

# Success Beyond Public Accounting

## Making the Transition of New Generation CPAs into Private Industry a Win-win Proposition

By William F. O'Brien, MBA, CPA

Santa Clara University  
Executive Education, Inc.

According to the Bureau of Labor Statistics, the number of new jobs among accountants and auditors will increase by over 275 thousand in the next eight years. A majority of these accountants will be newly minted CPAs entering public practice. Within the first five years of their hire, most of these professionals will transition into careers in government, non-profit organizations or private industry. This article suggests **10 Keys to Success** for those joining the ranks of private industry. It also provides several hints for the hiring managers of these transitioning CPAs. These suggestions result from interviews conducted with both seasoned financial professionals and CPAs who have successfully made the transition.

While the primary goal of this article is to improve the experience of accountants as they transition into private industry, it also provides some insight into how the hiring managers can generate higher levels of effectiveness from this critical component of the financial workforce. In the end, all interested parties can benefit from a win-win proposition.

## **How This Article Evolved**

Since 1991, I have taught undergraduate and graduate accounting courses at Santa Clara University in California. I was previously a senior financial executive at several high technology companies in California's Silicon Valley. Over the years, numerous former students have approach me for advice on how to move into private industry successfully. At the same time, I often found myself participating in discussions among experienced financial executives that begin with the phrase, "Why don't you academic people teach these young CPAs what they really need to know in the real world?" I will reveal answers to both these questions in the next few paragraphs. I hope the transitioning CPAs and their hiring managers will both benefit from this discussion.

## **The "Baby Boomer" Group**

I began compiling the material for this article motivated by these inquiries and fortified by a desire to learn more about my current generation of students. Initially I contacted several experienced and very successful financial executives from the "Baby Boomer" generation. Two were CPAs; one was not. Each executive had over 20 years of private industry experience.

## **The Former Student Group**

Following the executive interviews, I re-connected with a handful of former students. These individuals each began their career in public accounting but ultimately transitioned into private industry. Similar to the participants in the executive group, these individuals also engineered private industry success.

## **A Consistent Approach**

I asked each interviewee what attributes contributed most significantly to their success. In addition, I explored with the executive group what skill-sets were most lacking in their recent new hires from public accounting. In a similar line of inquiry, I probed the former students to discover where they felt under-prepared as they executed their transition game plan. The **10 Keys to Success** result from these inquiries.

# 10 Keys to Success

Some people, including myself, find it is easier to retain new information when the presentation is in list form. The table to our right shows the 10 Keys. Let's explore each one in detail.

## 1. Demonstrate Curiosity with a Purpose

Curiosity is a virtue. This is particularly true when your insatiable desire to discover new things focuses on what is truly important to your business. Newly hired CPAs must take the time to determine what issues are most important. They should then gather as much relevant information as possible about those issues. I call this *Knowing the Territory*. Let curiosity help you to find your passion in your new position.

Never stop asking questions—questions about your company, your responsibilities and your career.

My advice for the hiring managers is simple. Welcome and encourage these questions. Researchers have found that nothing motivates the current generation more than finding a passion and a purpose for what they are doing.

## 2. Create and Steward a Mentorship

Knowing the territory also includes the process of finding a mentor. Mentors are valuable resources, particularly mentors that understand the company's systems and processes

**Table 1**

### **Ten Keys to Success**

1. **Curiosity with a Purpose**
2. **Create and Steward a Mentorship**
3. **Failure is Good**
4. **Master Communication**
5. **Maintain Visibility**
6. **The Day Doesn't End at Five O'clock**
7. **Take Ownership for Your Career**
8. **Share Your Skills**
9. **Your Job Doesn't Not Define Who You Are**
10. **Always Interact with Dignity and Respect**

They can guide you around the rocks of a rapidly moving corporate environment. Soak up their advice like a sponge and do not forget to continue asking those relevant questions. Listen to the advice based on their years of experience. Heed their warnings. Follow their directives. A good mentor is an invaluable resource. Steward the relationship as if it is your most valuable asset. It might just be!

It is important to note that the benefits of a mentorship are equally beneficial to the mentor as well as the mentee. Mentors can gain valuable insights into what really motivates the new employees. This can lead to a customized and meaningful work experience for the transitioning CPA in the form of assignments crafted to take advantage of their point of passion. Remember, issues for which they are passionate motivate this generation.

Mentors of the so-called “Generation Y” can also benefit from that group’s incredible familiarity and comfort level with social media and other emerging aspects of technology. This mutual mentoring leads to improved productivity and improved trust from all of the mentoring participants.

### **3. Failure is Good**

Fictional ***Return to Wall Street*** character Gordon Gecko suggested, “Greed is good”. I suggest a different phrase, “Failure is better”. The transitioning CPA needs to be secure in the belief that it is acceptable to fail—once. Experiment and learn from the resulting successes and failures.

Take pride in stepping outside of your comfort zone. Do not be afraid to volunteer for challenging assignments. I reflect on my own career experiences where I missed opportunities to move radically outside my financial comfort zone—one time into corporate law and another time into marketing. I regret passing on both of these unique challenges.

The established management teams of today’s organizations must accept this line of thought as well. Become comfortable stretching the competencies of your new staff.

If your company has another perspective on this issue, maybe it is time to consider looking at the situation in a different way.

Consider how you build muscle strength. As the muscle tears down through weight lifting, it rehabilitates with a stronger capacity. Organizations can strength themselves in the same way.

#### **4. Master Communication**

This suggestion is a no-brainer. Remember, however, communication includes the art of listening. Stephen Covey admonishes us to use our senses in proportion—two ears and one mouth. His advice is excellent.

Another aspect of communication excellence is the ability to articulate your ideas in a clear and concise manner. Think Cliff's Notes rather than ***War and Peace***. We are the ***USA Today*** generation. Shorter attention spans require focused communication.

It is common knowledge that many transitioning accountants have poor writing skills. Many of these young professionals are not aware of their composition deficiencies. Test your own writing skill by turning on all of the spelling, grammar and style features of MS Word and analyze something that you wrote. For good business writing, you should seek to have few passive sentences (under 10%) a reading ease score of at least 40, and a grade level of no more than 12. Practice improving your writing by eliminating all of the highlights MS Word puts underneath your material. No matter how effective your work, if you cannot clearly articulate your ideas, you are not being fully effective. Consider the words of former Chrysler CEO, Lee Iacocca: *"You can have brilliant ideas, but if you can't get them across, you're ideas won't get you anywhere."*

Language skills also fall under the heading of Communication. In today's global economy, the mastery of multiple languages is useful. The newly hired CPA should consider adding a second language to their portfolio of skills. Economists believe that the economies of the "B-R-I-C" —Brazil, Russia, India and China— will drive global growth. Look to these regions for your new language skills.

From an experienced manager perspective, it is important to hold your team's new members to communication excellence. They represent you and your organization. Good enough is not good enough when it comes to the presentation and articulation of clear, crisp concepts and positions.

## **5. Visibility**

Recall the old saying, “Out of sight, out of mind”. If you telecommute, take this adage to heart. Although you might operate out of a home office, take advantage of all opportunities that maintain visibility with your co-workers and your bosses.

Frequently, join them for lunch and brainstorming sessions. Participate in group training exercises. All of these activities keep you in sight of senior management and other operating executives.

In addition, do not forget the importance of extra-curricular activities such as sports teams, community service and other company-sponsored social events. A consistent exhortation from my interviews with senior managers was, “Be all in.” In other words, sometimes just doing your job is not enough to ensure success with your career.

Visibility is also critical for the senior manager. Today’s generation likes to build relationships with their co-workers. This is very hard to achieve when their bosses barricade themselves in their offices. Take the time to “manage by wandering around.”

## **6. Five O’clock is Not the End of the Day**

Similar to standard operating procedures in the public accounting profession, the workday in private industry does not necessarily end at 5 PM. The absence of a supervising senior accountant or engagement manager, however, places the burden of work commitment squarely on the shoulders of the transitioning CPA. Be prepared to see projects through to completion on a recurring basis. As you might expect, this sometimes might require extra time in the office. Other times, you will invest the extra hours at home. This investment of time is well spent.

As a transitioning CPA, you have months, if not years, of information to absorb. A “standard” workday usually does not provide sufficient time to accomplish this task.

It is all about commitment.

Since we discussed the concept of commitment from the perspective of the new employee, it might be helpful to look at the issue through the eyes of the hiring manager. Experienced managers need to understand that today’s generation of workers does not believe in working overtime for the sake of working overtime. They

are committed to the success of tasks in which they see purpose and value. Make sure that you reinforce those attributes with the newly hired CPAs. Believe me; today's young CPAs want to add value to all that they do. Make it easy for them to have a passion for commitment to excellence and for the completion of their tasks.

## 7. Ownership

Andrew Grove, the retired Chairman and CEO of Intel Corporation, urges employees to take control of their own careers. One of the successful CPAs I interviewed, Heather S., conveyed the same message.

If you do not receive feedback, find it. If you do not have opportunities for job rotation, look for them. Consider using the **two-circle analysis** as a performance review vehicle. In the **two-circle analysis**, the employee lists in prioritized order the major activities for which they consider themselves responsible. The employee then asks their boss to prepare a prioritized list of the same activities from the boss' perspective. The parties ultimately meet to discuss the consistencies or inconsistencies of the two lists. Often this discussion can prompt a more complete dialog over performance and career progression. Take ownership and be proactive with respect to the development of your career. This tool is one way to do just that.

Above all, commit yourself to a comprehensive continuing education program. Do not look for the easy way out to maintain your continuing professional education requirements. Forty hours of CPE each year may be barely enough to maintain your skill level. You signed up to become a professional. That includes a commitment to keeping yourself current and up-to-date. Similarly, the more relevant business books you seek out and read, the broader will be your knowledge base. This could lead to an acceleration of your career advancement. Remember, your career is Job #1.

Hiring managers need to promote this perception of career ownership in the newly hired CPAs. Encourage them to stay technically current, expand their business perspectives. Help them to take ownership of their career progression.

## **8. Share Your Skills**

Recall my earlier discussion about mentoring. Sociologists indicate that Generation Y is one of the most, if not, the most sharing generation in terms of giving back to society. Do not be afraid to carry this attribute into the office. Share your incredible knowledge of technology with your co-workers, particularly the Boomers.

Turn mentoring into a two-way street. Take the flow of experience from the senior managers and return to them the gift of current networking technology.

In terms of community involvement, be prepared to participate and even lead the charge in terms of neighborhood service projects. This type of effort quite possibly will bring more meaning to your day job as you see the impact of your employer in the real world.

For the senior managers reading this article, I have only one word to share with you—encouragement. Encourage these young CPAs to continue their personal commitment to sharing their time, talent and treasure. The benefits to you, your company and to the transitioning employees will be huge.

## **9. It's Only a Job**

Do not forget to take time to laugh. It will extend your life and reduce the stress that comes with ordinary life. In the 1960s, a famous Los Angeles Dodger outfielder misjudged a fly ball in the World Series. It cost the Dodgers the game. Later asked about the error the ballplayer said, "It ain't my life and it ain't my wife. It's only a ballgame."

Don't let the job define you. You define how the job affects you and those around you. You will make mistakes. Recall my previous discussion about failure. Learn from your missteps and recover from them.

Hiring managers can leverage this perspective. Find ways to celebrate! Celebrate both accomplishments and personal milestones. One of the most memorable events I can recall during my years at Intel Corporation was the company's CEO attending my youngest child's baby shower.



Everyone is aware of the terrible stereotypes that accompany CPAs. Take the opportunity to dismiss these stereotypes and show you are human!

## **10. Interact with Dignity and Respect**

The final component of the winning formula should probably be the first. Treat everyone with dignity and respect. Contrary to popular belief, nice guys do not finish last.

This tenet applies equally to the transitioning CPAs and their hiring managers as well.

Take the time to make friends and allies within the company. They will accelerate the success of your transition to private industry and promote your future career both inside and outside the organization. People enjoy working with co-workers they respect.

## **Some Final Thoughts**

Change is never easy. Learning to adapt to new environments and embracing new perspectives is equally challenging. Ten simple steps of anything rarely solve the complex issues we face in business and life. It is my desire, however, that these 10 Steps will encourage you, the transitioning CPA, and you, the experienced manager to adapt to and embrace the changes and challenges you face with a mutual commitment to excellence. The success you achieve will surely be your own.

**WILLIAM F. O'BRIEN, MBA, CPA**, a Santa Clara University faculty member, is an internationally recognized author and lecturer in the areas of corporate financial management and international accounting. He is an Executive Education, Inc. discussion leader and a frequent speaker at Minnesota Society of CPA events.