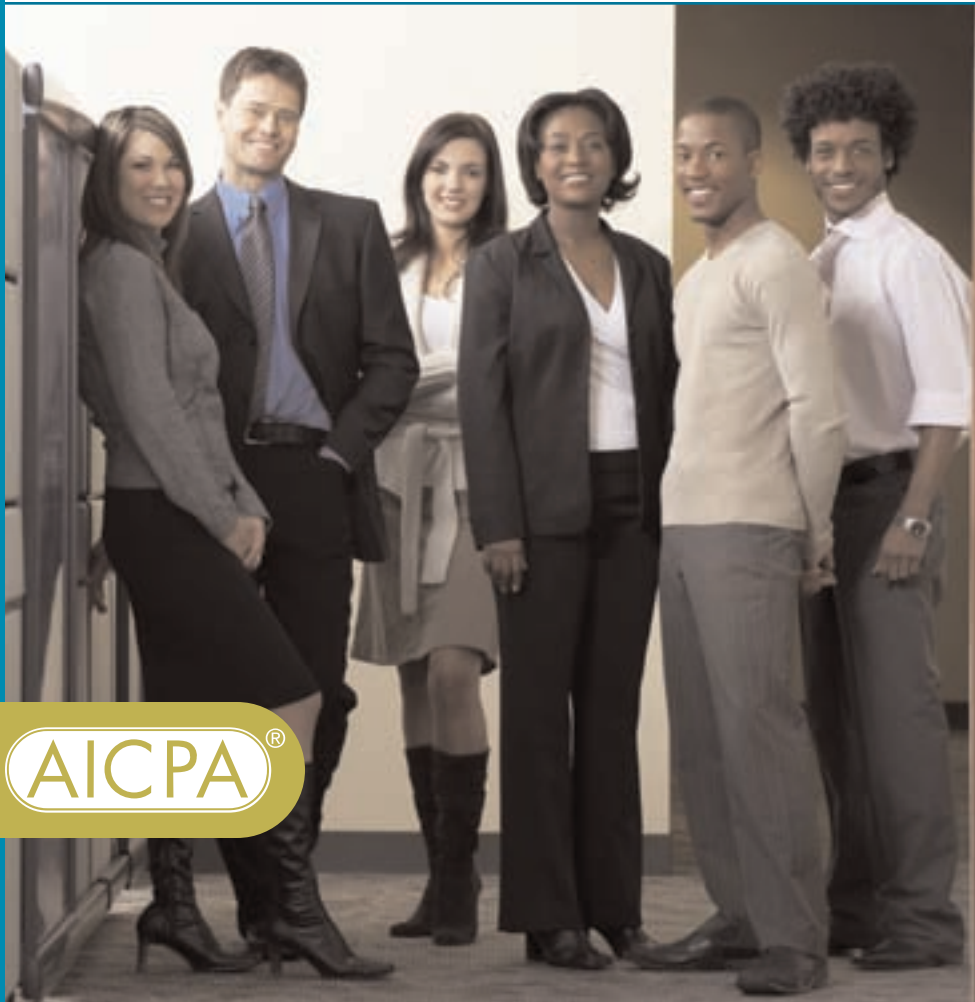




The PCPS Top Talent Study:

Gaining a Strategic Advantage
in Recruiting and Retention

AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS



AICPA[®]



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TABLE OF CONTENTS

I.	<u>INTRODUCTION</u>	4
II.	<u>A LOOK AT THE SURVEY RESULTS</u>	7
III.	<u>10 BEST PRACTICES FOR FIRMS</u>	12
IV.	<u>BEST PRACTICES IN BRIEF: A CHECKLIST</u>	24
V.	<u>ACTION AGENDA</u>	26
VI.	<u>VALUABLE RESOURCES</u>	28
	<u>APPENDIX A: HIGHLIGHTS FROM THE 2006</u>	
	<u>TOP TALENT SURVEY DATA</u>	30
	<u>APPENDIX B: THE TOP TALENT</u>	
	<u>SURVEY QUESTIONNAIRE</u>	34

I. INTRODUCTION

How can CPA firms attract and keep the highest quality young professionals?

That's a pressing question for many firm leaders. In fact, according to the AICPA PCPS Top Issues in Practice Management survey, finding and retaining qualified staff has consistently been the key concern for firms since inception of the Top Issues survey in 1997.

In recent years, the demand for accounting expertise has grown tremendously, as firms and companies scramble to find staff. In 2004, for example, there was a 17% rise in the number of new accounting graduates hired by firms compared with 2003, based on the findings of the most recent AICPA Supply of Accounting Graduates and the Demand for Public Accounting Recruits Report. According to the National Association of Colleges and Employers, accounting is one of the most popular majors among employers hiring at the bachelor's degree level. In addition, in its most recent annual Salary Guide, recruiting firm Robert Half International Inc. confirmed that there was strong demand for accounting and finance staff to support corporate governance and business expansion initiatives. "Those who pursue a CPA should have excellent job prospects," according to the U.S. Department of Labor's Bureau of Labor Statistics.

Young people seem to be aware of the opportunities in the profession. According to the AICPA Supply of Accounting Graduates and the Demand for Public Accounting Recruits Report, enrollments in accounting programs are up. For the four-year period 2000 to 2004, enrollments grew, and the number of accounting graduates has risen 19% since 2000. Thus, many more students are studying accounting after a decline in interest in the major during the 1990s, but there has also been a resurgence in interest in qualified accountants among both CPA firms and companies.

Not surprisingly, this demand for talent has created many staffing challenges for CPA firms. As a result, the AICPA Private Companies Practice Section set out to learn more about the attitudes and aspirations of the most promising young accounting professionals in order to provide valuable insights for firms seeking to recruit and retain the best. To that end, PCPS recently conducted a new "Top Talent Study," much like a similar landmark study performed in 2000. In this initiative, CPA firm partners asked their most highly valued nonpartner employees to take a survey that examined, among other things, their hopes for growth opportunities, job benefits and firm culture, and how these elements affected their decisions to join or stay with a firm. For



comparison purposes, PCPS also asked partners to offer their opinions on the importance of all the same issues in hiring and retention.

Understanding the Best and Brightest

The promising CPAs who took this survey are a complicated group, who appear to place a balanced emphasis on their careers and their personal lives. Their top reasons for joining a firm are career growth opportunities, paid personal/vacation time and salary — in that order.

The good news is that the partners who are hiring and working with this group of young people seem to understand that they are a multifaceted generation. While both sides are not entirely in lockstep in terms of how they would order all their priorities, the two groups definitely do seem to be on the same wavelength.

More good news for the profession and all that it has to offer young professionals is the fact that 63% of the top talent in this survey said they had no plans to change careers in the next five years, while 29% didn't know. That means that roughly two-thirds of promising young CPAs expect to stick with accounting, and nearly another one-third can still be influenced to remain in the profession. That's a good indication that these professionals clearly believe a great future is possible in accounting.

At the same time, partners are much more in tune with their staff than in 2000, when the last Top Talent survey was conducted. Based on the results of that survey, there were great differences between what employees sought and what their firms were offering. In many cases, firms in 2000 also appeared to be investing in programs that were not high on the staff members' list of priorities. But the gap in understanding, which was so evident in 2000, has narrowed significantly today, the most recent data show.

However, while firm leaders may generally be aware of promising younger staff members' expectations, other AICPA research raises questions about whether they have taken concrete steps to meet those expectations. For example, in the Top Talent study, 76% of the young CPAs said they were interested in being groomed for a senior position. Another recent PCPS study of firm staffing policies found, however, that 93% of the practices surveyed did not have a leadership development program, 90% did not have a career professional program and 89% did not have a partner-in-training program. Such programs can reassure ambitious staff members about the career opportunities within a firm and clarify firms' expectations. In another area, the same study found that 75% of firms did not have a documented pay-for-performance plan aligning compensation

with firm strategic initiatives. These plans can reinforce firm goals and reward talented staff members for efforts that help achieve them.

Grooming future leaders is one step in a thorough succession planning process, but many firms have not yet engaged in this effort either. In fact, another recent PCPS study of the state of succession planning among CPA firms revealed that 81% of firms did not have documented succession plans, even though 62% thought succession would be a significant issue for their firms in the near future. While 50% hoped to get involved in succession planning soon, 22% did not see the need. Only 23% said they had begun planning and expected to be finished soon.

Although they may not yet have instituted some staffing or succession programs, partners are using a variety of methods to address the staffing challenge. According to the Top Talent survey, 58% have tried new approaches, including stepping up their recruiting process, offering flexible or reduced hours, bonuses for staff members who find new employees, higher salaries and more on-campus recruitment.

The AICPA has created numerous free resources to help CPA firms with these issues. For example, a PCPS white paper, *Best Practices in Recruiting and Retaining Talented Staff*, provides more details about the staffing study along with a wealth of practical tips on staffing issues. To help firms address succession issues, another PCPS white paper, *Preparing for Transition: The State of Succession Planning and How to Handle the Process in Your Firm* — one element in a suite of PCPS succession resources — offers information about how other firms are handling this challenge along with proven advice. Both white papers can be found at www.aicpa.org/pcps.

Information about numerous other resources to help firms address staffing and succession issues can be found in [Section VI](#).

An Important Caveat

As we noted in the last Top Talent Study, the survey results presented here represent the priorities of a particular group of people at a certain point in their lives. The survey results and this brochure are meant to initiate discussion, reinforce some successful practices and challenge some assumptions. The information presented here can serve as a starting point for firms to begin considering their own unique needs. Firms' own experiences may or may not mirror the results of this survey, but the survey can serve as a foundation for this effort. To that end, readers will find the "Top Talent Questionnaire" in [Appendix B](#). Practitioners can adapt it to learn more about their own top talent and determine how best to recruit and retain the most promising young professionals.

II. A LOOK AT THE SURVEY RESULTS

The Decision to Join a Firm

Some firm leaders may be surprised by the young professionals' priorities in accepting a position with a firm. When asked what factors were most important in taking a job offer, 78% of the promising staff members said that salary was a key concern, but 79% believed that paid personal or vacation time was a critical issue. This reinforces many practitioners' observations that younger staff members place a high value on personal time. At the same time, 80% said that career growth opportunities influenced their decision to join a firm. While salary and personal time are clearly important, future career prospects are also a most persuasive factor for bright young professionals.

HERE ARE THE TOP TALENTS' TOP 20 REASONS TO JOIN A FIRM:

1. Career growth opportunities:80%
2. Paid personal/vacation time:79%
3. Salary:78%
4. Respect for company mission statement:73%
5. Interesting, challenging projects:71%
6. Medical benefits:70%
7. Comfortable office atmosphere:69%
8. Open door/accessible management style:68%
9. Retirement savings plan:67%
10. Flexible work schedule:65%
11. Paid overtime:65%
12. Training/professional development opportunities: ..63%
13. Firm culture62%
14. Comp time:60%
15. Equity incentives:60%
16. Firm reputation or prestige:59%
17. Team orientation of firm:56%
18. Paid sick days:55%
19. Access to the latest, cutting-edge technology:52%
20. Bonus incentives:52%



WHAT PARTNERS THINK

In the minds of the partners surveyed, promising young people's priorities are somewhat different, with salary, health benefits and time off heading their list of what they believe attracts new recruits. However, as can be seen from the list, partners are certainly aware that growth and challenge are important to new accountants.

TOP 20 REASONS WHY PARTNERS BELIEVE NEW RECRUITS JOIN THEIR FIRMS:

1. Salary:	93%
2. Medical benefits:	83%
3. Paid personal/vacation time:	79%
4. Career growth opportunities:	75%
5. Paid overtime:	69%
6. Interesting, challenging projects:	64%
7. Firm reputation or prestige:	63%
8. Respect for company mission statement:	62%
9. Flexible work schedule:	56%
10. Access to the latest, cutting-edge technology:	54%
11. Firm culture:	54%
12. Comfortable office atmosphere:	54%
13. Training/professional development opportunities:	52%
14. Bonus incentives:	51%
15. Signing bonus:	50%
16. Dependent medical benefits:	50%
17. Retirement savings plan:	50%
18. Comp time:	49%
19. Size of firm:	49%
20. Paid sick days:	45%

WHAT FIRMS OFFER

And, while partners may believe that young people care most about cash and benefits, they do understand that it's important to provide many of the elements the top talent are seeking, including challenging opportunities and access to partners and clients.

TOP 20 MOST COMMON FIRM OFFERINGS ACCORDING TO THE PARTNERS:

1. Open door/accessible management style:	96%
2. Frequent client contact:	96%
3. Paid personal/vacation time:	96%
4. Comfortable office atmosphere:	95%
5. Medical benefits:	92%
6. Interesting, challenging projects:	90%
7. Paid sick days:	90%
8. Retirement savings plan:	89%
9. Respect for work/life balance issues:	88%
10. Training/professional development:	87%
11. CPE credit reimbursement:	83%
12. Flexible work schedule:	81%
13. Career growth opportunities:	79%
14. Casual dress code:	78%
15. Regular performance reviews/feedback:	77%
16. On-site/in-house CPE:	76%
17. Access to the latest cutting-edge technology:	74%
18. Paid time off to take CPA exam:	73%
19. Life insurance:	73%
20. Team orientation of firm:	72%

WHY THE TOP TALENT STAYS WITH A FIRM

Career growth expectations were also important in retention. In fact, a full 92% of the top talent chose this as a key reason to stay with a firm. At the same time, 93% selected respect for the firm's mission statement as a factor in remaining in a position and 89% valued an open management style. A total of 88% believed that interesting and challenging projects would help keep them at a firm, while the same number thought flexible work schedules were important. Income and time off were key in retention, too, with 89% choosing salary as a reason to stay with a firm and 86% citing paid vacation or personal time. 83% looked for a comfortable office atmosphere, 76% thought firm culture affected their decision to stay and 74% sought frequent client contact. This group of professionals clearly highly values both career and professional satisfaction.

HERE ARE THE TOP TALENTS'
TOP 20 REASONS
TO STAY WITH A FIRM:

1. **Respect for company mission statement:** 93%
2. **Career growth opportunities:** 92%
3. **Salary:** 89%
4. **Open-door/accessible management style:** 89%
5. **Interesting/challenging projects:** 88%
6. **Flexible work schedule:** 88%
7. **Paid personal/vacation time:** 86%
8. **Comfortable office atmosphere:** 83%
9. **Equity incentives:** 79%
10. **Retirement savings plan:** 78%
11. **Training/professional development opportunities:** .. 78%
12. **Firm culture:** 76%
13. **Team orientation of firm:** 75%
14. **Firm reputation or prestige:** 74%
15. **Frequent client contact:** 74%
16. **Access to the latest cutting-edge technology:** 73%
17. **Medical benefits:** 71%
18. **Bonus incentives:** 70%
19. **Comp time:** 68%
20. **Telecommuting/work from home options:** 67%
- and paid overtime:** 67%



TOP TALENT INSIGHTS: When asked to rate competition among professionals at their firms on a scale of 1 to 5 — with 5 being the most competitive — only 2% chose 5, 13% chose 4, 41% chose 3, 24% chose 2 and 20% chose 1. Firms appear to have created collegial atmospheres in which competition exists but does not seem to rise above a healthy level.

THE PARTNERS' PERSPECTIVE

Once again, partners were generally in sync with this group, understanding their ambition and their desire to be associated with a great firm. Here are the top 20 reasons the partners gave for why talented staff members stay with their firms:

TOP 20 REASONS WHY PARTNERS BELIEVE TALENTED STAFF MEMBERS STAY WITH THEIR FIRMS:

1. Salary:	.91%
2. Career growth opportunities:	.90%
3. Respect for company mission statement:	.88%
4. Interesting, challenging projects:	.86%
5. Medical benefits:	.84%
6. Flexible work schedule:	.81%
7. Paid personal/vacation time:	.80%
8. Firm culture:	.78%
9. Comfortable office atmosphere:	.74%
10. Firm reputation or prestige:	.71%
11. Open-door/accessible management style:	.71%
12. Frequent client contact:	.70%
13. Paid overtime:	.69%
14. Team orientation of firm:	.68%
15. Bonus incentives:	.68%
16. Training/professional development opportunities:	.66%
17. Partner in training program:	.65%
18. Comp time:	.62%
19. Retirement savings plan:	.62%
20. Dependent medical benefits:	.61%



TOP TALENT INSIGHTS: 53% of the top talent said change occurred at an acceptable pace at their firms, while 29% believed it came too slowly.

III. 10 BEST PRACTICES FOR FIRMS

The results of the Top Talent Study provide firms with an excellent idea of some of the benefits, perks and opportunities that are likely of key importance to their most valuable young staff members. In conjunction with the study, PCPS also conducted interviews with leaders of firms that experience particularly low turnover to find out the reasons for their success. This list of 10 best practices addresses many of the issues raised in the Top Talent Study and adds some further insights based on positive results reported by successful CPA firms.

1. Know your mission and your strategic goals.

When firm leaders take the time to think about their firm mission, about what they're proud of and about how they believe their firm is different from others, they are in a much better position to make many decisions that will help in recruiting and retaining promising staff. For example, in order to create a pay-for-performance system that benefits both firm and staff, the practice leaders must have a good sense of their strategic business goals. In order to build realistic growth paths, firm leaders must have a good sense of their own future plans and business aims. Even the smallest firms can brainstorm about their core values and goals and then make sure they are communicated to staff and supported in day-to-day programs and activities. And this will resonate with the top talent, who chose "respect for firm mission statement" as a top reason to stay with a firm.

2. Offer great salary and benefits.

It has always been important to provide a competitive salary and benefits package, and the increased competition for talent has only reinforced that need. Of course, many promising young people will be attracted by further factors — tangible and otherwise — but inadequate compensation and benefits packages will certainly hinder firms' recruitment and retention efforts no matter how many other attractive features they offer.

Given that fact, what can firms do to strengthen their offerings? Practitioners' recommended best practices include:

Know your market. In order to be competitive, firms must keep tabs on what other employers — both accounting practices and companies — are offering. For example, the PCPS/TSCPA National MAP Survey offers PCPS members information on salary trends (<http://pcps.aicpa.org/Resources/National+MAP+Survey/>). In addition, Robert Half International's annual Salary Guide provides data on national trends,

and the company's site (www.rhii.com) also offers quarterly updates on what companies are paying for new hires. Local compensation details can be garnered through networking contacts or through relationships with college professors who are plugged into the recruiting environment.

Set the ground rules. Once staff have joined a firm, it's a good idea to provide clear guidelines on how the review process will work, what factors will be evaluated and how an employee's performance will affect future raises. Staff perceive greater fairness in the process when they understand what's expected and will likely feel they have greater control over the outcome when the ground rules are clear.

Explain your costs. For many small firms, health insurance benefits are a major cost, one that they often ask employees to share. To avoid misunderstandings, some practices openly discuss this issue with staff, explaining what kinds of price increases they have faced and why they feel the need to ask staff to contribute toward their insurance costs.

Offer choices. Many CPA firms provide cafeteria plans because they make it possible to optimize the value the benefits being offered. Also known as flexible benefit plans, they allow participants to make their own choices about the benefits they receive. Typically, participants have a basic package of benefits plus a certain amount of plan "dollars" they can spend on additional or higher levels of benefits. Flexible plans can be particularly useful in firms with people of a wide range of ages because they can be adapted to suit their different needs.



TOP TALENT INSIGHTS:

- 90% agreed or strongly agreed they had a good relationship with their supervisors.
- 63% agreed or strongly agreed their initial job description accurately reflected their current job, while 25% somewhat agreed.
- 61% agreed or strongly agreed their jobs called for creativity, while another 30% somewhat agreed.
- 49% reported to a direct supervisor, 28% reported to a management team and 10% reported to colleagues in a peer-to-peer arrangement.



TOP TALENT INSIGHTS: Most of the top talent received both written and oral performance reviews (77%) and 69% described the experience as “a productive give-and-take dialogue where we both express our thoughts and concerns comfortably.” Another 29% believed the process was more one-sided, with the supervisor speaking and the staff member given the chance to respond. 80% of the top talent said that personal goal-setting and achievement were part of the evaluation, and 68% said these elements affected compensation.

3. Use incentive pay programs.

Many firms favor using some kind of incentive or pay-for-performance system to get the most value from their compensation dollars. These systems work most effectively when firms have determined their strategic goals and core philosophy, then considered how to structure a system that will use compensation to motivate staff to reach these goals.

Determine what's worth paying for. While many firms may create or commission detailed incentive compensation plans, at the core of each effort is a simple understanding of what accomplishments are worth compensating. To come to this understanding, firms of any size can begin by deciding what's important to them. If marketing is a key goal, the next step would be to consider what kind of effort can be expected from different staff levels. For the most junior person, attending a certain number of networking events might be a good start, while more senior people might be asked to take steps such as developing relationships with their client counterparts. Firms that want staff to expand their technical skills could similarly set specific goals for each staff level.

Once firms have instituted an initial plan, they can begin to create more detailed goals. For example, staff might get bonuses for shifting more administrative work to administrative staff, for being involved in firm recruitment efforts or for acting as a mentor to newer staff members.



TOP TALENT INSIGHTS: When the top talent were asked what would motivate them to take on more responsibilities or work harder, money came in first, with 40% saying bonuses or higher compensation would do the trick. At the same time, another 20% said they were self-motivated and did everything they could without needing an incentive. Among other answers, 10% cited the chance for growth or promotion, 9% looked for more feedback or goal setting from management, and 9% said recognition.

4. Offer growth opportunities.

The best staff members are focused on the future, so firms must communicate about ongoing opportunities if they are to attract and retain these people. To do so:

Provide a clear career path. Talented staff members will more likely stick with a firm if they believe there is a reliable chance for growth. One way to demonstrate that such a path exists is simply by clearly communicating the steps necessary for promotion and advancement.

Firms can create their own competency assessment continuums or they can adapt a resource such as the AICPA Competency Assessment Tool for their own needs. Free to AICPA members, the CAT can serve as the basis for evaluation and career planning for CPAs. The CAT Web site lists competencies relevant to CPAs; makes it possible for users to assess their proficiency at each level; and suggests training needed. It can be found at <https://www.cpa2biz.com/CPE/CAT.htm>.

Demonstrating firms' ability to make successful changes in this area, one young professional said, "Over the past few years, the firm has made changes that include annual evaluations. This, to me, is very helpful and necessary to ensure that employees are aware of their standing with the firm as well as expectations. Also, the firm is very understanding of the ups and downs of life outside of the firm."



TOP TALENT INSIGHTS: When it comes to promotion and advancement, there were several apparent disconnects of which partners should be aware:

- Among the top talent, 31% said their firms had a partner track, 37% said their firms did not and 32% weren't sure. Among the partners, 41% said their firms had one, 55% said they did not and 4% did not know. Partners may have to communicate better about the existence of a career track and how it works in their firm.
- 83% of the top talent said their firms promoted from within (97% of partners said this was their firm policy, indicating a possible education need on this issue). Among the top talent, 72% believed they were being groomed for a senior position and 76% said it was their goal to be groomed for a senior position. Thus, if firm leaders are concerned about finding the next generation of leaders, they appear to have a promising group that is willing to be trained for leadership.



- 55% of the top talent said their firms encouraged them to pursue possible partner status, 23% said they didn't and 22% didn't know. Compare that with the partner responses: 81% believe their firms encourage promising people to become partners. Perhaps this message is not being expressed forcefully enough.

5. Keep dialogue open.

An open, accessible management style was an important consideration for top talent in accepting a job and staying with a firm. "What motivates me to work hard is the communication and feedback from our partners ... the encouragement and feedback they provide," wrote one staff member. Firms can make this happen in a number of ways, such as paying attention to suggestions or including the staff in decision-making and client contact.

Ask for feedback. Staff appreciate the chance to get involved in firm decision-making. This is particularly true, though, in the case of ambitious younger CPAs, who will be more likely to remain with a firm that seems to take them seriously.

The level of involvement can vary, ranging from asking staff to make suggestions for improvements in their own areas to including them to different extents in firm strategic planning. This involvement and recognition of the value of their opinions will likely encourage them to stick with the firm, practitioners say.

One way to involve staff is in a firm annual meeting in which firm leaders review the firm's achievements in the past year and discuss plans for the future. On a day-to-day basis, firm leaders can initiate much more informal contacts in planned or spontaneous meetings with younger staff members to get input. Such contacts are a good way to glean insights from staff and demonstrate an interest in them.



TOP TALENT INSIGHTS:

- When asked what they enjoyed most about their jobs, 40% of top talent chose challenging work and a variety of assignments. 32% said client contact, 24% said camaraderie and teamwork. 11% said responsibility/autonomy. Among their write-in answers, they also cited helping clients, learning new things and gaining a sense of accomplishment.
- When asked what they liked least, 16% said tax season, 12% cited the hours and the stress associated with the job, 8% disliked some of the drudgery involved, and 7% each pointed to deadlines, billing/time sheets and bureaucracy.

Employee surveys or even suggestion boxes are another way to solicit recommendations and opinions, and their informal nature and anonymity often make it easier for people to be candid. Although surveys can be expensive, it's possible to use positive survey results as recruiting tools, communicating news about staff satisfaction to potential new employees and building a perception of the firm as a great place to work.

Finally, organizations might want to institute an upward feedback system, in which employees offer evaluations on management and overall administration. This step reinforces the firm's interest in staff insights and often provides valuable perspectives and ideas.



TOP TALENT INSIGHTS:

- The top talent do believe that management is listening to them. A total of 69% think that firm leaders encourage and act on their input, while 30% said that input was accepted but not necessarily followed up on. While management was a bit more optimistic about this interchange — with 83% believing they heard and acted on staff feedback — the numbers remain encouraging.
- 71% of top talent said they felt very comfortable approaching management with questions or concerns.

6. Offer interesting, stimulating projects.

Once again, this was a key reason top talent cited to join or stay with a firm. Recommended best practices include:

Provide challenges and solid training. Researchers who have studied Generation X and subsequent generations report that skill development is extremely important to these younger workers. Instead of relying on one organization to provide a lifetime career for them, they believe that enhancing their own expertise is their best bet for long-term advancement and security. As a result, young people will more likely be eager to join firms that offer training and professional challenges to their staffs. As noted above, that includes allowing them to have client contact whenever possible and involving them not simply in the technical side but also in planning and client management. When recruiting staff, firms can also trumpet the fact that their people aren't simply great technicians, they are also people who are involved in the entire client process. Of course, when firms invest in formal technical, leadership and other training, they reap the benefits of enhanced staff competencies and, in most cases, higher retention rates, because staff appreciate the opportunity to expand their horizons.

Hire more administrative staff. At many firms, staff members end up performing some clerical functions that could best be handled by administrative staff. When administrative tasks are given to support staff, accounting staff can concentrate on more client work and most likely gain greater satisfaction from their jobs. Adding administrative staff has the potential to pay for itself, if it generates more billable hours or marketing time — and if it helps retain key people.

Follow up. Of course, once firm leaders have asked for opinions and suggestions, they should be open to making reasonable changes or letting staff know why recommended changes were not possible. Firm leaders should communicate about innovations that have been made based on staff suggestions, but often the simple act of listening will go a long way toward boosting morale.

Allow staff to have client contact. Promising young people want to understand the firm's business, and that includes getting to know the practice's client base. Don't leave these bright young people on the sidelines, toiling away at nothing but the technical side of the practice. Working directly with clients provides firm members opportunities for professional development and raises morale.

Include the staff in hiring. Firms that involve younger staff members in the hiring process not only get expert insights from people with recent experience in entry-level positions, but they also demonstrate their trust and respect for these firm members' opinions. Staff members can accompany firm leaders to campus recruiting events and social occasions involving prospective candidates. They can also be involved in interviewing both recruits and interns.



TOP TALENT INSIGHTS:

- An impressive 81% would agree or strongly agree that their jobs yielded tangible results, and 88% thought that having tangible results was important.
- 55% strongly agreed that they had a sense of ownership about their work (with another 34% agreeing) and 93% agreed or strongly agreed that this ownership was important.
- 76% agreed or strongly agreed they had autonomy in their jobs.

7. Recognize accomplishments and have some fun.

A “comfortable office atmosphere” was another important factor for top talent. In the Gensler 2006 U.S. Workplace Survey, the chief employee complaints about their physical environment were lack of space, too few quiet areas, uncomfortable workstations and bad layout and design. However, the “atmosphere” can encompass more than an attractive office and likely extends to the daily experience that staff members have at work, including a sense of collegiality, shared purpose and belonging. Accountants are considered a hard-working group, so many firms seize the opportunity to acknowledge their staff achievements and to inject some fun into the business day. Two ways to recognize success are:

- Throwing a spontaneous party after a big project or surprising a staff member with a gift certificate or other reward after a job particularly well done. On a smaller level, personal thank-yous — in the form of handwritten notes or a flurry of e-mails from all the partners — can make a staff member feel particularly appreciated.
- Finding the fun in work by staging in-house competitions in which different teams vie for prizes.

Be generous. A competitive salary is important, but there are other perks that will be much appreciated. Many firms pay for professional dues, pay for and offer time off for people taking the CPA exam, provide subsidized or free meals in or out of tax season and install concierge service. By doing so, they are recognizing staff as professionals and telling them that firm leaders are willing to pay to help them do their best.

8. Be flexible and address work/life balance issues.

Suggested best practices in this area include:

Reinforce your message about the importance of a balanced life.

In interviews, some practitioners report that their firms have work/life balance programs that aren’t being used as fully as they might be. One conclusion is that staff members continue to worry that taking advantage of the programs may harm their careers. However, just because promising staff members aren’t using flexible schedules — or, in some cases, even taking full advantage of their allotted vacation time — they are still feeling the stress associated with a dynamic profession. Thus, it is in firm leaders’ best interest to ensure that their top talent understand that they fully support work/life balance initiatives and that satisfying personal lives are the foundation of a successful professional career. If firms don’t succeed at getting this message across, they may lose good people despite the fact that their practices have flexible schedules and related programs in place. As an important starting point, management should commit itself to the effort

and clearly communicate that commitment. For example, if partners don't take vacations and spend time with their families and if advancement opportunities aren't really available to those on flexible schedules, staff may seek other jobs that offer them a more balanced personal and professional life.

Firms can keep in mind that a more satisfied staff can benefit the bottom line. "They truly believe that happy employees will make happy clients," one young staff member wrote about his or her firm. That attitude will undoubtedly translate to improved client service.

Remember that one size doesn't fit all. In providing work/life balance and flexible scheduling options, firms should remember to be flexible themselves. Small firms in particular could begin by simply being open to staff requests, then build their programs based on the needs that arise.

Take steps to ease workload compression. Many firms seek consulting and other work to be done in their non-busy season to smooth out the workload. This effort has been helped somewhat by engagements related to the Sarbanes-Oxley Act. Firms of all sizes have won new assignments related directly to the act or through referrals from larger firms that can no longer perform some engagements for audit clients. This practice area is definitely a strong growth prospect for firms seeking to expand their off-season options and relieve busy season stress.



TOP TALENT INSIGHTS: 59% of the young professionals surveyed agreed or strongly agreed that their job stress was high. However, there's good news for those who don't want to move up the career ladder and, perhaps, experience more stress. Many of the top talent believe that it's possible to remain with a firm even if they don't want to become owners. In one healthy sign, 65% of respondents did not believe it hindered their career if they did not want to become partner. Only 9% thought it did, and 27% weren't sure. Once again, a communications effort might be in order, since 83% of partners said this decision will not hinder someone's career. In the same vein, 50% of top talent said there were alternative career paths for those who did not want to be partner, while 33% weren't sure. Among partners, 76% believed their firms offered alternative career paths.

9. Offer continuous learning opportunities.

To get the most value from their investment in education, the best advice seems to be to spend money wisely. Accomplishing this goal really involves following the advice given in the first best practice: Know your firm's mission and strategic goals. Even in an informal brainstorming session, firms can get a sense of the strengths they want to support with ongoing training and the opportunities or needs for enhanced education in other areas. By spending generously but prudently on continuous learning, firms improve their own available skill sets and have an excellent chance of retaining younger staff members who want to build their own professional portfolios.

In addition, a mentoring program can be used as a way for experienced firm members to share their knowledge and insights, as well as a way to elicit information about staff interests and training needs and ensure they are acted upon. According to the survey, 60% of firms did not have mentoring programs. Among the firms that had them, 69% had formal programs, 48% had assigned mentors, and 27% selected their own mentor. The programs' success was judged by mentee/mentor feedback at 26% of firms, but 25% did not measure their efforts at all. Another 15% relied on the success of the mentee as a gauge of success. 66% of top talent said that the mentor program made them feel like a valuable member of the professional staff.



TOP TALENT INSIGHTS: When it comes to learning opportunities, firms are in a great position to build on their strengths:

- 90% of the top talent agreed or strongly agreed that they continued to learn from their jobs.
- 67% agreed or strongly agreed they had been well trained for their positions, while 24% seemed to feel the training was adequate and 9% disagreed.
- 81% agreed or strongly agreed they had all the necessary tools to do their jobs and another 13% somewhat agreed.
- 81% agreed or strongly agreed they had the right technology to do their jobs.

10. Don't stop recruiting people once they're hired.

Overall, the results of this survey are very positive for the profession. Firm leaders may not offer everything that the top talent seek, but they seem to be well aware of what's expected. And these promising young people seem to be enthusiastic about their jobs and the profession:

- 91% were happy to be part of an accounting firm. 76% said they'd make this career choice again, while 16% didn't know; only 8% would not.
- 83% agreed or strongly agreed that their work sincerely interested them.
- As noted above, 63% said they had no plans to change careers in the next five years, while 29% didn't know. Possible choices for those planning to switch careers were to move into the private sector (32%), get a job with fewer hours (11%), and start their own firm (6%) or go back to school (6%). 15% didn't know.
- When asked what other career choice they'd make if they could do it all over, no one alternate path was an overwhelming favorite. The highest number (22%) said education, while other options were 14% who said medicine, 12% said engineering and 10% chose law. 8% said private accounting, 4% said corporate finance and 6% said "anything with less stress and strain."

"It's rarely boring," one young professional wrote. "Every client and every situation is different."

Despite this apparent satisfaction, competition for talent is fierce, and just because someone has joined a firm doesn't mean they'll stay indefinitely. To create an ongoing sense of excitement and belonging, firm leaders recommend treating staff as well as the recruits they are wooing to join the practice. Beyond treating them with respect and taking an interest in their opinions, there are other ways of showing the firm is glad they're on board, including some of the ones already mentioned, such as listening to staff opinions and offering them new learning opportunities through training and client contact. Since compensation is always important, one way to demonstrate management interest in employee feedback in this area is to hold an annual compensation meeting when merit increases are given to allow staff to comment on the increase and receive a response from their supervisor. In addition, a personal note on an anniversary or some other special recognition can remind staff you're happy they're on board.



On the Right Track

Firms appear to understand their most ambitious staff people and their career expectations; the next step is to continue to provide an environment that will attract and retain them. The AICPA PCPS Top Talent Study is one resource for accomplishing this goal.

IV. BEST PRACTICES IN BRIEF:

A Checklist

Here are the best practices listed in this brochure in checklist form. Firms can use this list in brainstorming sessions or partner retreats as a foundation for creating their own strategies to retain the best and the brightest.

-  **1. Know your mission and your strategic goals.**
-  **2. Offer great salary and benefits.**
 - Know your market.
 - Set the ground rules for performance.
 - Explain your benefit costs.
 - Offer benefit choices.
-  **3. Use incentive pay programs.**
 - Determine what's worth paying for.
-  **4. Offer growth opportunities.**
 - Provide a clear career path.
-  **5. Keep dialogue open.**
 - Ask for feedback from staff.
 - Follow up on their ideas.
 - Allow staff to have client contact.
 - Include the staff in hiring.
-  **6. Offer interesting, stimulating projects.**
 - Provide challenges and solid training.
 - Hire more administrative staff.



- 7. Recognize accomplishments and have some fun.**
 - Be generous with awards.
- 8. Be flexible and address work/life balance issues.**
 - Reinforce your message about the importance of a balanced life.
 - Remember that one size doesn't fit all.
 - Take steps to ease workload compression.
- 9. Offer continuous learning opportunities.**
- 10. Don't stop recruiting people once they're hired.**

V. ACTION AGENDA

This action agenda is meant to serve as a starting point for any size CPA firm. It includes the steps a firm can implement in order to cover each item on the checklist in *Section IV*. As firms develop their own policies, procedures and people, it is expected that their specific action agendas will grow and change to become unique to each firm.

	ACTION	RESULT
1.	Create/redefine a preliminary version of the firm's mission statement and strategic goals	(1)* Firm's mission and strategic goals will be set and will serve as the base to set team members on the right path to understanding the firm's vision
2.	Discuss firm's mission statement and strategic plan and obtain team member input for final version	(1) & (5) Team members will have a sense of ownership of the firm's mission statement and strategic plan by being involved in the final version
3.	Review the firm's salary and benefit offerings relative to market	(2) Firm can offer better salary and benefits by knowing market, explaining costs and offering choices
4.	Meet with your top talent and work on an incentive pay program	(3) Firm will determine what's worth paying for by establishing an awards and pay program that is unique to that firm
5.	Establish goal-setting meetings with all team members and review career paths	(2), (4), (5), (7) & (8) Firm will provide a clear career path and gather input, find interest level for involvement in other activities (i.e. recruiting), learn busy-season issues and allow team members to know expectations up front
6.	Set quarterly performance management meetings for continuous feedback	(2), (5), (7), (8) & (10) Reinforce goals, address work/life balance, and open dialogue. Identify issues before the annual review
7.	Establish a training plan for all team members	(5), (6) & (9) Firm will offer solid training and continuous learning opportunities and allow team members to take ownership in their career progression within the firm
8.	Create an internal advisory board of team members (no partners!) to discuss firm "fun", firm work/life balance issues and other concerns. Follow up on results of each advisory board meeting	(5), (7), (8) & (10) Allows team members to take an active role in firm administration at a younger level, giving them a greater sense of ownership within the firm

* The numbers in ()s correspond with items in the Best Practices in Brief: A Checklist on page 24.

** Items in brackets are recommended firm level for implementation



PRODUCT CHAMPION	DEADLINE	COMPLETED
[Partner]**		
[Entire Team]		
[Partner/ Administrator]		
[Supervisor/ Team Member]		
[Supervisor/ Team Member]		
[Supervisor/ Team Member]		
[Supervisor/ Team Member]		
[Young CPAs]		

VI. VALUABLE RESOURCES

PCPS plans to use the information gathered in this study to create programs that will benefit all CPAs. Information on staffing and succession can already be found at the PCPS Firm Practice Center under the Resource Tab at www.aicpa.org/pcps.

AICPA staffing, succession and related resources include:

- The PCPS white paper, Best Practices in Recruiting and Retaining Talented Staff (www.aicpa.org/pcps).
- The PCPS white paper, Preparing for Transition: The State of Succession Planning and How to Handle the Process in Your Firm (www.aicpa.org/pcps).
- *Seasonality Success, Winning Strategies for Profitable Firms*, a quarterly newsletter for PCPS members that includes insights and advice on minimizing tax season stress (www.aicpa.org/pcps).
- The video, “Staff Retention: The New Face of the CPA Profession,” from the AICPA Work/Life and Women’s Initiatives group in the Academic & Career Development Team (mms://sw-nyc-006.media.globix.net/aicpa/retention/long_5_16.wmv or <http://pcps.aicpa.org/Resources/Staffing/Recruiting+and+Retention/Retention/>).
- A DVD, “Work/Life: Striking a Balance,” available free from the Work/Life and Women’s Initiative Executive Committee by emailing educat@aicpa.org.
- Journal of Accountancy articles, including:
 1. “Staffing Update: Issues, Trends, Initiatives,” September 2005 (<http://www.aicpa.org/pubs/jofa/sep2005/staffing.htm>)
 2. “Nothing Succeeds Like Succession,” July 2005 (<http://www.aicpa.org/pubs/jofa/jul2005/reeb.htm>)
 3. “Outrageous Employee Benefits,” May 2005 (<http://www.aicpa.org/pubs/jofa/may2005/hayes.htm>)
 4. “Succession-Planning Dos and Don’ts,” February 2005 (<http://www.aicpa.org/pubs/jofa/feb2005/dennis.htm>)
 5. “How to Keep Them Once You’ve Got Them,” December 2004 (<http://www.aicpa.org/PUBS/jofa/dec2004/bufe.htm>.)



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

CPE

- Strategies to Protect the Value of Your Firm (DVD/Manual)

Information on books, Webcasts and CPE can be found at www.cpazbiz.com.

To learn more about PCPS initiatives and the benefits of PCPS membership, go to the PCPS Firm Practice Center at www.aicpa.org/pcps.

APPENDIX A: HIGHLIGHTS FROM THE 2006 TOP TALENT SURVEY DATA

Benefits Offered

	OFFERED		
	Top Talent 2000	Top Talent 2006	Partners 2006
Signing Bonus	X	10%	18%
Salary	n/a	n/a	n/a
Bonus incentives	58%	56%	67%
Equity incentives	37%	5%	5%
Medical benefits	94%	88%	92%
Dependent medical benefits	68%	43%	42%
Retirement savings plan	90%	87%	89%
Tuition reimbursement	34%	26%	38%
CPE credit reimbursement	X	73%	83%
CPA exam prep course reimbursement	X	24%	35%
Paid time off to study for the CPA exam	X	12%	22%
Paid time off to take the CPA exam	X	53%	73%
Bonus for passing the CPA exam	X	34%	45%
Transportation subsidy	26%	15%	16%
Meal subsidy	18%	16%	24%
Life insurance	71%	66%	73%
Paid personal/vacation time	97%	95%	96%
Paid sick days	X	77%	90%
Comp time	58%	41%	56%
Disability	52%	42%	51%
Maternity/Paternity leave	X	33%	44%
Childcare provided or subsidized	15%	3%	6%
Eldercare provided or subsidized	X	0%	1%
Health club/gym membership	X	8%	11%
Paid Overtime	X	35%	50%
Access to a credit union	X	4%	8%
Flexible spending plan	X	54%	56%
Free checking from company	X	2%	3%

ROLE IN ACCEPTING			ROLE IN REMAINING		
Top Talent 2000	Top Talent 2006	Partners 2006	Top Talent 2000	Top Talent 2006	Partners 2006
X	28%	50%	X	6%	6%
74%	78%	93%	84%	89%	91%
44%	52%	51%	58%	70%	68%
43%	60%	26%	36%	79%	61%
65%	70%	83%	68%	71%	84%
44%	37%	50%	48%	48%	61%
64%	67%	50%	73%	78%	62%
23%	30%	21%	16%	31%	25%
X	50%	34%	X	57%	42%
X	22%	22%	X	15%	11%
X	24%	23%	X	22%	15%
X	24%	18%	X	16%	11%
X	23%	20%	X	16%	16%
21%	24%	16%	27%	25%	25%
7%	9%	3%	8%	15%	9%
22%	19%	6%	26%	25%	60%
73%	79%	79%	78%	86%	80%
X	55%	45%	X	58%	50%
58%	60%	49%	61%	68%	62%
22%	23%	5%	28%	31%	9%
X	24%	17%	X	37%	34%
14%	0%	5%	17%	11%	27%
8%	0%	0%	9%	0%	20%
X	2%	7%	X	4%	6%
X	65%	69%	X	67%	69%
X	7%	2%	X	7%	4%
X	22%	17%	X	30%	31%
X	0%	6%	X	0%	6%

PLEASE SELECT YOUR GENDER.

	Top Talent	Partners
Male	40%	77%
Female	60%	23%

ARE YOU A CPA?

	Top Talent	Partners
YES	71%	96%
NO	29%	4%

HOW MANY YEARS HAVE YOU BEEN A CPA?

	Top Talent	Partners
0 – 5	39%	0%
6 – 10	28%	3%
11 – 15	15%	11%
16 – 20	9%	19%
21 – 25	6%	27%
26+	3%	39%

YEARS WITH CURRENT FIRM?

	Top Talent	Partners
0 – 5	62%	9%
6 – 10	24%	15%
11 – 15	8%	15%
16 – 20	4%	22%
21 – 25	1%	19%
26+	1%	20%

Opportunities to Grow

	OFFERED		
	Top Talent 2000	Top Talent 2006	Partners 2006
Regular performance reviews/feedback	89%	72%	77%
Frequent client contact	90%	88%	96%
Access to the latest, cutting-edge technology	71%	59%	74%
Career growth opportunities	X	77%	79%
Partner in training program	X	17%	18%
Training/professional development opportunities	91%	79%	87%
On-site/In-house CPE	X	75%	76%
Mentor program	X	38%	42%
Interesting, challenging projects	X	86%	90%

Firm Culture

	OFFERED		
	Top Talent 2000	Top Talent 2006	Partners 2006
Firm culture	n/a	n/a	n/a
Casual dress code	80%	60%	78%
Flexible work schedule	78%	72%	81%
Telecommuting/work from home options	38%	38%	42%
Size of firm	n/a	n/a	n/a
Open-door/accessible management style	94%	88%	96%
Community outreach program	n/a	15%	18%
Respect for work/life balance issues	84%	80%	88%
Firm reputation or prestige	n/a	n/a	n/a
Comfortable office atmosphere	90%	86%	95%
Team orientation of firm	78%	60%	72%
Gender/ethnic diversity of staff, especially at the senior level	61%	30%	46%
Respect for company mission statement or vision	n/a	n/a	n/a

ROLE IN ACCEPTING

Top Talent 2000	Top Talent 2006	Partners 2006
35%	40%	32%
55%	48%	35%
47%	52%	54%
X	80%	75%
X	34%	32%
66%	63%	52%
X	19%	11%
X	30%	29%
X	71%	64%

ROLE IN REMAINING

Top Talent 2000	Top Talent 2006	Partners 2006
52%	61%	60%
75%	74%	70%
63%	73%	57%
X	92%	90%
X	63%	65%
76%	78%	66%
X	32%	19%
X	45%	37%
X	88%	86%

ROLE IN ACCEPTING

Top Talent 2000	Top Talent 2006	Partners 2006
X	62%	54%
24%	28%	26%
56%	65%	56%
30%	39%	24%
X	44%	49%
65%	68%	42%
25%	25%	9%
34%	41%	21%
62%	59%	63%
71%	69%	54%
57%	56%	41%
37%	25%	24%
70%	73%	62%

ROLE IN REMAINING

Top Talent 2000	Top Talent 2006	Partners 2006
X	76%	78%
31%	33%	33%
71%	88%	81%
44%	67%	58%
X	50%	44%
82%	89%	71%
40%	41%	16%
55%	56%	38%
72%	74%	71%
84%	83%	74%
69%	75%	68%
45%	38%	34%
88%	93%	88%

ON WHAT KIND OF WORK DO YOU SPEND THE MAJORITY OF YOUR DAY?

	Top Talent	Partners
Accounting	15%	9%
Audit	38%	22%
Tax	27%	30%
Consulting	4%	16%
Managing the Firm	n/a	14%
Other	15%	10%

NUMBER OF CPAS

	Top Talent	Partners
0-5	20%	29%
6-10	32%	29%
11-15	12%	11%
16-20	8%	8%
21-25	7%	6%
26-50	14%	12%
51-75	3%	3%
76+	4%	2%

APPENDIX B: THE TOP TALENT SURVEY QUESTIONNAIRE

EMPLOYEE COMPENSATION & FIRM CHARACTERISTICS

Following is a list of benefits, compensation offerings and workplace characteristics. Please identify which of these are offered by your firm and then rate the importance of each in your decision to accept a position at your current firm, as well as in your decision to remain there. Use 5 as extremely important and 1 as not important at all.

Salary, Compensation & Benefits	Offered by Firm	Importance in Accepting Position	Importance in Remaining with Firm
Signing bonus			
Salary	n/a		
Bonus incentives			
Equity incentives			
Medical benefits			
Dependent medical benefits			
Retirement savings plan			
Tuition reimbursement			
CPE credit reimbursement			
CPA exam prep course reimbursement			
Paid time off to study for the CPA exam			
Paid time off to take the CPA exam			

Use 5 as extremely important and 1 as not important at all.



	Offered by Firm	Importance in Accepting Position	Importance in Remaining with Firm
Bonus for passing CPA exam			
Transportation subsidy			
Meal subsidy			
Life insurance			
Paid personal/vacation time			
Paid sick days			
Comp time			
Disability			
Maternity/Paternity leave			
Childcare provided or subsidized			
Eldercare provided or subsidized			
Health club/gym membership			
Paid Overtime			
Access to a credit union			
Flexible spending plan			
Free checking from company			

Use 5 as extremely important and 1 as not important at all.

Education, Growth & Development

	Offered by Firm	Importance in Accepting Position	Importance in Remaining with Firm
Regular performance reviews/feedback			
Frequent client contact			
Access to the latest, cutting-edge technology			
Career growth opportunities			
Partner in training program			
Training/professional development opportunities			
On-site/In-house CPE			
Mentor program			
Interesting, challenging projects			

Environment/Culture

	Offered by Firm	Importance in Accepting Position	Importance in Remaining with Firm
Firm culture	n/a		
Casual dress code			
Flexible work schedule			
Telecommuting/work from home options			
Size of firm	n/a		
Open-door/accessible management style			
Community outreach program			
Respect for company mission statement or vision	n/a		

Use 5 as extremely important and 1 as not important at all.



	Offered by Firm	Importance in Accepting Position	Importance in Remaining with Firm
Firm reputation/prestige	n/a		
Comfortable office atmosphere			
Team orientation of firm			
Gender/ethnic diversity of staff, especially at the senior level			
Respect for work/life balance issues			

Facilities

	Offered by Firm	Importance in Accepting Position	Importance in Remaining with Firm
Private office			
Location of firm	n/a		
Parking available			
Fitness facilities			

Use 5 as extremely important and 1 as not important at all.

THE TOP TALENT SURVEY QUESTIONNAIRE, CONT'D

Has your firm made any changes to enhance its recruiting/retention practices?

- Yes No Don't know

If yes, please describe.

MANAGEMENT

Please check which of the following statements best describes your company.

- Management encourages input from non-management personnel and uses this feedback to make changes.
- Management accepts input from non-management personnel, but the feedback does not seem to have much effect.
- Management does not accept input from non-management personnel.

Which of the following describes how performance reviews are conducted?

- Verbal Written Both None

Is personal goal-setting and achievement part of the annual review process?

- Yes No

If you answered "yes" to the previous question, does goal-setting and achievement impact compensation?

- Yes No

Please check which of the following statements best describes the performance review process at your firm.

- 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.
- A review at my firm entails my supervisor giving me his/her opinion, and I have the opportunity to respond.
- A review at my firm entails my supervisor judging my performance without the opportunity for my feedback or response.

Is management held accountable for the timeliness of the review?

- Yes
- No

How comfortable do you feel approaching management at your firm with questions/concerns (for example, management issues, technical issues, human resources issues)?

- Very comfortable
- Somewhat comfortable
- Not comfortable at all

Which of the following statements best describes your feelings about change in your organization?

- Change occurs too quickly at my firm.
- Change occurs too slowly at my firm.
- Change occurs at an acceptable pace at my firm.
- Not sure.
- Change does not occur in my firm.



If your firm has a mentoring program, please answer the next four questions:

The mentoring program at my firm is:

- A formal program instituted by firm management policy.
- An informal program adopted independently by employees.

Which of the following statements best reflects the mentor selection process?

- A mentor was assigned to me.
- I selected a mentor because we have a good professional relationship.
- My mentor selected me.

How do you measure the success of your mentoring program?

Does the mentoring program at your firm make you feel like a valuable member of the professional staff?

- Yes
- No
- Not sure

What is the reporting structure at your firm?

- Report to direct supervisor
- Report to management team
- Report to colleagues (peer to peer)
- Other

JOB DESCRIPTION

On a scale of 1 to 5, to what extent do you agree with each of the following statements about your current position? Use 5 as strongly agree and 1 as strongly disagree.

- I was adequately trained in my current position.
- I have all the necessary tools to perform my job completely.
- I have access to all the technology I need to perform my job completely.
- My day-to-day job description was accurately depicted when I accepted my position.
- My job requires me to be creative.
- My job yields tangible results.
- It is important to me to have tangible results.
- I have a sense of ownership about my work.
- A sense of ownership about my work is important to me.
- I have autonomy in my work.
- My work sincerely interests me.
- I would consider my job high-stress.
- I continue to learn from my job.
- I have a good relationship with my supervisor.

In general, are you happy being part of an accounting firm?

- Yes No Undecided

If you had the opportunity, would you make this career choice again?

- Yes No Undecided

If not, what other career choice would you have made if you could go back in time?

Do you expect to make a different career choice within the next five years?

Yes No Undecided

If yes, what change do you expect to make?

CAREER TRACK

Is it common for your firm to promote from within?

Yes No Don't know

Do you believe you are being groomed for a senior position in your firm?

Yes No Don't know

Is it your goal to be groomed for a senior position in your firm?

Yes No Don't know

Does your firm have a "partner track" in place?

Yes No Don't know

On a scale of 1 to 5, how intense is the competition among professionals in your firm? Use 5 as extremely intense and 1 as not intense at all.

1 2 3 4 5

Does management encourage you to pursue possible partner status?

Yes No Undecided

If you are not interested in becoming a partner, does that hinder your professional success there?

Yes No Undecided

Are there alternative career paths available at your firm for those who do not aspire to be partner?

Yes No Undecided

If yes, please describe.

OPEN-ENDED QUESTIONS

What do you enjoy most about your work?

What do you enjoy least?

What would motivate you to work harder and take on additional responsibilities?

DEMOGRAPHICS

Personal information

Male Female

Are you a CPA?

Yes No

Years as CPA

0-5 6-10 11-15
 16-20 21-25 26+

Years with current firm _____

What is your title? _____

On what kind of work do you spend the majority of your day?

Accounting
 Audit
 Tax
 Consulting

Do you consider yourself to be a part of the accounting profession?

Yes No



FIRM INFORMATION

In what state is your firm located? _____

How many of the following are employed by your firm?

CPAs _____

Other professionals _____

Which of the following designations most accurately describes your firm?

- Process-Based Firm:**
Focused on a unique range of services; efficiency of the process is more important than the person doing the work, with respect to profitability; known for simplicity and clear deliverables, competing predominantly on price
- Knowledge-Based Firm:**
Main focus is having expert knowledge about particular subjects; value-add is sharing this knowledge with clients for a premium price
- Alliance-Based Firm:**
Focused mainly on maintaining a broad network of associated service providers and being port of call for all professional services

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