



# Charlotte Accounting & Finance Trends Report

Designed to assess the latest staffing trends for accounting or accounting-related positions, AccruePartners' 2008 Accounting & Finance Trends Survey collected key insights from more than 500 Charlotte area employees and employers. To fully measure the impact of the recent economic slowdown on area hiring trends, a follow-up survey was conducted at the beginning of November. Industries represented included healthcare, automotive, distribution, retail, manufacturing, technology and engineering. Respondents held a variety of both junior and senior positions, including CFO, COO, VP/Director of Finance, Controller, Assistant Controller, Financial Analyst, Senior Accountant, Human Resources Manager, and Payroll Manager.

## Results

Charlotte, N.C., has been consistently ranked as one of the fastest growing cities in the U.S., and both employers and employees are confident that, despite the current economic downturn, Charlotte will remain one of the country's top growth centers and is well-positioned to confront the recessionary pressures we now face. Although some Charlotte employers have begun to hire less or implement targeted staff cutbacks, most companies are now focused on retaining key staff. As in years past, this means that Charlotte area companies will face continued challenges when it comes to finding accounting staff – especially people with the right credentials, education, and personality.

## Conclusions

- Despite troubling nationwide economic predictions, only 19% of respondents plan on decreasing staff levels in 2009. A majority plan on maintaining current staff levels over the next 12 months, and 17% plan on hiring new staff.
- Charlotte employers continue to face difficulty in recruiting and retaining talented, motivated, and highly-skilled accounting and finance staff due to lower turnover and a scarcity of qualified candidates.
- Because 52% of currently employed accounting staff surveyed is actively or passively looking for a new position, there is a significant disconnect between employee satisfaction and employers' perception of that satisfaction.
- When an employee leaves, replacing them can cost up to 150% of their annual salary.
- Third-party staffing and recruiting firms can help companies reduce the workload and time-to-fill for empty positions.
- For talented candidates looking for rewarding, long-term positions with good work/life balance, there are good opportunities in the current job market.

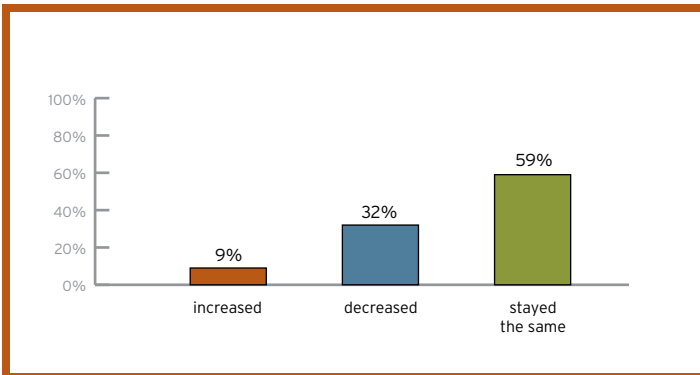
## The Charlotte Economy: Stronger than Most

Clearly, the Charlotte metropolitan region has not been immune from the nation's deteriorating macroeconomic conditions. While the housing decline and the potential for additional cost-cutting from the Wells Fargo/Wachovia merger have the strongest near-term potential to negatively impact Charlotte's economy, both economists and survey participants believe this region will continue to grow, if only at a slower pace than in recent years, and is in a good position to weather a national recession.

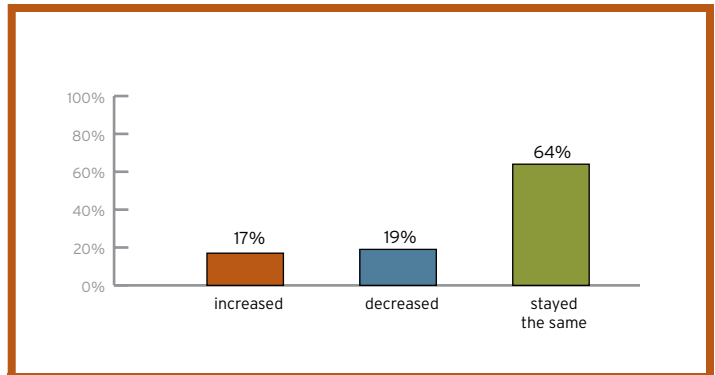
In fact, while much of the country prepares for an economic downturn by reducing hiring initiatives and cutting costs, North Carolina's job growth is likely to continue next year, according to UNC Charlotte economist John Connaughton. For those seeking jobs in 2009, Connaughton estimates that North Carolina will see an additional 51,200 net jobs, or an increase of 1.2 percent. The service industry is forecast to gain the largest portion of new hires at a projected rate of 3.9 percent growth. According to Connaughton, "with the turnaround in the economy expected during the second half of 2008, we should see a continued upswing in economic activity in 2009."

## Still a Need for Accounting Professionals

While employment expectations are down in other parts of the country, Charlotte's employers face a different problem. As the population continues to increase and more talented employees plan on keeping their current job to ride out the current economic turmoil, finding the right employees, especially in the field of accounting, has never been more of a challenge. This shortage stems from several factors. First, the retirement of baby boomers has caused a dramatic decrease in senior-level professionals in all fields. Secondly, the need for accountants has continued to rise in 2008 due to additional workload created by compliance legislation. And third, on a regional level, Charlotte companies are focusing more on retaining skilled staff as the economy slows.



**Q:** Have staffing levels in your area changed since September 2008?



**Q:** Will staffing levels in areas you are responsible for change in 2009?

## Federal Compliance Legislation = A Lot More Work

New federally mandated compliance legislation has strongly increased the demand for accounting professionals nationwide. Additionally, the pressure of annual audits and the threat of lawsuits over everything from incorrect overtime pay to abused corporate accounts have caused many companies hire more certified accountants. According to the U.S. Department of Labor, Bureau of Labor Statistics, the accounting employment rate is expected to increase by 19.5% by 2012 for accountants, auditors, tax specialists and bookkeepers. This strong demand has resulted in a job market which has generated an influx of talent – as well as an increase in competition for that talent.

In addition to federal legislation, the Securities and Exchange Commission (SEC) has proposed that U.S. Companies move towards International Financial Reporting Standards (IFRS). Companies are seeking – with increased urgency – a greater understanding of the changes, opportunities, and challenges associated with managing a transition from U.S. Generally Accepted Accounting Principles (GAAP) to IFRS. By 2009, some public companies will have the option of IFRS reporting, and this option may expand to additional companies over time. Mandatory use of IFRS in the U.S. is likely to begin in 2014. Much like Sarbanes- Oxley when it was enacted, the coming implementation of IFRS will create strong demand for candidates who understand these new standards and can help companies successfully evolve.

## No Shortage of Work - Just of Skilled Financial Professionals

The sharp demand for skilled accounting staff is one of both supply and demand. One of the profession's most pressing needs is recruiting and training enough new CPAs to replace those reaching their retirement years. In the next 15 years 75% of current AICPA members will reach or approach retirement age. While firms across the country know all too well the challenges of attracting talent, there is good news in this area: the number of accounting degrees awarded increased 19% between 2000 and 2005, and there was a five-fold increase in the percentage of high school and college students planning to major in accounting, according to the AICPA.

On the demand side of the accounting job market, throughout the U.S., retention is a growing concern. Accounting, like many knowledge-worker positions, demands more than just a body to fill the role. Most hiring managers are looking beyond a resume and several rounds of interviews credentials, and many are disappointed by what they find. Skills on paper do not always translate into real-world experience, and even if a

new employee comes highly recommended, the compatibility of their personality can play a big role in determining their longevity in a new position. Survey results indicate that area companies will continue to focus retaining key staff.

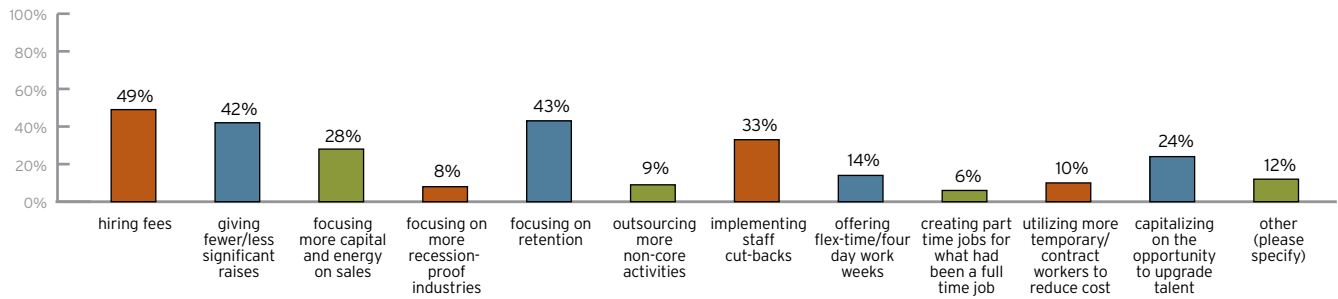
## What do Employers Want?

According to Accrue Partners' 2008 Accounting & Finance Trends Survey, Charlotte companies are looking for candidates that combine the requisite technical skills with industry experience, a suitable education level, and, most importantly, a good personality. Other desirable traits include: effective time management, the ability to learn/adapt quickly, a positive attitude, and effective communication skills. As one area CFO who participated in the survey commented, "for a senior person, it really comes down to initiative, self motivation, and the ability to think critically and identify the overarching business trends in the available data, while for a junior person, the candidate needs strong initiative, good people skills, and a desire to advance their career."

## What do Employees Want Most?

In three words – a new job. That, at least, appears to be the case among the hundreds of currently employed Charlotte area accounting and finance professionals who participated in the 2008 AccruePartners Accounting & Finance Trends online survey. Over 45% of respondents, holding both junior and senior positions at their respective companies, were less than satisfied with the current position, while 50% were actively looking. These are, after all, people with a skilled, in-demand profession, so if a company fails to meet their expectations for the ideal work environment - or the ideal level of compensation - there is no shortage of opportunity in Charlotte's accounting job arena.

When employees were asked what it would take for them to leave their current position, responses showed a high demand for healthy work/life balance, more flexible office options such as telecommuting, and a clearly defined career path with both milestones and promotion opportunities. Of those who were looking for a better work environment, many of the features they sought were a better work-life balance, a shorter commute and the ability to work from home. In most cases, employees said it would take a significant salary increase to lure them away from a work environment they enjoy. "A good job offer with a larger company, better compensation and benefits, and a job that utilizes my talents and strengths," wrote one frustrated accountant who was also currently employed and "actively looking" for a position that better fulfilled her professional aspirations. One trend is clear, however. More employees indicate they are satisfied with their jobs and need the security during these uncertain times, which means fewer qualified candidates will be actively looking.



**Q:** Have your initiatives for business changed due to the recent events? Check all that apply.

## How to Hire the Right People

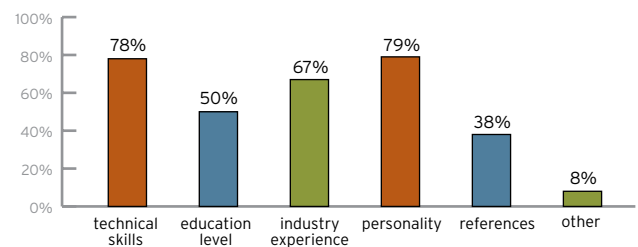
One point business consultants agree on is that a positive workplace culture energizes employees. The right balance of fun, ambition, camaraderie, and support has been proven to increase productivity which, in turn, makes both management and clients happy. In today's competitive workforce, a positive company culture can help retain highly valued talent. At the same time, however, it also creates greater recruiting challenges for companies interested in hiring the best.

## A Staffing/Recruitment Firm Can Save More Than Time

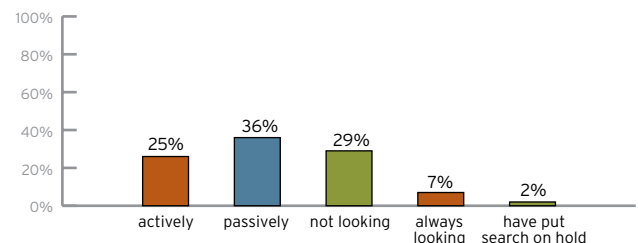
Whether because of a better offer from a competitor or dissatisfaction with their current work/life balance or career trajectory, today's accounting professional employee leaving can cost up to 150 percent of their annual salary in new-hire costs and lost profitability. Other costs associated with losing a good employee include the loss of moral and productivity among the remaining staff – who must absorb the extra work while the hiring process runs its course.

An effective staffing strategy can help your business improve its bottom line. How? By controlling HR costs, improving production, and managing risk. Consider these factors in assessing your staffing strategy:

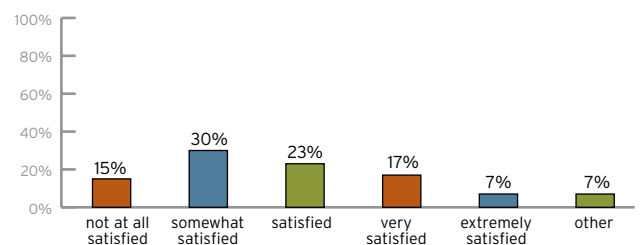
- Outsource Recruiting and Staffing Needs**  
 If hiring tasks are distracting your key employees, transfer those duties to a staffing/recruitment firm. Let them handle screening, testing, interviewing, and reference checking and free your staff to focus on core activities.
- Reduce the Risk of Hiring Mistakes**  
 A bad hire can be expensive. Which is why a good staffing firm will follow rigorous screening procedures for both temporary employees and direct hires – and ultimately increase your chances of getting the right person. Search firms will most often provide candidates who not only possess the skills and experience you require, but who also have the personality traits needed to thrive in your work environment. To further reduce your hiring risk, you can also take advantage of temp-to-hire services and direct placement guarantees.
- Reduce Training Costs**  
 Training is also expensive. There are also the costs of lower productivity and quality associated with new or under-trained staff. Reduce training costs and improve productivity by bringing in only behaviorally-tested, skilled employees who have already been thoroughly vetted by a staffing/recruitment firm.
- Reduce Overtime Costs**  
 Using temporary employees in place of overtime can reduce labor costs by 20% or more.



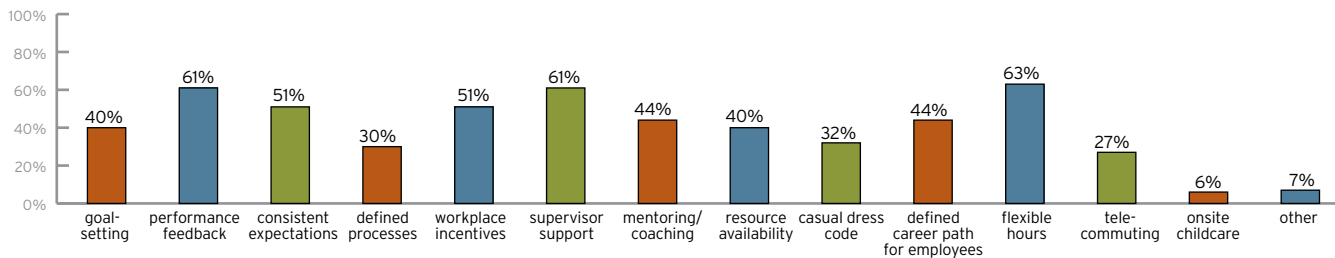
**Q:** What are the most important factors you look for in a candidate? Check all that apply.



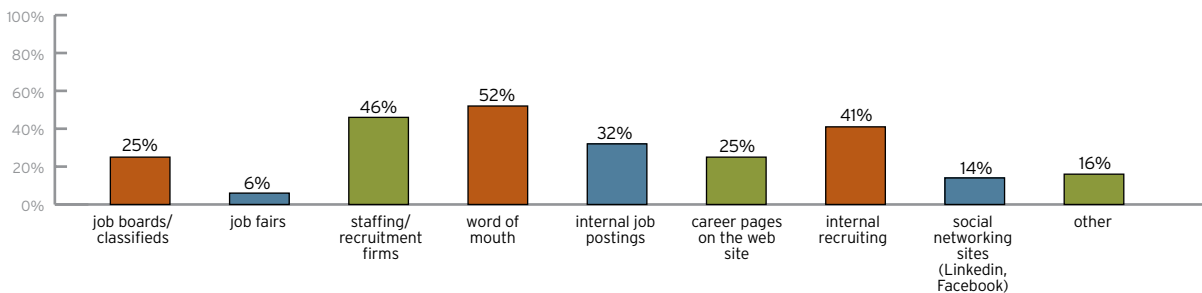
**Q:** How actively are you looking for a new position?



**Q:** How satisfied are you with your current position? Your response is confidential.



**Q:** Which of the following are most important to you in an ideal workplace environment? Check all that apply.



**Q:** How helpful are the following resources in finding qualified applicants?

## Conclusion

Compared to the data captured by our first survey, the results of the reassessment show that despite a slowing regional economy, the percentage of respondents who plan on maintaining current staff levels slipped only slightly from 65% to 59%. As of early November 2008, area employers were 8% less likely to increase staffing levels and 13% more likely to reduce staffing levels. Clearly, there will be more candidates on the market, but this increases the risk of making a bad hiring decision. In addition, true accounting talent is increasingly willing to stay in their current jobs and ride out the economic slowdown. This means finding the right people who can interact effectively with colleagues and management will require partnership with a trusted third-party staffing/recruitment firm.

## Methodology

Because of the large number of Charlotte employees and employers who participated in this survey, we are 99 percent confident that the responses of the Charlotte population to the survey questions would be +/- 5.7 percent from the figures stated herein. Each respondent answered the questionnaire via an online survey tool and was assured of their confidentiality. Their responses will be used only in this aggregate analysis.

### About AccruePartners

AccruePartners is a professional search and staffing firm that offers temporary and direct hire placement in three areas: Accounting and Finance, Human Resources, and Corporate Support. AccruePartners is high touch, relationship-oriented, networked, and progressive. Ranked the 4th largest women owned business and Best Places to Work by the Business Journal, and awarded the Family-Friendly Company designation, Accrue believes that its work environment and the character of its employees is important. The personality of the firm is driven by the team rather than the individual. The culture of the organization is innovative, modern, and dynamic. Accrue navigates itself by being actively involved in civic circles and remarkably generous with its charitable efforts. It truly cares about the long-term success of both its clients and candidates - and ultimately many candidates turn into clients. This real sense of caring is the hallmark of Accrue. For more information visit [www.accruepartners.com](http://www.accruepartners.com)



accruepartners

**Charlotte office**  
2137 South Boulevard  
Suite 200  
Charlotte, NC 28203  
704.632.9955 ph  
704.632.9988 fx

**Atlanta office**  
Tower Walk Plaza  
3340 Peachtree Rd NE  
Suite 1800  
Atlanta, GA 30326  
404.335.7120 ph



[accruepartners.com](http://accruepartners.com)