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# Winning the War on Talent with ADP

# How to Hire and Keep the Next Generation of Accounting Professionals.

The AICPA is predicting that more than 75 percent of CPAs will be retiring within the next 15 years. And with predictions showing that robotics will work to automate or eliminate up to 40 percent of transactional accounting work by 2020, according to a 2015 Accenture report—there has never been a more crucial time to understand the future of accounting.

ADP's Evolution of Work 2.0 study found that 66% of employees are open to leaving their jobs. It's tough for everyone, and accounting firms are no exception. In fact, the number one concern for firms of all sizes (except sole practitioners) is finding qualified staff at all levels.<sup>1</sup> Retaining qualified staff and succession planning both feature in the top five concerns, too.



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Retiring**

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# Your Talent Opportunity

We've seen the workforce change, after decades of Baby Boomer dominance in the labor market. Generation X took over a few years ago, and we've helped businesses to not only manage that change but thrive in it.

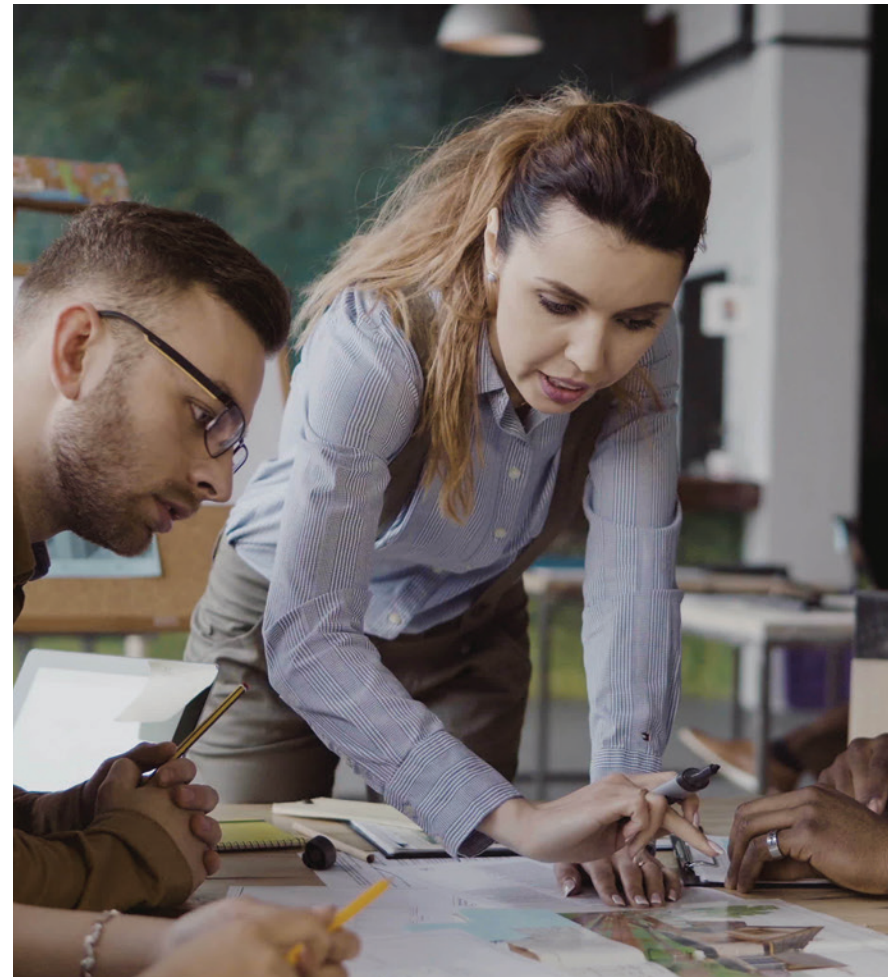
ADP works closely with accounting firms of all sizes, and we understand your business first-hand. For years we've been helping our accounting partners to do more for their clients. But now more than ever, accounting professionals are looking for advice themselves – about how to handle this war for accounting talent:

## Asking Questions Like:

- How do we stand out from the crowd and attract the best people?
- How do we retain and develop top performers?
- How can we plan for when people do move on?

## Hiring and Onboarding

It all starts with finding the right people. You want the best people. They want the best jobs. So let's make sure that's what we're offering. We can look at hiring best practices in two categories: candidate attraction, and the candidate experience itself.



## Candidate Attraction— What They're Really Looking For:

Money still matters. Wages are on the rise across the United States<sup>2</sup> and while money still matters, it is time to offer what other incentives employees are looking for.

You need to know what the market is offering similar candidates in your region or speciality. ADP gives you access to this data, so you can benchmark your compensation packages against similar firms in your area.

But while pay is important, it's no longer special. Salary and benefits are now the table stakes. In a world with so much competition, you need to up the ante.

One new financial incentive is to help employees pay off their student loans. It's a big draw – nearly 80 percent of individuals with student loan debt said they'd like to work for a company that offers repayment assistance<sup>3</sup>, yet only 4 percent of companies offer such incentives so far<sup>4</sup>.

This could be an effective way to stand out from the crowd.



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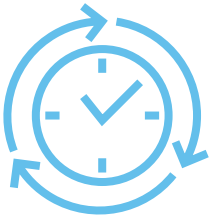
## Candidate Experience–Work Life Balance:

Technology is making the world smaller. That's why 95 percent of employees believe they will be able to work from anywhere on the planet<sup>5</sup>. Your people are looking to you for flexibility, so how will you respond? Some options worth looking into are:



### Telecommuting

Do your employees have to physically be in the office every day? Not only are those working from home generally more productive, but you can save office expenses, raise morale, have fewer sick days and less vacation time. Overall telecommuting features many benefits that would lead to a boost in retention rates.<sup>5</sup>



### Flexible Working

Offering employees the option to choose their own hours (within reason, of course) can be a huge bonus. Knowing that by coming in early they'll be able to pick their kids up from school, shows your team that you care.



### Dress Code Flexibility

A relaxed dress code is a simple but effective perk. You can be flexible with the policy – whether it's every day, or just on a Friday – but it shows you're an open organization.

## Prove Growth is Possible:

The candidates you're trying to attract know that their skills are in demand. To make them choose your firm, you need to inspire them.

Show them how you'll nurture them and outline the training opportunities they'll have. Explain their possible promotion path, and give them a realistic idea of how long that might take. Show them you truly care about helping them to grow as an accounting professional, and as a person. You aren't just offering them a job; you're offering a career.





## Think Like a Tech Leader

Millennials are digital natives who never knew a world without the internet. Expecting them to learn the old way of doing things when they expect that there must be a better way, is only asking for trouble.

By embracing technology, you're showing that you value your employees enough to offer them the latest tools they need to get their work done. They'll enjoy a better experience, and you'll get the benefit of greater productivity, so it's a win-win situation.

ADP allows you to gain advanced insights from workforce analytics tools, and uncover the workforce insights hidden in your data – and use that intelligence to make better decisions.



# Broaden Your Recruitment Net

If you're fishing in the same talent pools as everyone else, you're competing with everyone else. Your war for talent needs to break into new areas.

Many use campus recruitment to find the best talent before they graduate. Offering an exciting internship program can be a big draw, and getting the word out can make all the difference. But firms are now being more proactive by connecting with staff at different colleges to get the edge, rather than waiting for career fairs where competition is fiercer. In fact, some firms are even partnering with high schools to try and offer advice and guidance to students who may be tempted to take accountancy-based courses.

You might not even need to visit the colleges in person – most students are online, so work with colleges to share your information on social channels where their students can see. This could be an easy, cost-effective way to get on the right people's radars.

Or why not put your best people on the case? By offering a recruitment referral program you'll be giving an effective incentive for your employees to keep an eye out for promising up-and-comers, as well as people in their network who might be looking for a change.



Use campus recruitment  
to find the best talent  
before they graduate





# Optimize Your Candidate's Hiring Process

Of course, getting candidates interested is an important first step, but you need to make sure the entire hiring process is not only painless, but enticing for the very best people.



## Make the Interview Friendly

Gone are the days of the deep grilling into every aspect of a candidate's life, the "What can you do for us?" attitude. Candidates have options, so the power dynamic needs to be balanced. It's not an interrogation, it's a conversation.

Make it feel personal, like you're getting to know the real person, and showing them the real you. If this goes well, you want both parties to be happy and excited when they accept.

This doesn't stop once they leave the room. Avoid long delays between each stage of the process. Not only might they see it as disrespectful, there's always that chance someone will snap them up while they're waiting for your call.



## Make Them Happy They Accepted

You found a great candidate, offered them the job and they said yes. Congratulations!

But that's only the beginning. You should aim for continuity from the interview through to onboarding. Everything should feel seamless, well planned and leave them feeling excited to start, and not worried about what they've signed up for. HR systems integration is a big factor here, so that every employee interaction (and every piece of data generated throughout) is linked for a smooth experience.

Don't make new employees go-it alone, consider a buddy system for new hires. Ideally choose someone outside of their immediate team. This will help to promote an open dialogue amongst team members.

# Retention

## Don't Lose Your Best People

Winning the best people is only half the battle. Keeping them is also important. There are a lot of incentives for people to move on, with job switchers in professional services seeing an average 6.2 percent increase in wages when they change jobs. The grass might actually be greener. You can try to combat this with attractive compensation packages, but remember it's not just about money.

## Mitigating Manager Clash

Research shows that the top reason employees choose to leave a job is a poor relationship with their direct manager. While this may be a concern, it's one you have control over. Some tips to keep this from escalating include:



Monitor relationships for signs of strain, and intervene early.



Equip your managers with the tools and training they need to engage employees effectively. Consider an open, two-way review process that allows employees to provide feedback on their managers, as well as the other way around.

Don't just train managers, develop leaders. With so much resting on their shoulders, you need to make sure that your managers have the skills and expertise to handle whatever the business world throws at them.

That's why we created **Compass**, to help you develop all your leaders – not just the top one percent. Boost leadership and team collaboration with minimal effort. Find out more about Compass.



# Thinking Ahead

The top five reasons employees stay at a company are the same five reasons they chose to join:



**Freedom**



**Knowledge**



**Stability**



**Self-management**



**Meaning**

We say the right things when we're hiring, but do we see it through? 60 percent of employees have walked away from a job when they felt the actual job didn't match their expectations<sup>7</sup>. Make sure you give them what they signed up for, and commit to delivering on the policies that won them over in the first place. After all, how can you trust them not to walk if they can't trust you to do what you say?

## Succession Planning

Of course, you won't keep everyone forever. A certain level of churn is inevitable (and healthy) – but some accounting firms have a succession crisis in the making. When those Baby Boomers retire, we'll be losing 75 percent of today's CPAs. That's a drastic shift, in a short space of time. So how can we manage this process, while still letting staff retire to enjoy their twilight years?

The best practice is to set retirement dates as soon as possible. If you know when others plan to retire (as well as having a date in mind for yourself), you can start to build a plan with fewer surprises. You can hire and nurture talent that's going to fill that pipeline, so you can keep the firm running or growing as you want. Then once you've got those dates and a plan in place, reassess regularly (perhaps every three years) so you can stay on track to hit retirement dates without creating a skills vacuum.



**You do more than accounting – and ADP does more than payroll.**

Together, we can find new ways to help you and your clients succeed.

And that starts with hiring and developing the best talent.

**Discover how we can help.**

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Sources:

<sup>1</sup> AICPA, Change on the Horizon. Accessed 9th November 2017 <https://www.aicpa.org/content/dam/aicpa/interestareas/privatecompaniespracticessection/strategyplanning/firmstrategyandplanning/downloadabledocuments/2017-top-issues-commentary.pdf>

<sup>2</sup> Daniel Hood, In the war for talent, money is ammunition, AccountingToday, Accessed 9th November 2017 <https://www.accountingtoday.com/news/in-the-war-for-talent-money-is-ammunition>

<sup>3</sup> Iontuition, New survey shows students want employers to help manage student loans, accessed 22nd November 2017. <https://blog.iontuition.com/new-survey-shows-students-want-employers-to-help-manage-student-loans/>

<sup>4</sup> Society for Human Resource Management, Student Loan Assistance Benefits See Little Growth, But Need Is Real, Accessed 22nd November 2017 <https://www.shrm.org/resourcesandtools/hr-topics/benefits/pages/student-loan-assistance-benefit.aspx>

<sup>5</sup> ADP, Evolution of Work 2.0: The Me vs. We Mindset, Accessed 9th November 2017. <https://www.adp.com/tools-and-resources/adp-research-institute/research-and-trends/research-item-detail.aspx?id=e7851020-9881-442b-b3d5-99f0b2b14e68>

<sup>6</sup> <https://www.forbes.com/sites/larryalton/2017/03/07/are-remote-workers-more-productive-than-in-office-workers/2/#1e74c13478f5>

<sup>7</sup> ADP, Evolution of Work 2.0: The Me vs. We Mindset, Accessed 9th November 2017. <https://www.forbes.com/sites/larryalton/2017/03/07/are-remote-workers-more-productive-than-in-office-workers/2/#1e74c13478f5>