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TABLE OF CONTENTS

- 1 Welcome:
Winning at the Finish Line
- 2 A Challenge to the
Profession's Leaders
- 3 Table: The Pipeline of
Women—2017 MOVE
Project Metrics
- 4 Pipeline to Finish Line:
The ROI of Retention in the
Transition from Senior
Manager to Partnership
- 5 Infographic: Roadblocks and
Remedies
- 7 2017 MOVE Project
Highlights

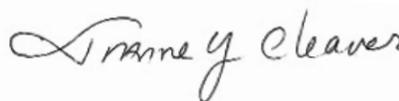
Winning at the Finish Line

Would a runner quit with the finish line in sight?

Only if the race isn't worth running.

That's the cultural hurdle preventing many firms from capturing the ultimate return on their investments in rising women. Just when partnership is within sight – even within reach – the profession loses half (half!) of its women. This business-building and continuity model is simply not sustainable, for firms or for women who have invested years in their accounting and consulting careers.

This year, the Accounting MOVE Project parsed the factors that dash careers and firms' hopes ... and delivers winning strategies for turning around this insidious dynamic. *PAR* is proud to partner with the Accounting MOVE Project to help disseminate this information to the public accounting profession. WoltersKluwer, publisher of *PAR*, neither pays for nor receives any fees associated with this survey and did not participate in data collection. Participating firms pay a small fee to Chicago-based Wilson-Taylor Associates, Inc. for individual benchmark reports associated with this survey. *PAR* publishes MOVE results as a complementary supplement. The MOVE Project is sponsored by the organizations noted below. MOVE results are based on surveys and interviews with 49 participating firms comprising 28,043 employees, conducted from November 2016 to March 2017. ■



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2017 Accounting MOVE Project Overview

A Challenge to the Profession's Leaders

It's time to push toward the tipping point.

That's what Beth Leonard and Diane Medley told each other in the spring of 2016 as they planned the program for an upcoming **AICPA** meeting of leaders at major firms.

"I had no interest in sitting in a room again as the only woman," said Leonard, managing partner of **Lurie LLP**/Minneapolis. "I've done that." But, she said, she realized that the status quo needed a direct challenge.

Medley, managing partner of **MCM**/Louisville, Ky., felt the same way. It wasn't that men in leadership didn't want to retain and advance more women. They did. But they needed a specific call to action. "We need to be more deliberate about this. Let's put the challenge out there to find a woman. We know the firms have them. But women aren't the first ones they think of. We wanted them to have an 'aha' moment," said Medley.

It's no longer enough for firm leaders to say they value women. They must also take decisive action to tackle obsolete career paths, tear down barriers embedded in the structure of the business model, and overcome unconscious cultural biases.

The Accounting MOVE Project has catalyzed fresh conversations, created common ground where firms can share what is working (and what isn't), and has convened frank discussions about the underlying obstacles to women's advancement in the profession. With this report, the Accounting MOVE Project challenges leaders within the profession to commit to measurable action.

Women's initiatives can create common ground for shared success, but they are only one dimension of a complex challenge that morphs constantly with generational expectations and economic conditions. The accounting profession faces new competition for talented women: technology companies and science, technology, engineering, and math advocates are urging women with quantitative aptitude to choose those careers, and they're making that path attractive with scholarships and signing bonuses.

These are the dynamics that Leonard and Medley wanted to shift at a summer 2016 AICPA meeting of firm leadership as they challenged their peers to move from discussion to action. They asked each of the invited partners to bring at least one woman leader to the group's next major firms meeting in January 2017.

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The Pipeline of Women—2017 MOVE Project Metrics

The gender gap is starting to close. Women have comprised 47% of senior managers for the past three years, indicating that firms are getting a bit better at retaining women at this critical career point. With the proportion of women partners and principals bumping up a percentage point to 24%, firms have taken another step toward retaining more women at senior manager to partner levels. Meanwhile, firms continue to see a steady increase in the proportion of women partners and in the number of women on management committees. Firms that have long invested in innovative career paths are accelerating – for instance, women now comprise 28% of the partners and principals at **Rehmann/Troy**, Mich.

All MOVE Accounting and Consulting Firms

Women Employees and Executives as a Proportion of ALL Employees and Executives	2017 (%)	2016 (%)	2015 (%)	2014 (%)	2013 (%)	2012 (%)
Women Full-Time U.S. Employees	51	51	51	51	51	51
Women Partners & Principals	24	23	22	19	19	17
Women on Management Committee	24	21	23	19	20	23
Women Directors	47	46	30	41	43	27
Women Senior Managers	47	47	47	44	44	40
Women Managers	50	49	50	51	51	52
Women Supervisors/Senior Staff	50	49	52	48	48	49
Women Associates	49	52	52	48	53	52
Women New Hires	51	50	51	48	50	51

Source: 2017 Accounting MOVE Project/Wilson-Taylor Associates, Inc.

And their peers met the challenge, bringing dozens of women to the winter meeting. “It changed the whole tone of the meeting,” said Medley. “Women add a different dimension. And it’s a dimension that managing partners want for their firms.”

“Such progress has been made in our organization that now it feels like an opportunity, [rather] than a pain point, and an opportunity we shouldn’t squander,” said Risa Lavine, principal and chief of staff at **CohnReznick**/New York, which is the national sponsor of the Accounting MOVE Project.

Similar discussions are taking place at other major firms as leaders realize the business case for advancing women is no longer up for debate. The remaining quandary is how to convert that case into action.

Longstanding resistance to part-time partnership is crumbling as firms realize the advantages captured by early adopters. “If you have someone who is talented and can serve as an effective partner, it really shouldn’t matter if they don’t have 25,000 hours,” said Tracy O’Neill, chief administrative officer at **Kerkering, Barberio & Co.**/Sarasota, Fla. The firm has had part-time partners for 20 years and recently promoted a long-time part-timer to partnership. At **CliftonLarsonAllen**/Minneapolis, Partner Jill Bosco, who leads the firm’s national commercial real estate and construction practice, fields queries from male peers trying to better understand the dynamics of retaining women.

Mid-career women, millennials, and baby boomers are all pushing back against traditional career structures for their own reasons ... and the cumulative effect is forcing firm leaders to overhaul career paths from the ground up. Last year, **Jones & Roth**/Portland, Ore., yielded to the requests of several employees and created a flexible structure for achieving equity partner, non-equity partner and director status. "We wanted to create a framework that gave us structure without being too finite so we could personalize it based on specific situations," said Tricia Duncan, the firm's director of operations.

Each generation of leaders wants to leave its firms better off than they were before. As baby boomer partners begin to retire, they have one last chance to correct deep-seated inequities and build a legacy of success for all.

"Each of us needs to be intentional. No matter what our role, one person can make an impact," said Jen Wyne, executive director of human resources for **Moss Adams**/Seattle, the founding sponsor of the Accounting MOVE Project. "Actions unequivocally speak louder than words. To ensure meaningful progress continues, firm leaders need to take more bold action. That doesn't necessarily mean complex or big action ... sometimes the simplest of actions can be the boldest." ■

Pipeline to Finish Line: Propelling Women to Partnership

For many women, the pipeline to leadership is broken, and it won't fix itself.

Women comprise 46% of accounting bachelor's degree graduates and 53% of master's degree graduates, according to current AICPA statistics.

About half of them leave public accounting firms without reaching the partner level. The 2017 Accounting MOVE Project found that women currently comprise 24% of partners and principals and 47% of senior managers. This contrast illustrates that the pipeline of talented women slowly erodes up to the brink of partnership, which is when many women evaporate from the career path.

The pivot point is at mid-career level, right where firms start missing out on the strengths and opportunities women bring to the table.

That oversight doesn't have to be the case. Women stay when firms apply a 360-degree strategy that:

- blends career flexibility with proven paths;
- requires partner accountability with incentives for retaining and advancing talent; and
- retools incentives and development as mix-and-match components instead of check-the-box steps to partnership.

To better retain and promote women in the final steps to partnership, incorporate the following methods proven to work by MOVE firms.

Communicate Continually

To avoid waving farewell to years of employee investment, career conversations must start at the senior associate level. Both **OUM**/San Francisco and **KWC**/Alexandria, Va. (formerly Kositzka, Wicks & Co.) are learning how forecasting career accomplishments keeps both the firm and women candidates focused on the future, not on current circumstances. "You can't start the conversation in May for a June promotion," said Connie W. Hammell, a principal at **KWC**.

A few years ago, Ellen Wisbar, now director of independence with **CBIZ**/Cleveland, was a senior manager at a Big Four firm, parenting two small children, working full time during the busy season, and maintaining part-time hours the rest of the year. That schedule, she believes, explains why she was passed over for promotion. After joining CBIZ, she initiated a new career conversation that led to partnership – and her work schedule wasn't a factor. At **Plante Moran**/Southfield,



Roadblocks and Remedies

Miscommunication about career goals and paths can derail women's aspirations and firms' objectives. Here are common disconnects and ways to gain understanding and alignment.

VISION ... REALITY

Mission statements and big-picture goals about advancing women don't always translate to everyday experiences for mid-career women. Leaders need to initiate frequent, focused conversations with women at all levels to ensure that women's roles drive firm growth and goals.

EQUITY STATUS ... EQUITY EARNINGS

Potential partners need to clearly understand how becoming a shareholder supports their personal and family financial goals.

SPONSOR INFLUENCE ... SPONSOR ACCESS

Women hear about the importance of executive sponsors, but aren't sure how to act on what they know. Create action steps for sponsors and women at all career levels.

PAY EQUITY ... PAY POLICY TRANSPARENCY

Women expect firm leaders to proactively communicate about practices that ensure equal pay. Transparent pay policies and communication support pay-for-performance culture.

PARTNERSHIP PRESSURES ... PARTNERSHIP PAYOFF

Mid-career women can't know how the perks of partnership ease daily work and life responsibilities unless partners tell them.

PROGRAMS ... CULTURE

Culture change is the end goal for programs designed to advance women. Women's initiatives must flex with business conditions and firm goals to drive growth that benefits everyone at the firm.

Mich., partners take on year-long mentor assignments with women just a couple of years from partnership. It's an "add-on" to the firm's ongoing partnership development program, said managing partner Gordon Krater, and "gives partners a very different perspective" than they gain from daily working relationships.

Accountability Shared by All

Moss Adams produces confidential scorecards to illustrate the progress of women at each of its 28 offices. This practice translates big firmwide goals for advancing women to local business priorities – and changes the conversation to include the advancement of women as a growth driver. CohnReznick tracks executive sponsor relationships for all partner candidates with a particular eye to equitable gender representation and opportunity. Practice unit managers are the pivot point for identifying rising talent at Plante Moran, said Krater, and they continually evolve development strategies to synchronize with growth goals for the practice and rising women.

"Companies gain a 15% increase in the net revenue margin when they move from having no female leaders to 30% female representation. The greatest gains correlate with the presence of women executives, followed the presence of women on boards."

Source: The Peterson Institute study of 22,000 companies, correlating gender diversity with corporate performance

Create Alternative and Part-Time Partner Tracks

When leaders of **The Bonadio Group**/Pittsford, N.Y., realized that they needed to promote 32 partners in three years in order to sustain growth and replace retiring partners, they knew this unique challenge called for something different. That 'something' is a limited-equity partner track which allows for flexibility, including part-time hours, as well as an executive vice president position equivalent to partner, but which does not require a CPA designation.

Offer Proactive Flexibility

Instead of expecting staff to earn the right to flexible work time and place, **Johanson & Yau Accountancy Corp.**/San Jose, Calif., discusses options during hiring interviews, as well as at other milestones. When two women decided not to return to the firm after their maternity leaves concluded, Johanson & Yau offered them part-time seasonal work. One of the new moms is now transitioning to a consulting role.

Retain with Entrepreneurship

While on maternity leave with her first child, Kate Siegrist, a new partner at Lurie, realized that she had significant business development experience. After coordinating with Leonard and COO Kimpa Moss, Siegrist was hired to grow the local presence of an information technology consulting practice, and she landed her first major client after only six months.

Situating new offices and planning expansion around the needs of top-producing women leaders who are also managing significant personal responsibilities is another winning strategy. **Novogradac & Co.**/San Francisco has one of the strongest pipelines of women in the Accounting MOVE Project, with women comprising 46% of employees and 38% of partners and principals. The firm designed expansions in Florida and Southern California around the unique needs of highly valued women, and the offices are thriving. ■

2017 MOVE Project Highlights

CPA firms are accelerating practices and aspects of culture that particularly affect women. Here are highlights from the 2017 Accounting MOVE Project.

Money, Pay Equity and Pay Decision Policies and Practices

- 50% of MOVE firms analyze pay equity by department, up from 38% in 2016.
- 29% train managers to equitably apply the firm's fair pay policies at the point of hire, up from 18% in 2016.
- 37% of firms train managers to equitably apply the firm's fair pay policies when determining raises, promotions and bonuses, up from 29% in 2016.

Pay equity continues to dominate business and popular headlines. Leading firms, including **Burr Pilger Mayer**/San Francisco, stay a step ahead by training managers on the nuances of how to translate fair pay policies to real-life decisions.

"Chargeable work is good, but nonchargeable work is what gives you exposure."

– Rose Ann Abraham, partner at Baker Tilly

Opportunities for Leadership

- 76% of MOVE firms provide career coaching for staff moving to manager, up from 62% in 2016.
- 39% provide coaching for candidates pursuing alternative paths to partnership, up from 35% in 2016.
- 74% offer client relationship and management training, down from 82% in 2016.

With women comprising 24% of partners and principals at Accounting MOVE Project firms, senior women bear disproportionate responsibility for mentoring rising women. Successful women's initiatives address this head-on. At **Baker Tilly**/Chicago, the women's initiative, GROW, was instrumental for Rose Ann Abraham, who was promoted to partner in 2015. The program provided a structure for building relationships across business units and geographies, which proved invaluable as she accelerated external client relationships. "Chargeable work is good, but nonchargeable work is what gives you exposure," she said.

Expect the business case for advancing women to become ever more explicit, said Jennifer Dizon, a partner at **Hood & Strong LLP**/San Francisco. "Some of our not-for-profit clients are asking us for a profile of diversity and diversity outreach," she said.

Structured, measured thought leadership has positioned telecommuting professionals at **BeachFleischman**/Tucson, Ariz., to win clients through articles and social media. This approach synchronizes with the firm's far-flung network of women professionals, many of whom are military wives. The firm pulls in hundreds of thousands of dollars annually in new business through these efforts, said Eric Majchrzak, shareholder and chief marketing officer.

Clients are intensely interested in how the accounting profession is making headway with retaining and advancing women because they face the same challenges. **Brown Smith Wallace**/St. Louis built a regional platform for the advance-

ment of women through its Bridge events, which feature speakers and networking. The events are open to all women at the firm, who are encouraged to invite their own contacts. A recent Bridge event hosted 350 people.

Vital Supports for Work-Life

- 32% of MOVE firms offer career tracks for telecommuting supervisors, up from 21% in 2016.
- 42% offer a child care referral service, up from 35% in 2016.
- 47% offer ergonomic consultations beyond the ADA-required minimum, up from 38% in 2016.

Stress escalates during some critical life transitions, specifically when starting a family, relocating, and/or caring for aging parents. Firms are realizing how cost effective it is to concentrate coaching and extra support during these times so professionals don't make career-derailing decisions on the basis of temporary circumstances. When an employee has a new baby on the way, **BKD LLP**/Springfield, Mo., proactively shares information about leave, post-natal career transitions, and details about the many ways work schedules can adapt going forward. Meanwhile, firms like **DZH Phillips**/San Francisco are realizing that it is cost effective to concentrate work-life supports during highly stressful stages of life so professionals don't make career-derailing decisions on the basis of temporary circumstances, in contrast to the 'set it and forget it' negotiations common for prior generations.

Entrepreneurship and Business Development

- 58% of MOVE firms are involving employee affinity groups in marketing strategy, up from 44% in 2016.
- 55% stay in contact with former employees, compared to 41% in 2016.
- 32% collaborate with programs for women- or minority-owned businesses, up from 26% in 2016.

New lines of business open new career paths, modes of business development, and ways to blend them to advance women. Novogradac designs business growth around the life-stage needs of high-performing women who are partners or are nearing partnership. Twice recently it has planted new offices where they are most convenient for the women who will manage those offices. Structuring growth around the needs of women with young children has paid off: Both offices are growing fast, winning new clients and rapidly building the firm's presence in new markets. The expansion is sustainable because it was designed around the work-life needs of office leaders instead of picking a place on a map and expecting the new office managing partners to organize their lives around the office. Consequently, women comprise 38% of Novogradac partners and principals. ■

Want to Partipate in the 2018 Accounting MOVE Project?

The 2018 MOVE Project opens Aug. 1. All accounting firms are welcome to participate. For more information on participation, visit <http://wilson-taylorassoc.com/move>. Learn more about the Accounting MOVE Project best practices and trends at the Accounting & Financial Women's Alliance annual conference Oct. 29-30 in Alexandria, Va. ■