

Developing Women's Leadership Potential in the Accounting World

BACKGROUND

■ How many female CPAs are there?

- 1952 – 750 women CPAs
- 1972 – approx 2,000
- 2007 – Over 108,000

■ Majority of accounting graduates

- Attrition and retention

■ Significant attrition to partner level

- Lack skills
- Can opt out
- Priorities
- Lack of resources

WHY IS THIS A PROBLEM AND OPPORTUNITY?

■ Shortage of staff

- Workforce growing 1% through 2014
- By 2012, 6 million jobs will be unfilled in the U.S.

■ Investment walking out the door

■ Increasing number of female decision makers

- More than 1/2 of 10.5 million companies are owned by women
- .Representing \$2 trillion in sales and 19 million people
- Women now hold > 1/2 of managerial & professional positions
- Deloitte – 91% of partners/sr mgrs presented to women clients in latest 2 year period

■ Understanding the buyer increases business development odds for success

CONCLUSIONS

■ Enhancing women's success is good for business

- Competitive advantage
- Strength of firm
- Protect investment
- In future, many of our CPA firm leaders could be women

BARRIERS TO ADVANCEMENT

- Majority of women challenged by work/life balance
 - 5 – 7 years into their careers, women are also starting families
 - Men rely on spouses – women domestic help
- Exclusion from business networks
 - Activities
 - Excluding themselves
- Lack of role models and tools

OTHER OBSERVATIONS

- Difficulty with credibility and confidence
- Cultural biases
 - Culturally taught to not be an “initiator”
 - Other biases – women aren’t good at that
- Difference in approach from males
 - Women approach decision-making & leadership strategies differently
 - Women approach language differently –
 - .Women - establish connections & intimacy
 - .Men - communicate power, status and independence
 - Women don’t understand behavior protocols
 - .This causes a lack of establishing credibility and exuding confidence

HISTORY OF WOMEN’S PROGRAMS

- Deloitte program 14 years ago
- All Big Four programs in place
- Next 3 programs in place
- Several top 100 firms began programs
 - Within the past 2 – 3 years
- Mid-market firms following suit
- Thank AICPA Work/Life Initiative & Big Four

CONCLUSIONS

- We CAN impact women’s success
 - Proactive programs have proven results
 - Deloitte – Began in 1992

- .Eliminated gap in gender turnover in last 2 yrs – from 7% difference in sexes**
- .32% of new partner, principal & directors were women**
- .21% of all partners, principals & directors – the highest in Big Four**
- .Sharon Allen – Chairman – highest ranking women of a Big Four**
- KPMG – Results since 2003**
- .44% increase in women partners**
- .61% increase in female promotions**
- .29% reduction in turnover**
- Ernst & Young**
- .6 women on their Board – highly proactive, took initiatives, assumed risks**
- .In 10 years, top executive mgmt – 0 – 15%**
- .27% of top leadership promotions last year**
- PricewaterhouseCoopers (Results compare 2001 to 2006)**
- .Overall turnover dropped from 24% to 16%**
- .Female turnover dropped from 26% to 17%**
- .95% of staff on reduced hours said arrangement contributed to decision to stay at the firm”**
- .30% increase in female partners from 2001 to 2006, 12 to 16%**
- .Doubled number of women in the new partner class**
- .% of women on US Leadership Team, increased 10% to 18%**
- Creating conditions in the firm**
- (For a “female enriched” environment)**
- Policy doesn’t equal a wonderful program**
- What’s needed is a cultural change based upon behaviors and attitudes**
- Developing the women**
- Capitalizing on marketplace opportunities**

THE BUSINESS CASE

- Profitability**
- Among top 500 companies , those with the highest % of women officers yielded a 35% higher ROE and total return to shareholders – Source: PINK magazine**
- Cut turnover = cut costs**
- Fueling Growth**

- **56% women hires; Professional-level 45% for 6yrs Source: Practice Management Forum**
- **Women-owned firms growth surge – 42% vs 23% all firms - Source: CFWBR**
- **We're losing them because of family choices**
- **Culture unfriendly**
- **Gender balanced team more engaged – 34%**
- **Engaged – Those willing to put in discretionary effort (Gallop Pole)**

RETENTION REALITY

DESIGNING

A WOMEN'S PROGRAM

- **Creating firm conditions**
- **Developing your women**
- **Creating a woman-as-buyer niche**

CREATING FIRM CONDITIONS (PICTURE)

- **Firms created by men**
- **When women weren't in it**
- **Breakout Exercise**

CREATING FIRM CONDITIONS

- **Top Management Support**
 - **Business Case – tie to strategic plan – builds credibility**
- **Overcoming resistance to Women's Programs**
- **Flexible workplace –good for everyone**
- **Flex Work Options - Schedule – Flex Place – WITHOUT STIGMA**
- **Should be part of business-based policy to achieve operational objectives. "Everyone has a flex schedule."**
- **9-3, flex place 3days/wk, seasonal Oct-May**
- **Presence onsite does not equate to enhanced job performance (today more oversight comes with measuring activities, not results. Less oversight is a different, more sophisticated way of leading. Old school = face time; new school = results)**
- **Non-traditional career path – for Everyone – from Women's Programs – ONE SIZE FITS ONE**

- Non-traditional workforce is now the traditional. (Race, Gender, family structure, caring for elderly, expectations of work)
- Less want Corporate Ladder; Lattice
- Personal Pursuits -
- Mass Career Customization – How to fit Life into Work & Work into Life – This is for everyone
- Demystifying how one becomes partner
- Mentoring – AGAIN, THIS REQUIRES LEADERSHIP SKILLS
- 78% of firms offer
- 7 of 11 firms interviewed- existing program not fully utilized.
- Coach, provide challenges, promote visibility, promote self-confidence, offer access to networks
- Recruitment
- The new generation wants a flexible workplace. What is your firm going to offer them?
- Retention
- “When women feel welcome, accepted and confident on an upward path to success, they stay put, often with unwavering loyalty” – PINK Magazine
- As a profession, we’ve done better at recruitment than retention

DEVELOPING YOUR FIRM’S WOMEN

- Critical skills
- Business development
- Leadership
- Verbal communications
- Personal “branding”
- Work/life balance
- Why focus?
- Cultural biases lead to
- Self-imposed biases
- Focus needed to “get at parity”
- Findings
- Women are naturals
- Women don’t naturally network BUT women’s events provide value
- .Unanticipated advantage
- .Female role models prove to them they can achieve a dream
- Starved plants!!! Use Miracle Gro

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MARKETPLACE INITIATIVES

■ Women's Programs drive incremental revenue

- More women decision makers/business owners
- Boomerangs
- Heightened visibility and image
- Confidence and expertise in developing your niche
- You're going to hear lots about all this in days to come

POSSIBLE FIRM OF THE FUTURE

■ Mirror client diversity

■ Female partners in majority

- Promoting Women & Keeping them Happy = PAYS Off

■ Total flexibility

- If there is understanding that individuals operate on different rules or guidelines, collaboration is more likely to occur (DuBrin).

■ Training

- Strong Leaders Developed –Apparent Succession

■ Mentoring

■ Networking

- Comfort level, bring in new business & advance

-“We're in a relationship business, we have to constantly think of new & different ways to spend time with clients.” –MP of Bryan Cave's NY office

■ Female and family friendly

- Gap closed between behavior and attitudes of present and future

STARTING YOUR PROGRAM

1. Initial discussion with partners
2. Survey the masses
3. Define criteria for selection of program leaders
4. Garner shareholder continued support +buy-in
5. Implement – conditions, external, development
6. Market & communications strategy

RESOURCES

- Network of Executive Women

-www.newonline.org

■AICPA

-www.aicpa.org/career+development+and+workplace+issues/women+in+the+profession/

■Center for Women's Business Research

-www.cfwbr.org

■PINK Magazine

-www.pinkmagazine.com

■Crosley+Company

-www.crosleycompany.com/cpa-accounting-practice-womens-institute.asp

**CREATING A WOMEN'S PROGRAM
FOR YOUR FIRM (CLOSING SLIDE)**