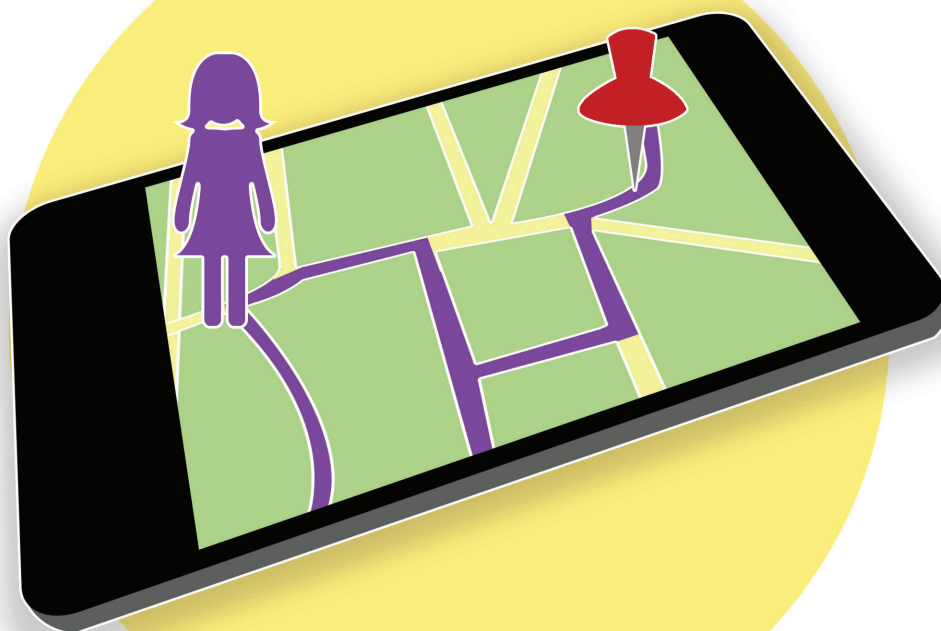




2019 Accounting MOVE Project Report

Promotions, Plateaus and Possibilities

New Ways Forward for Women in Accounting



Accounting & Financial Women's Alliance
CONNECT • ADVANCE • LEAD

To Retain Rising Women, Invest in Relationships

By **Chris Schmidt**, chairman and CEO
Moss Adams/Seattle

Frank Longobardi, CEO
CohnReznick/New York

Jennifer Wyne, executive director,
Human Resources, Moss Adams

Risa Lavine, principal, chief of staff
CohnReznick

Everyone wants to feel connected, appreciated, and included at work. The accounting profession has an often-overlooked strategic advantage to creating inclusive workplace cultures: With work organized around serving clients in teams—geographic teams, practice teams, and industry teams—accountants and advisors intuitively prioritize relationships. Teams and peer relationships offer a universe of potential mentors, sponsors, and role models for young professionals.

As firms work to retain and advance women, those on the leading edge are finding that the most powerful magnet is the most simple and straightforward: the personal investment of time and attention by leaders in less experienced, rising women.

Programs designed to equip women with leadership and business development skills are essential. Forum W at Seattle-based Moss Adams has been a driving force for more than 10 years. It's been a significant factor in increasing the proportion of women partners to 26% and the proportion of women on the firm's executive committee to 30%. That's above the 18% average for women on corporate boards, as reported by the Harvard Business Review, and crosses the threshold identified by consultants and researchers as the tipping point for women's influence in such groups.

WomenCAN, the women's initiative at CohnReznick, has completely transformed the conversation and the female executive landscape by recognizing the "value imperative" that women bring to realizing new opportunities; leading critical client relationships and pursuing new markets with fresh perspectives. Women now comprise 27% of the firm's C-suite and 22% of its partners and principals, reflecting steady increases over the past several years.



Chris Schmidt



Jennifer Wyne



Frank Longobardi



Risa Lavine

Much of that advance is due to the ongoing discussion among leaders catalyzed by WomenCAN. This multi-dimensional approach has strengthened the firm's succession planning, has identified talent for new practices, and has expanded relationships with longstanding clients.

At both firms, leadership teams provide a constant, steady, thoughtful approach to continuously reinforcing the need for sponsorship, the need to challenge unconscious bias, and the importance of gender parity. While both celebrate the important influence each of the "formal" programs has achieved, it's the one-on-one conversations that most often resonate with individuals.

Established research indicates that often, "men are promoted on the basis of potential and women on the basis of performance." But the profession increasingly recognizes women's abilities to be leaders. Recognition leads to action. Collectively, the profession can continue to invest in rising women. ●

Personalized Career Itineraries Guide and Retain Talented Women



New Lanes and Ramps Convert Career Paths to Turnpikes

Shannon Blevins had to talk herself into partnership at KWC/Alexandria, Va. Everything big in her life seemed to be happening at once. Babies, clients, and a bigger team arrived seemingly simultaneously. She thought she was essentially already doing what partners do in total. It all meant she couldn't manage each responsibility as well as she expected herself to. "I was managing enough revenue to substantiate a part-time practice. The firm recognizes my situation and says, 'yes, you can be a partner part-time,' " she says. "Now we have many examples at the top of people with different schedules, workloads, and family situations."

Welcome to the new career GPS. Advancement is plotted turn by turn, and progress is measured by the quality, not the speed, of the journey. With more career options than ever, women at accounting and advisory firms expect a variety of clearly marked routes.

The 2019 Accounting MOVE Project found that innovative firms work with women early and often to outline ways forward and to merge opportunities with the right training, relationships, and development opportunities at the right times for both personal and professional development.

Firm leaders and academic researchers agree that if women look at current leaders and don't see their own values, leadership styles, and communication styles reflected—by either gender in power—they discount their own potential.

Women new to the profession expect to take career cues from peers, firm programs, and firm leaders. New academic research reinforces the value of peer relationships, transparent expectations, and an array of "destination positions" for retaining and advancing women, especially those early in their careers.

Firm leaders and academic researchers agree that if women look at current leaders and don't see their own values, leadership styles, and communication styles reflected—by either gender in power—they discount their own potential. "That's not me" becomes a defining moment for women early in their careers because it segues logically to the follow-up questions, "Who am I, then? How and where can I grow into an even better version of myself?" In that moment of revelation, many young women deduce that re-inventing the very definition of leadership at their current workplace is too great a challenge, especially for one person who may or may not find support among like-minded champions. Quietly, even subconsciously, they start relinquishing their hopes for advancement. When a chance to leave the firm subsequently presents itself, they are ready to take it.

Gender perspective might evolve with each generation, but the constant is that it's up to leaders to present a multifaceted vision that attracts and keeps young women, says Sue Perlin, a partner with Plante Moran/Southfield, Mich. "Especially in a smaller office where there are few role models, if a woman can't see a path she could follow, she can't envision partnership for herself," says Perlin. Since the firm's women's initiative launched in 2012, it has consistently showcased a wide spectrum of routes to leadership through personal narratives told by female partners. Men tend to define their lives largely in terms of career accomplishments, while women tend to define themselves in terms of personal relationships and development, as well as career accomplishments, says Perlin. That is why Plante Moran coaches its partners to couch their stories in terms of personal as well as professional development. "We push our female leaders to make themselves visible, so that the less experienced woman can visualize what their path might be," says Perlin.

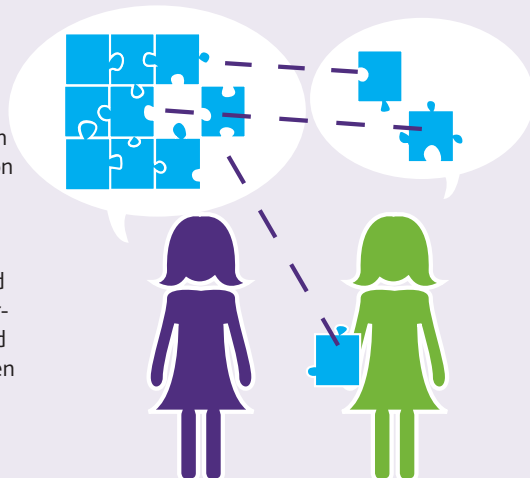
Partners at a variety of Accounting MOVE firms, including Lanelle Herink, a partner with HBE/Lincoln, Neb., say that it's up to current partners to reframe their default messages about pursuing partnership, and especially, to not repeat worn-out clichés that simply reinforce stereotypes about what partners look like. “Senior leaders are missing a huge opportunity by not lifting up women in their firms to leadership roles,” says Herink.

Shape Expectations Early and Often

In 2012, Dena Herbolich became a partner at Moss Adams/Seattle. At the time, she focused primarily on a single practice. Over time, through her own business development efforts and taking on new work from retiring partners, she found herself with a second practice area. The firm's decade-long Forum W initiative includes a road map to evaluate women for leadership positions. The firm's executives asked Dena to lead this second practice for the firm.

Set Early Expectations

Women often draw conclusions about their career prospects based on incomplete observations. Firm leadership can bridge the misinformation gap by opening ongoing dialogues with women associates. This helps detect wavering loyalty and enables leadership to correct misperceptions—and introduce younger women to multiple paths to the success they envision.



Drawing on what she learned in Forum W, Herbolich realized that she was selling herself short by not accepting the new challenge. “Before Forum W, I think I would have fallen in the same trap as a lot of women by thinking I wasn't ready until I had 110% of the qualifications,” she says. “I realized I had a growth opportunity and started marketing more and coaching others. Now, I'm the national practice leader for our professional services practice. And now, I have the confidence to pay it forward to the next generation of women and other diverse employee groups.”

It is impossible to overestimate how strongly it resonates with rising women to see a woman in charge. Last year at Hood & Strong/San Francisco, Susan Malone was named the first female managing partner

in the firm's 101-year history. Though the firm has long had a strong track record of gender equity, Malone's election was a milestone, says partner Jennifer Dizon. “People within the firm now, particularly women within the firm, see that it is an achievable goal and so recognize that seeing that role being fulfilled by a woman now could lead them to bigger goals,” she says. Seeding expectations for success can't happen early enough or often enough, say female partners at firms participating in the 2019 Accounting MOVE Project.

The perception that “partnership isn't me” is a fundamental reason why many women abandon their public accounting careers, says Christi Olsen, who co-founded her own firm, Infinity CPA Group/Omaha, Neb. Olsen, a former president of the Accounting and Financial Women's Alliance, the association sponsor of the Accounting MOVE Project, says that too often, the profession leaves young associates in the dark about the challenges and rewards—personal and professional—of ownership. “Show them the small tradeoffs of being a business owner so they don't think it's ‘all or nothing,’ ” she says. “When people are only accustomed to taking orders and having work defined for them, they don't think like owners.”

In the absence of specific development programs, it's difficult for individuals to translate the general appeal of partnership to their own careers. That's especially true for women, who often deal with escalating collisions of personal and professional demands as they rise to midlevel while starting families. That's why, say Herbolich and other women partners, it's so important to put each career phase in the context of what's to come, both for better *and* for worse.

“Women who are senior managers on the brink of partnership think it’s going to be hard, but it’s not as hard as being a senior manager. As partner, you have clarity of having the process behind you. You know that you’re qualified, and you can operate in the maximum flexibility that the firm offers,” says Herbolich.

Sharing the reins doesn’t come easily to many partners, Olsen acknowledges, but it’s in their best interests to invest in the people they hope will invest in their firms. After all, says Olsen, learning to let go is a chance for partners’ own development. “It’s not about validating what you did, but about showing them the factors that worked for you,” she says. “You need to recognize that it’s for them to learn, not to replicate what you did. Times are different. They’ll find a better way.”

Retention Intervention

The numbers were frightening. Women faded from the talent pipeline after their fifth year at Eide Bailly/Fargo, N.D. The trend undermined the firm’s succession plan, says Lisa Fitzgerald, human resources director.

The solution was to train rising women in the unique skill of meeting facilitation, so that they could take charge and collaborate in terms compatible with their preferred style. Concentrating resources on building confidence with presentations proved to be a silver bullet, as women could immediately apply what they learned, see results as they asserted themselves in meetings and with clients, and get feedback from others who had gone through the training.

Staying the Course

Is it worth it? Women need to know exactly how becoming a partner pays off with more authority to manage their personal and professional responsibilities. Usually, a promotion to partner comes with a boost in income, more autonomy over one’s schedule, and more authority within the firm to manage work. This realignment of power is not always obvious to rising women. Women’s initiatives and groups for working caregivers can be good settings for senior leaders to share their own stories of how life changed once they became partners.



“When you facilitate discussions, you really understand what is going on and you see the potential of an idea right in that moment,” says Jenni Huotari, director of business outsourcing and strategy for Eide Bailly, “You have to draw information out of people and get their buy-in so everybody will row in the same direction.”

Huotari and her colleagues who were among the first in the program also found that as skilled facilitators, they also had greater awareness of the effect of their presence and words on others. Self-awareness sharpened their mutual accountability for becoming the kind of role model for others that they wished they’d had for themselves, says Huotari. “It made me accountable for what I was saying. I couldn’t just say it,” she says. “I had to live what I was saying. And we want our future women leaders to be comfortable speaking of their skills and accomplishments.”

The net result? The firm has retained 80% of the 50 women who have gone through the program. Huotari went through the program with six other women, four of whom are now partners.

To better understand when and where women disengage from their own career hopes, Rehmann/Troy, Mich. surveyed them through its women’s initiative. The firm’s talent leaders found that it was at the senior associate and managerial levels that women realized they questioned the value of pushing ahead to become a principal.

“Often we focus on why women self-selecting out, but maybe they’re not,” says Katie Strehler, the firm’s chief human resources officer. “Maybe it’s management not understanding them earlier.”

This insight will provide an opportunity for a fresh approach to career coaching conversations, which take place between an associate and their direct supervisors at least quarterly. Rehmann is calling out specific skills, personal characteristics, and individual approaches to business development to show young women how leadership qualities mix and match in different ways to add up to success as a principal.

“Often, women, when offered a big promotion, instead of accepting on the spot, say they need to think about it. Men just plunge ahead, but women want to know more about it. They want to understand all the skills required. ... But if a man accepts on the spot, everybody moves on before the woman candidate has a chance to respond.”

— Jim Wallace, CEO of BPM

Rehmann added an earlier stage to its leadership development program to seed expectations with associates about how and when they might accelerate to principal. It has started explaining, in plain terms, the difference between an equity principal and a non-equity principal, and the personal and professional implications of each.

The firm’s latest fine-tuning of its career path and leadership preparation programs creates more opportunity for young women to approach female principals and ask for their input, says principal Heather Funsch. It’s not enough to see women in top spots, though Rehmann has several. It’s even more meaningful to have deep trust with women progressing at the same time and just a step ahead, says Funsch, who can coach and advise each other. Women peers retain each other, as Rehmann’s latest data indicates. Eight of its 10 most recently promoted principals are women.

Focus on Possibilities, Not Plateaus

Right after she attained principal at Novogradac/San Francisco, Elaine Chang nearly quit. Chang says that she wasn’t sure what her future held. She felt so closed-in by work and responsibilities for her young family that she felt “something had to give.” At the time, she wasn’t aware that Novogradac offered non-traditional career paths. “In my mind, there was no such thing as a part-time employee. So, my conceptual framework was, this is not an option,” she says.

It’s no wonder that some women simply decide that it’s not worth it to pursue partnership. Their decisions often come as a surprise to firm leaders, who thought they had been cultivating high-potential women for partnership. Partners often don’t ask about women’s expectations and women often don’t volunteer details that seem too personal to share. The result? A classic communication gap. That’s the gap that derails many firms’ retention of women from senior manager to partner.

Ira Weinstein, Baltimore office managing principal for CohnReznick/New York, recalls feeling perplexed when midlevel women told him that they weren’t interested in pursuing partnership. “People do have ambition, but sometimes, they don’t see the model working the way they think it should,” he says, “There’s a generational willingness, on the part of Millennials, to say, ‘we want the opportunity to be ambitious in a different way.’”

Current leaders also need to be attuned to how women weigh career decisions. In some cases, women can take more time to ponder the implications of a promotion while men often accept offers on the spot. Don’t mistake deliberation for hesitation, says Jim Wallace, CEO of BPM/San Francisco. It’s the responsibility of firm leaders to allow time for all candidates to digest the implications of a promotion. The silver lining of allowing time to think it over hurts no one and almost always benefits women by pacing the decision with their common preference to review it thoroughly.

Why Rising Women Opt Out of Leadership and How to Coach Them for Continued Success

Feeling blindsided by a woman's decision to opt out of leadership is a learning moment on several fronts, say firm leaders who've navigated such conversations. "Every year, in every group of women protégés for partnership, we'll have a few who say, 'I don't want to be a partner,'" says Wendy Henry, managing partner and SKY Council Chair, with BKD/Springfield, Mo. "We work closely with their sponsor to challenge that in a respectful way. 'Why do you think that?' 'What aspect of being a partner doesn't feel like a fit?' Some still insist that they don't want to be partner. But with others, as we unpack their assumptions and reasons, they see new aspects to partnership."

"Our partners are now holding each other accountable. In the past, in partner candidate meetings, partners might talk about a man's potential but not a woman's. Now they will speak up to remind each other to discuss the woman's potential. They call each other on that kind of oversight. It's a direct result of awareness training," says Henry.

It's important to separate the element of surprise from the content of the conversation. Leaders must understand why they didn't realize that women were seriously questioning their futures at the firms and, potentially, revise how and when they conduct career conversations.

When partners at other firms lament the frequency with which midlevel women tell them they want to plateau, Beth Leonard, managing partner of Lurie, LLP/Minneapolis, advises they use the moment to reflect on what she is seeing every day at work. "It's a chance to think about the methods that you're using to introduce people to what the profession has to offer," says Leonard.

"To expose people earlier to possibilities in the firm you have to tell them earlier how things work," says Leonard. "Otherwise, they don't know. Help them plan for future opportunities." That's especially important, she adds, as the nature of accounting and advisory work rapidly changes. Rising women need to know not only what options they have today, but also how to position themselves to make the most of options that might emerge tomorrow. Secondly, leaders need to understand how being a partner is perceived and that it isn't just one definition of that role."

Cindy Bergvall, a partner with Bee, Bergvall & Co./Warrington, Pa. says leaders share financial results quarterly with everyone in the firm, including the admin team,

so that everyone can see how their work is impacting the firm and its clients, and how initiatives [they] have developed are working. As well, each professional reviews her or his performance metrics quarterly, including billable averages and sales generated. Breaking down the big picture qualifications for advancement to bite-sized reports equips potential partners with milestones for evaluating their own progress, says Bergvall, so they work with leaders to accelerate their progress.

Finally, leaders need to evaluate career milestones and qualifications, so they can detect where expectations decouple from perceived reality. If the grass is not actually greener in an industry or as a sole practitioner, it's up to firm leaders to show the many shades of green enjoyed by partners. That is the approach gaining traction at Elliott Davis/Greenville, S.C. Vague promises that staying the course will pay off are not persuasive; not when talented women have an ever-expanding universe of lucrative and satisfying career choices.

Through roundtable discussions, the firm illustrates how daily flexibility, executive sponsorship, and mentoring provide a context for women's advancement, says Tania MacDonald, human resources senior manager. "We talk about the attributes of high performance for each shareholder level. Women have additional conversations about how those 'higher attributes' don't look the same for everyone," she explains.

Women partners share details of their flexibility and how they navigate daily responsibilities. At one office, the majority of the women in the tax practice are on flexible schedules, a model that has illuminated new paths for women across the firm. While the criteria for partnership are consistent, "how you get there is different," says MacDonald, including developmental lateral moves that cycle rising women through new practices.

But every new position and career win sheds light on how a young woman might craft her own spot in the firm's leadership, says MacDonald, so practice leaders specifically outline the attributes and accomplishments that led to their own success with specific elements of their jobs. Spelling out the dots, then connecting those dots, is opening new ways to plot career moves. "We need to show the new ways forward so women aren't disheartened by thinking it's such a long path to get there," she says. ●

“Often, women, when offered a big promotion, instead of accepting on the spot, say they need to think about it,” says Wallace, who is a member of the AICPA women’s initiative committee. “Men just plunge ahead, but women want to know more about it. They want to understand all the skills required. It’s not risk aversion. They often have a different process. But if a man accepts on the spot, everybody moves on before the woman candidate has a chance to respond.”

Alternative career tracks require ongoing cultivation to be sure that the arrangement is effective and to ensure that women know when and how they might merge into a faster advancement track, says Amanda Pontow, a shareholder with Bland & Associates/Omaha, Neb. Bland created a part-time position as a subject matter expert to retain a highly accomplished midlevel woman during her years parenting a young family. With her reputation as an expert growing, the professional has maximum flexibility with work assignments. “Being in charge of jobs didn’t work, but being at a higher level actually does,” says Pontow.

Chang hit the pause button and it kept her at Novogradac. Collaborating with senior partners and taking advantage of the firm’s option of scaled hours for all professionals allowed her to maintain her career while also meeting the needs of her young family.

After five years at an 80% schedule, and with her youngest child now in school, Chang recently returned to working full time. Because she had never relinquished business development, she had a pipeline of new clients. Still, she says, “You have to come back and renegotiate your terms. I didn’t get back some of my old clients.” Now, Chang coaches young parents wrestling with the same decision. As a principal, she helps other firm leaders collaborate with parents and caregivers on alternative arrangements.

Novogradac learned that allowing Chang to work an “alternate schedule” supported both the needs of the business and the needs of working parents. The firm is now exploring new roles that recognize the contribution of people who retain clients and cultivate technical excellence—functions that directly support growth, albeit without sales. “We’re looking at all our practices to see how we can retain good employees who don’t necessarily want the partner career track. We’re promoting more flexibility,” says Michelle Shelton, senior director of human resources at Novogradac.

Amplify Peer Power

“When I think about why I stayed in the profession, it’s really the people in these programs,” says Julie Figueras, a partner in the Chicago office of Grant Thornton/Chicago, of the peer groups sponsored by the firm. As a mother of five children, she has relied on other working mothers at the firm for guidance on everything from assessing the feasibility of a new career opportunity to figuring out how to organize her day to make the most of her flexible schedule to benefit both clients and her family.

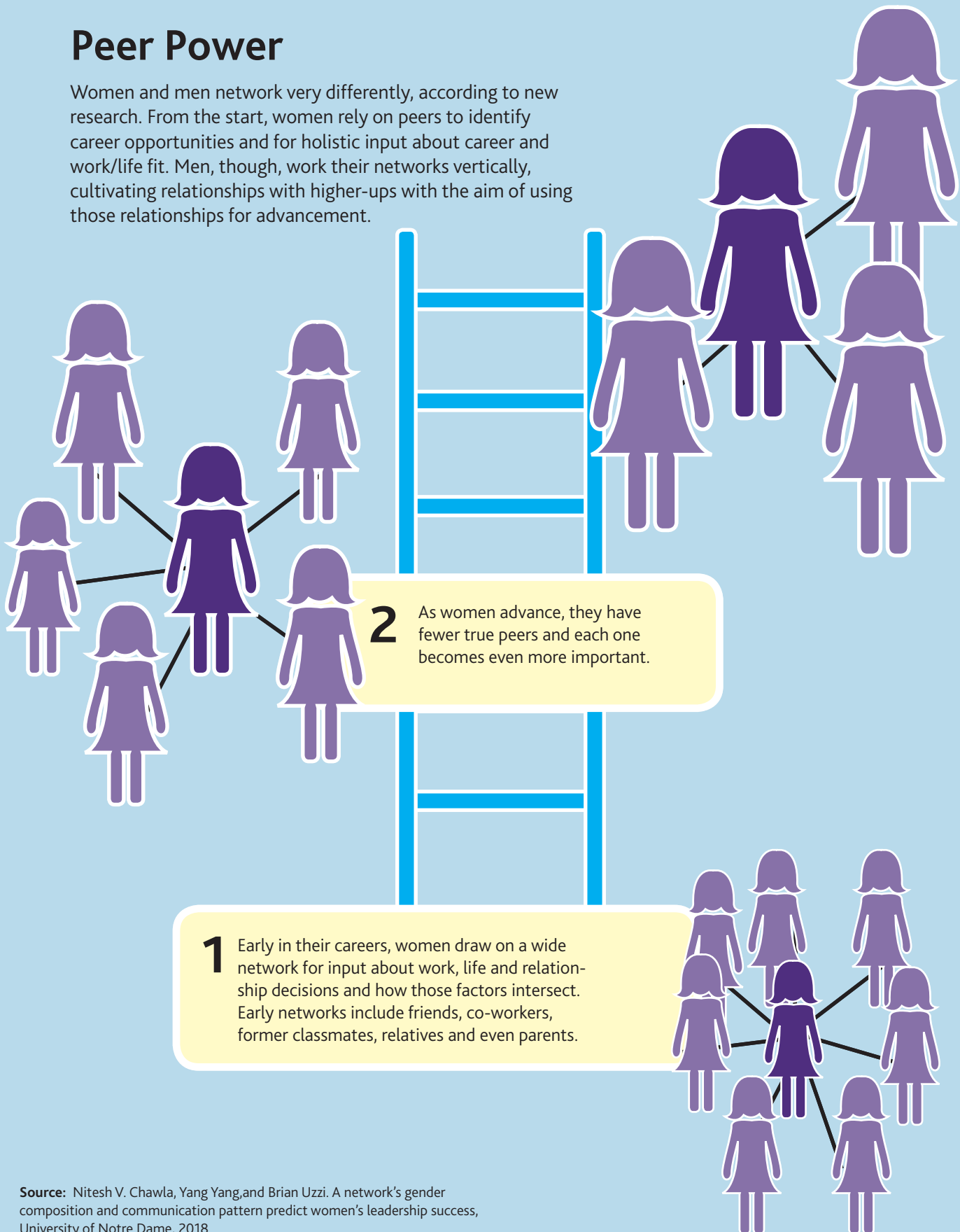
“I can’t tell you how many times I have thought, ‘I have to leave, I can’t do this any longer,’ but you mature and you realize that you can do it. Managers have to build trust early so that you have the right to ask those questions. You have to connect with them so they will open up about their life concerns,” she says.

As women advance, peer relationships inevitably morph. Early in their careers, women rely on a wide network of work colleagues, friends, family, and former classmates for input about career moves. As women advance, the number of true peers—similarly situated women—shrinks, while the importance of those relationships escalates. According to new research from Nitesh V. Chawla, a professor of management at the University of Notre Dame, that means that women’s initiatives can be invaluable for women at the earliest stages of their careers.

Women’s professional networks are horizontal and holistic, while men’s are vertical and transactional. Chawla found that 75% of high-ranking women maintain an “inner circle” of other women, while men’s networks were focused on rank, regardless of gender.

Peer Power

Women and men network very differently, according to new research. From the start, women rely on peers to identify career opportunities and for holistic input about career and work/life fit. Men, though, work their networks vertically, cultivating relationships with higher-ups with the aim of using those relationships for advancement.



Source: Nitesh V. Chawla, Yang Yang, and Brian Uzzi. A network's gender composition and communication pattern predict women's leadership success, University of Notre Dame, 2018

© 2019 Wilson-Taylor Associates, Inc. www.wilson-taylorassoc.com

Tactics for Staying on Track

When a midlevel professional says she has decided not to pursue partnership, firm leaders are often stymied. They've been praising this person for her management skills, potential, and aptitude. So, they can't exactly contradict themselves by questioning her judgment about her own future.

Here are some ways that the collective and consolidated wisdom from dozens of Accounting MOVE Project firm leaders parry the "I don't want to be a partner" reaction.

1. Sometimes women reject partnership before partnership rejects them. What messages are potential partners receiving about the preparation and decision process? Is it presented as a "black box" meeting where career-critical decisions are made without significant input from the potential partners themselves? How are successful and unsuccessful candidates debriefed? Are the stakes perceived to be high (unsuccessful candidates often leave) and are candidates perceived to have no say in future decisions?
2. Hold "stay" interviews to understand what conditions might sidetrack rising women from the partner track. What would be the tipping points that would propel them to take different jobs or to leave the profession or work entirely?
3. Calculate the cost of the partner path not taken. Some firms share, in general terms, the annual compensation for their own partners. Others pull from industrywide surveys and averages. Either way, there is a compelling case for how partner-level compensation eases many of the work/life conflicts endured by midlevel women. From childcare to household services, more help is more affordable on a partner's pay.
4. The ROI of partner-level pay is also compelling for long-term family financial stability and goals. Staying the course pays off with greater resources for children's college tuition, retirement, and cherished lifestyle and charitable goals. Work with midlevel women to paint the financial picture and its implications.
5. Make sure there's a bridge back to partnership. The side route must branch back to partnership, with clearly marked milestones, to show how a career detour is temporary and how it loops back to the partner track. ●

Men benefit from connections to "highly influential peers, but women who mimicked that kind of network did not fare well," says Chawla, "With women, there is an inner circle that provides the 'inside scoop' on career guidance—information that isn't available elsewhere." Men ask what their networks can do for them. Women ask what their networks can do for each other. This insight has incisive implications for professional service firms.

First, it is impossible, says Chawla, to overestimate the importance of women's peer relationships. Women draw on former classmates, current and former co-workers, friends, and others for insight into the job market, their own pursuit of advancement, and work/life balance. Women's initiatives won't help if they try to replicate the type of network that works for men. As well, this finding underscores the importance of continuing relationships forged in partnership preparation training. Women need and seek peer advice as they mature in partnership. Accounting MOVE firms that have tapped this dynamic include (the former) Rothstein Kass alumni group from its very successful "Rainmakers Roundtable" business development program.

Peer relationships don't have to be happenstance. The Bonadio Group/Pittsford, NY, restructured its mentor program to provide both mentors and mentees new ways to meet good matches, says partner Aimee Jozic.

At BeachFleischman PC/Tucson, Ariz. the new women's initiative is helping to better prepare women for senior management. "It has changed the conversation and culture among women at the firm. We've seen women support each other differently. We're encouraging each other to stretch professionally, and we're holding each other accountable for sharing professional successes," says Karen Mattull, COO of internal operations. ●

2019 Accounting MOVE Project Demographic Results

2019 Accounting MOVE Project Metrics All MOVE Accounting and Consulting Firms

Firms leap ahead with women on management committees.

Greater retention pays off. This year's MOVE firms increased the presence of women on their management committees by 32% to 33%.

Firms that consistently participate in the Accounting MOVE Project advance more women, more quickly, to senior positions. Firms that have participated in 2017, 2018 and 2019 have in aggregate 28% women partners and principals and 47% women senior managers. In 2018, these firms crossed the 31% marker for women on management committees, compared to 25% for all MOVE firms that year, and now have 33%.

All MOVE Accounting and Consulting Firms

Women Employees and Executives as a Proportion of ALL Employees and Executives	2019	2018	2017	2016	2015	2014
	%					
Women on Management Committees	33	25	24	21	23	19
Women Partners and Principals	27	24	24	23	22	19
Women Directors	41	47	47	46	30	41
Women Senior Managers	44	46	47	47	47	44
Women Managers	53	50	50	49	50	51
Women Supervisors/Senior Staff	50	50	50	49	52	48
Women Associates	49	51	49	52	52	48
Women New Hires	49	50	51	50	51	48
Women Full-Time U.S. Employees	50	51	51	51	51	51

Source: The 2019 Accounting MOVE Project. The Accounting MOVE Project team at Wilson-Taylor Assoc./Charlotte, N.C., surveyed and interviewed 48 accounting and advisory firms representing 30,000 employees from December 2018 through March 2019.

2019 Accounting MOVE Project

Qualitative Highlights

Money: Pay equity policies and practices

- 39% of participating firms conduct pay equity surveys at the point of hire.
- 39% of participating firms conduct pay equity surveys by gender and by race.
- 64% of participating firms conduct pay equity surveys by department.
- 52% of participating firms conduct pay equity surveys by region or office.

Prompted by the ongoing national conversation about pay equity, academics and think tanks produced new research in 2018 that shed light on the intersecting factors that drive and widen the wedge between men's and women's earnings. Money, time, and autonomy intersect in the demanding midcareer stage. It is not always self-evident that the status of partnership helps resolve all three.

When women can accelerate on the partner track after taking a reduced schedule to manage personal responsibilities, they have a chance to pull even with male partners, overcoming age and experience barriers in the process. BeachFleischman uses industry compensation benchmarks to illustrate the multifaceted payoff of staying the course to partnership.

Nationally, men's and women's pay starts to diverge dramatically in the 35 – 44 year old age category. This correlates with peak childbearing years and that, overall, women's earnings subsequently plateau. In general, women do not make up the lost earnings later in their careers. Even if they return to full-time work, they still earn less than similarly situated men.

— Bureau of Labor Statistics' August 2018 analysis

Compensation data provides essential context for midcareer women who feel pressed for both time and money. As partners, more money can buy more time, say partners at firms that now integrate partner compensation data into partnership preparation. Also, because partners have more autonomy, women have greater power to reconcile scheduling priorities.

Meanwhile, researchers and advocates are adding new dimensions to pay equity analysis. Nationally, men's and women's pay starts to diverge dramatically in the 35 – 44 year old age category, according to the Bureau of Labor Statistics, August 2018 analysis. The BLS noted that this correlates with peak childbearing years and that, overall, women's earnings subsequently plateau. In general, women do not make up the lost earnings later in their careers. Even if they return to full-time work, they still earn less than similarly situated men.

When women take part-time or otherwise alternative career paths, pay falls disproportionately. According to the Institute for Women's Policy Research, when women take a year off from work, their annual earnings fall behind by 39% compared to peers who don't interrupt their careers.

The Pew Research Center found that Millennials are not, in fact, erasing gender preference for childcare responsibilities. Career adjustment continues to default to women, Pew found, with 27% of mothers reporting

that they have quit their jobs due to child caregiving compared to 10% of men. Also, 39% of mothers have taken “a significant amount of time off” compared to 24% of men. Parenthood appears to have less of an effect on promotions, with 13% of mothers reporting that they turned down a promotion due to family responsibilities compared to 10% of men.

MOVE firms are keeping pace with a key national trend, transparency about pay policies, and the application of those policies. Currently, leaders at 45% of Accounting MOVE Project firms communicate firm-wide about pay policies and practices. Financial services and payroll firm ADP found that employees expect explanations about how their employers factor in equity awareness in decisions about base pay, raises, and bonuses. “Pay for performance” is supported when employees observe effective, hard work rewarded by their employer’s compensation structure, according to University of California at Berkeley researchers.

Leading Accounting MOVE Project firms are keeping up with rapidly changing definitions of equity, as innovative employers start to understand what career circumstances undermine equity. Johanson & Yau/San Jose, Calif. instituted new standards of pay analysis to include recurring audits by gender, as well as position and tenure, and revamped training that equips managers to make equitable pay decisions, says Jon D’Agostino, director of human resources and administration.

Along with several other MOVE firms, J&Y also traded the traditional performance review process in favor of monthly one-on-one conversations and quarterly goal setting—but without forms and ratings. “This shift reminds us to focus on meeting employees where they are in the moment,” he says.



pportunities for advancement

- **73% of participating firms formally identify high-potential employees.**
- **52% of participating firms have formal succession planning.**
- **27% of participating firms specifically measure the pipeline of women.**

There’s more than one way to get ahead. Firms are paving new routes to advancement specifically designed to enhance, not just accommodate, women’s holistic ambitions. MCM/Louisville, Ky, joins the small but growing number of firms with part-time partner tracks. Responsibilities are scaled to the full-time equivalent, ensuring that women continue to invest in long-term skills that qualify them for leadership, such as business development and external networking.

Frazier & Deeter/Atlanta, reinvented the fast track with its six-week “Developmental Sprint” program. Launched in mid-2018, the program is open to all but appeals most to women, says partner Gina Gondron, because it’s a self-contained program that builds deep relationships as participants drill down to identify issues blocking their way forward.

In a similar vein, OUM/San Francisco, built structure around its cultural strengths of identifying and cultivating emerging talent. Its new “Pathway to Leadership” program complements OUM’s new women’s initiative by designing deep-dive development for directors, senior managers and managers, in the context of specific timelines for qualifying for partnership. The custom career routes integrate individual strengths, current and anticipated responsibilities, and strategic business goals which are guided by partners who share their own career paths, says partner Doug Pallotta.

Brown Smith Wallace/St. Louis, has taken a similar tactic with its “Unite” program that engages and develops young women early in their career. Interns, staff, and supervisors meet for 30 minutes nine to 10 times a year. They provide resources and invite women leaders to share successes and tips.

“We want to get in front of women earlier,” says Lauren Sanders, director of human resources. Another program that helps inspire and provides support is the firm’s mentor program. The mentor program creates partnership based on roles in the firm—and intuitively adopts Chawla’s research about the power of peers. For example, a staff member would partner with a supervisor or a principal would work with a partner. “You partner with somebody a couple levels ahead of you and in a different practice,” she says. “It’s nice to have connections at all levels as you progress.”

“It’s important to listen to the recommendations of recent hires because they are closest to the college experience.”

— Tracy White, Chief Human Resources Office, Clark Nuber

Clark Nuber/Bellevue, Wash. plans to do more recruiting presentations at community colleges, says Tracy White, chief human resources officer. The idea came from a focus group with about 20 recent hires. Many of the employees had attended community colleges before earning their degrees at four-year colleges, says White. “It’s important to listen to the recommendations of recent hires because they are closest to the college experience.” The firm received similar feedback from a focus group with recruiting team members, she says.

With controversy swirling about the frequent lack of women and minorities on the podiums at industry events, CohnReznick proactively developed a policy that requires diverse presenters at events in which it participates or sponsors. This translates the firm’s publicly stated values regarding advocacy at events where it is already invested. The firm backs up its requirement by pledging to work with event organizers to help them find suitable diverse presenters. For internal consistency, CohnReznick reiterates the business case for diversity and inclusion in its D & I handbook, which spells out how all employees can translate those values to daily conversations and decisions.

Vital supports for work/life

- **79% of participating firms have formal work/life.**
- **12% of participating firms measure and report the ROI of work/life policies to senior management.**

Work/life programs do more than solve daily dilemmas. How firms present them and expect men to also make the most of work/life benefits directly shapes young women’s career expectations.

Younger women’s career expectations are integrated with their expectations of men as equal partners in childrearing, according to a study by Alyssa Croft, an assistant professor of psychology at the University of Arizona. When young women expect that they will have equal partners, they anticipate sticking with their careers and having a manageable work/life balance.

This insight actually reinforces the importance of work/life programs that are equally accessible and valuable for men and of communicating about how women leaders in the firm navigate decisions about their expectations for partners. A cultural example of this dynamic in action is the much-admired marriage of Ruth Bader-Ginsberg and Marty Ginsberg. This is held up as the exception, for its time, but it is a model that obviously led to mutual investment in each other’s careers.

Women in charge of firms expect to share details of “how they did it” with women approaching key life stages. Kathy Ryan founded the consulting firm RoseRyan/Newark, Calif. in 1993 when she was seeking work/life balance.

Firms need to do more than lip service about programs for women, says Ryan. “It’s not something you can create over the weekend or in a month. You can get it started but it requires knowing why, what to do and implementing course corrections,” she says. “Learning and making it better then becomes a habit.”

- **76% of participating firms train teams to collaborate virtually.**
- **73% of participating firms’ managers are trained to evaluate productivity, not just face time.**
- **27% of participating firms train managers to manage virtual teams.**

Millennials require more flexibility and like a focus on community involvement. Frazier & Deeter has created a program where employees can apply for grants for charities in which they are involved. Employees are also given 12 hours of community service a year. “It’s more meaningful than just showing up and putting in hours,” says Adelle Erdman, executive director of marketing.

While (Brown Smith Wallace) allows flexible work options for employees at all levels, they recognize these policies are especially helpful in retaining women who may experience increased familial demands as they advance in their careers.

“Employee retention is a top priority for Brown Smith Wallace,” says Robin Bell, a partner in tax services. While the firm allows flexible work options for employees at all levels, they recognize these policies are especially helpful in retaining women who may experience increased familial demands as they advance in their careers.

For example, Bell says, one manager had four children and a husband who frequently traveled. “We were completely fine with her reduced responsibility,” she says. When her husband’s role changed, the manager became a partner in three years.

Brown Smith Wallace is testing a program to help balance workloads in a different way, with quiet time twice a week for two hours. “There are no emails. No distractions,” says Karen Stern, partner in charge, Entrepreneurial Services Group. “This allows employees to carve out time to complete projects.”

If flexibility is in the eye of the beholder, firms are using microscopes and telescopes to realign firm operating procedures with employees’ rapidly changing expectations.

OUM has built context around its remote work policies to support greater flexibility for individualized work/life fit reducing commute time and cost. Their remote work policy has also benefitted employees who want to relocate to more affordable cities outside of the notoriously expensive Bay area. Professionals such as Rebecca Stidham, tax senior manager, and Annette Franklin, director of talent, use tools such as GoTo Video to enhance remote connectivity when “face time” is needed and remain seamlessly integrated. OUM also adopted an unlimited paid time off policy to add more depth to the firm’s culture of flexibility. Now, says partner Doug Pallotta, the challenge is to apply that benefit to recruiting strategies.

HBE employees drive their own flexibility by forecasting when and how much they expect to work, explains human resources manager Jennifer Liliedahl. That boosts team collaboration and equips firm leaders with critical information for managing workflow. “As long as they communicate with their teams and work around deadlines, they can take the time they want,” she says. The new policy has already retained one partner-track manager through the demanding stage of life of expanding a family.

Jones & Roth/Eugene, Ore. is proof positive that extreme flexibility results in extreme retention—a concern for many firms facing generational turnover. Tricia Duncan, partner and director of external operations, has

worked a flexible schedule for 18 of her 25 years with the firm. She and other partners find that forecasting workload in six-month stretches is the planning sweet spot, allowing staff plenty of flexibility and leaders plenty of foresight.

Kerkering Barberio/Sarasota, Fla. streamlined a patchwork of policies and procedures to define remote work and to integrate that definition with managers' definitions of productivity, says chief administrative officer, Tracy O'Neill. The comprehensive policy is all about "effective communication, technology, and security, especially client information security. Also, expectations regarding scheduling and availability, knowing when you're working remotely, what hours, how best to reach you, and even the physical location of where you're working remotely. We want to know it's in an established office in somebody's home," says O'Neill.

Eldercare is an emerging concern for all generations. Baby Boomers are most on deck to care for aging parents and ailing partners, but more than 10 million Millennials provide care for the elderly, according to the American Association of Retired Persons. About 42% of firms participating in the 2019 MOVE Project offer a referral service for eldercare, which enables employees to access a network of care providers, and, in some cases, coaches as they navigate difficult decisions.

Firms are starting to realize that caregiving is an issue for people of all ages. For Baby Boomers, it could be elderly parents, their own spouses, or their grandchildren.

Accounting MOVE Project firms report that work/life supports for those who care for elders are less clear-cut than childcare programs, partly because the needs of elders are less predictable and partly because seasoned employees are more adept at arranging as-needed flexibility to tend to medical and logistical chores.

Sharon Berman, a principal with Rehmann, spent much of 2018 caring for her late mother. It was nearly impossible to anticipate exactly when she would need to be in the hospital or to work remotely, so she proactively rallied technical and team supports to "keep the balls in the air" when she was suddenly called away. Rehmann's standard procedures for client engagements certainly helped. All team members can access working notes at any time and clients can contact anyone on their service team. Berman also kept her team and clients apprised of potential schedule complications, clearing the way for collaboration in her absence. "If knowledge is copied across the organization and you are super clear in your communications, it's easy to step out," she says.

Firms are starting to realize that caregiving is an issue for people of all ages. For Baby Boomers, it could be elderly parents, their own spouses, or their grandchildren. Managers are starting to discuss how and how often their firms' mature professionals handle eldercare responsibilities. Firms and mature professionals are exploring whether or not there are enough people in this situation to warrant an actual program or employee resource group, or are these situations each so unique that managers must craft individual solutions.

Entrepreneurship & Business Development

- **45% of participating firms sponsor or support local entrepreneurs.**
- **30% of participating firms sponsor external business competitions.**

It's a "chicken and egg" dilemma. How can women gain business development experience so they qualify for partner without forfeiting flexible work hours or a scaled workload to better accommodate personal and family responsibilities?

Kaiser Consulting/Powell, Ohio resolved the dilemma by synchronizing business development pursuits with

projected CPA availability, experience, and emerging interests. The firm polls its professional staff every year about how much they would like to work and on what. Then, says CEO Lori Kaiser, leaders pursue new business opportunities for expanded growth and, when needed, recruit from a prospective employee pipeline of professionals interested in part-time, flexible project work. “When I was starting the firm, I wanted a great life and a great career. So, I built policies around working when I was available. I made sure the same thing was available to employees,” says Kaiser, “I wanted to attract people with awesome skill sets who didn’t need me to get them started.”

The annual strategy is updated quarterly. As the year unfolds, professional staff can adjust their forecasted availability and areas of interest, giving leaders enough advance notice to match new client needs with a professional’s experience and interests. Annual in-depth discussions with employees provide leaders with insight as to emerging practice areas worth a concentrated marketing effort.

So far, Kaiser hasn’t had any problems pulling in more talent, even as firm revenue has increased 60% since 2016. It draws from a waiting list comprised of professionals who are returning midcareer or down-shifting to retirement, as well as working professionals rebalancing work/life commitments. Kaiser’s key metrics are employee engagement and retention. Both metrics are extraordinarily higher than the industry average, yielding revenue that drops straight to the firm’s bottom line.

As a direct result of participating in the Accounting MOVE Project, Councilor Buchanan & Mitchell/Bethesda, Md. launched a diversity initiative that has uncovered hidden inroads for business development, says chair Pat Drolet. Women in the firm brainstormed fresh approaches to what clients want and are formulating workshops on diverse topics, including financial planning for women and other alternatives to the firm’s standby golf events. The firm’s own diversity story is opening doors for like-minded current and potential clients. ●



MOVE Forward Faster!

**These additional MOVE tools can help your firm recoup its investment
in women and rising leaders.**

MOVE Scorecard

In-depth recommendations and comprehensive benchmarks on all MOVE factors enable your firm to invest in programs, practices and culture that actually work. Insight scales with your firm’s size and growth objectives.

MOVE Presentations and Workshops

Attend MOVE workshops at the Women’s Accounting and Leadership Conference, hosted by the American Woman’s Society of CPAs, and at the Annual Conference of the Accounting & Financial Women’s Alliance.

Wilson-Taylor Associates communication workshops for partners and rising managers equip them with insight and tactics to convey firm values, expertise and goals.



Methodology

Since 2010, the Accounting MOVE Project has measured and supported the advancement of women at accounting and consulting firms. MOVE is the only annual benchmarking project that both counts and advocates for women in the profession.

The MOVE Project advisory board includes leaders from association partner the Accounting and Financial Women's Alliance; founding sponsor Moss Adams; and national sponsor CohnReznick.

MOVE is made possible by support from its sponsors and by administrative fees paid by participating firms. Firms receive benchmarking reports based on the MOVE Project.

The Best CPA Firms for Women list, sponsored by the AFWA, is based on each year's MOVE results. To earn a spot on the list, an employer must have both a proportionate number of women at most or all levels of management and proven success with the MOVE factors. An employer cannot win by having a rich array of programs but few women in leadership. We believe that if an employer's MOVE factors are effective, it will have a healthy and growing proportion of women in its leadership pipeline.

The Best CPA Firms for Equity Leadership list is also based on MOVE survey results and recognizes firms with at least 33% women partners and principals, as 33% is widely recognized as the tipping point for members of any identity group to have individual impact. The Equity Leadership list recognizes firms that have achieved that milestone through any combination of culture, programs, initiatives and growth.

For more information about the Accounting MOVE Project and see prior years' results, please visit [the Accounting MOVE Project web page](#). ●

About the Accounting MOVE Project Partners



MOSSADAMS

Moss Adams brings more West to business. More than a location, it's a way of doing business in which innovation thrives and optimism abounds. At Moss Adams, we're excited by the greatness of possibility and the extraordinary potential for companies and individuals to prosper. With more than 3,200 professionals across 25-plus locations in the West and beyond, we provide the world's most innovative companies with specialized accounting, consulting, and wealth management services to help them embrace emerging opportunity. Visit www.mossadams.com to discover how Moss Adams is bringing more West to business. For more information, visit www.mossadams.com.



CohnReznick LLP is one of the top accounting, tax, and advisory firms in the United States, combining the deep resources of a national firm with the hands-on, agile approach that today's dynamic business environment demands. With diverse industry expertise, the Firm provides companies with the insight and experience to help them break through and seize growth opportunities. The Firm, with origins dating back to 1919, is headquartered in New York, NY with 2,700 employees in offices nationwide. Cohn-Reznick is a member of Nexia International, a global network of independent accountancy, tax, and business advisors. For more information, visit www.cohnreznick.com.



Accounting & Financial Women's Alliance
CONNECT • ADVANCE • LEAD

The **Accounting & Financial Women's Alliance** promotes the professional growth of women in accounting and finance. Members of the association benefit from opportunities to connect with colleagues, advance their careers and become industry leaders. For 75 years, the organization has proudly upheld its mission to enable women in all accounting and related fields to achieve their full personal, professional and economic potential and to contribute to the future development of their profession. Visit www.afwa.org for more information.



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. ●