned to ask Julie straight out, "What do I have to do to make partner?" Unfortunately, Julie cancelled their lunch when an urgent client matter came up, and she never rescheduled.

Lane enjoys the people she works with, and tries to go over and above what's expected. For example, Lane's firm has a Staff Advisory Board that meets with the partners on a regular basis to share ideas to improve the firm, and Lane served on it last year. It was a great experience.

When asked what she would do differently if she was managing partner, Lane responds, "My one wish would be for the firm to increase its commitment to flexibility and a balanced quality of life. Having flex time shouldn't be something we reserve for working parents. I'm extremely active through the local Young Professionals Network, and flexibility would help me meet the goals I have for myself outside the office."

Single High Potentials in Our Survey

There were 109 single-survey respondents. Of these, 58% were female and 42% were male.

- They have an average of five years of experience as a CPA and six years of experience at their firm.
- 82% never have been married; 18% are separated or divorced.
- Their average age is 33.
- The vast majority do not have children (average 0.2 children).

How to attract, develop and retain single high potentials like Lane

- When considering compensation and benefits, single individuals put the highest value on **paid time off** (personal/vacation) when accepting and remaining in a position. **Salary** is second, followed by **medical benefits** and **retirement savings plan**.

- Once they're on board, **career growth opportunities** are important to this group. They want to be stretched and challenged. They value working in a **comfortable office environment** where their ideas are valued and where they can feel at ease approaching their leaders. This is why initiatives such as the Staff Advisory Board appeal to people like Lane.

TOP TALENT INSIGHTS:

Many employers believe the myth that single young professionals are ready to jump ship if a better offer comes along. In this study, single high potentials such as Lane are not actively seeking a new employer; 45% of high-potentials singles plan on staying for 8 or more years and another 13% indicate they plan to stay for at least five to seven years.

Although they may not have children, single high potentials such as Lane value flexibility. To offer Lane the flexibility she values, employers should focus on flexible work schedules or opportunities to telecommute or work from home.

"What one wish do you have for your firm or organization to continue to keep its best talent?" When asked that question, the top three responses of high-potential singles were:

1. Increase compensation and benefits
2. Flexible work schedules
3. Recognize and appreciate all employees

Meet Steven – The Experiences of Non-Whites

Steven Sun Wen is a 34-year-old CPA — a high-potential person who's been working at his firm for five years. Steven works about 60 hours a week; you can always find him at his desk. He has intense focus, learns a lot from his job and rarely complains.

At home, Steven is a dedicated family man. His first child just turned four and Steven and his wife, Susan, hope to have another child in a year or so.

Steven is a first generation Chinese-American; both of his parents immigrated to the United States when Steven was nine years old. His name — like many Chinese immigrants to the U.S. — is a combination of his chosen American name, Steven, followed by his family name, Sun, and his Chinese first name, Wen.

Like many first-generation Americans, Steven doesn't feel completely Chinese or completely American. Some of the American business traditions at his workplace still strike him as brash, like confronting one's supervisor or gossiping about coworkers. Maybe for that reason he's always felt like an outsider at his firm.

Steven has never been told that he's a high-potential employee, although he's gotten consistent promotions and increases in responsibility. He feels that he's one of the only non-whites in his firm who's been "moved up the ladder." He's seen many other Asian-Americans and African-Americans stall in their careers at his firm. Steven is not sure what his future looks like at his firm, but he believes that if he continues to work hard and serve his clients, he'll be all right.

Non-White High Potentials in Public Accounting

For more than a decade, data collected on accounting graduates have reflected a general increase in the number of women and minorities entering the profession. Yet numerous studies have shown that at most organizations, these CPAs are underrepresented at the partnership and/or senior leadership levels.

For the first time, the 2011 PCPS Top Talent Study gathered demographic information about high potentials in the profession. More than 12% of the Top Talent Study's high potentials reported being non-white, as shown in the table below.

Table 12: Non-Whites and Women as a Percentage of Accounting College Graduates[15], Top Talent[16], and Partners[17]

Group	Percent of Graduates	Percent of Top Talent	Percent of Partners
African-American	6%	2%	0%
Hispanic	5%	2%	2%
Asian	7%	6%	2%
Other non-white (including mixed race)	7%	3%	1%

The data show that non-whites are underrepresented among high potentials and senior leaders relative to their overall prevalence in the profession.

[15] Percent of graduates includes both bachelor's and master's degrees in accounting as reported in *2011 Trends in the Supply of Accounting Graduates and the Demand for Public Accounting Recruits*, available at aicpa.org.

[16] Percent of top talent as reported in the 2011 Top Talent Study.

[17] Percent of partners as reported in *2011 Trends in the Supply of Accounting Graduates and the Demand for Public Accounting Recruits*, available at aicpa.org.

Non-White High Potentials in our Survey

Attracting, keeping and developing non-white talent requires commitment and thoughtfulness. The fact is, leaders at most CPA firms — and in most U.S. companies — are primarily Caucasian. Unintentionally, leaders may be oblivious to the challenges that non-white high potentials face in their organizations.

To ensure that high potentials of all backgrounds are able to fulfill their potential, this group deserves thoughtful consideration.

Our 61 non-white respondents are:

- 49% Asian
- 13% Hispanic
- 12% African-American
- 12% Two or more races
- 5% American Indian or Alaska Native
- 2% Native Hawaiian or Pacific Islander
- 7% Other

Overall, non-white respondents in the survey:

- Are 34 years old.
- Were married (65%); single (30%) or separated or divorced (5%).
- Have an average of 0.7 children.
- Have been a CPA for 7.6 years.
- Have been with their current employer for 5.9 years.

In a surprisingly large number of areas, our survey shows that non-white CPAs have had a more negative experience than their white counterparts.

- Non-whites are significantly less likely to recommend their firm as a great place to work.
- Non-whites are less likely to believe that feedback from non-management personnel leads to changes.
- Non-whites feel far less comfortable approaching management with questions or concerns.

In addition, non-whites said they were much less likely to make the same career choice again, given the opportunity. This finding is an indicator that the profession should take steps to reverse the trend.

How to Attract, Develop and Retain Non-White High Potentials Such as Steven

In accepting and remaining at their current position, non-whites rated the following factors much more highly than their white counterparts:

- Tuition reimbursement
- Sabbatical leave
- Firm-wide diversity initiatives
- Equity incentives
- A mentoring program, formal or informal

To help employers capitalize on their entire pool of high potentials, we compared non-white respondents to white respondents and found that:

- Non-whites are 97% more likely than whites to stay at an employer that has a firm-wide diversity initiative.
- Non-whites place much more value on tuition reimbursement than whites. Non-whites are 82% more likely than whites to join a firm with tuition reimbursement, and 102% more likely to stay with a firm that offers tuition reimbursement.
- Non-whites are more likely to describe the review process as "My supervisor giving me his/her opinion, and I have the opportunity to respond." Whites are more likely to say that "a review at my firm entails a productive, give-and-take dialogue between management and me, where we both express our thoughts and concerns comfortably."
- Non-whites are 94% less likely to recommend their organization to a friend or family member looking for a great place to work.

Top talent who are non-white stressed the importance of ongoing development/mentoring and sensitivity to their unique needs. For example, one non-white respondent said that "mentoring programs and active feedback with realistic potential for advancement" were critical.

TOP TALENT INSIGHTS:

The key takeaway of this analysis is that non-white high potentials are more satisfied at work than their white counterparts in many key areas. Yet their experience — from the review process to their sense of inclusion — is markedly different from that of their white peers.

Non-whites would like their firm leaders to understand their backgrounds, without dwelling on their differences during the development process. This sentiment is best expressed by a non-white survey respondent who wrote, "Be sensitive to their needs. Trust them and know that they can achieve great results if given a chance. Do not focus on their unique upbringing, culture or background."

Meet Paul – A Parent of Young Children

Paul MacInnes turned 35 this year. He and his wife Molly celebrated in the delivery room, where Molly gave birth to child No. 2. Their newest son, Ian, joins his sister Maggie, who is five.

Following Ian's birth, Paul took two weeks off, per firm policy. It was a hectic time, but Paul loves being a dad. And with Ian's birth, Molly finally decided to stay at home, taking a hiatus from her 12-year career as an emergency-room nurse.

Paul has been at his firm for eight years, and will celebrate his 10th anniversary as a CPA this fall. He is so close to becoming a senior leader at his organization that he can almost taste it.

But he's frustrated, too. When the economy took a turn for the worse in 2009, Paul and several of his high-potential peers were told they'd need to cool their heels. "Until the economy picks up," Steve, their managing partner, told them, "we have to wait to promote you to partner."

Paul doesn't like to wait, but he already has so much invested in his firm — and so many personal responsibilities with his family and mortgage--that he'd be a fool to leave now. Plus, Paul knows that he is valued. He's routinely asked to lead important firm-wide initiatives, he's respected for his technical acumen, and he knows that his input is appreciated by his partners. Although he's bored by his job sometimes, he believes that if he can just stick it out, he'll become partner very soon.

Married with Young Children – High Potentials in our Survey

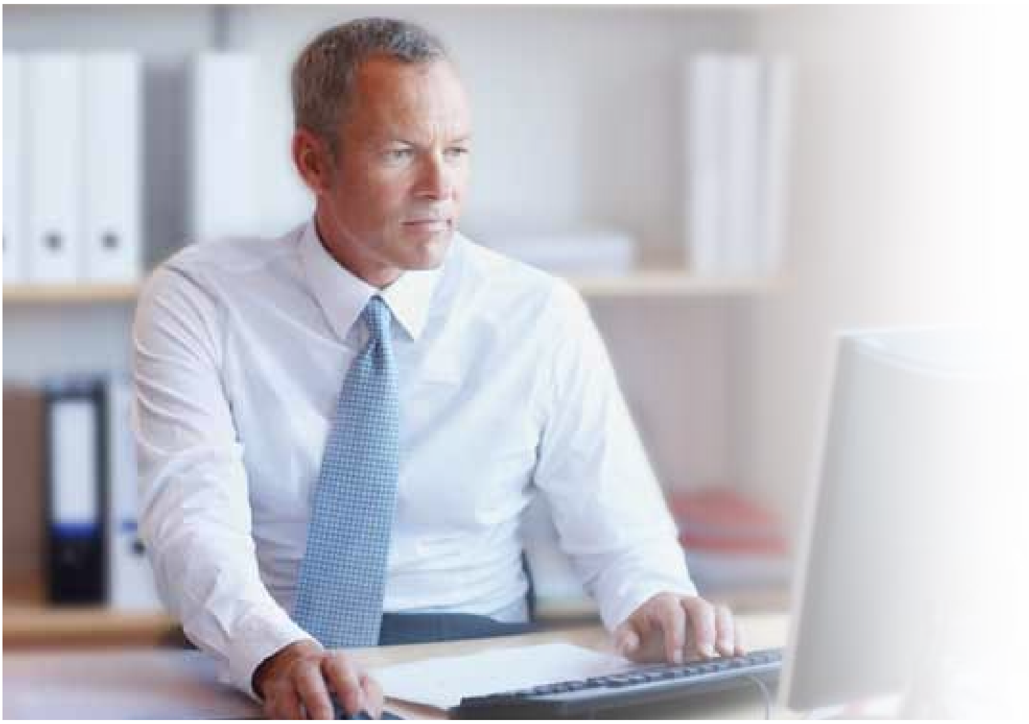
In some firms, there is anecdotal evidence to show that parents — especially those with children under six years old — have a shift in workplace priorities after their second child arrives.

For example, parents of two or more young children must coordinate day-care drop-offs and pick-ups — sometimes to more than one day-care center. In addition, babies and young children often take more trips to the doctor's office for shots, colds, infections, etc.

What's more, in today's young families, there is a more even sharing of parenting responsibilities. This is happening for two reasons. First, the next generation of high potentials is the first to enter parenthood expecting to be equal partners. Many grew up in families where both parents worked and go on to marry others with equal education and professional aspirations. This is the case with Paul; he married a nurse who worked long hours in a demanding field (E.R.).

Second, there's a trend among Generation X and Millennial dads to be more hands on with child-rearing. A generation ago, it was uncommon to see a 38-year-old high-potential male leave work early to coach his son's flag football team. Today, it is common.

To test the hypothesis about the shift in workplace priorities for parents of young children, we looked closely at this group of high potentials.



There are 136 individuals in our sample with children under the age of 6. These new parents are:

- 52% male and 48% female.
- Experienced, with an average of eight years of experience as a CPA and seven years of experience at their current employer.
- On average, 34 years old.
- Married (97%) or separated or divorced (3%).
- Parents to an average of 1.8 children.

How to Attract, Develop and Retain High Potentials Like Paul

Overall, parents of young children put the highest value on salary when looking at a firm's compensation and benefits package.

High-potential employees such as Paul who are parents of young children place relatively more importance on these compensation and benefits factors compared to their peers:

- Dependent medical benefits (34% more important)
- Equity incentives (34% more important)
- Medical benefits (9% more important)

In terms in education and development, parents of young children — like many of their high potential peers — say that **career growth opportunities** and **interesting, challenging internal and client projects** are most important to attracting and keeping them.

TOP TALENT INSIGHTS:

What's more, the survey data reveal that parents such as Paul with young children often are very committed to their job and feel well taken care of:

- New parents are more likely to agree with the statement, "I have access to all the necessary tools and technology to perform my job completely," compared to other high potentials in the survey.
- New parents are more likely to agree with the statement, "I have a sense of ownership about my work."

However, firms should keep in mind that 82% of new parents say flexible work arrangements are the most important retention factor in the work/life balance category. Another 66% of respondents say that the ability to telecommute or work from home is very important in retaining them.

"What one wish do you have for your firm or organization to continue to keep its best talent? When asked this question, this profile's top-three responses were:

1. Increase compensation and benefits
2. Flexible work schedules
3. Better communication from partners on career path and succession planning

Conclusion

The profiles of Lane, Steven and Paul demonstrate that high potentials are not all cut from the same cloth. Even within the demographic groups we studied — singles, non-whites and parents of young children — there are sure to be differences among individuals in your firm, based on each one's personal circumstances and professional ambition.

Use these profiles as a guideline in how to approach and consider your firm's high potentials who are single, non-white, and/or parents of young children. Firms that prosper capitalize on the talents of all of their high potentials.

Attracting and Retaining High Potential CPAs in Business, Industry and Government

In this section, we focus specifically on the 335 top talent survey respondents who work in business, industry and government (BIG). Our intent is to help CFOs, finance directors, COOs or others who supervise high potential CPAs in these fields understand how to attract, develop and retain them.

For public accounting leaders, this section provides excellent insight into why some professionals leave firms to go to BIG and what they could be looking for when considering a transition back into public accounting.

In addition, this information could help strengthen their trusted advisor relationship with clients in business and industry, enabling public practitioners to share valuable and strategic information with clients experiencing human capital concerns.

CPAs who work in BIG are different from those who work in public accounting. In general, they have higher stress levels, don't receive as much mentoring and sometimes don't feel challenged in their jobs compared to their peers in public accounting.

Meet James Big – A high-potential CPA working in Business and Industry

The following profile of James Big is fictitious but data-derived. In other words, we created a fictitious character by using the average age, experience, marital status and other demographic information reported by all top talent survey respondents who work in business, industry or government. From there, we added additional characteristics based on the open-ended responses these CPAs provided in the survey.

James Big is a 45-year-old CPA working for a *Fortune* 500 company in California. He's a high-potential employee who's been with his current company for seven years. James has an MBA and has been a CPA for 18 years.

He and his wife, Natalia, have two children: a son, Ben, who's a senior in high school, and a daughter, Rachel, in eighth grade.

James generally is satisfied with his position but is feeling less and less challenged. When James left public accounting in 2004 to work for his current employer, he saw more opportunity and less stress. Now, however, he's less enthusiastic. The quarterly tension of working in the finance department of a *Fortune* 500 company — coupled with the lack of a clear career path — leaves James wondering if he could make a larger impact somewhere else.

Last week, James talked with Natalia about starting a search for a new job. Next year, Ben starts college and Rachel goes to high school. Their savings are in good shape and it might be the right time for a change of scenery, to get away from the grind of corporate life and the expensive cost of living in California.

A Closer Look at Talent in BIG

James' profile and frustrations reflect the general situation and attitudes of our survey respondents.

There are 335 individuals in our sample who work in BIG.

- 57% are male and 43% are female
- 85% are married, 9% are single, and 6% are separated or divorced
- They have, on average, two children
- They have been CPAs for almost 18 years
- They have been with their current organization for seven years
- They are, on average, 45 years old

At first glance, it may be surprising that high potentials in BIG are older and have more experience than their peers in CPA firms. But this finding is consistent with the career pathway in corporate America, which is often longer than the pathway in CPA firms. In BIG, a high-potential employee may not get to the C suite until they're in their mid- to late-40s at the earliest. Within CPA firms, high potentials often are made partners before that point. Hence, it's not surprising that top talent in BIG are older and more experienced than their top talent peers who work in public accounting.

As you might imagine, high potentials who work in BIG have different priorities than those who work in CPA firms. They report feeling more stressed than their CPA firm counterparts and feel under mentored.

What else makes these folks tick?

Top talent in BIG:

- Are almost 27% more likely to consider "interesting, challenging internal projects" as a prime reason for staying at their company than high potentials at CPA firms
- Are not nearly as concerned about the size of their organization
- Say they are almost 40% more likely than their peers in CPA firms to make a different career choice in the next five years
- Are about 45% less likely to believe that they are being groomed for a senior position than their peers in CPA firms
- Rate dependent medical benefits and a retirement savings plan as more important in accepting a position — and comp time and paid overtime as less important — than top talent at CPA firms
- Are less likely to believe they have been adequately trained, have access to the necessary tools and technology or that their job description was accurate

Recruiting and Retaining Top CPAs in Business, Industry and Government

The following tables list the top 20 factors that CPAs who work in BIG value.

Table 13: Top 20 Attraction Factors for CPAs Who Work in Business, Industry and Government (BIG)

Rank	Top Attraction Factors	2011
1	Salary	91%
2	Paid personal/vacation time	85%
3	Medical benefits	84%
4	Career growth opportunities	80%
5	Interesting, challenging internal projects	79%
6	Retirement savings plan	78%
7	Open-door/accessible management	77%
8	Comfortable office atmosphere	77%
9	Firm's reputation or prestige	74%
10	Bonus incentives	66%
11	Dependent medical benefits	66%
12	Paid sick days	60%
13	CPE credit reimbursement	58%
14	Team-orientation	57%
15	Respect for company mission statement or vision	54%
16	Flexible work schedule	54%
17	Access to the latest, cutting-edge technology	45%
18	Training & professional development opportunities in soft skills or areas beyond traditional, technical CPE requirements	42%
19	Telecommuting/work-from-home options	36%
20	Regular performance reviews/feedback	36%

Table 14: Top 20 Retention Factors for CPAs Who Work in Business, Industry and Government (BIG)

Rank	Top Retention Factors	2011
1	Salary	90%
2	Paid personal/vacation time	86%
3	Medical benefits	83%
4	Open-door/accessible management	82%
5	Comfortable office atmosphere	81%
6	Interesting, challenging internal projects	80%
7	Retirement savings plan	80%
8	Career growth opportunities	74%
9	Firm's reputation or prestige	72%
10	Bonus incentives	72%
11	Dependent medical benefits	65%
12	Team-orientation	65%
13	Flexible work schedule	64%
14	Paid sick days	61%
15	CPE credit reimbursement	59%
16	Respect for company mission statement or vision	58%
17	Access to the latest, cutting-edge technology	50%
18	Training & professional development opportunities in soft skills or areas beyond traditional, technical CPE requirements	46%
19	Telecommuting/work-from-home options	44%
20	Regular performance reviews/feedback	44%

How to Attract, Develop and Retain Top Talent Like James

High potentials who work in BIG are much less likely to have a mentoring program or feel that they are being groomed for management and, thus, are more susceptible to feeling they're not being challenged and that they are in a dead-end position.

As one survey respondent said, "I have a CPA and master's degree and neither are being used in my current […] role. Nor am I being developed by my current manager, nor do I see that changing, and I have no outlet to voice my concerns."

TOP TALENT INSIGHTS:

Here are some key things to keep in mind when trying to attract and retain talented CPAs in business, industry and government positions:

- Emphasize how you will keep them engaged with internal projects
- Focus on the benefits they value: medical and dependent medical benefits and a retirement savings plan
- You may not have the career advancement opportunities a CPA firm can offer, but giving these high potentials the tools and technology to do their job well will go a long way toward showing them they are valued

Recommendations by CPA Firm Sizes

Small firms:

While small firms may not feel they can compete with salaries offered by larger firms, some however can offer key non-monetary benefits that are highly valued by top talent.

1. They are in a better position to foster a family-friendly environment due to their smaller size, meeting high-potential's strong desire for a comfortable office atmosphere.
2. The hierarchy at small firms is less rigid, allowing constant interaction between staff members and firm leaders. Open door and accessible management should be more than a firm's policy, it should be a given for smaller firms. That fosters career growth opportunities, which the top talent highly value.
3. Work-life balance and flexibility can better be achieved within these firms as they work less than larger firms, according to our PCPS/TSCPA National MAP Survey. Also, there is less travel time involved due to physical proximity of their clients.

4. Small firms have many advantages in helping their top talent achieve professional growth:

   a. Staff members have more exposure to interesting work early on as there is usually one preparer and one or maybe two reviewers, as opposed to the situation in larger firms, where there might be up to four intermediate levels (senior, supervisor, manager, senior manager) between staff and partners. As a result, they also have direct access to reviewer and decision maker on an ongoing basis.

   b. Staff members have a better understanding of the work and the complexity of each engagement as they are usually involved from start to finish.

   c. Staff members can better benefit from one-on-one mentor and sponsor relationships with their firm leaders as partners are not outnumbered by their staff. It is interesting to note that high potentials in larger firms do not get access to key individuals and decision makers so early in their career.

However, great opportunities come sometimes with great risk. It can sometimes be more challenging to assimilate new recruits in smaller firms due to lack of formal orientation and onboard training. In addition, new recruits can sometimes feel isolated when there is no one else in their age group and/or experience level to lead them or answer basic questions.

Medium firms:

Medium firms can certainly use the same points to differentiate themselves from large firms. However, they also often have internal resources and programs to train, develop and keep their top talent. Here are additional recommendations when it comes to attracting and retaining top talent:

1. Evaluation programs are even more important for medium firms (including 360 programs) to identify how best to focus their efforts.

2. Since medium firms' training programs may have more flexibility than those at larger firms, training and development can be better customized to the needs (i.e., leadership skills, soft skills or technical skills) and aspirations of their top talent.

3. Implementing diversity initiatives programs for women and/or minorities may not require tremendous internal resources but can have a substantial impact on attracting and retaining women and minorities. To enhance a sense of belonging and being valued, firms can create a support system for women and minorities.

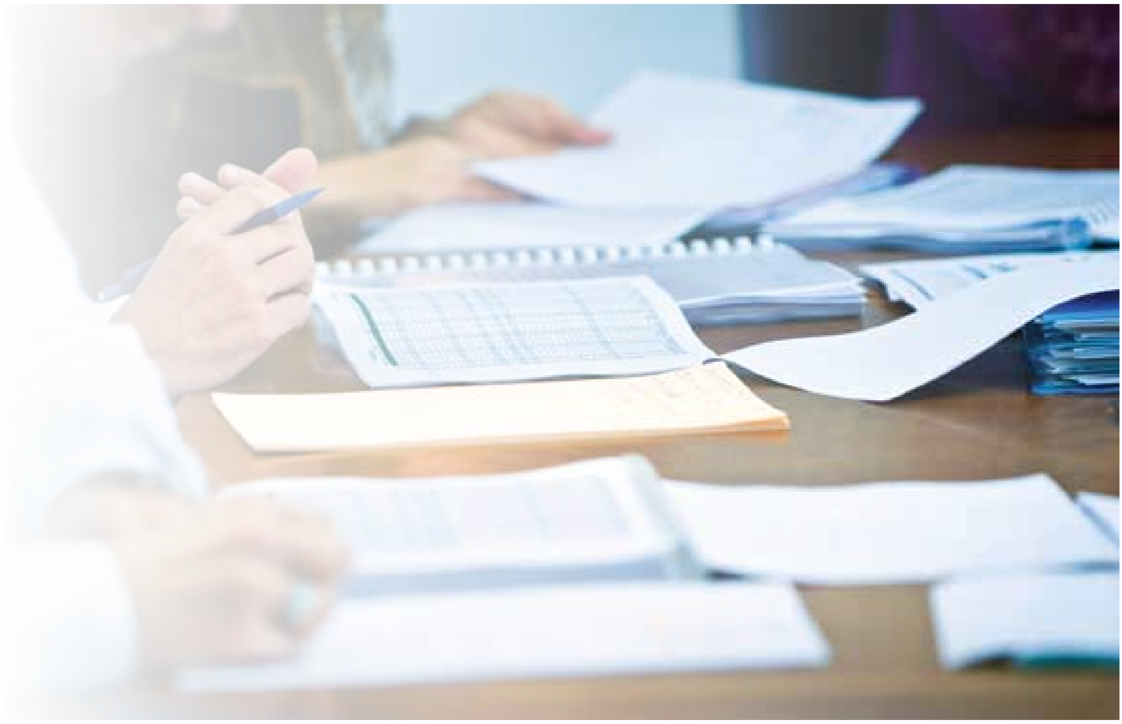
4. Important sponsor and mentor relationships can be easily encouraged by assigning an advocate/sponsor to influence high potentials' advancement. Medium firms also allow constant interaction and communication with mentor/sponsor, a benefit that helps young professionals to better understand how their future aligns with the firm's strategies.

5. Finally, medium firms can focus on inexpensive benefits such as additional paid time off or/and personal time, flexible schedule arrangements or telecommuting options when feasible.

Large firms:

According to the PCPS/TSCPA National MAP Survey, large firms usually have more competitive compensation packages. In terms of career growth, they can expose their high potentials to a larger portfolio of clients, multiple industries and their related shares of accounting and technical specializations. Also, large firms tend to have clear career progressions. Open-door/accessible management and comfortable office space can be harder to control in a bigger environment but still remain achievable.

Finally, large firms tend to work longer hours, according to the National MAP Survey. A total of 77.5% of all top talent said that flexible work schedules are the most important retention factor in the work/life suite of factors, nudging out telecommuting (63.1%) and maternity/paternity leave (31.8%). This is even more challenging for large firms when attracting and retaining high potentials, since compensation gets their attention, career development is the real reason they join the firm, and work/life balance considerations keep them.



Action Items, Resources & FAQs

The following checklists and resources are intended to help you make use of this study, regardless of your sophistication and firm's size, in developing and executing programs to retain, develop and attract top talent.

How to Put the AICPA PCPS Top Talent Study to Work in Your Organization:

Share the executive summary of the PCPS Top Talent Study with your senior leadership team and ask:

- What surprised you?
- What areas do you feel we need to address to attract develop, or retain top talent?
- What information do we need to assist us in improving? What actions must be taken? Who will be responsible?

Share the full study with your high potentials, then invite them to an off-site lunch and discuss:

- What parts of the report resonated with you because they reflect your own experience as a high potential?
- How could our organization better respond to the needs of top talent?
- How would you like to be involved in improving our top talent initiatives?

Career development was identified as a top attraction and retention factor among high potentials. How well are you developing your high potentials?

- Does your firm need a clearer Partnership Track for your high potentials? Do high potentials know what is expected of them to become a partner in the firm?

Salary has been in the top five attraction and retention factors for high potentials in several of the most recent surveys. To make sure you're competitive on salaries for high potentials:

- Review your organization's salaries for high-potential CPAs. Are you paying all your top performing CPAs fairly, measured against both (a) their high-potential peers and (b) their contributions to your organization?
- Be prepared for push-back from high potentials on salary issues. If, for example, a high-potential CPA approaches you with data downloaded from Salary.com or another compensation website or study, make sure you read the fine print closely. Most online salary websites include salary plus benefits in their total calculations. Also, be prepared to list the many benefits, both quantitative and qualitative, of working for your company that together add up to more than the salaries they are seeing elsewhere.

Review your recruiting materials and consider:

- Are they written with the most important attraction factors to top talent in mind? (See Table 3: Top 5 Attraction Factors.)
- Do they reflect your organization's diversity initiatives (for example, do the images you use reflect your organization or are they stock photography)? Are the unique attraction preferences of non-white employees showcased? This could be as simple as reviewing your website to ensure that your "Careers" section lists any perks you have that non-whites value. (See Section 2 for a profile of Steven and for more ideas on how to talk about your organization in a way that non-whites will appreciate.)

Review your mentoring program and ask:

- What are its goals? How effective has it been?
- How it helped top talent? What other programs might we need to implement to ensure that our top talent are engaged and developing the skills they need to become future leaders?

Map your top talent initiatives. Even if you don't know them, there are probably some — both formal and informal — in which your top talent participate. Consider:

- Of all the initiatives that top talent can access to help them develop and grow in their careers, which ones are really working? How do we know?
- Which programs could be eliminated or reformatted to deliver better results? Formal mentoring or sponsorship programs in which senior leaders or partners are held directly accountable are among the most effective top talent development programs. How could you make such a program happen at your organization?

Talk with your top talent. The PCPS Top Talent Study results show that overall one-fourth of them don't know they're high potentials. Meet with each one of your top talent and:

- Tell them that you consider them top talent and what this means at your organization (that is, that you want to retain them, that you want them to feel comfortable discussing their needs and concerns, etc.).
- Ask them what will make them happy and satisfied in their jobs. Most often, top talent simply want more career development, which costs little and reaps great returns for the employee and the organization.
- Follow up. Take action after your meeting and let your high potentials know what's happened as a result of your conversation.

Resources Available at the PCPS Firm Practice Center Under Resources at aicpa.org/pcps

AICPA staffing, succession and related resources include:

- PCPS has partnered with renowned consultants to the CPA profession to develop the PCPS Human Capital Center. The Center's learning and tools supply firms with the knowledge and resources to understand, master and implement best practices. The Center is divided into 11 sections that are accessible only to PCPS members at **aicpa.org/pcps/hcc**:
- Organizational Structure & Governance
  a. Sample Organization Charts
  b. CPA Firms Role Descriptions
- Learning Culture
  a. AICPA Learning Ladder
  b. Individual Learning Roadmap
  c. Partner Candidate Criteria
  d. Partner Development Program Outline
- Team Recruitment
  a. Team Recruitment Action Plan
  b. Behavioral Based Interviewing
  c. Recruiting and Prospecting
  d. Firms Needs Assessment
- Orientation/Assimilation
  a. Sample Team Member Handbook
  b. Orientation-Assimilation Action Plan
- Performance Management
  a. Firm Competency Model
  b. Upward Feedback
  c. Exit Interviews
  d. Performance Management Preparation for Counselees
- Team Development
  a. Accountability Assessment
  b. Team Development Guide & Action Plan
- Owner Development
  a. Accountability and Leadership
  b. Client Service
  c. Mentoring Your People

- Reward & Compensation & Incentives
- Generation/Diversity Integration
- Work/Life and Retention
- Strategy and Planning
- PCPS has organized six tight-knit networking groups, three for small firms, one for medium-sized firms, one for large firms and one for human resource professionals. To register, visit our website at **aicpa.org/pcps/community**.
- PCPS offers networking calls with HR professionals on a monthly basis in addition to networking calls for AICPA Emerging Partner Training Forum graduates.
- PCPS has developed the Succession Planning Resource Center to provide guidance to our members on the need for proactive succession planning and the strategic management processes necessary to position their firm for succession. This Center includes the PCPS white paper, Preparing for Transition: The State of Succession Planning and How to Handle the Process in Your Firm at **aicpa.org/pcps/succession**.
- Seasonality Success, is a quarterly newsletter for PCPS members that includes insights and advice on making the most of tax-season opportunities at **aicpa.org/pcps/newspubs**.

BOOKS

- *Securing the Future: Building a Succession Plan for Your Firm*, by Bill Reeb
- *Promoting Your Talent, A Guidebook for Women in Accounting*, by Nancy R. Baldiga
- *Practice Continuation Agreements: A Practice Survival Guide*, by John A. Eads

WEBCASTS AVAILABLE ON CD-ROM

- Positioning Your Firm for Successful Transition
- Strategies to Facilitate Transition and Increase Firm Value
- Additional PCPS web seminars available at **aicpa.org/pcpsevents.**

CPE

- Strategies to Protect the Value of Your Firm (DVD/Manual)
- Additional PCPS CPE & events available at **aicpa.org/pcpsevents**.

About PCPS

The Private Companies Practice Section represents more than 6,900 local and regional CPA firms. PCPS provides member firms with up-to-date information, advocacy and solutions to challenges facing their firms and the profession. For many CPA firms, the price of membership is more than matched by the thousands of dollars in free member benefits and discounts. If you have any questions about PCPS membership, please call 800.CPA.FIRM or e-mail **PCPS@aicpa.org**.

Frequently Asked Questions

Q: I work in human resources and see the need to strengthen our approach to high potentials. How can I share this material with our senior leadership team without offending them?

A: We recommend sharing the Executive Summary (or other relevant sections) along with a cover memo or email for you to outline your specific areas of concern. That way you can share how this study is relevant to your firm. But remember that you can't make someone care about this; they have to be open to learning. Therefore, another approach might be to identify a person who has the trust of the senior leaders and ask her/him to share the study with them. Sometimes hearing about the importance of retaining high potentials is more easily digested when it comes from a peer.

Q: Are the findings of this study relevant to all firms, large and small?

A: We didn't ask about firm size on this survey since high potentials represent the future of a firm, regardless of its size. High potentials are a very complex population, with multiple attributes, characteristics and aspirations.

After disclosing and analyzing survey results, we review their impact and implications by firm sizes. In the future, we will consider adding this question to the survey.

Q: How do I know if these survey results reflect the attitudes of my own top talent?

A: The survey questionnaire is available online at **aicpa.org/pcps/hcc**. You're welcome to administer it to your own high potentials.

Q: What was the survey methodology? How did you target top talent? Were they self-selected or firm nominated?

A: Top talent were mainly firm nominated as we advertised and emailed our survey to CPA firms partners and their HR professionals, asking them to pass the survey to their top talent. However, the survey was also advertised at the Winning is Everything Conference, in AICPA newsletters (BIG, PCPS & specialized communities newsletters), AICPA publications (*CPA Letter Daily*, the *Insider* and the Practicing CPA) and various AICPA LinkedIn groups. As a result, non-selected individuals could have accessed the survey through these channels. However, we based our marketing and social media campaign on channels that best fit our targeted audience: top talent and their leaders.

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