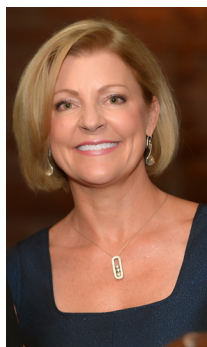


# Gender Diversity in the Accounting Profession: Are We There Yet?

BY NATALIE ROONEY



*Women have composed more than half of accounting graduates entering the accounting profession for the past two decades, yet they make up only 23 percent of the partners in accounting firms. While women have come a long way, it is clear there still is work to do.*



**M**elissa K. Hooley, CPA, CGMA, partner at Anton Collins Mitchell LLP, Denver, is chair of the AICPA Women's Initiatives Executive Committee (WIEC). Hooley found her way to accounting thanks to her father's encouragement. He'd majored in accounting. "I really wanted a career that would offer a lot of different avenues and flexibility," she says, and she found both through accounting.

Now, after 25 years in the profession, Hooley says she chose to stay in public accounting not only because she enjoyed working with different clients and staff but also because she found it a very flexible and rewarding career. "Some years I worked a lot, and other years I worked less," she says. "It depended on my daughter's age. I was really lucky. I had really good coaches and mentors who helped me navigate. I never felt held back."

With that said, Hooley also notes that while women are moving up the ladder, too many still are not making it to the highest levels of leadership.

AICPA statistics show women are well-represented at entry levels in accounting firms, but their numbers decline as they move up the career ladder, especially at larger firms. In comparison, women make up 26 percent of sole practitioners and 43 percent of partners at firms with 2 - 10 professionals. According to the November 2015 *Women's Initiatives Executive Committee CPA Firm Gender Survey*, these numbers may "indicate that women who don't advance in larger firms may be deciding to set up their own shops or may be moving to smaller firms as an alternative."

These statistics seem to hold true at Kunderling, Corder & Engle, P.C., Denver. As a director, Tiffany K. Knight, CPA, is surrounded by a staff of 16, 12 of whom are women. In fact, four of the firm's five directors are women.

The survey also showed there is still a notable gap between women income partners and women equity partners. While more women are now serving in partner roles, their numbers in firm ownership or influence within those firms remains slow to change.

Hooley says there are plenty of opportunities, but “we’re losing women, mostly at the senior manager level.”

The tipping point may come as baby boomers leave the profession in record numbers over the next 10 to 15 years. Studies show that 78 million baby boomers will retire over the next 17 years, but only 50 million Gen Xers are waiting in the wings to succeed them.

“The next generation is much smaller, so there’s going to be a huge gap,” Hooley says. “That gap needs to be filled, particularly in accounting. It’s an incredible opportunity for these women to advance and make it what they want. It’s an opportunity for males in the profession who want something different, as well. Public accounting will morph over time.”

WIEC member Kathy Lockhart, CPA, CGMA, VP-controller at Noodles & Company in Broomfield, says opportunities for women in the profession are greater than ever before, but there are troubles at the top. “We know companies are more successful when women are involved, but we’re still not getting that ticket to sit at the C-suite table,” she says. “We’ve made a ton of progress. Women can come in, work their way up, and still be a mom. That’s positive, but we can’t seem to pierce that next level. We have to keep working at it. It won’t happen overnight.”

Lockhart says as the profession continues to grow, it’s a great place for everyone who wants flexibility – male or female. “There will be so many accounting jobs, and we’re not going to be able to fill them,” she says, adding that it’s so hard to hire people, companies are realizing they need to be more flexible with schedules if they want to attract and retain the best people, male or female. “We don’t all want the same thing,” she says. “Cookie cutter doesn’t work. People will leave. That’s bad for the profession.”

#### AICPA WIEC

Hooley has been involved with WIEC for the last five years. “I’ve always been involved with women’s initiatives at the different firms I’ve worked for,” she explains. Early in her career, she worked at Arthur Andersen where there weren’t many women managers, much less partners. “As a young mother, I was interested in getting the women together and figuring out ways to make things work. It has been a career-long passion.”

WIEC’s vision is to impact the profession by achieving results in the following areas:

- Increasing the visibility and advancement of women in the profession
- Influencing the cultures of firms and organizations to support the advancement of women
- Providing credible statistics regarding the issues that impact women in the profession

What started as a “women’s initiative” and looking at women’s programs in a silo, has become a profession-wide effort to make it more

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inclusive for everyone. “We’re looking at it in a broader perspective.” As a group, Hooley says WIEC is working to be more cutting-edge in its approach, integrating it into all the different aspects the profession is dealing with. Providing resources for women is one piece. “We’re educating both women and men in this initiative,” she says. “It’s important for sustainability of the profession.”

While one focus has been attracting and inspiring women to continue to join the profession, it’s also about the competition for young people from other industries and professions. Overall, there is a drop in the percentage of women obtaining accounting degrees. But it is also as important to keep them in the profession and thriving. “We want to help women through the various life cycles during their accounting careers,” Hooley observes.

Hooley says not only is it important to have women – and minorities – in leadership roles to improve diversity, but also there’s a business case for it. A recent study revealed that an even gender split at one company contributed to a 41 percent increase in revenue, while research by Catalyst showed that companies with higher female representation in top management outperform those that don’t by delivering 34 percent greater returns to shareholders. And although only five percent of Fortune 1000 companies have a female CEO, they generate seven percent of the Fortune 1000’s total revenue and outperform the S&P 500 index during the course of their respective tenures.



### UNKNOWINGLY OPTING OUT

WIEC member Amanda Proctor, CPA, who is currently COO and cofounder of Qwipit, spent much of her career in public accounting. Proctor will be the first to tell you that she’s not an introvert. “I’m not afraid to say something,” she says. “Throughout my career, I was always vocal about what project I wanted.” And she usually got those projects. Proctor says people would ask what her “secret sauce” was. Why did she get the opportunities, and they didn’t? “I asked. I’d like to say that work was given equitably, but it wasn’t,” she reflects. “And that holds for males who were on cruise control as well. They didn’t get the exciting projects. Some of us are too scared to say what we want, and some of us are stuck in the comfort zone.”

At one point, Proctor realized of the three levels at the firm, there were no women above the lowest level. When she asked why, the managing director said it wasn’t purposeful, but that he’d never had a woman express the desire to advance.

“As women, we unknowingly opt out of things,” Proctor says. “I’ve done it myself. I’ve worked all day, and I don’t want to go to an evening event and network with partners. I want to go home, help kids with homework, and put on my pajamas. So I opt out.”

Proctor said she didn’t even realize she was opting out until someone pointed it out to her. “I was just transitioning to my second, unpaid job of parenting,” she says. “I never viewed it as opting out until I realized I was self-selecting to not golf or go to client dinners because I wanted to be with my family.” When she realized what was happening, she started to say yes – but not to everything. She strategically picked and chose, and then she communicated to her kids why her choice was important.

Another big moment for Proctor was discovering how powerful it was to have mentors – inside and outside the firm. “When I began seeking out mentorships, saying yes to some opportunities, and not waiting for a partner to ask me to do something, things took off.” She also asked her managing partner to lunch for an informal chat. As a result, the partners got to know her and became advocates for her. “When I went from full to part time, no one batted an eye because I knew them on a personal level,” she says. “They supported me. I still got to lead clients and work on exciting projects, just in half the time.” Proctor credits her involvement with WIEC and attending the annual AICPA Women’s Global Leadership Summit for teaching her to listen for opportunities.

Women view work-life balance as really important and the opportunity to achieve that balance continues to grow, Knight says. As women take advantage of opportunities and reach higher positions, it motivates other women to enter the profession, she adds. “When you enter the accounting workforce, it’s important to ask about work-life balance,” she says. “With an accounting degree and the CPA designation, we can afford to be selective. Ensure you get the

time off to spend with your family. The interview process is the place to find out about an organization's culture and how important work-life balance is – or isn't."

Knight says she continues to observe changes. "The old male stereotype doesn't exist anymore. When I go to events, there's now an even split between men and women. Work-life balance has become increasingly important to both genders. Firms that want to attract the most talented professionals should take note and make it a priority."

### CRYSTAL BALL PROJECTIONS

Proctor says in her own ecosystem, things are getting better for women in the accounting profession. "But when I see the national statistics of equity ownership of women in public accounting, they're dismal," she says. "In my experience, I didn't see that though. I saw women not advocating for themselves. I think women have to take calculated risks within their personal and professional goals."

Proctor is an optimist. "I think the numbers will start to rise. Right now they're low because we haven't had that major baby boomer change yet. In the next ten to fifteen years, there will be at least thirty percent women equity ownership in firms." She looks at her own children as an example of a hopeful future. "They don't look at things as boy and girl," she says. "When I grew up, boys played with

boy toys, and girls played with girl toys. It's different now. Genders will have smaller gaps. As these girls age and come into various professions, it will get better all around."

Looking at gender diversity as an issue important to both men and women is critical. "I can't stress enough the importance of men being involved in this initiative, as well," Hooley says. "It's a joint effort to get good people to leadership. I think it's important for men to be involved in women's initiatives. It's about the tone from the top."

Hooley says it comes down to retaining the best and the brightest. "We need top talent to stay in the accounting profession for the sustainability of the profession," she says. "Women are leaving the profession in greater numbers than men. We need to find out what causes it and how to put in a support system to target the people who are making the decision to leave."

Hooley says the outlook for women in the accounting profession is good. "Women have an incredible opportunity to move the needle and move into positions of leadership unlike anything we've ever had before," she says. "We have the chance to change the numbers going forward. I think we'll see big changes for the good. When you bring leadership together with more diversity, you come up with better ways to do things. It's an exciting time." ▲

## AICPA WIEC Resources

### ORGANIZATIONAL STRATEGIES: THE DEVELOPMENT OF WOMEN

This brochure offers a compelling examination of the business case — an overview of the barriers to women's success in organizations and a practical perspective on the factors that promote their success. It also outlines strategies to enhance an organization's success with women's initiatives.

### AICPA WOMEN TO WATCH AWARDS

Be inspired by the success stories of other dynamic women CPAs. The AICPA Women to Watch Awards, developed by WIEC in partnership with state CPA societies nationwide, celebrate achievers and create a platform to discuss and promote the challenges and opportunities for women in the profession. The Colorado Society of CPAs will present its 2016 awards, Aug. 19. For details and to nominate deserving candidates, contact Terry Cervi, [tcervi@cocpa.org](mailto:tcervi@cocpa.org). Nomination Deadline: May 15, 2016.

Source: AICPA

### AICPA ONLINE MENTORING PROGRAM

The newest tool available to women CPAs, the AICPA Online Mentoring Program facilitates relationships between women mentors and mentees, using an online platform that makes interaction easier to fit into busy schedules, creating beneficial and successful outcomes, for a short term or longer. Contact [womensinitiatives@aicpa.org](mailto:womensinitiatives@aicpa.org) for more information.

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### AICPA GLOBAL LEADERSHIP SUMMIT

November 2 – 4, 2016, Boston

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