

Kansas State Society Women to Watch Awards  
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Thank you so much for having me here today - and congratulations to the award recipients. You are all an inspiration to those of us who place as much importance on what we do outside the office, as what we do at our desk. I have two young sons, and particularly, since my wife Julie started working again, I know something about the juggle.

I'd like to specifically thank John Bruckner for inviting me to be with you today. I'd also like to thank the women in my own firm in Denver who have helped open my eyes about the importance of encouraging women to take on leadership positions in the office. They include one of my partners, Melissa Hooley, who sits on the AICPA's Women's Initiatives Executive Committee. I'll be discussing some of the Committee's important activities a little later.

But first I'd like to talk about how the CPA profession is changing, and the impact women are making.

I'd like share with you this article from the July 1943 issue of Transportation Magazine. I'm not in my office very much these days, but when I am, I walk around the floor saying hello to people. A few weeks ago I was visiting with someone in our tax department and noticed on her wall this reprint, written for "male supervisors of women in the workforce during World War II." It's called "Eleven Tips on Getting More Efficiency Out of Women Employees." Some of the tips are too embarrassing to read aloud, but they do show how far we've come. Other tips from the 1943 article are a bit comical and include; being particularly tactful because women are sensitive, and being sure not to use profanity around female employees.

Things have changed, of course. Before World War II only 26 percent of the workforce were women, and even in 1950 it was only 30 percent. Today it's almost half.

But as we all know, that only tells part of the story. We still have a long way to go to reach anything approaching equality. It's no secret there's still a serious pay and leadership disparity between men and women.

Women became half of college graduates 30 years ago. That's plenty of time for women to have reached the top of their fields. But that hasn't happened. According to the latest data from the Government Accountability Office, female managers earn 81 cents for every \$1 earned by their male counterparts. Of full professors in the U.S., 24% are women. Of all FORTUNE 500 companies, only 14 have women as CEOs and only 45 of the 500 CFOs are women. Only 28 of the FORTUNE 1000 companies have women in the top job.

These are incredibly low numbers, but even if they were boosted to 50-50, it wouldn't be enough. Women actually represent 51.7% of the U.S. population. We need to recognize the benefits of having women in leadership positions. According to the nonprofit group Catalyst, companies with at least 3 women on their board far out-perform those with less than three.

Return on equity is 53% higher, return on sales is 42% higher, and return on invested capital is 66% higher. Imagine if women made up half of the FORTUNE 1000 CEOs, and the impact that would have on American business.

Studies have also shown that women make CPA firms more successful. The 2010 Rosenberg MAP survey suggests that having women partners increases the average income of all partners. It finds that in the Midwest and Northeast, where only 11 percent of partners are women, the average income per partner is more than six percent less than in the west and south, where 20 percent of partners are women. In other words, in the Midwest and Northeast, where there are fewer women partners, average per-partner income suffers.

These numbers clearly tell us that we need to increase the number of our women partners. There are other reasons, of course. Anyone who runs a small business knows that diverse talent is needed to effectively address increased complexity. More and more decision makers are expecting requests for proposals that include a diverse team.

I believe any CPA firm without a women's presence is going to lose business. You're making a statement about your firm that's going to resonate in a lot of quarters. In my experience, failing to retain women means not retaining clients who appreciate the relationship they have with their CPA firm. It's also bad business to keep losing your best women employees, since turnover costs are about \$100,000 for every person who departs.

As in the overall workforce, the problem is not a lack of CPAs who are women – it's keeping them in the profession and on a leadership path. Enrollments in accounting programs are now just about 50% male, 50% female, and more than half of all new CPAs are women. But we've done a poor job matriculating those women into management, much less making them partners, CFO's or CEO's. Accounting graduates have been about 50% female for more than 20 years, but according to the AICPA 2011 Trends Report, only 21% of CPA firm partners are women.

We can do better, we want to do better, and we have to do better.

Recently at my firm some mothers organized a group called ACM Moms Like Me. Their mission is to identify ways to make it easier for a woman to be both a professional and a mom.

The idea is to provide up-and-coming women who are getting married and looking to having children a forum to meet and talk, and figure out with others how to navigate the integration of work and family.

The inspiration for the group came from a woman named Tara, who I interviewed a few months ago and who we ultimately hired as a CPA in our tax department. She had been a senior manager at another firm in Colorado, as well as a partner in her own firm. She told me that she had struggled for years trying to fulfill her personal aspirations of being a professional in the workplace, while at the same time balancing her time and obligations with her family. She gave me real insight into her struggle to perform at a high level in both places.

Tara talked to me about what it was like being told by her firm that it's okay to attend your kids' school plays, or to stay home with your sick child. But then suddenly the client needs immediate attention and she felt an obligation at the office too.

I was honest with Tara. I told her I would be counting on her to help us create an environment at our firm that would allow her and others like her to integrate her passion for the profession and her desire to be the best mom she could be. Sometimes by saying no, she would be doing both the firm and herself a favor.

I like what Sheryl Sandberg, chief operating officer at Facebook, had to say earlier this year during her commencement address at Barnard College in New York. She pointed out the female underrepresentation at the top ranks of business and government, including the fact that of 190 heads of state around the world, only 9 are women.

But she didn't dwell on these numbers, or the societal reasons for disparity in pay and in leadership positions. Instead, she placed

responsibility on the young women themselves, focusing on encouraging them to “lean in” to their careers, especially before important life choices occur. She pointed out that women almost never make one decision to leave the workforce, but rather small, little decisions along the way that eventually lead them there. Her message to these college graduates was to start thinking about this now, to put their foot on the gas pedal and keep it there until the day they have to make a decision. Don’t opt out of a position or a challenge because it might not work for your family plans in the future, she told them. Opt in, give it your all, make a difference, and deal with future family decisions -- in the future.

At our firm, Tara acted on our conversation by creating Moms Like Me, which has developed a mentoring option for staff who are, or plan to be, working moms. The group is also collaborating with other organizations to provide relevant resources. For example, I’m involved in various efforts in Colorado to improve early childhood education, mostly through a group called EPIC - Executives Partnering To Invest In Children. It’s a coalition of business leaders and nonprofits committed to making early childhood care, education,



health, and parenting high priorities. My involvement with EPIC was inspired by my wife, who works in a kindergarten classroom, and my mom, a retired school social worker.

EPIC is focused on kids, of course, but part of the effort is helping parents, whether it's two income families or single parents. Some women at our firm helped EPIC create a toolkit to give ideas and resources to Colorado parents and businesses. For example, it includes a program so that if your child is sick, your company has access to a service whereby pre-screened, qualified individuals come into the home as a temporary au pair. Normally if your kid gets sick, at least one parent misses work. So this is a win-win for parents and their employers.

Others in this room know much better than I do the barriers you face as you rise in your career. They include unequal access to career development and role models, conscious or unconscious bias, and, like Sheryl Sandberg talked about, a "self de-selection" by women themselves.

But these barriers can be destroyed. There is a lot the profession can do to make sure women CPAs find the balance they need to stay on course toward assuming leadership positions.

I will be the first AICPA chair from Generation X, born just after the Baby Boomers. So I'm hoping to bring a new perspective to helping attract and keep women involved and committed to the profession. I went to work in public accounting after graduating college. I've really only had two jobs in my life, camp counselor and CPA, and I've always thought that the two are strangely similar. Parents drop their kids off at camp, expecting they'll come back healthy and having learned something. That's not so different from business owners handing over their financial well-being to their CPAs.

I worked as a camp counselor from my sophomore year of high school and every summer thereafter through college. It was an incredible opportunity to learn important life lessons. As a camp counselor, you are given the responsibility to care for, teach, and coach 20 to 30 campers every day for the entire summer. It was

during these years that I learned what many women already know, namely the difference between being a boss and being a leader. When you're trying to get kids to do something, the first word out of their mouth is usually no. A boss merely tells people what to do; a leader leads by example. If you want kids to run laps and run hard, you have to run with them. I have learned that:

- A boss directs people – a leader coaches them.
- A boss relies on authority – a leader on goodwill.
- A boss says “I” – a leader says “we.”
- A boss assigns tasks – a leader sets the pace.
- A boss says “get here on time” – a leader shows up ahead of time.

Summer camp is also where I first learned about what's commonly referred to as “work-life balance.” I actually like to refer it as work-life integration. I don't think it's really possible to eliminate work from life and life from work. Work life integration successfully blends the two. What better place to combine work and play than as a camp counselor, teaching kids how to swim, play sports, or sail? As CPAs, many of us walk around with Smartphones that we use to text

our spouses and our kids to tell them that we love them and then, moments later, on the same device, receive a business email with a multi-million dollar implication.

I work hard at integrating my professional life and my family life. Sometimes that means having my wife and our two sons come with me on business trips. Other times it's meant a 15-minute ride on a ski lift with a staff person or client. Last winter I was fortunate to go helicopter skiing with two clients

I love the outdoors, so for me personally, work-life integration is very close to my heart. I think when you integrate work and play, both become more enjoyable, and yes, more successful.

Those of you in this room, who are already leaders, can also do a lot to help the cause. You can network, and help build a community inside your own firm. You can mentor, and be mentored, and learn about unintended biases, and educate others. You can also toot your own or someone else's horn and submit your nominations to the Women to Watch awards.

As for CPA firms, we have to think out of the box when it comes to supporting women in and out of the workplace. The AICPA's Women's Initiatives Executive Committee is a tremendous resource in this area. I urge you to visit their website, where you'll find information about all sorts of workshops, white papers, webinars, a speaker's bureau, and other educational materials focused on the retention and advancement of women in the CPA profession.

The Committee's mission is to promote within the accounting profession an environment that provides opportunities for the advancement of women to positions of leadership. In addition to raising awareness regarding the gap in the progress of women in the accounting profession, the Committee provides solutions to close this gap. They include ongoing research to educate and support both individual women and organizations, through interviews, articles, and awards like this one today. Detailed solutions and initiatives are focused on helping to create an organizational culture shift so that in ten or twenty years, we will no longer be having this same conversation.

Two of the most recent initiatives by the AICPA's Women's Committee include a special LinkedIn Subgroup, and the Women's Leadership Summit scheduled for May 12, 2012. The LinkedIn AICPA Women in the Profession subgroup serves as a platform to raise awareness of both men and women regarding the gap in the progress of women in the profession. It offers networking opportunities, ongoing interaction with role models, and advice for building additional skills in important areas such as business development, networking, and career management. We hope the subgroup will help influence the culture of firms and organizations to support the advancement of women.

The Women's Leadership Summit is also designed to help organizations promote an environment within the profession that helps professional women build additional skills, and provides opportunities for their advancement to positions of leadership.

Many young women enrolled in accounting programs today have excellent training. They possess strong interpersonal and communication skills, have outstanding technical knowledge, and

often have practical experience prior to becoming a CPA. But creating a successful career takes more than that. There is a certain art to applying those skills, and the AICPA Women's Committee is intent on providing real life suggestions for tackling the obstacles firms and organizations encounter.

Many state societies have their own women's leadership programs. Twelve now have Women to Watch Awards like Kansas does. But firms themselves have to do more to keep the best women from leaving the profession by making work life integration a positive attribute for advancement. Firms also need to explore innovative practices that will keep women engaged and passionate about the profession, like flex time, part-time partnership tracks, and shared partnerships.

This is the time for all of us to step forward, as the next couple of decades presents a special opportunity for a younger generation of women and for that matter men too, to take on leadership positions in public accounting. There are about 45,000 CPA firms in the United States. Most are sole practitioners, and their average age is 60.

The percentage of partners over 50 is now 59%. As retirements outnumber CPAs entering the workforce, we have to work hard to make sure CPA firms benefit from elevating women into the higher ranks of management. Almost 40 percent of senior managers are women, so maybe that's a hopeful sign. But real equality is going to take all of us working together and fighting to make it happen. I can tell you that the AICPA is ready to do its part.

Thank you very much. It has been my honor to be with you today.