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AICPA/State CPA Society Under-35 Symposium
Chicago, Illinois
July 19, 1995

REPORT ON FINDINGS

Executive Summary

On July 19, 1995, 101 members of the Institute and state CPA societies participated in the AICPA/State CPA Society Under-35 Symposium. The purpose of the symposium was for the associations to learn how to better involve and serve the needs of younger members. In breakout sessions, participants responded to a variety of questions in six major topic areas; career issues, work/life balance, technology, communications/public relations, mentoring/networking and CPE. The responses generated from these discussions are the basis for this report.

Career Issues

The participants said that some of their career concerns are unique to their age group. Overarching career issues were less opportunity for upward mobility and ownership, a need for information about potential career paths, workplace flexibility, balancing career and family, long hours and workload compression, the changing role of CPAs, specialization and technology. In addition they emphasized the need for more general management skills. They anticipate that by age 40 or 50 they will make such career changes as working flexible work schedules and becoming self employed. They said the Institute and the societies can do more to help them with their career planning and development, including providing career planning services, forming young member committees and fostering networking through the Accountants Forum and other means.

Work/Life Balance

Younger members have different work/life values than their older counterparts (“they’re your rules, not mine.”) They see the mistakes made by their parents (“family suffered as career progressed”) and see no purpose in the old rules. Downsizing has changed employee and employer loyalty, and younger members want more leisure time (“we work to live; they live to work.”) The perception remains among some that “if you want children, you must leave public accounting.” Younger members see these issues as important to both women and men. The associations can assist in this area in a variety of ways, including working to ease workload compression, continuing to raise awareness about work/life issues and promoting flexible work arrangements.

Technology

Participants see technology as critical to the profession. The AICPA and the state societies were urged to lead by example. Some participants perceive the associations as lagging behind the corporate arena technologically. Many participants had not received schooling in this area, and view themselves as “fairly low” on the information technology knowledge scale. There is frustration with the time needed to learn technology followed by its swift obsolescence. Some participants had heard of the Accountants Forum but few had used it. Younger members say changes are definitely needed in education required for CPAs to access and use emerging technologies. Their suggestions for better meeting their needs in this area include providing more services on the Accountants Forum, making more extensive, less costly CPE on technology available, and providing frequent updates and recommendations on selecting software.

Communications/Public Relations

Some participants said the image of the CPA is not so much negative as misunderstood. There is a mixed public perception of the CPA, but many felt the CPA is generally undervalued by the public. The image campaign is very important to the profession, although not everyone is comfortable with the format. It should explain what the CPA means and stress the different "hats" worn by CPAs, especially those other than audit, tax and write-up. The long-range business advisor role with a consistent client relationship needs to be projected, in order to get away from a perception of CPAs as a "once a year visitor." In their communications to members, the associations must reduce the number of mailings, and target information more to specific audiences and needs. The AICPA should consider opening a West coast and/or other regional offices.

Mentoring/Networking

Networking is important to participants' professional development, both to help build a client base and to build knowledge. Younger members see mentoring as essential, especially earlier in their careers, but more personal than networking. Mentoring requires face to face contact, as opposed to networking, which can be conducted on-line and over the telephone. As specialization evolves, they see these functions as even more important. Some of their ideas for the associations to assist them were sponsoring joint AICPA/state CPA society events; having networking events with professionals other than CPAs; using the Accountants Forum to identify willing mentors; creating a database of CPAs in similar fields and utilizing industry committees for networking across states.

Continuing Professional Education (CPE)

All types of CPE have been used by at least some of the participants. Participants wondered if the cost of training on certain topics, such as technology, could be shared with other professions with the same interests. Many said they liked using the CPE offerings in the *Journal of Accountancy* and *The Tax Advisor*. They suggest the AICPA market more specialized courses. Participants want to see more CPE offered through teleconferencing and other technologies. They want higher quality CPE with good instructors, using teaching techniques that are interactive, not just straight lecture. Overwhelmingly, participants said the profession needs to be more creative and inclusive of "soft" subjects such as personal development, management or human resource subjects as the profession changes.

They would like to see more CPE offered on A&A updates; updates on tax laws; technology; marketing and sales; specialized topics and certification programs. The associations can help younger members with their CPE needs in the following ways: Making it more accessible financially and geographically; hiring good instructors who use more interactive teaching techniques, such as roundtables; providing a CPE directory of offerings from all sources, possibly on the Accountants Forum; monitoring members' credits and providing curriculum guidance for individuals; and collaborating more to eliminate redundancy. The associations should seek to fill the CPE void, but not to offer more competing courses.

Under-35 Symposium Findings

July 19, 1995

On July 19, 1995, 101 members of the Institute and the state CPA societies participated in the AICPA/State CPA Society Under-35 Symposium. Approximately 60% of the participants were in public accounting, 28% in industry, and 11% from other work categories. Eighty eight percent of the participants were selected by the societies to participate; the remainder were selected from the Institute's membership ranks. The purpose of the symposium was for the associations to learn how to better involve and serve the needs of younger members. Symposium participants heard presentations about current issues facing the profession and AICPA and state CPA society initiatives.

In two 90-minute breakout sessions, participants gathered in eight groups of 14 and responded to a variety of questions in six major topic areas; career issues; work/life balance; technology; communications/public relations, mentoring/networking and CPE. The topics were selected based on input from younger members in previously held focus groups. The responses generated from these discussions are the basis for this report.

For each of the topics, participants were asked about their current concerns and about how the AICPA and the societies can improve performance in meeting their needs. Following are the results of the breakout group discussions.

Career Issues

The participants said that some of their career concerns are unique to their age group. Overarching career issues were less opportunity for upward mobility and ownership, a need for information about potential career paths, workplace flexibility, balancing career and family, long hours and workload compression, the changing role of CPAs, specialization and technology. In addition they emphasized the need for more general management skills. They anticipate that by age 40 or 50 they will make such career changes as working flexible work schedules and becoming self employed. They said the Institute and the societies can do more to help them with their career planning and development.

Participants expounded on career concerns in the following areas:

- **Less opportunity for upward mobility and ownership:** Due to the flattening structure of public accounting firms, participants see less chance of upward mobility. They also note a reduction in the number of entry-level jobs in public accounting and an increase in the number of new graduates starting their careers in industry. Fewer top jobs cause an increased concern about career development for "permanent managers" within firms.
- **A need for information about potential career paths:** Younger members are very

interested in learning more about the various career paths they might take after their initial entry into the profession. They want to manage their careers to meet their own objectives; not just the firms'. They want to know what it takes to advance in various career paths, including transitioning to industry from public accounting and going out on one's own. It is particularly difficult for them to learn about smaller firms that might be appropriate for their next career move. Professionals who start in industry have specific concerns about their lack of public accounting background and how they are perceived. There is a desire to network at both the state and national level, although networking is more feasible for them locally.

- **Specialization:** Specialization tends to meet firms' human resource needs, sometimes to the detriment of the individual's career development. A conflict was expressed between the need to "globalize" versus specialize in one's career. Younger members do not want specialization early in the careers to hurt their career mobility later on. They want more CPE for specialized areas both to make an informed choice of specialization and to stay current in that area. There was a concern that increased specialization could diminish the quality of the profession overall.
- **Workplace flexibility:** Participants said they want more flexible workplaces to help them better balance work and family needs such as child care. Long hours and workload compression were cited as a major difficulty. They question whether firms' demands on their time are really necessary to meet client needs or are more an artifact of partners' demanding traditional work structures. Maintaining one's technical skills while taking a leave of absence (i.e. for childbirth) is a challenge.
- **Changing role of CPAs.** Technology is infringing on the traditional CPA role. Fees have been reduced because it takes less time to produce information. There is a need to market new consulting and other services in place of services now met by technology. CPAs need to distinguish their financial from technical services. For instance, they are frequently consulting on clients' software needs. Fostering a positive public perception of the profession is a concern, and the changing CPA role is contributing to an "identity crisis" for the profession as a whole.

Participants do not feel they are balanced in their technical and "soft" skills. For instance, some do not feel well enough prepared for the roles of business advisors and salespeople. Their education focused mostly on technical skills while clients expect them to be part of a resource management team. Younger members are interested in developing skills in the following non-technical areas:

- Marketing
- Retaining clients
- Understanding the politics of doing business
- Presentation skills

- Communication skills
- Identifying personality types
- Supervision

Participants had varying views of how the profession will change over the next 10-15 years, including:

- Consulting services will be expanded. CPAs will be seen more as management advisors.
- Specialization will increase and there will be specialist certification.
- Public accounting firms will consolidate and recruit fewer professionals. Paraprofessionals will assume many of the former duties of the entry-level CPA.
- Non-CPA ownership will continue to increase.
- Speed and efficiency in work will be key.
- CPAs will have to communicate in the user's language.
- CPAs will have to educate clients about standards and about the profession. CPAs will change from producers to educators.

Some participants said the associations were already meeting their expectations, and that many younger professionals may not have the time to seek greater involvement. They had some suggestions, however, for how the AICPA and the state CPA societies can assist them with their career concerns and involve them more:

- Communicate to young professionals why they should become more involved in the associations, and how.
- Direct some effort at increasing younger members' involvement toward their employers.
- Communicate the associations' benefits more clearly. Communications should be more general and/or more specific, but specific information should be targeted to members with an interest in that topic. Reduce the overall quantity of communications so that they are more powerful.
- Provide career planning services.
- Create a knowledge network and a resource and referral service through the accountant's forum.
- Form young member committees or subcommittees. Participants said such committees could help them meet social, educational, professional and public service needs.
- Consider having more established members serve as "mentors" to younger members.

Members do not like the following things about the accounting profession:

- Long hours (which are not necessarily better in industry) and performance evaluations based on hours and excluding people skills;
- Workload compression;
- Information overload and the need to keep up technically;
- Smaller firms trying to "do everything," making it impossible to stay current. Related to

- this, they say they're expected to be all things to all people.
- The public's image of the profession, particularly the misperception of CPAs as tax people only.
 - Liability, litigation;
 - Overregulation;
 - The glass ceiling.

Work/Life Balance

Younger members have different work/life values than their older counterparts ("they're your rules, not mine.") They see the mistakes made by their parents ("family suffered as career progressed") and see no purpose in the old rules. Downsizing has changed employee and employer loyalty, and younger members want more leisure time ("we work to live; they live to work.") The perception remains among some that "if you want children, you must leave public accounting." Younger members see these issues as important to both women and men.

They perceive an unspoken rule in the workplace that partners' wives do not work. They want older CPAs to understand that women now want to maintain their careers; that dual-career couples spend so much time and energy at work that it creates a great deal of pressure to balance work and family. Since most partners have never been confronted with these issues they lack a basic understanding of them. Young CPAs are not asking for handouts -- they understand that accounting is a career, not a job, and that sacrifices need to be made. Different compensation packages should be used for different lifestyle choices. Firms' requirement of billable hours is a great obstruction to improving work/life balance.

Participants especially see a need for workplace flexibility, which tends not to be recognized by older CPAs. The long hours required in public accounting are seen as causing burnout, and downsizing has exacerbated individuals' workloads. Younger members have a strong desire for more control over their own time. They have seen flexible work arrangements work. Women tend to plateau in public accounting at the manager level and participants consider it a challenge for the profession to get more women to the partner level. When professionals leave public accounting they are not leaving their careers as CPAs. Participants noted that work/life balance issues are just as difficult in industry as they are in public accounting. It was also pointed out that "time spent on society/AICPA activities is time away from family."

More than one group questioned whether employers and the associations were aware of younger members feeling about these issues:

- "Do our employers know how we feel? How can we sell this? We need a support system to communicate and address our needs."
- "Make the proper people aware of our needs in this area."

Some, but not all, younger members were enthusiastic about dependent care referral services being considered by the AICPA. Some thought it was a good idea and would be good for the profession's image, but may be difficult to manage. Perhaps the AICPA could help the societies set up or promote the service. They would want high standards to be ensured, and they wondered if the AICPA would be liable. They questioned whether enough members would use the service to make it worthwhile. They thought it might be beneficial to a small group of members.

The AICPA/state CPA societies can help younger members with work/life balance in the following ways:

- Continue to raise firms' awareness about work/life balance issues and solutions.
- Help educate students and new staff to develop realistic expectations about life in public accounting firms.
- Work toward easing workload compression.
- Study how to manage work more efficiently, including work-at-home and part-time.
- Show how flexible work arrangements save on turnover/staffing issues. Publish more success stories of professionals on flexible work arrangements.
- Show how to use technology as a resource in flexible work arrangements.
- Present women partners as role models.
- Don't overwork non-married professionals and those without children.
- Don't make work/life balance issues "women's" issues only. "Be sensitive to dads."
- Encourage parental leaves.
- Educate professionals that being a good manager includes people skills -- focus on this age group -- the business managers of tomorrow.
- Offer seminars on time management, gender awareness and how to set up an office at home.

Technology

Participants see technology as critical to the profession. The AICPA and the state societies were urged to lead by example. Some participants perceive the associations as lagging behind the corporate arena technologically. There is frustration with the time needed to learn technology followed by its swift obsolescence. Some participants had heard of the Accountants Forum but few had used it.

Younger members say changes are definitely needed in education required for CPAs to access and use emerging technologies. Many participants had not received schooling in this area, and view themselves as "fairly low" on the information technology knowledge scale. Although they perceive themselves as novices, clients tend to perceive them as experts. Participants see today's graduates as better technologically prepared than they were.

Some said the educational process is being lost by technology -- that technology is "taking away from fundamentally understanding principles/concepts." It was also noted that technology is shrinking the profession. However, by and large, participants were eager to increase their knowledge and utilization of technology in a timely manner. They want the AICPA and the societies to be proactive in providing more training in this area.

They had the following suggestions for how the AICPA and the societies can assist them with technology:

- More member services should be placed on the Accountants Forum, with the option of downloading for a fee.
- Offer technical experts on-line at the AICPA to answer questions in a timely manner.
- The state societies should promote the Accountants Forum through advertisements.
- Make more "hands-on" information technology training available. Provide cost-effective training beyond application.
- Make an accredited information technology specialty available to members.
- Offer quicker technology updates and expert guidance. A "what's hot, what's not" list on the Accountants Forum would be useful.
- Offer a seminar in how to develop a technology plan. Provide examples of plans to states for members' use.
- The AICPA could be aggressive in obtaining group discounts from vendors.
- Offer a better mix of technology CPE, i.e. older CPAs may need "basic" (3-4 thing to check before calling an expert) and younger CPAs may need higher level courses in set-up, application and integration of software.
- Create local business advisory forums.
- Provide guidance (especially to smaller firms) on the costs, benefits and how-to of signing up with CompuServe, the Internet, etc.)
- Convince the firms to allocate more non-chargeable time for learning about technology

Communications/Public Relations

Some participants said the **image of the CPA** is not so much negative as misunderstood. There is a mixed public perception of the CPA. One is the "nerd" or "intellectual geek" who deals with numbers, not people. Another is the CPA as a highly trained, respected professional, even an exact scientist.

Many felt the CPA is generally undervalued by the public. The public should understand the difference between an accountant and a CPA. The image campaign is very important to the profession, although not everyone is comfortable with the format. It should explain what the CPA means and stress the different "hats," worn by CPAs, especially those other than audit, tax and write-up. Real-life examples of CPAs solving non-traditional problems should be promoted.

The long-range business advisor role with a consistent client relationship needs to be projected, in order to get away from a perception of CPAs as a “once a year visitor.” They want to be seen as business planners and partners.

The profession should project its image to the widest possible audience, with some messages targeted to specific audiences. Key external audiences are business owners, bankers, lawyers, brokers, consumers, community leaders and students. CPAs should be presented as professionals comparable to doctors and lawyers. Their obligation to uphold standards, their integrity, independence and fiduciary responsibilities should be stressed. The CPA image should be promoted at the high school level.

The profession needs to show the public why having a CPA adds value, and what it takes to earn the CPA credential. Even CPAs themselves may under-value the CPA credential, and project a lesser image to the public. One participant liked a campaign featuring the tag line “CPA -- a person you can count on.” The associations should provide enough money for an effective image campaign, but at the same time, manage client perceptions that advertising is a waste of (their) money. The campaign should be long-term and should communicate changing information.

How should the AICPA and the societies utilize technology in their communications? They need to make it financially attractive to use on-line technology. Some are afraid that it will be too hard and require too much training to have to use technology. They want the training to be made readily available.

Younger members think the CPA is perceived as a job, but should be perceived as a credential. The public tends to think of CPAs as either auditors or as IRS employees. Some people equate the CPA credential with an MBA. There is no understanding outside of the profession about what it takes to become a CPA. Even within the profession, there is some confusion about whether/how the CPA credential can be used, especially outside of public accounting.

Regarding AICPA and state society publications:

- Participants like the new look of the *Journal of Accountancy*. They think it is improving. They suspect that not many people outside the profession read the *Journal* and wondered whether it should aspire to be on the desk of CFO’s. However, it might reduce usefulness to CPAs if opened up to a larger audience.
- Some think *The CPA Letter* used to be more exciting. It may be too long to make it a weekly alert. They’d like to see more excerpts, less full text. Perhaps the *CPA Letter* could feature an article on the benefits to being a member of another section of the AICPA, rather than having this information in a separate brochure.
- The AICPA could reduce the number of member mailings by buying space in the state newsletters.
- Make a client newsletter available to practitioners.

- To increase readership, consider placing a regular column and ads about the profession in traditional business publications such as the *Wall Street Journal*, *Forbes* and *Money*. Try to expand the audience to CPAs' employers. Do not reduce the usefulness to CPAs while attracting additional readers.

Suggestions for utilizing technology in communications and public relations include:

- Put the *Journal of Accountancy* and other publications on-line.
- Provide on-line registration for CPE.
- Do not alienate members who do not want to use all available technology. Print highlights from the Accountants Forum in the *CPA Letter*.

Participants perceive the AICPA and the state CPA societies' communications differently. They have greater access to the societies, but some perceive the AICPA as having more credibility. Some perceive the two organizations as overlapping in many ways, while others do not.

They had some ideas about how associations could improve communications:

- The AICPA should contact potential recruits directly, as do the societies.
- The AICPA should consider opening a West coast and/or other regional offices, increasing proximity for members and recognizing important cultural differences within the membership.
- The associations should stop contributing to information overload. Mailings should be reduced, and they should be targeted to be more user-specific. The member information database should be improved.
- Members themselves need to be more proactive in finding out what the AICPA does and informing others.
- In recruiting members, pay more attention to CPAs in smaller firms.

Mentoring/Networking

Networking is important to participants' professional development, both to help build a client base and to build knowledge. Younger members see mentoring as essential, especially earlier in their careers, but more personal than networking. Mentoring requires face to face contact, as opposed to networking, which can be conducted on-line and over the telephone. As specialization evolves, they see these functions as even more important.

There is some doubt about the ability to "force" mentoring. Younger members said upper level management in the firms needs to be made aware of the benefits of networking and mentoring. Members in larger firms say they have opportunities to network, while the smaller firm members have fewer. Industry members in particular noted that networking with other CPAs is important to them, but their companies "could care less." Expectations would need to be managed and

limits would need to be understood, since networking can often consist of “free” help with a problem.

Younger members typically network and find mentors on their own or through the societies rather than through the AICPA. Nonetheless, they had suggestions about how to foster networking and a certain level of mentoring through the AICPA and the societies:

- Sponsor joint AICPA/state CPA society events to encourage involvement in both organizations.
- Use the Accountants Forum to identify willing mentors and the areas of expertise they offer. Offer CPAs some type of discount to entice more to use the service.
- Create a referral database of available CPAs in similar fields, especially for members in industry. Perhaps the workplace category and level indicated on the dues statement could be used for this purpose. Set limits (i.e. 5 years of experience, etc.) to keep it manageable.
- Consider matching experienced CPAs with new CPAs as mentors.
- Utilize industry committees for networking across states.
- On conference participant lists, include photographs with names and addresses.
- Have a “New CPA Dinner” and/or an annual “student night” at the society level.
- Have the AICPA President personally deliver his message to the states.
- Communicate the benefits of involvement clearly to members.
- Provide members with an organizational flowchart of the AICPA and their state society.
- The AICPA could establish guidelines for a mentoring or “liaison” program and share them with the societies. On technical issues, everyone, not just younger members, could benefit.
- Offer more lunchtime CPE programs in the range of \$10, which would foster networking.
- Sponsor networking sessions with other groups -- lawyers, bankers, etc.
- Feature young CPAs as speakers to high school students

Continuing Professional Education (CPE)

All types of CPE have been used by at least some of the participants. In-house training is used instead of AICPA CPE to reduce the expense and travel. Clients sometimes earn their CPE through the firms as well. Participants wondered if the cost of training on certain topics, such as technology, could be shared with other professions with the same interests. Many said they liked using the CPE offerings in the *Journal of Accountancy* and *The Tax Advisor*.

They suggest the AICPA market more specialized courses. Participants want to see more CPE offered through teleconferencing and other technologies. They want higher quality CPE with good instructors, using teaching techniques that are interactive, not just straight lecture. There is a concern that CPE needs to focus more on promoting technical competency rather than just meeting licensing and membership requirements.

Participants commented on the various vehicles they have used for obtaining CPE:

What they like about **computer based training** is the ability to learn the topic on their own time and at their own pace. The down side of computer-based training is the inability to skip areas and the lack of live interaction. Sometimes they would prefer to get out of the office, and some of them are not comfortable enough with the computer to use this method.

The advantages of **seminars** are location, ability to ask questions, the exchange between students, the motivation it provides and being out of the office. The disadvantages are that some instructors are poor and the topics tend to be too basic or broad. There are costs for travel and spending time out of the office.

Self study's advantages are a controlled pace, convenience, lower cost and more tailored programs. The disadvantages are that they're less motivating and require more discipline and sufficient time allocation.

Conferences are seen as easier to absorb the information and a good way to get CPE all at once. Networking is another advantage at conferences. A disadvantage is the general nature of the information, the cost, not having enough time for each topic and poor speakers.

Overwhelmingly, participants said the profession needs to be more creative and inclusive of "soft" subjects such as personal development, management or human resource subjects as the profession changes. CPE should not include "everything," but should continue be aimed at keeping everyone's competence high. A limited number of hours should be available for "soft" subjects such as personal financial planning, personal development, time management, goal setting and business communications, especially writing and public speaking. Associations might explore giving credit for members' own research if they pass an exam on the topic. There should be uniform reporting of all CPE requirements among the AICPA, the state CPA societies and the state licensing boards.

Participants' firms are providing the following types of CPE:

- Specialized;
- Audit and tax;
- Senior/manager schools;
- Team leadership;
- Computer-based training;
- Some self-study.

Young members would like to see the associations provide more of the following types of CPE:

- A&A updates;
- Tax laws -- quickly and easily;
- Technology -- as a topic and as a vehicle for delivery. They want technology CPE that is

less expensive, less time consuming and more relevant to industry.

- Marketing and sales;
- More specialized topics (recognize the growth of industry-specific skills such as in banking and government);
- Less specialized topics;
- More complete education -- now they have to spend additional time after the course to fully learn the topic.
- More advanced education;
- Certification programs;
- For the smaller firms especially, low cost, quality and local offerings;
- Long-term (5-day) intensive courses “like the Big 6 put on”;
- Instructor-based CPE through teleconferencing.

They suggested the associations improve CPE by:

- Increasing accessibility -- location and time;
- Hiring good instructors who use more interactive teaching techniques, such as roundtables;
- Providing a CPE directory of offerings from all sources, possibly on the Accountants Forum;
- Monitoring members’ credits and providing curriculum guidance for individuals;
- Offering AICPA courses to help members move into non-traditional accounting roles;
- Collaborating more on CPE offerings to eliminate redundancy. The associations should seek to fill the void, but not to offer more competing courses.