MOVE PROJECT

2017 Accounting MOVE Project Report

Pipeline to Finish Line: A Challenge to the Industry

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A Challenge to the Industry

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 partners of major firms.

"I had no interest in sitting in a room again as the only woman," says Leonard, managing partner of Lurie LLP (Minneapolis, MN), recounting her discussion with Medley, managing partner of MCM (Louisville, KY). "But I realized if I don't, it won't change."

Similar discussions are percolating at accounting firms across the country.

It's time to move beyond the business case. The same old strategies aren't turning into solutions. 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 barrier to women's advancement in the profession. With this report, the Accounting MOVE Project challenges 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 problem that morphs constantly with generational expectations and economic conditions. The accounting profession faces new competition for female talent: technology companies and STEM advocates are urging young women with quantitative aptitude to choose technical careers and they're making it easy, with scholarships and signing bonuses.

Leonard and Medley wanted to shift their peers from discussion to action. They did believe that men at the partner level wanted to retain and advance more women. But firm leaders 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," says Medley. "We know they have women. But women aren't the first ones they think of. We wanted them to have an 'a-ha' moment."

When firms have fewer than 10 people on their management committees, it takes three women to achieve the tipping point — the point at which each woman is heard as an individual, on her own merits — a dynamic copiously validated by research.

As they reviewed the common threads of the many discussions, meetings, conferences and reports they had read and contributed to, Leonard and Medley detected one factor they concentrated on to make visible difference in a single stroke.

At the July 2016 conference and in collaboration with the AICPA, which hosted the meeting, Medley and Leonard challenged the other partners to focus not on who is present in their own firms' partner meetings, but who is not there, they said. Think about the women who left because the work-life conflicts seemed irreconcilable. Think about the women who have sidelined themselves because the firm's culture and goals are incompatible with the holistic aspirations they have for their own lives. Think about the women you'd most miss if their resignation letters were waiting for you when you return to the office.

Stop accepting these losses, they said, and take specific action by the next leadership partners' meeting, in January 2017.

To underscore their commitment, Leonard and Medley told the group they'd committed to an extra 30 hotel rooms for that January meeting. If those rooms went empty, it would be because the men at the meeting didn't assert their own values to save spots for women who represent half of their firms' futures, they said.

It worked.

"It was amazing how much support there was, and it changed the whole tone of the meeting," says Medley of that January meeting. "Women add a different dimension. And it's a dimension that managing partners want for their firms."

With more than 30 senior women leaders in attendance at the January 2017 meeting, the mold was re-cast. "We can't go back," says Leonard. "They have to keep bringing them."

It Takes One to Promote One

The business case for women in accounting firm leadership is compelling, but progress has been slow. Meanwhile, many younger women who observe the traditional linear career path wind up leaving the race because they don't believe that one person will make a difference.

But one person can make a difference … especially when the proportion of women moves beyond tokenism to the tipping point. Princeton University researchers found that corporate boards start to gain the many advantages of gender diversity when women comprise 30% of a board's members.

"Their careers don't have to look like mine. It's an open timeline. But you have to at least offer promotions and opportunities. A lot of times, women don't even get the offers."
— CliftonLarsonAllen Partner Jill Bosco, referring to CLA's branching career paths

Large companies whose boards are at least 30% women deliver better long-term return on assets and drive better financial performance, "potentially through new external linkages, improved access to unique human capital, and more efficient team strategy. Investors and the market are simply more receptive and confident in the long-term value women board members can add to a company's growth prospects," the study's authors concluded.

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But firms can't reap this benefit unless there are enough women persisting in the partnership pipeline.

Frank discussions are happening behind the scenes as men at the partner level increasingly ask peer women for reality checks. At CliftonLarsonAllen (Minneapolis, MN), Partner Jill Bosco leads the firm's national commercial real estate and construction practice, and she fields queries from peer men who want to better understand how to retain partner-track women. In the process, Bosco realizes her own career choices may not resonate with young professional women. She, too, must articulate the context of her decisions as a working parent and woman in a male-dominated field, so that rising women can better see the process of sorting their options. "Their careers don't have to look like mine. It's an open timeline," says Bosco, referring to CLA's branching career paths. "But you have to at least offer promotions and opportunities. A lot of times, women don't even get the offers."

Partner Challenge

Jump-start your firm's challenge by taking the steps leading firms are already using to catalyze meaningful change:

- Include senior women in all succession planning discussions.
- Require a 'balanced slate' for all promotions and midcareer and senior external hires. A balanced slate is a diverse array of candidates for a position.
- Decide on two or three key metrics that show how women at your firm are moving through the leadership pipeline and monitor those metrics quarterly.
- Look for patterns: what circumstances are most closely correlated with women's departures? These are your friction points.
- Tie consistent progress in advancing women to the compensation and performance evaluations of every partner. Then, expand to include every senior manager, and ultimately every manager. This shifts responsibility from 'nobody's problem' to 'everybody's opportunity.'

Half Empty

No firm would tolerate a 50% client retention rate.

Client retention is a core metric for good reason. It speaks to the firm's ability to execute on its essential value proposition. A firm that can't keep half its clients is a firm with widespread operational and cultural problems.

So why has the profession shrugged about losing women at that rate? Historically, half of women senior managers don't make it to partnership. The 2017 Accounting MOVE Project reflects some good news: for the 49 firms that participated in the 2017 MOVE Project, the gap is narrowing. Collectively, women comprise 24% of these firms' partners and principals, and 47% of their senior managers. And for MOVE firms in aggregate, women now comprise 24% of management committees, up from 21% in 2016.

With few exceptions, all accounting firms, MOVE firms included, lose half of their women at the point of partnership. Firms with about 60% women at the senior manager level typically have 30% women at the level of partner and principal. Firms with 45% women at the senior manager level have about 21% women at the partner and principal level, according to this year's Accounting MOVE Project.

This means that the pipeline problem will not solve itself.

And it can't, not on its own. Senior leaders must deliberately disrupt this self-defeating cycle.

When women win, firms win. When that perspective frames a firm's commitment, both in words and in action, everything falls into alignment and, at that point, most firm leaders can see the wins within reach.

"Client pain is an opportunity to help those clients break through to something greater," says Risa Lavine, chief of staff for CohnReznick (New York, NY). (CohnReznick is the national sponsor for the Accounting MOVE Project.) "It's the same in your organization. Today, such progress has been made in our organization that now it feels like an opportunity, less than a pain point, and an opportunity we shouldn't squander."

Firm leaders are realizing that it has taken years to neutralize cultural barriers that have framed many firms' cultures for decades. Clients expect better. Women expect better. The emerging generation of leaders expects better.

And as Medley and Leonard saw at recent meetings, partners are realizing that they can do better. It's partly a matter of will — the will to face hard truths and make changes.

Reclaiming missed opportunities by supporting women is partly a matter of legacy and pride. Each generation of leaders wants to leave its firms better off than they were before. As baby boomer partners begin retiring, they have one last chance to correct deep-seated inequities and to square their firms with a powerful strategy for ongoing success.

"Each of us needs to be intentional. No matter what our role, one can make an impact," says Jen Wyne, executive director of human resources for Moss Adams (Seattle, WA), 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. I'm proud of the progress we've made but am passionate about the work that is yet to be done."

Moving Women from Pipeline to Finish Line

The pipeline is broken and it won't fix itself.

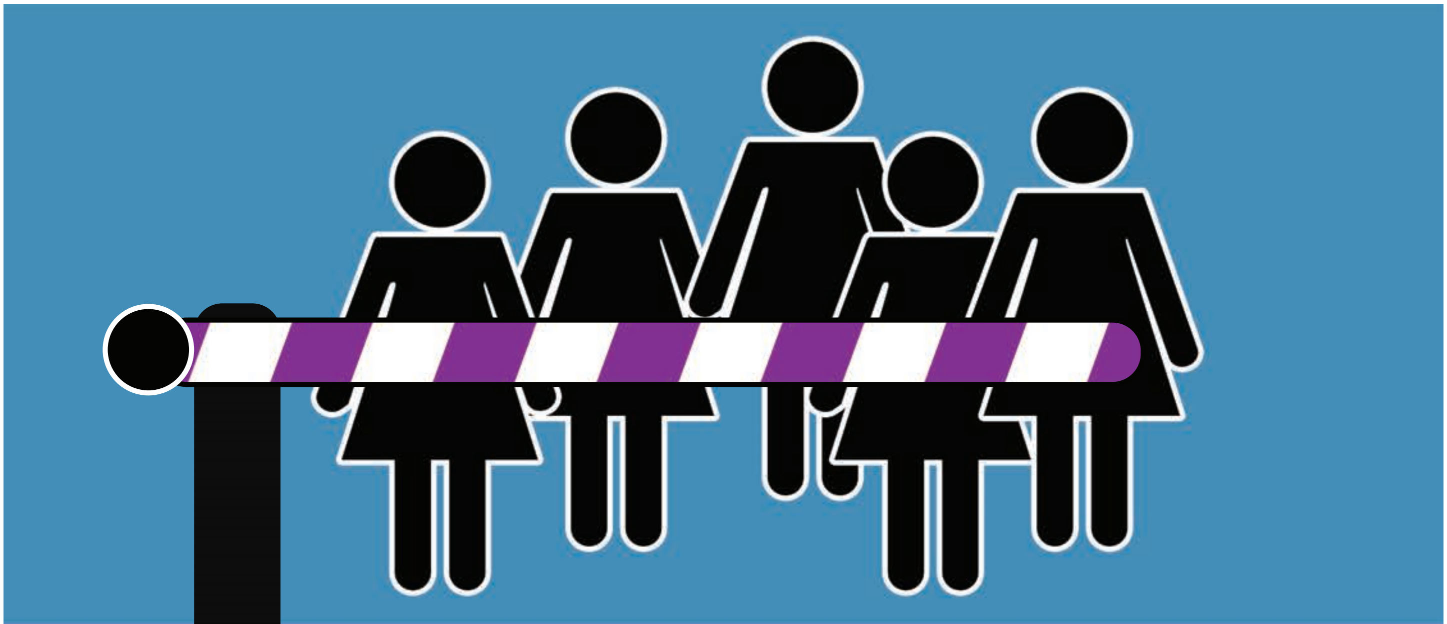
Women comprise 47% of all candidates entering public accounting, according to the AICPA's most recent count.

Half of them leave before they become partners.

The pipeline has a slow leak until the brink of partnership. Then women evaporate from the partnership pipeline.

It's a problem concentrated on the last stage of middle management — precisely when partner preparation, business development, and family responsibilities converge. Managing it all doesn't seem feasible, and most women quickly conclude that if anything can be postponed or forfeited, it's promotion.

So they step out, over or back. Some merge back onto the partner track, but most don't.



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. Initiate frequent, focused conversations with managers and 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.

Addressing this isn't a matter of buying into the business case; firm leaders already understand it. And it's not a matter of hoping that the next generation of young women will magically find a new way to stay the course when so many women before them haven't. They won't.

The pivot point is in the middle, right where the problems converge.

And that's where the solutions are, too. Firms that realign workloads and career paths for continual, incremental advancement find that many women actually are in it for the long haul — when the long haul has several lanes.

One emerging strategy is to start business development training early and restructure incentives to reward incremental contributions towards a win. Firms already doing this find that women gain confidence — and clients — earlier, catching a vision of what their lives would be like as business owners.

Firms piloting new ways to work and new ways to serve clients are discovering that clients love innovation in action, and want to expand relationships with accounting firms that share their values.

What Next?

The more women know about how to navigate the path to partnership, the easier it will be for them to craft their own solutions. That approach sounds great in theory but quickly disintegrates in practice.

That's because one-off solutions don't solve systemic problems. The key is having a firm-wide policy for alternative career paths, such as a part-time partner track, so women don't feel they are asking for something 'special.' Young women realize that the partner track will evoke tough choices. They plan earlier than firms think they do — and earlier than prior generations of professional women. (A Harvard Business School survey found that 42% of married millennial women anticipate career-family compromises, twice as many as baby boomer women did at the same life stage.) Women senior associates try to start adjusting their career tracks — and expectations — well before firms formally invite them to the partner track.

Doug Pallotta, a partner at OUM (San Francisco, CA), says his firm has seen a significant difference by focusing on clearly communicating that these possibilities exist. "We want everyone to know that there is more than one way to get to partnership and it doesn't have to be the traditional partnership path," says Pallotta. "The route that the partner about to retire down the hall took does not have to be the same road for you."

Four Emerging Strategies

Communicate Continuously

Promotion at the pace of life: That's how Ellen Wisbar views her elongated path to partnership. Now director of independence with CBIZ, Inc. (Cleveland, OH), she circulated through several lateral moves in the process of moving from a Big Four firm to CBIZ and then within CBIZ. When her children were young, she worked part time and expected a slower pace of advancement. But as her ambition at CBIZ strengthened, she also perceived that she was overlooked for partnership — especially when she inquired about the firm's partnership training program.

Wisbar held that thought for several years. The CBIZ culture evolved and Wisbar realized that she needed to assert her intention to pursue partnership. In 2010, she tried again, and doors that were previously shut swung open. Three years later, she reached her goal. The critical difference was opening the conversation with a new supervisor, says Wisbar.

Connie W. Hammell, principal at KWC (formerly Kositzka, Wicks & Company) (Alexandria, VA), says maintaining open and honest discussions well in advance is the key. When discussions began about Hammell's path to partnership, she had two children under age 5 at the time and her family's needs were very much a part of the conversation from the beginning. “I was very honest with them. I said, ‘Yes, I want to be partner, but this is what I can contribute at this time.’ We were able to work together to create a partnership that worked for me and the firm,” says Hammell. "It would have been very hard if the first time we talked about it was in May and we wanted me to be partner in June.” KWC is revamping its coaching program so that these conversations begin about two and a half years before partnership is officially on the table.

Proactively Approach Women about Flexibility

Instead of taking the typical approach of waiting to offer flexibility until after an employee has proven trustworthy, Johanson & Yau Accountancy Corporation (San Jose, CA) discusses options during the interview.

“Unemployment among accountants is extremely low, and in this very competitive environment it’s not unusual for candidates to receive multiple offers. The process requires a nimble approach to our offer details,” says Jon D’Agostino, director of human resources at Johanson & Yau. “If a candidate has competing offers, but ours accommodates the need for a flexible or remote work schedule, then it positions us ahead of other firms.”

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— Jon D’Agostino, director of human resources at Johanson & Yau

D’Agostino also proactively approaches employees with ideas for flexibility. He recently found out an employee had a tedious commute. Instead of waiting for her to come to the human resources staff, he approached her to see if she wanted to work from home one day a week and she happily accepted. When two women managers decided not to return to work after their maternity leave, D’Agostino said that they were welcome to work during the busy season on a flexible schedule. Both women returned for tax season this year — one worked 30 hours a week and the other worked five hours a week.

D’Agostino says that since one woman who needed a part-time schedule was the firm’s international tax expert, the firm was faced with the strong possibility of losing clients because they had no other employee with the expertise to do the work. The firm approached the woman about hiring her as a consultant for a new International Tax department. Instead of doing the work herself, she will lead, train and manage the specialty, which gives her the flexibility she needs and allows the firm to continue serving its clients.

Integrate Work-Life Factors When Opening New Lines of Business

Accounting firms are rapidly building out adjacent lines of business. Somebody has to run them. And those offices need to be located near client industries. Why not achieve multiple goals in a single stroke by giving entrepreneurial women the chance to build a new practice, when and where they want?

It’s working for Novogradac & Company LLC (San Francisco, CA).

The firm has one of the strongest pipelines of women in the MOVE Project, with women comprising 46% of its employees and 38% of its partners and principals. Last year was a milestone, says Partner Richard Hutchins, with more women promoted than men. Novogradac is more open than most about compensation, so rising stars know what they stand to make. “Pay transparency validates ‘pay for performance,’” says Hutchins. “That directly translates to trust and retention of women.” Last year, women comprised half of the most highly compensated professionals at the firm.

But Novogradac has gone even further by constructing new lines of business around the holistic needs of women leaders. The firm was thinking about opening an office in Florida, and chose Naples specifically to install a woman partner who needed to relocate to that state for family reasons. Its Long Beach, CA, office was originally designed to situate a woman on the brink of partnership close to her family, who were key for her childcare arrangements. Both offices are now expanding rapidly.

“It’s hard to replace people with 10 to 12 years of experience,” says Hutchins. “We’re willing to make what looks like a sacrifice to keep someone, but when you open an office, you’ll get millions of dollars of new work. “

Katee Siegrist, a new partner at Lurie (Minneapolis, MN), rethought her career at an international firm while on maternity leave with her first child. She reviewed her skills and strengths with Beth Leonard, managing partner, and Kimpa Moss, the firm's chief operating officer. Siegrist learned she had more business development experience than she had previously realized — it just wasn’t labeled as such. Lurie hired her to grow the local presence of its information technology consulting practice and she landed her first major client after only a few months. “Kimpa’s advice has shown my husband and I that we need to make career decisions that work for our whole family,” Siegrist says. Lurie’s culture extends to daily flexibility and financial compensation for results that stem not from formal programs, but from firm culture.

“It’s not just generous on paper,” says Siegrist. “Leadership buys into family friendliness. It’s not just a policy.”

Cultivate Context and Continuity

Overall, the profession has a huge blind spot: it doesn’t show associates and managers how their newly developing skills pave the way to partnership, says Lisa Cines, a consultant and chair of the Maryland Association of CPAs. “We do a poor job of clearly explaining what’s needed to get to the next level,” says Cines. Young and midlevel CPAs don’t realize they are gaining discrete skills and experiences that qualify them for partnership, she says. A 2016 survey conducted by payroll services firm ADP backs her up: only 51% of all CPAs think they understand succession planning ‘very well.’ Her recommendation: introduce skills earlier, and do so in the context of client development as well as overall career development.

Instead of just having the positions staff, senior, and manager, Jones & Roth CPAs and Business Advisors (Portland, OR) recently added “staff 2,” “senior 2,” and “manager 2” to its organizational structure to further define the steps needed for the next major level. Essentially, the designations recognize a ‘half step’ between major promotions. “This provides staff with more feedback and recognition, and recognizes incremental progress, even though the timeline to senior manager is still the same,” says Tricia Duncan, director of operations at Jones & Roth.

Metrics that Matter

Use metrics to track the status of women in the partnership pipeline and to detect emerging trends that may present challenges.

Moss Adams makes metrics meaningful by translating firm-wide trends into scorecards for each office. The firm is accelerating towards its 2022 goal to have women comprise 30% of its partners and principals. Six years ago, 22% of the firm's top leaders were women; now, that figure is 26%. Though firm leaders have always analyzed the status of women at all levels within the firm, Moss Adams' participation in the Accounting MOVE Project sharpened the focus on metrics that truly mattered. And what truly mattered was the middle: the point in the talent pipeline where women weren't advancing at the same rate as men so that's where Moss Adams concentrated more effort.

Based on insights from the MOVE Project and its own analysis, Moss Adams started showing partners-in-charge how their offices were doing in terms of retaining and advancing women. Confidential office score-cards traced the trend line: those numbers proved to be the moment of truth for some partners. Until then, they'd written off women's departures as a series of exceptions due to family, personal reasons or an overall desire to leave the profession. Faced with the numbers and the trend lines, they realized that the departures followed patterns — patterns that had to change, and that they had the power to change.

The very process of being transparent about its ambition has positioned the advancement of women as a firm-wide win, says Tricia Bencich, senior manager at Moss Adams. "If we're not seeing progress you must continue to ask, 'why.' It's important to understand that there isn't just one solution to advancing women; it's creating a confluence of many different strategies. The open accountability of the goal has prompted managers and partners to be more thoughtful about how they frame career opportunities. That creates culture change. The numbers help us be more informed about how we establish our strategic priorities," says Bencich.

Among all MOVE firms, key metrics include:

- Retention of women managers
- Proportion of women invited to join formal partnership development programs
- Proportion of women who graduate to partnership from formal partnership development programs
- Typical professional tenure of women who are candidates for partnership, compared to the average age and professional tenure of male candidates
- Proportion of professional staff on alternative career paths or flexible work arrangements such as part-time schedules or telecommuting
- Retention rate and promotion rate of professionals on both alternative career paths and work arrangements, which indicates the correlation between programs and firms' success in moving women through the partnership pipeline

MOVE 2017 Results

Public Accounting Report

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, MI).

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 Committees	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

Based on surveys and interviews completed by 49 CPA firms in the last quarter of 2016 and first quarter of 2017.

M oney: Pay equity policies and practices

- **50% of 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

For many women at accounting firms, three factors converge in their mid-30s: they are earning at about the same rate as similarly situated men; it's time to start a family; and partnership starts to come into focus. New academic research finds that the early 30s are the 'sweet spot' for many professional women: they have enough career and earnings momentum to carry them through the demanding early years of parenting, should they decide to have children. This is when firms need to be tracking compensation to ensure that women do not fall behind as they take advantage of flexible work arrangements and alternative career paths. Accounting MOVE Project researchers often hear from women who discover pay inequities as they merge back onto the partnership track after a detour for family responsibilities.

As pay equity escalates in the national conversation, firms must step up transparency and communication about how these complex factors affect women's compensation, current and future.

Pressure is building from all angles for greater transparency and accountability. Advocates and celebrities continue to share personal stories of their own discoveries of pay inequity, fueling the public debate. Pay equity legislation is stalled at the federal level but the issue has been picked up by states and cities, where local leaders are eager to prove they are on the side of working women and families. California has gone a step further with legislation requiring pay equity by gender and race. Some of these laws require greater transparency and include protections for employees who discuss compensation.

Open communication seems to tip the balance towards trust in employers. A survey by PayScale, a compensation consulting firm, found that overall loyalty and job satisfaction correlated strongly with employee satisfaction and with how gender equity issues, including pay, were handled in the workplace. A survey by recruiting website Glassdoor found men were more likely to believe they understood clearly how people at their workplace were compensated. Glassdoor also found that about 70% of employees believe greater salary transparency is good for workers and for companies alike. The dozens of interviews conducted each year for the Accounting MOVE Project reveal broad agreement with this conclusion.

As the discussion unfolds, deep-dive research is peeling back the factors that commonly cast the pay gap as the cumulative effect of individual choices. The Economic Policy Institute, for instance, found the pay gap actually widens as earnings rise.

O pportunities for advancement

- **76% of firms provide career coaching for staff** moving from staff 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

The proportion of women in senior leadership signals more than historical trends. Potential hires increasingly review employer-review websites to glean insight about firm culture. Candidates are actively looking at the proportion of women partners and principals, which is a key indicator of firm culture. The shortage of women leaders also puts pressure on men at the top. To truly propel change and retain more young women, those men must 'lean in' by consciously addressing the gender imbalance.

Firms are more tightly integrating their women's initiatives with succession planning and leadership development: building the pipeline of women builds the firm's overall succession plan. And, as outlined in the "Pipeline to Finish Line" section above, greater accountability and discussing career expectations earlier and more often are transforming the shared definition of success. Expect the business case to become ever more explicit, says Jennifer Dizon, a partner with Hood & Strong LLP (San Francisco, CA).

The big takeaway: women advance in the profession when leadership acknowledges that the success of women also indicates the firm's success.

"Here we are, in a $100 million company, where a group of 10 or 15 third-year people and the CEO are talking about topics that seniors aren't typically privy to, and the conversation is wide open to any question. It was very powerful, and the level of transparency had a big impact on everyone who attended."
— Kristen Clark, a partner at The Bonadio Group

Clarity Defuses Perceived Conflicts

Women often don't know what they don't know about being a partner or principal. They often make major career decisions on incomplete information because they don't realize that many pressing work-life conflicts are eased for partners, and that they will have more control over their daily schedules.

After realizing through a firm-wide engagement survey that seniors at the firm had the lowest level of job satisfaction, The Bonadio Group (Pittsford, NY) launched a firm-wide tour during which the CEO invited every senior to a small group meeting called Your Future Opportunity. Seniors learned everything about firm goals, the number of new partners the firm needs in the coming years, and what an employee needed to do to make partner. Most importantly, the CEO shared financial information including how much partners earn and the partner retirement funding. At the end, seniors had a chance to ask questions of the CEO and other participating partners.

"During the session that I helped moderate, I found myself impressed with the openness of the conversation at hand. Here we are, in a $100 million company, where a group of 10 or 15 third-year people and the CEO are talking about topics that seniors aren't typically privy to, and the conversation is wide open to any question. It was very powerful, and the level of transparency had a big impact on everyone who attended," says Kristen Clark, a partner at The Bonadio Group. (For more best practices about communicating about expectations, see prior Accounting MOVE Project reports at www.wilson-taylorassoc.com.)

Partners and staff have different experiences of daily life at their firms.

A 2016 study found that men and women across a spectrum of employers perceive their shared workplaces very differently. In short, men think that the workplace is fair for women, and that women have plenty of opportunities and supportive programs.

This is news to women, who typically value work-life balance more highly than compensation. And, as women progress in their careers, perceptions of workplace equality shift. Young women largely think that the workplace is gender-equal. But only 27% of senior women believe that. Women have seen friends leave and employer policies applied inconsistently, resulting in career-derailing conflicts.

The takeaway: never assume. After all, current leaders don't know what they don't know, either.

Hire a Dedicated Recruiter

MOVE firms are revisiting how they recruit, especially mid-career candidates. Several MOVE firms hired recruiters who focus on college recruiting and experienced hires, and increased their recruiting success through this new position.

Kerkering, Barberio & Co. (Sarasota, FL) hired a recruiter at the end of 2016 and is already seeing results. "It is making a difference to have someone who is responsible for looking at alternate ways to find recruits," says Tracy O'Neill, chief administrative officer at Kerkering, Barberio & Co.

SVA Certified Public Accountants (Madison, WI) also hired a talent acquisition and development director. In addition to recruiting, that person is responsible for writing job descriptions, designing retention plans, and monitoring career growth. "We are hoping that this new role will also increase our focus on developing women and helping women with their career paths," says Cindy Bong, principal and chief operating officer at SVA.

Form a Recruiting Partnership with Similarly Situated Firms

Small to medium firms often find themselves at a disadvantage, especially with on-campus recruiting. Jones & Roth has joined forces with four other local-regional firms to form a recruiting alliance. While the firms have been communicating for years to make sure they aren't double-booking dates of recruiting events, this past year they took it to a new level by co-hosting a local-regional workshop at a nearby university to promote smaller firms in the area.

"Chargeable work is good but non-chargeable work is what gives you exposure."
— Rose Ann Abraham, partner at Baker Tilly

"It was a huge success and we were able to make students aware of other options. Students often don't hear about our type of firm near as much as the Big Four because we don't have multiple full-time recruiters and even their professors may not be as familiar with us," says Tricia Duncan, director of operations at Jones & Roth. "By working with firms we trust, we have much more of a presence as a group than individually. We are already planning another workshop."

Structured, measured thought leadership has positioned telecommuting professionals at BeachFleischman (Tucson, AZ) to win clients through articles and social media. This synchronizes perfectly with the firm's far-flung network of women professionals, many of them military wives. With digital breadcrumbs, the firm tracks every new client's journey from the prospect's initial introduction to a personal conversation, thus attributing the new clients to those whose influence drew them in. The firm is pulling in new business through structured content marketing, says Eric Majchrzak, shareholder and chief marketing officer at Beach-Fleischman. The firm is ramping up its content marketing efforts and aiming to grow the return over the next few years.

GROW, the women's initiative at Baker Tilly (Chicago, IL), was instrumental for Rose Ann Abraham, who was promoted in 2015 to partner at the firm. "Chargeable work is good but non-chargeable work is what gives you exposure," she says. For years, she felt stuck on the partner track feeling that her work managing client engagements was overlooked. By taking on some GROW projects, she won internal advocates and learned how to lead by influence.

Clients are intensely interested in how the accounting profession is making headway with retaining and advancing women because they face the same difficulties. A few firms are rapidly building their reputations by publicly sharing their process, results, wins and struggles. Brown Smith (St. Louis, MO) built a regional platform for the advancement of women through its Bridge events. Networking training for young women at the firm precedes each event. And 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.

Create a Midlife Career Entry Program

Firms are searching for fresh ways to find mid-career talent. The notion of a midlife internship is championed by Carol Fishman Cohen, co-founder of iRelaunch and author of the 2012 Harvard Business Review article "The 40-Year-Old Intern." In that article, she advocated for 'experienced level internship' programs. In the five years since, her firm has worked with more than 30 Fortune 500 companies to create paid internships for experienced positions, with a focus on women who are returning to the workforce after taking time off to care for young children.

"This population has work experience, education, and maturity," says Fishman Cohen. "By using an intern program, employers are coming in contact with them when they are ready to jump back in and engage in the workforce." She sees a 50 to 100% conversion from intern to full-time employee, depending on the company.

Contrary to popular assumption, the majority of women looking to return to work after a break are not looking for part-time employment. Fishman Cohen says that 70% of the women attending her firm's conferences are looking for full-time employment.

Since employers can be hesitant to hire an employee after a multi-year break, the midlife internship model allows women to be judged on actual work samples and hard-to-define factors like work ethic and cultural fit. "Internships also give the individual an opportunity to test out jumping into full-time employment and make sure they are comfortable with the routine of working full time," says Fishman Cohen. This also helps alleviate concerns from companies that women returning to work may not stay as long-term employees.

Build a Network Outside the Firm

Like many firms, Bland & Associates (Omaha, NE) sends partner-track employees to partnership training that includes leadership, practice management, sales and business development. Natalya Walls, a shareholder at Bland & Associates, says that one of the most valuable benefits of the program their firm uses is the focus on building a network with future partners of other firms.

"You have a safe environment outside of the firm to have friendships with people going through the same thing as you. You can say, 'Here is what I am struggling with. Here is what my firm is struggling with. How can we make it better?'" says Walls. "After the program, we have get-togethers, retreats, and reunions. We become each other's accountability partners on the way to becoming partners at our firms." This adds value that the firm can't get any other way, she says.

V ital supports for work-life

- **32% of firms offer career tracks** for telecommuting supervisors, up from 21% in 2016
- **42% offer a childcare referral services**, up from 35% in 2016
- **47% offer ergonomic consultations** beyond the ADA-required minimum, up from 38% in 2016

"Why don't we have what they have?"

Peer pressure has become a force for change at CliftonLarsonAllen (Minneapolis, MN) thanks to the cross-office transparency afforded by Yammer, an internal social network.

The firm installed Yammer to connect professionals stationed at various client sites. But then the entire firm started to get a peek at how other offices operated and wondered why they, too, didn't have Friday yoga, a healthy snack bar, and other amenities. Suddenly, says tax partner Wendi Boddy, partners who'd been clinging to the concept of "face time" felt the culture shifting around them.

"Staff started volunteering creative solutions instead of asking permission," Boddy says. "They'd say to their office leaders, 'I see what you're offering but what about this alternative?'" Suddenly, advocates for change found that they didn't have to push anymore — their colleagues started pulling for the kinds of work-life culture they observed daily, through Yammer, at other CLA offices. A technical solution installed to solve a functional problem suddenly became a catalyst for the sweeping cultural change that many had been yearning for. Now, Yammer hosts lifestyle, parenting, and other work-life discussion groups as well as forums on tax, audit, and other technical topics, as originally intended.

Organic change is taking root at firms of all sizes.

At DZH Phillips (San Francisco, CA), leaders now assume work arrangements are always in flux — in contrast to the 'set it and forget it' negotiations common for previous generations. Though seven of DZH Phillips' nine partners are women, the firm doesn't take the ascension of the next generation of women for granted, says Stephanie Effros, director of human resources.

MCM (Louisville, KY) anticipates certain types of work-life stresses will emerge as professionals advance. In response, the firm assigns newly promoted professionals to an external work-life coach who helps them sort out what's happening and why. "Sometimes it's not work that's stressing you out. It's the rest of your life," says Kim Judy, director of human resources at MCM. The coach is conversant with MCM's policies and culture, and helps provide "structure for decisions," says Judy, "so they know how to work with what the firm offers and don't have to interpret their policies in a vacuum."

Small Changes, Big Impact

As with CLA's Yammer revolution, firm leaders are often surprised at the ripple effect touched off by seemingly small changes.

- When Jones & Roth's office space was due to be remodeled, leadership asked staff what kind of work conditions they envisioned. "Based on this input, we incorporated more fun into the spaces than we have in the past," says Tricia Duncan, director of operations at Jones & Roth. "The flow of the office is more user friendly and inclusive than previously." The resulting design added a break room, dispersed partner offices throughout the firm instead of in one area, and made offices smaller to create more open space.

- The upcoming renovation at Johanson & Yau will include a completely remodeled break room with a large island and barstools as well as booths. In addition to the onsite fitness room, the office will now include a Wellness Room, offering employees a place to pray or meditate as well as a comfortable space for breastfeeding mothers. "We are also adding more informal and collaborative spaces. We want to open up communication and make everyone more accessible," says Jon D'Agostino, director of human resources at Johanson & Yau.

- KWC rolled out a "Dress for Your Day" program as a no-cost benefit. Employees are trusted to dress appropriately for the responsibilities they have scheduled. "This means that if you are proposing new work to a client, then you are still wearing a suit. If you are meeting with clients in the office, then business casual is fine. However, if you are not meeting with any clients that day then it is fine to wear nice jeans," says Connie W. Hammell, principal at KWC.

Technology Catalyzes Flexibility

In a recent Working Mother article "Work-Life Balance, May You Rest in Peace," writer Julie Teahan makes the case that the integration, not separation, of work and personal life delivers gains for employees and employers alike. Many MOVE firms scoring high in flexibility find that starting with mobile technology can make flexibility the default, rather than a negotiated option.

CS&L CPA (Bradenton, FL) added a dedicated partner to drive flexibility and productivity and to support collaboration between the firm's three offices in Florida. "To keep everyone connected, we use Skype for our monthly staff meetings where leadership presents goals and status," says Lesley Hatfield, the firm's marketing director. "We also encourage video conferencing between offices as well as employees working from home whenever possible."

Over the past year, Kerkering, Barberio & Co. boosted the proportion of staff regularly using a flexible work arrangement to 25%. The firm has deliberately expanded the rationale for flexible work beyond the young parent stage of life. "We don't adopt a one-size-fits-all solution, but really take each person on a case-by-case basis and work together to come up with a plan that works for everyone," says Tracy O'Neill, chief administrative officer.

Entrepreneurship & Business Development

- **58% of 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

Identify the distinct skills of retaining and expanding client revenue while bringing in new business, and then work to invest specifically in those areas. Marc Rosenberg, a management consultant at Rosenberg Associates who focuses on the accounting industry, argues for treating each capability as uniquely valuable, and tracking each professional's contributions to winning revenue. This gives potential partners a spectrum of business development skills that they can mix and master. This 'building block' approach is even stronger when revenue is attributed to each person who contributed to it. The building block approach has the final advantage of scaling with part-time schedules.

CS&L CPA found that keeping business development front and center is key to creating a culture focused on business development. The firm holds a 30-minute meeting every other Friday in which business development activity is the only topic on the agenda. “Giving business development this type of dedicated time and focus has definitely raised awareness. This has helped us move the needle in the right direction,” says Lesley Hatfield, marketing director at CS&L.

Make Business Development a Team Effort

When partners at Mahoney Ulbrich Christiansen & Russ P.A. (St. Paul, MN) looked at their long-term plan, they realized they would need to maintain a certain amount of growth to retire out long-term partners and promote newer partners. Firm leaders set a stretch goal of 7% for revenue growth. But instead of keeping this goal behind closed doors, partners decided to enlist the help of every employee at the firm and make the growth a firm-wide effort and responsibility.

“We shared with my practice group that we needed to bring in $70,000 in new business. The team knew that we would make it if everyone worked to bring in at least a small piece of business,” says Bonnie Russ, a partner at Mahoney Ulbrich Christiansen & Russ. “We are trying to communicate enough financial information so that people do begin learning at a relatively early stage about the business part of running a firm.”

Throughout the year, leaders shared status with the employees. The chart looked like a roller coaster. However, when the billings closed for December, the firm exceeded the goal with 7.8% growth. Russ says that setting the goal as a firm-wide effort inspired a feeling of ownership in everyone, as employees could now understand how they contributed to the firm’s success and helped encourage younger employees to build business development skills.

Make Business Development an Expectation at All Levels

Since business development is often a learned skill, introduce business development at the staff level. By encouraging position-appropriate tasks and modeling business development activities, employees become more skilled as they move through their career. At SVA (Madison, WI), employees at all levels take on business development responsibilities such as attending community events and joining associations for networking.

During the last quarter of the year, employees below the manager level at Mahoney Ulbrich Christiansen & Russ break into teams for a friendly firm-wide business development competition. While the goal is to find new business, the most important outcome is teaching newer employees how to develop business. Russ, a partner with the firm, shares the following tips for holding a similar contest:

- **Make a list** of business development activities appropriate for employees with four to five years’ experience, such as attending events or making LinkedIn contacts, and assign a point value to each item.
- **Create the teams** so that employees who are naturally gifted in business development are paired with those who are less comfortable.
- **Mix up departments** on the team so that employees get to know people they do not regularly work alongside.
- **Offer a prize** for the winning team and hold a happy hour event at the end of the contest to celebrate.

Doug Pallotta, a partner at OUM, finds that education is a big part of business development. "A lot of times people feel like they are just a senior and don't know anyone who they think would hire the firm so they don't know where to start. They just feel helpless," he says. OUM starts by explaining that business development starts with basic activities, such as updating your LinkedIn profile, staying connected with clients and periodically touching base with past clients.

"Once people know specific business development tasks that they can participate in, they realize that anyone, including themselves, can find new business," says Pallotta. "Sometimes people are so down in the details of accounting that they don't see the big picture of why growth is important."

Methodology

The Accounting MOVE Project is based on surveys and interviews completed by and with 49 CPA firms in the last quarter of 2016 and the first quarter of 2017. Research was conducted by Wilson-Taylor Associates, Inc.

All CPA firms of all sizes are welcome to participate in the Accounting MOVE Project. Firms pay a modest administrative fee to cover the cost of the research. For that, they receive a confidential benchmarking snapshot that highlights demographic trends and comparisons, as well as that firm's strengths and weaknesses in advancing women. Firms may request an in-depth scorecard for an additional fee.

For information about scorecards and the Accounting MOVE Project, please contact project manager and firm president Joanne Cleaver, jycleaver@wilson-taylorassoc.com. To view Accounting MOVE Project archives, media coverage and other MOVE Project results, please visit www.wilson-taylorassoc.com.

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Visit www.afwa.org for more information.

AWSCPA
American Woman's Society of Certified Public Accountants

AWSCPA is a national organization founded in 1933 dedicated to serving all women CPAs. The AWSCPA provides a supportive environment and valuable resources for members to achieve their personal and professional goals through various opportunities including leadership, networking and education. As the only resource exclusively for women CPAs and those aspiring to become certified, the Society provides information as well as scholarships to those in the profession. The Society is a leader in addressing concerns such as gender equity, the glass ceiling, and work and family issues. AWSCPA members work in all segments of the accounting and financial profession, from individual practitioners to professionals in industry, academia, and government, as well as partners in all of the largest firms. Visit the AWSCPA website at www.awscpa.org or call the Society's office at (800) AWSCPA1 (297-2721).

Wilson-Taylor Associates Inc.
Tools for advancing women in business

Strategic communication firm **Wilson-Taylor Associates, Inc.**, has been designing and managing national research projects that measure the progress of women in the workplace since 1998. Its methodology pivots on factors proven to remove barriers so that women can fully participate in driving business results. Led by veteran business journalist Joanne Cleaver, its current and past clients include Women in Cable Telecommunications, the Women's Transportation Seminar, the Alliance for Workplace Excellence, SitterCity, Ebyline.com, and many others. Please see Wilson-Taylor's portfolio of work at www.wilson-taylorassoc.com.

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