



Accountants in demand despite sluggish economy

By Lauren Malensek

When it comes to employment, the law of supply and demand is alive and well in the accounting profession. That's good news for firms that are consistently short-staffed, and for accounting graduates seeking jobs. It also presents challenges on both sides of the equation as accounting firms across the nation compete to attract the best and brightest young recruits.

This is a unique time to begin an accounting career, not only for the opportunities it offers today's graduates, but for what the future holds. Like the rest of the American workforce, many leaders of CPA firms are nearing retirement, creating abundant opportunities for a new generation of leaders.

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Supply and demand

The supply side of the picture is bright for firms that have struggled in recent years to hire enough employees to handle an ever-increasing work load. In an extensive study released earlier in the year, the American Institute of Certified Public Accountants (AICPA) reported that the number of students graduating with a bachelor's or master's degree in accounting reached an all-time high of more than 64,000 in 2006–2007. That's a 19 percent increase since the last time the AICPA studied employment in 2005.

In all, more than 203,000 students are enrolled in accounting programs at both undergraduate and graduate levels. If the trend continues, there should be a healthy supply of accounting professionals at every skill and experience level for years to come.

On the demand side, hiring by accounting firms has increased by 83 percent over the previous three years. And perhaps the best news of all, firms across the country say they will continue hiring accounting professionals at a record pace, continuing the need for CPAs and better positioning the profession for the future.

Based on the AICPA study, there appears to be an upward trend in the number of CPA candidates since 2004. It doesn't appear that the economic downturn will negatively affect salaries. Recruiting company Robert Half International predicts that finance and accounting professionals will receive an average salary boost of 3.4 percent in the next year.

More than number crunchers

There appears to be a number of forces driving these employment trends. One is the higher profile that accountants are playing in day-to-day business life. Increasing corporate governance regulations means the public hears more about accountants and what they do. So when high school students are looking for a career, they are more aware of what the accounting profession is all about. The once firmly entrenched perception of accounting from a generation ago is being replaced by the image of a more

dynamic and versatile professional who is right in the middle of today's business successes.

Being "good with numbers" is just the start. Students are attracted to accounting because they see the importance of good communication skills and the value it offers when working directly with clients. They may be attracted to the business development side, the technology tools that support today's CPAs or any of the numerous industry specializations, as well as the opportunities for career advancement.

The challenges ahead

These are exciting times for the accounting profession. But as a profession, we cannot allow the trends to obscure the challenges we face. It is one thing to hire accountants and burn them out "in the trenches." It is quite another to nurture their talents and ambitions, provide training and leadership, and lay out a career path that gives them the resources they need to succeed.

One of the most important tasks for the future of our profession is to develop ways for this next generation of professionals to make their career an important part, but not the only part, of their life. More and more, we see these employees seeking out employers committed to helping employees achieve this work/life balance. Programs like flexible work arrangements, four-day work weeks, temporary part-time employment and telecommuting are helping to meet this growing need. If there is flexibility on both sides, both sides will win.

Training and leadership are also key motivators. When firms provide great learning opportunities and professional development resources, great mentors and role models, employees can see that there is a commitment to them as an individual. Making employees a top priority is one of the most effective and important ways to help firms remain competitive in one of the most rapidly changing work environments in history.

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The female factor

The AICPA study shows that in 2006–2007, new hires at CPA firms were 52 percent female and 48 percent male, mirroring both college enrollments and graduates. Earlier studies by AICPA found that since 1986, roughly half of all accounting graduates have been women. In 2007, approximately 108,000 women were CPAs, compared to just 2,000 in 1972.

Nationwide, 48 percent of the workforce is female, and yet 37 percent of professional women will voluntarily leave their jobs—temporarily or permanently—over the course of their career. Accounting and consulting firms must strengthen programs that not only recruit, but also

develop, the considerable talents of female professionals. Forward-thinking firms are launching formalized initiatives aimed at developing the leadership potential of today's most talented women. The complexity and diversity of today's accounting world creates ample opportunities for specialization and leadership.

Across the demographic profile of our profession, we must work to create mentoring and leadership opportunities for new hires as well as experienced professionals. With this forward-looking view, we can take full advantage of available talent and our historic opportunity to provide greater service and value to our clients.