CPA PERSONNEL REPORT

October 2004 | Personnel Management News For CPAs Since 1981 | Volume 23, No. 10

Boost Women's Leadership Skills

One clear trend emerged from *CPR*'s 2004 Annual Survey of Women in Public Accounting: Although work/life options remain the backbone of firms' efforts to retain and advance women, the focus has shifted to providing better career guidance. Programs that increase mentoring opportunities are seen as the crucial next step in the effort to help women achieve parity.

Patty St. George, a partner in KPMG's risk advisory services, was on her way out the door when a mentoring relationship saved the day. St. George had grown disenchanted with auditing at the same time that her husband was facing the need to relocate from New York to Washington, D.C.

"I decided my only option was to resign," St. George says. "But a partner told me, 'Take a leave of absence and decide what you really want to do."

St. George followed that advice, ended up launching the risk advisory practice for KPMG/Washington, and was named partner in 2003. She recently drew on her experience to provide mentoring advice to an employee facing a similar conflict.

"She told me, 'I don't want to leave KPMG, but I'm not sure what I want to do,'" St. George says. "I advised her to take some time to figure it out. The firm will support that option."

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Women Gain Ground In Quest For Partnership

It has been more than a decade since public accounting firms realized that traditional work schedules and priorities were draining the profession of top female talent. Since then, firms of all sizes have focused on ways to help men and *women deal with the conflicting demands of work and personal lives and the increasingly stringent requirements to make partner.*

Women's share of partnerships at the largest firms has grown at a steady, if not overwhelming, rate in that time. Women now hold 13.8% of all partner positions and 12.8% of equity positions at the 25 largest U.S. accounting firms, compared with 13.2% and 12.1% last year, according to *CPR*'s 2004 Annual Survey of Women in Public Accounting. (*See Editor's Note, p.5.*) The one-year growth in the percentage of women in partnership is the most significant since 2001. (*See chart, page. 8*)

Women's fortunes may be rising with the tide, given the comparatively rosy outlook for accounting firms today. The average firm ranked on *Public Accounting Report*'s 2004 Top 100 grew revenue by 9.5% in the most recent fiscal year, compared to a -0.7% growth rate the previous year. (*See PAR, Aug. 31. To order, call 800-449-8114.*)

Several firms increased their percentages of women partners by significantly more than the average. **Reznick Fedder & Silverman**/Bethesda, Md., showed the largest increase (4.2 percentage points) of women in total partner positions. For the third straight year, the firm had the highest percentage of women partners, and its 26.8% marks the first time women represent more than one-quarter of any firm's partnership ranks.

Moss Adams/Seattle experienced the second-highest increase in percentage of female partners, at 3.7 percentage points. The firm has the second-highest percentage of women partners, 19.9%, and the highest percentage of women partners who hold equity, 19.5%.

Eide Bailly/Fargo, N.D., increased its percentage of female partners by 3.3 percentage points, giving women 12% of the total partnership. That increase follows 2003's boost of 2.4 percentage points. However, the percentage of women in equity positions showed no growth this year, remaining at 5.9%.

RF&S also has a far smaller percentage of women in equity positions (10%) than in total partnership positions, although the firm did increase that percentage by 2.3 percentage points in the past year.

Plante & Moran/Southfield, Mich., is one of only four firms in the survey with a higher percentage of women in equity positions than in the entire partnership

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HR Highlights

Don't assume that the Department of Labor's new overtime rules automatically apply in every situation. Employers doing business in 18 jurisdictions will most likely face multi-tiered wage and hour compliance requirements, according to an analysis conducted by law firm Seyfarth Shaw/Chicago for the **Society for HR Management**/Alexandria, Va. When the DOL's updated Overtime Security Rule went into effect Aug. 23, wage/hour laws did not automatically change in the following jurisdictions: Alaska, Arkansas, California, Colorado, Connecticut, Hawaii, Illinois, Kentucky, Maryland, Minnesota, Montana, New Jersey, North Dakota, Oregon, Pennsylvania, Washington, West Virginia and Wisconsin. In these jurisdictions, employers are required to comply with whichever standard leans more in favor of the employee, says **Wendy Wunsh**, SHRM's manager of employee regulations. "The federal acts as the floor," she says. "States can provide more, but they can't provide less." The DOL's new rules clarify and update overtime regulations in the Fair Labor Standards Act that were first created in 1939 . Under the previous regulations, only workers earning less than $8,060 annually or $155 per week, were guaranteed overtime. Under the new rule, workers paid less than $23,660 or $455 per week are now automatically guaranteed overtime regardless of their titles or duties. A number of salaried workers earning above this threshold will also gain the right to overtime under the new rules. Hourly workers are guaranteed overtime regardless of how much they are paid. For more information on the new overtime security rules, visit www.dol.gov/fairpay.

Many New York state employers are reducing employee benefits in an attempt to contain costs, according to a Labor Day poll of members of the New York State Society of CPAs. Almost 60% (58.4%) of CPAs who responded said their client or business is asking for employee contributions toward benefits. Almost 40% (37.8%) of CPAs said their client or business would reduce or eliminate benefits. The benefits to be reduced or eliminated included health insurance (90.3%), retirement plan (43.0%), dental coverage (40.6%), prescription coverage (39.5%), vision coverage (26.1%), life insurance coverage (12.7%) and automobile use (12.2%). NYSSCPA's Labor Day Poll is a random sampling of the association's 30,000 members. The 2004 respondents included 70.8% practicing in public accounting firms and 23.5% working in private industry. Complete details of the NYSSCPA statewide survey are available at www.nysscpa.org/pdfs/CPAGraphs.pdf.

The Society for Human Resource Management and Rutgers School of Management and Labor Relations will collaborate to create the Leading Indicator of National Employment (LINE). LINE will be a current month indicator released the fourth Tuesday of each month, with the first release on Nov. 23. In the initial launch, LINE will release data gathered from HR professionals in the manufacturing sector, since that sector tends to be the most cyclically sensitive and often acts as a leading indicator of change in the overall economy. "If we're seeing growth in the manufacturing sector, it's more than likely true for the overall economy," says **Jen Jorgensen**, a spokeswoman for SHRM. ■

CPA PERSONNEL REPORT (ISSN 0745-0877) is published monthly by CCH INCORPORATED, 4025 W. Peterson Ave., Chicago, Illinois 60646. Subscription inquiries should be directed to 4025 W. Peterson Ave., Chicago, IL 60646. Telephone: **(800) 449-8114**. Fax: **(773) 866-3895**. Email: *cust_serv@cch.com*. Permissions requests: Requests for permission to reproduce content should be directed to CCH INCORPORATED, permissions@cch.com.

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Are Your Employees Classified Correctly?

Avoid these common pitfalls in wage and hour compliance.

The Department of Labor's long-awaited updates to the overtime rules in the Fair Labor Standards Act didn't profoundly affect CPA firms' classification of employees, but they should serve as a wake-up call for employers, experts say.

"Except for the salary increase and some other fairly narrow things, this isn't as different as all the flap would lead you to think," says **John Thompson**, labor lawyer and partner with Fisher & Phillips/Atlanta. "I think the main impact is that it's causing employers to look at wage and hour compliance matters they should have been looking at all along."

The new regulations "give every employer the opportunity to evaluate their workforce and make sure employees are appropriately classified," says **Wendy Wunsh**, manager of employee regulations for the **Society of HR Management**/Alexandria, Va.

To avoid some of the mistakes accounting firms commonly make in complying with wage and hour rules, HR professionals should:

Base decisions about exemptions on actual job duties, not vague job descriptions. "Exemptions apply to individuals and not to titles," Thompson says. HR professionals should regularly audit all FLSA practices, he says. "You have to have a clear, current, detailed understanding of what the duties and responsibilities are of all the employees you treat as exempt," Thompson says. "You should not just rely on job titles or job codes or job descriptions. If you take a vague job description and make an exemption decision based on that, you're taking a fair amount of risk that the decision could be wrong."

Remember that not all accountants are created equal. Many CPA firms classify all accountants as exempt, regardless of the work they do, Thompson says. One example would be a new hire straight out of college who is primarily recovering data from documents and entering that data into spreadsheets — "all of which you have to be careful with and requires attention to detail, but there is nothing about those duties that makes them exempt," Thompson says.

Think twice when classifying brand new positions. Starting up a new service area creates a sticky situation, because the first couple of hires in that niche generally take on a broad range of duties, says **David Clarkson**, vice president of HR for **Vitale, Caturano & Co.**/Boston (29 partners, 240 total staff). Try to find an existing employee or group of employees to serve as a model for the new position as you write the job description, he advises. But keep a close eye on the new hire and what he or she actually ends up doing, and make adjustments accordingly. "You need to look at what the person is doing in week 10, not just what the job description says they do," Clarkson says. "Sometimes the description has a target hire in mind, and you might hire someone a little different from that target."

Be sensitive when promoting someone from a nonexempt position to an exempt one. Employees can view the loss of overtime pay as a negative, Clarkson notes. "Be careful you don't promote them and hurt them economically," he says. Although it's not usually possible to match that overtime amount dollar for dollar, the employee's salary should take into account the average compensation the employee was receiving. Look at several years worth of data to determine the salary, Clarkson adds. "Sometimes you promote someone right after they had the busiest year in their career," he says. "If you used that as a benchmark, you would be as wrong as if you promoted them after a year with no overtime. You need to make sure you have your data correct before you go into the conversation."

Keep in mind that a 20-year secretary still is a secretary. "Maybe your senior-most secretary has been there many years, knows a lot about the firm's operations, is very reliable, and would rather have comp time than overtime," Thompson says. "But at the end of the day, this person types and files and answers the telephone. This is not exempt work. But it is the tendency among employers to stretch exemptions to cover lots of staff people whose responsibilities are clerical in nature." The same applies to interns. "If you hired an intern in the tax consulting group, they might appear like a tax consultant. But interns, for the most part, should be nonexempt," Clarkson says.

Remember, in the private sector, comp time is illegal for nonexempt employees. "When a nonexempt employee works more than 40 hours, FLSA requires that person be paid overtime," Thompson says. "You *can* control that person's work to keep it from going over 40 hours. If someone works a 12-hour day, you can say, 'I want you to leave after half a day the following day.'" Employers are free to award extra time off to exempt employees, because those employees aren't due overtime, anyway. Thompson notes that the word on the street is that New Hampshire Senator Judd Gregg will reintroduce the Family Time and Workplace Flexibility Act in the current congressional session. "My opinion about the proposed comp time bill is, it is very complicated and administratively very difficult for employers to deal with," he adds.

Make clear distinctions between salaried and hourly employees. "Sometimes, because accountants who are treated as exempt are paid extra on an hourly basis or extra for billable hours ... it would be hard to prove if they were salaried or hourly because of all the hourly components built into the pay plan," Thompson says. This might become a problem if an exempt employee is fired and sues the firm, claiming he or she is due back overtime pay. Thompson advises firms that offer exempt employees bonuses or extra time off based on hours worked to have a written policy explaining the compensation program and that exempt employees are paid on a salary basis. ■

CPA Personnel Report's Annual Survey of Women in Public Accounting—2004										
	Percentage of Women by Staff Category									
Firms** (Ranked by Revenue)	Total Partners		Equity Partners		Nonpartner Pros		Senior Managers		Total Staff	
	2004	2003	2004	2003	2004	2003	2004	2003	2004	2003
Deloitte & Touche	17.2	16.3	14.4	13.6	43.1	49.1	32	30.6	45.3	45.4
PricewaterhouseCoopers	13.2	12.7	13.2	12.7	44.5	47	28.9	31.4	47.8	43.6
Ernst & Young	12	11.6	12	11.6	42.9	43.1	32.4	32.9	48.6	49.1
KPMG	14.2	13	14.2	NP	42.9	41.3	32.5	32.6	47.2	47.3
RSM McGladrey/ McGladrey & Pullen	10	9.2	10	8.2	47.2	47.5	24	24.6	53.1	53.4
Grant Thornton	8.8	7.9	8.8	7.9	36.6	53.2	27.8	31.5	55.5	48.7
BDO Seidman	10.1	9.6	10.1	9.6	44.2	44.9	28.2	31.1	46.4	52.3
Crowe Group	7.3	7	7.3	7	51.6	52.5	37.9	34.5	47	47.3
BKD	14.1	13.3	14.1	13.3	45.5	49.8	35.4	34.8	50.9	53.5
Moss Adams	19.9	16.2	19.5	15.8	53.4	52.3	43.6	40.1	48.6	53.9
Plante & Moran	17.9	19.1	18.1	19.5	50.8	50.1	42.9	42.5	55.6	55.9
Clifton Gunderson	9.3	8.3	8.5	8.2	53.9	54.6	37.6	36.2	58	58.3
Virchow, Krause & Co.	9.6	NP	6.7	NP	46.2	NP	19	NP	48.6	NP
LarsonAllen	12.6	12.3	8.9	8	55.3	54.8	44.8	43.8	51.7	52.4
J.H. Cohn	4.4	NP	4.4	NP	47.4	NP	32	NP	47.8	NP
Eisner	9.2	10.3	10.3	14.3	51.7	53.1	29.8	35.4	44	47.4
Reznick Fedder & Silverman	26.8	22.6	10	7.7	48.2	55.1	45.1	56.3	53.7	50.5
Eide Bailly	12	8.7	5.9	5.9	64.8	69.5	38.9	31.8	61.3	63.5
Berdon	10.3	NP	10.3	NP	40.5	NP	16.7	NP	40.1	NP
Wipfli	16	14.7	16.9	14.7	53.1	49.8	33.3	17.4	57.1	54.8
Rothstein, Kass & Co.	8.3	NP	NP	NP	42.6	NP	31	NP	46.3	NP
Dixon Hughes	10.5	**	9.6	**	57.7	**	20	**	58.6	**
Cherry, Bekaert & Holland	14	15.7	4.7	4.4	63.1	59.2	51.1	31.9	56	57.5
Weiser	6.5	7.4	8.6	8.3	35.6	42.9	7.5	12.5	37.8	40.3
Schenck Business Solutions	8.3	6.9	4.4	4.8	59	53.2	37.8	38.8	62.7	74.1
Total %	13.8	13.2	12.8	12.1	44.2	46.7	32	32.2	48.1	47.5

Source: Firm data, CPA Personnel Report research and analysis. Percentages represent most current data available and have been rounded.
Notes: NP = Firm did not provide the information.*RSM McGladrey, Inc. and McGladrey & Pullen, LLP are affiliated through an alternative practice structure. **Firm not surveyed that year.

Women, continued from page 1

group. P&M posted the second-highest percentage of female equity partners, 18.8%, and the third-highest percentage of women in total partnership, 17.9%.

Nonequity partners are a relatively recent phenomenon, says **Bill Bufe**, P&M partner and director of HR. "Years ago, if you were a partner, you held equity," he explains. "But that traditional partnership structure caused firms to lose some good people."

Many firms created non-equity partnerships to help them retain talented people who aren't yet ready for equity partnership as well as people who might leave the firm because they don't want the demands of equity partnership. "But we really believe it's important to reward people with equity partnership," Bufe says.

At RF&S and EB, the nonequity position is a stepping stone to equity status. "Becoming an income partner is a threshold to becoming an equity partner," says EB Director of HR **Randy Johnson**. "At some point, you decide whether you want to make the financial investment to become an equity partner."

Many decide they aren't willing or able to make that leap. "Whether you want to become an equity partner is a personal decision. The risks are greater, and the demands are greater, but the rewards are greater," says **Risa Guber**, partner and director of HR at RF&S. "Some people decide that they are satisfied with being a partner and don't care to advance to the equity level."

That focus on the individual's needs is what is driving success at these firms, HR leaders say. And women aren't the only ones who've benefited from an increasing emphasis on work/life balance and career planning.

"Our goal is to retain and advance everyone, male and female," Guber says. "However, it would be irresponsible not to acknowledge that women face demands men generally do not face. Women get pregnant; men don't. And women still face greater challenges in balancing their work and family lives."

For RF&S, what began as programs to help women handle those challenges has evolved into a system of ensuring that all employees are given such assistance. "People come to the firm straight from college, and when someone grows up in the firm, they inevitably face major life changes," Guber says. "If you want to keep them, you have to consider every option to accommodate those changes. Does this person need a modified schedule? Should they telecommute? Do they just need to slow things down for a bit?"

Guber says top talent should be encouraged to think about such possibilities before conflicts arise. "You must identify future leaders early and begin having these kinds of discussions before they are applicable," she explains. "If someone is facing a major life decision, you don't help by throwing the need for a career decision into the mix."

Firms also must ensure that employees who alter their schedules or career track continue to develop professionally. Instead of simply focusing on billable hours, professionals on alternative or reduced schedules must take time for other career development essentials, such as training, networking, and morale-building opportunities. "These people are leaders, and if you strip away their non-client responsibilities, you hurt them and the firm," says Guber.

High-potential employees shouldn't stagnate in their careers simply because they work a reduced schedule, says **Sue Carpenter**, managing director of HR for **Moss Adams**/Seattle. "You don't want them to only do chargeable work," she explains. "You need to adjust the workload proportionally, so that they continue to do the things that will help them progress and develop in their careers."

Men and women who work reduced schedules need coaching to help them adjust to new expectations – especially their own. "Really, the most difficult part is to make top performers realize that they aren't letting us down," Guber says. "High performers often feel inadequate when they have to adjust their schedules. They think they should always be able to perform at the same high level, and when their circumstances require a change, they feel that they have failed the firm. It is not enough to say, 'We want to help,' or even, 'You need to adjust your schedule? Sure, we can make that happen.' You have to coach the individual through the changes."

Guber draws insight from her own experience as the first RF&S employee to work an alternate schedule. After having her first child in 1990, Guber realized that she would have difficulty returning to her demanding schedule and decided to resign. **Jon Rutenberg**, the firm's managing partner at that time, suggested a different solution.

"He said, 'Rather than assume this won't work, let's try to make it work,'" Guber recalls. "He coached and mentored me through the process in a way that forced me to think realistically about what I would be able to do and when. He helped me see that getting three things done well would be better for the firm than attempting five things that didn't get done."

The process was difficult. "At first, I felt that I was no longer a high performer. I also felt as though I was being micromanaged, but I wasn't – I was being effectively managed," Guber explains.

Encouraging people to talk through such conflicts is one way to increase retention, Guber says. "People always worry that there will be consequences to changing their schedule or their career path, and often, they think the only solution is to leave the firm," she explains. "If you want to keep the best and the brightest, you need to help them see that 75% of an extraordinary leader's efforts is probably equal to 120% of the next guy."

"When people have potential, you do everything you can to keep and develop them, whether they're women or men."

Carpenter says MA's success in retaining and promoting women results from providing all employees with hands-on assistance in blending work/life considerations.

"We really don't have special considerations for women," Carpenter says. "When people have potential, you do everything you can to keep and develop them, whether they're women or men. You have to look at every individual as a unique person, talk with them individually, and think creatively."

Anna Au, a senior manager in MA's Everett office, says the firm's dedication to resolving work/life conflicts without altering employee career paths is a powerful incentive for people to stay with the firm.

Au, who has been with the firm eight years, says MA offers flexibility that can be difficult to find in other environments. Two years ago, Au briefly left the firm for an opportunity with a $7 billion wealth management firm. "It was a terrific opportunity, but it was too demanding on my family life," Au says. "I needed more control over my schedule. At Moss Adams, I work many hours, but there is so much leeway in my ability to contribute in a way that fits my life."

To illustrate that point, Au notes that her daughter started preschool last year, and the firm's policies and culture allow her to volunteer to read to the class each week, as well as attend various events held during the school day. "It is important to me to be completely involved in my daughter's life," Au says. "Whenever there is a school event, I can take the time to be there without thinking twice. The people I work with have no problem with that."

Well-defined career paths are essential to retaining male and female professionals long enough to promote them into partnership, EB's Johnson says.

"When we ask new hires on entrance surveys why they chose Eide Bailly, the number one answer is our clear career paths," Johnson says. "Our training plan, the necessary designations and certifications, and the culture expectations are spelled out for every level. Everyone knows what it takes to get to the partner level of this firm."

Flexible schedules also help. Approximately 21% of EB's people work alternative schedules, and Johnson says the option benefits both men and women. He notes that EB's work/life policies are designed to be gender-neutral.

"We don't have any overarching women's initiatives," Johnson says. "Some of the programs we offer may be more important to women, but our goal is to offer the same opportunities to both genders. What we hear from women is, 'Don't separate me; just deal with me with integrity, and everything will work out.'"

Editor's Note: Firms surveyed for this year's report were among the Top 25 in Public Accounting Report's 2003 Top 100. The number of firms responding varies from year to year. This year, all 25 firms surveyed provided data, including five that did not participate in 2003. However, recalculating the data for only the 20 firms that participated both years does not significantly alter the results. For the group of 20 firms, the percentage of women in all partner positions in 2004 is 14%, versus 13.3% in 2003. The percentage of women in equity positions is 12.9% in 2004 for that group of firms, versus 12.1% in 2003.

CPA Personnel Report's Annual Survey of Women in Public Accounting—2004
New Partners—Total and Equity

Firms	Total New Partners, 2004			2003	Total New Partners, 2004			2003
	Total	Female	% Female		Equity	Equity, Female	% Equity Female	
Deloitte & Touche	332	76	22.9	NA	163	34	20.9	NA
PricewaterhouseCoopers	78	16	20.5	20.5	78	16	20.5	20.5
Ernst & Young	112	21	18.8	22	112	21	18.8	22
KPMG	143	28	19.6	24.5	143	28	19.6	NP
RSM McGladrey/McGladrey & Pullen	21	5	23.8	35.7	19	4	21.1	36.4
Grant Thornton	49	4	8.2	5.9	49	4	8.2	5.9
BDO Seidman	12	2	16.7	25	12	2	16.7	25
Crowe Group	26	2	7.7	8.3	26	2	7.7	8.3
BKD	4	2	50	42.9	4	2	50	42.9
Moss Adams	14	6	42.9	25	14	6	42.9	25
Plante & Moran	24	4	16.7	9.1	12	3	25	0
Clifton Gunderson	24	2	8.3	20	15	1	6.7	14.3
Virchow, Krause & Co.	18	1	5.6	NP	6	0	0	NP
LarsonAllen	3	2	66.7	0	0	0	0	0
J.H. Cohn	28	2	7.1	NP	28	2	7.1	NP
Eisner	1	0	0	33.3	1	0	0	NP
Reznick Fedder & Silverman	3	2	66.7	0	0	0	0	0
Eide Bailly	6	2	33.3	33.3	0	0	0	100
Berdon	2	1	50	NP	2	1	50	NP
Wipfli	29	5	17.2	0	29	5	17.2	0
Rothstein, Kass & Co.	8	2	25	NP	NP	NP	NP	NP
Dixon Hughes	3	1	33.3	**	2	1	50	**
Cherry, Bekaert & Holland	9	1	11.1	0	0	0	0	0
Weiser	9	0	0	0	2	0	0	0
Schenck Business Solutions	3	1	33.3	50	1	0	0	0
Totals	961	188	19.6	20.9	718	132	18.4	19.8

Source: Firm data, *CPA Personnel Report* research and analysis. Percentages represent most current data available. Percentages have been rounded. **Notes:** NP = Data not provided. NA = Data not available. **Firm not surveyed that year.

Mentor, *continued from page 1*

Increased mentoring opportunities are at the forefront of KPMG's current efforts to retain and promote women. The firm posted the largest increase in female partnership among Big Four firms — 1.2 percentage points — and its goal is to see women hold 20% of partnerships by 2007.

In September, the firm expanded its KPMG Network of Women (KNOW) program from three pilot offices to 23 other offices. KNOW brings together senior-level women in an informal setting to discuss career issues and forge relationships. More than 150 KPMG women participated in KNOW programs launched in 2003 in Atlanta, Dallas, and Chicago. Each KNOW program is designed to meet the needs and interests of that office's participants.

For example, Atlanta's KNOW sponsored a women's retreat featuring guest speaker Gail Evans, CNN's first female executive vice president and author of "Play Like a Man, Win Like a Woman."

"We have seen that this program works, and the feedback sends a clear message that we should keep doing it," says **Joe Maiorano**, executive director/HR.

KPMG also has conducted a mentoring survey, launched computer-based learning sessions about mentoring, and created a database of employee profiles to facilitate mentoring matches. The software suggests mentors and indicates how they line up with criteria important to the protégé.

"I am mentoring someone from audit services, which was a surprise; I would have expected to be matched with someone from HR," Maiorano notes. "We're creating matches with people who normally would not come into contact with each other."

Maiorano says the focus on mentoring reflects KPMG's renewed commitment to diversity. He notes that **Gene O'Kelly**, KPMG chairman since May 2002, and **Joe Mauriello**, deputy chairman since February 2004, have increased the firm's emphasis on women and minorities, inside the firm and externally. For example, they alerted all women in the partnership to five open positions on KPMG's board of directors and encouraged them to submit their names. O'Kelly also co-chairs with Kathy Hannan, partner and vice chair of HR, the Multicultural Women's Advisory Board, created in 2003 to improve retention rates and advancement of women.

O'Kelly also participated in Conference Board's annual work/life conference and the Alliance of Work/Life Professionals' conference in Orlando in 2003. "The tone at the top of an organization sets the pace, and they are really walking the talk," Maiorano says.

Deloitte & Touche, which leads the Big Four firms with a 17.2% female partnership, also has stepped up efforts to enhance and expand mentoring programs. "We have always realized that mentoring is critical, but finding the right way to do it can be a challenge," says **Shaun Budnik**, partner and national director for retention and advancement of women. Budnick replaced **Sue Molina** in that position in May.

In recent years, several of the firm's regional and functional groups have piloted mentoring programs tailored to women within those groups. For example, the firm's consulting practice implemented a voluntary female mentoring program that pairs high-level women with senior manager protégés. In the firm's San Francisco office, women are assigned to "mentoring circles" that meet monthly. The Northeast region created an on-line mentoring site and database to provide matches and guidance.

The firm's Forward Track program, introduced in 2003 to develop and support high-potential female senior managers in audit services, provides participants with an agenda for discussions about leadership behaviors, business development, negotiation and networking. External coaches gather feedback from participants' partners and peers and work one-on-one to create development plans. In follow-up sessions, coaches and participants track progress and make necessary adjustments to the plans. The firm has since rolled out the program to its enterprise risk services group and will soon launch it in the tax and consulting practices.

In 2002, D&T created a database of virtual role models. More than 450 successful women have provided information about their personal lives, work roles and responsibilities, career advancement, and strategies for managing work/life issues. Employees can search the database by various factors, such as region, job function, position, race/ethnicity, household situation, and flexible work arrangement. The software allows users to submit a request to initiate a mentor-protégé relationship, or to just to talk to the role models.

"A lot of these programs were grass roots efforts created to address the needs of a specific region," says Budnik. "They provide some formality around the mentor-protégé process but allow the process to operate on a very personal level."

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Focus On Communication Style To Enhance Career Success

Women: Don't ask permission, deflect compliments.

Effective career guidance must address fundamental differences in how men and women communicate, says **Linda Travis**, founder/principal of The Brand Renovator in Atlanta.

An everyday example of such differences is the use of turn signals. "On the highway, women use turn signals to ask permission to change lanes," Travis says. "Men use turn signals to warn you that they *intend* to change lanes."

Those differing approaches become more serious in the workplace. Rather than ask permission to take steps necessary for career development, women must learn to chart the best course for advancement, then sell that strategy.

"When a woman decides to be intentional in her career path, she tends to focus on her needs," Travis says. "You must present your plan as, 'This is how the firm can benefit from me taking this career path.' On the flip side, the firm has to be ready to hear some new ideas."

Building a book of business can be more difficult for women, who often find traditional methods a poor fit. "But selling is simply a matter of building relationships, and women are good at that. They should be encouraged to find methods that work for them, and that may not mean playing golf," Travis says.

Travis also notes that seemingly minor communication traits can be career pitfalls. For example, women are more likely to raise their tone of voice in a questioning manner at the end of a statement. The habit raises doubts about their knowledge and competence.

Women also are more likely than men to deflect compliments, for fear of seeming boastful. One solution, Travis says, is to accept praise in a way that acknowledges everyone's contributions: "My team and I are delighted that you were pleased with the results."

Men and women also differ in their use of the word "no." Men are more likely to respond negatively when caught off-guard and less likely to accept the word as a final answer.

"Women need to learn that if you raise new ideas and hear 'no,' don't crawl back into your hole," Travis says. "Recognize that this person may need some time to think about your idea. Serve it up in another way if you can, and pass it by others to see if anyone will champion it."

Travis says another pitfall is the belief that doing one's job well will automatically lead to career success. Instead, women need to take on high-profile assignments, continually add skills, and highlight their achievements.

"It is not about self-promotion for the sake of ego," Travis says. "Women need to make sure that their contributions are recognized, and when they put it in terms of what they have to offer the firm, it isn't boasting." ■

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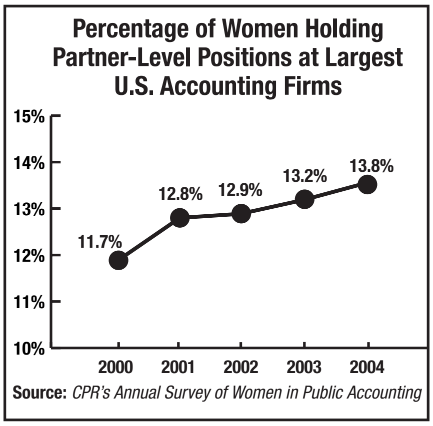
As the number of women in the firm's pipeline and partnership swelled, the number of those grassroots programs grew. "We are now finding that these regional programs can be rolled out in a national way with some flexibility," Budnick says.

The firm is in the process of retooling the Women's Initiative it launched in 1993. "We want to put together a plan for the next three years," Budnik says. "We know that our re-visioning will have two primary focuses, mentoring and relationship skill-building, and these mentoring programs will be the linchpin. We'll use them as a guide to best practices."

Mentoring is the cornerstone of efforts to retain and advance employees of both genders at **Plante & Moran**. For example, employees who take a parental leave of absence are paired with experienced staff who can answer questions about such leave.

Furthermore, P&M emphasizes the importance of mentoring from the outset of an employee's career. Each new employee is assigned to a partner, who gives career guidance, and a "buddy" who serves as a resource for any information and concerns that arise.



Source: *CPR's Annual Survey of Women in Public Accounting*

HR Director **Bill Bufe** believes the programs have effectively ridded P&M of gender bias. "In 1986, the emphasis was on keeping more women and getting them to the director/partner level," he says. "Now we are focusing on managing all of our talent effectively, and making sure that our programs address the needs of all our people. Mentoring is an important part of retaining and promoting all of our people, male and female."

The shift in focus from work/life concerns to mentoring programs represents a natural evolution in firms' efforts to expand women's opportunities, says **Barbara Vigilante**, manager of the **AICPA**'s Work/Life and Women's Initiatives committee. "Workplace flexibility is an easier concept to grasp, and it has helped firms hire and retain more women. Now firms have to provide the resources to groom these women and help them succeed," she says.

Vigilante believes that firms need to engage more senior leaders in recruiting, retention, and advancement of women, but women also need to take control of their careers, she says. She advises firms to find ways to measure and reward for networking and mentoring efforts.

"It also would be helpful if firms let people know more about what it means to be a partner," Vigilante says. "Sometimes, I think, it just looks like a lot of work, and people don't get the message that partnership allows you to be more of an entrepreneur, adviser and visionary. People need to be shown that it is really exciting to be a partner." ■

September/990052162 5

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