

Recruiting Today—It's Not Your Father's Job Market

The good news: according to a survey by CCH, the demand for accounting professionals is expected to grow faster than for many other professions. And now, the bad news: according to a survey by CCH, the demand for accounting professionals is expected to grow faster than for many other professions. Was that a typo? No, just a double-edged sword.

Demand for accounting professionals has increased steadily since the fallout from Enron and all of the subsequent compliance issues. In fact, the Bureau of Labor Statistics estimates a growth rate in demand for accounting professionals of 18 – 26 percent through 2014. Right now, demand outstrips supply, and these changes are making for a very competitive recruiting environment as companies scramble to attract and retain the qualified people they need to fill positions. And while it's difficult to fill positions now, it's likely to get harder in the future.

"It's a challenge for firms today," says Lori Nelson, CPA, principal of human resources for Ehrhardt Keefe Steiner & Hottman PC, an accounting and business advisory firm with offices in Denver and Ft. Collins. "It's an employee marketplace."

The Passive Recruit

Nelson's sentiments were echoed by others at different firms and recruiting organizations. The increased demand has created job candidates that have to be pursued and persuaded to leave their current positions.

"There are definitely more jobs than there are people looking for jobs," says Shannon Graham-Ellis, CPA, "Candidates that are well qualified can have two or three opportunities to look at."

The bottom line is that the best qualified candidates are staying put where they are. "We're dealing with more passive candidates right now," says Jenny Pitkin, CPA, "The candidates know they're a marketable commodity and their attitude is, 'Why should I take something if I'm not 100 percent on board and I'm fine where I'm at?'"

As a result, organizations with positions to fill are going to have to get busy and get actively recruiting. Gone are the days when a slew of qualified applicants were standing at the door looking for work. If you want the qualified candidates, it's time to go out and get them. And whether you do the hiring yourself or engage a recruiter to do it for you, it's important to understand what today's recruits are looking for.

What Do People Want Today?

Opportunities to Grow

While the CCH survey showed that 74 percent of respondents place compensation as the most important benefit, there are other factors playing nearly as large a role. Graham-Ellis says things like the organization's culture, respect given to employees, acknowledgement of a job well done, and position all play a role in what people are looking for if they're considering moving to a new organization.

"People want to be fairly compensated, but if you ask people why they stay, I think it comes down to personal and professional growth," agrees Nelson. "People learn and grow and want to continue to learn and grow in their careers. Providing opportunities for people to continue to do this on the job is important."

In fact, respondents to the CCH survey said that the three most important items in terms of professional training and development are: support for continuing professional education, a challenging work environment, and continuous skill development. While organizations sometimes

view professional development as “down time,” the training provides opportunities to help keep employees happy and also ultimately helps the organization’s bottom line.

Work/Life Balance

Another part of the “what people want” equation is a topic that has been talked about a lot—work/life balance. As a result, many organizations have made changes to accommodate employees’ changing priorities. But are companies really taking it to heart, or are they just paying it lip service? Ron Reed, Ph.D., CPA, professor of accounting and Wall Street Journal Fellow at the University of Northern Colorado’s Monfort College of Business, thinks the latter might sometimes be the case.

“You have to work in the public accounting environment to truly understand the demands upon the firms,” he acknowledges. “The firms are providing these services to clients, they make commitments and a lot of things the firms do create that work/life balance problem.” Reed sees the problem most acutely when his students accept a job in public accounting, which he estimates that 80 percent of them do. “Students don’t mind working hard. They’re willing to work hard and willing to work to get the job done, but they don’t understand the busy season. There will be no vacations. You’ll work long hours. They go in without understanding the life of a public accountant and firms don’t communicate it. It’s been a problem of the profession for a long time. I don’t think it’s changed a whole lot from that perspective.”

Graham-Ellis says firms that are successfully integrating work/life balance opportunities see the payoffs. “There’s a lot more loyalty even just in the last year. Companies have been stepping up to the plate to give more flexibility, create a work/life balance, and offer a growth track. If people are going to make a move, it really has to be something better. People weigh their options much more now.”

The Salary Factor

Starting salaries continue to increase, which can create an uneven playing field. “It’s tough on smaller firms because with starting salaries in the \$40s and \$50s, it’s hard to compete,” says Pitkin. “The Big 4 can afford it, but it’s hard for corporate accounting groups to swallow that kind of cost for somebody without any experience.” Pitkin estimates that raises have been from 6 – 15 percent depending on where someone ranks in their class and how they’re doing in their firm. A 10 percent raise adds up pretty quickly. “It’s a problem that hiring managers face, not just with recent graduates, but that kind of money being thrown around makes it more difficult for everyone.” This is where smaller firms and industry need to flex their creative muscle to compete for the top candidates.

SIDEBAR OR BOX:

Tips from the Pros

What Can Your Organization Offer?

Candidates’ expectations are higher than they used to be, but because every firm or company can’t compete on salary, organizations need to get creative when putting together a package for job candidates. Look at your organization to see what you can do. Could you offer:

- a flexible work schedule, telecommuting, unusual hours;
- more independence in how work is completed;
- to work with an individual’s special requests as opposed to losing that employee;
- challenges with new and different types of work;
- professional development opportunities; and/or
- business casual dress?

“Make sure your employees are being challenged and you’re developing them,” says Pitkin. “Someone gets good at a job and you’re so happy the job is getting done you don’t consider they might be bored after a year and they’re not being challenged. Re-evaluate your employees to

see what else you can do to help them feel challenged. You'll keep an employee a lot more often if their goals are being met."

The Newest Recruits

Colorado's colleges and universities continue to see heavy recruitment efforts for their accounting students. Reed says there is a very good market for the school's students, and the students listen carefully to the firms and what they have to offer. "Students are getting more selective in the process," Reed says. "These students are extremely intelligent, computer and technology savvy, and have a low-level plan of how hard they want to work and what they want to do."

With enrollment at UNC up by 20 percent, Reed is noticing some changes in the recruiting process on campus because of the high demand for accounting graduates. "There still aren't enough candidates," he says. "We're starting to see, even with corporate positions that would have been reserved for someone with one or two years of experience, that companies are willing to hire entry-level candidates. We're also seeing a lot of first-time corporations on campus. There's a lot of choice for students."

Reed says that right now, "It's a lot more pleasurable educating students when the jobs are there versus in the late 1990s. It was more challenging to get students hired. I'm glad to see that the marketplace is good. It's a fun time to be on the academic side."

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Ten Things to Consider if You're a Recruit

You'd be surprised at what isn't taken for granted as common sense, even in a market where recruits have the statistical advantage. Remember the basics:

1. First impressions do make a big difference. Always wear a suit to the first interview—even if we do live in Colorado.
 2. Do your research. Review the company's Web site. Google the company. Read the job description thoroughly.
 3. Be positive. Smile. Companies want people who have passion, who are excited, who feel they have something to offer.
 4. Ask questions. Even if all of your questions were answered, ask questions anyway.
 5. Sell yourself. Match your strengths to the hiring manager's needs. Be prepared for the weakness question—start with a strength, which will lead to something you've struggled with and overcome.
 6. Conduct yourself professionally no matter what the circumstances are.
 7. Be yourself. Present yourself based on who you are and what's important to you.
 8. Send a thank you note and be sure to spell-check it.
 9. Before you give notice at your current company, go to your manager and address your issues to see what can be done to change whatever the issues might be. Many companies are making counter-offers.
 10. Don't make a move based on salary alone—you'll probably regret it.
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Companies Make Mistakes, Too

If you think that job candidates are the only ones making faux pas during the hiring process, think again. Some of the top mistakes companies make include:

- Not selling the organization. Companies are so used to having candidates sell themselves during the interview that the companies forget they have some selling to do, too. You have to sell to get the best people.
- Getting bogged down in the process of hiring and moving too slowly. Being able to act quickly and move forward with an offer is important. Candidates get turned off if they have to go in for 10 interviews or they're left waiting for weeks without feedback. You may weed people out, but it might be the wrong ones.
- Having two candidates turn up at the same time. It's awkward for everyone.
- Making candidates wait. Be prepared for the interviewee when they arrive. Time is valuable to everyone.

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We've seen it all. . .

Hiring managers and recruiters meet with a lot of people. Some make a bigger impression than others, but sometimes it's the wrong kind of impression.

- "We had an individual arrive for the interview in shorts. Obviously that person was nixed immediately."
- "It's amazing how many people talk negatively about their previous bosses or companies. As you can imagine, things like that aren't well-received."
- "One candidate obviously got too comfortable with the individuals who were interviewing him and he used a swear word."
- "I had a candidate pull out a Power Bar and start eating in the middle of an interview."

Looking Ahead

While the recruiting market as it today presents challenges, they're not impossible to overcome. But it is time for companies to do some serious soul searching and make the necessary changes to position themselves for success.