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PCPS Online Forum

Nontraditional Paths to Partnership/Ownership

October 13, 2009
2:00 - 3:30 p.m. ET

CPA firms have become more aware of the need to address the varying needs of their staff in order to retain talented CPAs and create a more productive workplace. The next free online PCPS Practice Management Forum — on October 13 — will examine one solution that firms have offered to promising professionals: nontraditional paths to partnership or ownership. This interactive PowerPoint presentation will be given by Todd Mitchell, partner of Elliott Davis, LLC, who has successfully employed such nontraditional approaches in his own firm.

Registration is easy: Just send

PCPS Brief — October 2009

Achieving a Better Balance

What do firms truly need from their employees: face time or value? That's the question that CPA Jina Etienne found herself asking early in her career when she was a firm staff member. She felt compelled to spend most of each day at her desk, even if she might have been more productive managing her time differently. When she started her own practice, she vowed not to force people to sit in an office in exchange for getting a paycheck. "I wanted to allow people to act as professionals hired to provide a value," she says.

Where and how staff members should work is part of a larger discussion on work/life balance issues. Not too surprisingly, work/life balance was among the most critical concerns for smaller firms in the 2009 PCPS CPA Firm Top Issues Survey. In this month's PCPS Brief, three CPAs discuss their firms' established work/life balance policies, and how and why they have succeeded. In each case, the policy grew out of a practitioners' own personal experience and a desire to create a workplace that was both pleasant and successful.

Different Takes on Flexible Hours

Many firms have adopted flexible hours to make life easier for staff at all levels. Marja Beltrami, the sole owner of a five-person practice in Anchorage, Alaska, allows all staff to set their own flexible work hours. She launched her own practice after leaving private industry, starting small when her children were young. As her children—and the practice — grew, "I had to hire people, and I realized they had the same family issues that I did." As a result, she also has allowed staff members to bring their young children to work with them. "The clients really enjoy it," Beltrami says.

At Diel & Forguson Financial Group, a 20-person Illinois firm, Ken Diel also offers flexible hours. "We can't all take off Friday, but as long as there's one person one person in each department to answer questions, that's fine," Diel says. "Staff can revise their schedules when they want, as long as they coordinate with their department supervisor." Firm members sign in and out using practice management software, and they are asked to note when they will return so their an e-mail to us no later than October 12 at PCPS@aicpa.org and let us know you would like to attend. Your registration will be confirmed by receipt of an e-mail with the details on how to join us on October 13. Every Forum takes place from 2:00 to 3:30 p.m. ET. To access archived forums, click here

Mark your calendar now for our next Forum:

- October 29: *"Ride the Bear: Strategies for CPA Firms to Thrive, Survive, and Grow in a Down Economy,"* presented by author Mike Ramos, CPA.

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Purchase of the 2009 PFS exam review self-study course is available. The 2009 PFS exam registration is also open with a live exam and case study program in Dallas on Dec 7-10, 2009 (note date change). A local alternative is also available in November and December with the exam offered through Prometric's test centers and an online case study course. For more information, click here.

colleagues know when to expect them in the office.

Etienne, a sole practitioner in Silver Spring, Maryland, with five people in her firm, allows staff to set their own schedules, but she asks them to work the same hours consistently and to ensure that office hours are covered and that staff are able to interact as necessary. "I don't want to come in each morning and wonder when people will arrive," she says.

Time to Recharge.
In addition to her flexible hours, Etienne closes her office every year for certain holidays or after a heavy deadline. For example, the firm is closed on the 16th of April through the rest of that week, and for the entire following week, although one person does cover the firm's payroll clients during that period. The firm also has an extended July 4th break and a long weekend after October 15, takes off all of Thanksgiving week and closes at midday on Christmas Eve until the first Monday after the new year. The policy has been in place for two years, and Etienne considers it a success.

As for client reaction, most seem completely unaware of it. "Usually, they are calling us the day before the deadline," she jokes. "We don't really hear from them afterwards." Those who have responded have been supportive. "They tell us 'You guys deserve it' or 'What a good idea.'"

Limits on Overtime
At Diel & Forguson, Diel vowed not to overwork his people after watching talented staff succumb to burnout when he was at a larger practice. As a result, his firm sets overtime maximums for all levels. Staff members may have 100- to 150-hour overtime limits, while the principals have a 200-hour maximum. And the firm prohibits work on Friday and Saturday nights and Sundays in tax season. "I saw some good accountants worked to death," he says of his experiences at other firms. He now can offer a more enjoyable work environment and feels he's more likely to hold on to his best people.

The Bottom Line
All the practitioners agree that communications and cooperation are key in order to maintain office coverage, ensure clients receive a prompt response to problems and that deadlines are met. Beltrami also points out that staff members must be able to function independently since they may spend at least some of their time working without supervision.

In addition, a flexible and open-minded policy on staff hours can be a recruiting asset for small practitioners, who want to

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PCPS PRIVATE COMPANIES PRACTICE SECTION

hire and retain the top people in good times and bad. While the perks of working in a large firm are well know, “in a small firm, new staff and job seekers may wonder what we have to offer,” Beltrami says. In addition to a variety of assignments and one-on-one training with partner level staff, “we can offer them flexibility in their home life and work hours.”

Takeaway Tips

- Ongoing communication is critical in flexible schedules. If firms allow flexible schedules to change from week to week, staff should be asked to inform their supervisors of their plans in advance so that projects and phones are covered as needed.
- Don’t assume clients expect conventional schedules or office practices. Clients may have their own flextime or family friendly policies. They may easily accept changes in firm policies as long as the quality of the work and their sense of connection with the firm remains the same.

Use your policy as a recruiting tool. Family friendly hours can be a distinct advantage in hiring the most promising candidates.

PCPS News and Communications

New PCPS Resource Spotlights Profitability and Pricing Strategies

Firm profitability is a critical consideration for all CPA firm owners. To help members understand and address the issues involved, the PCPS Web site now contains a new section, Profitability and Pricing Strategies, that contains a wealth of valuable tools. The section’s resources, created by the Rainmaker Consulting Group, include:

- A learning guide that explains pricing and evaluation approaches that can enhance profitability.
- An action plan that sets out the necessary steps to improvement.
- A firm comparison tool that enables PCPS members to measure their own results against the benchmarks in the 2008 PCPS/TSCPA National MAP Survey.

- A pricing tool that identifies areas in which your firm may under- or overprice services.

These are just a few of the resources and articles available on the site created to help practitioners maintain Five-Star Client Service while enhancing their bottom line. Visit the PCPS Web site today to see all it has to offer.

aicpa.org/PCPS | 800.272.3476 | PCPS@aicpa.org

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American Institute of Certified Public Accountants
220 Leigh Farm Rd
Durham, NC 27707-8110