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Once you find Millennials, you have to keep them

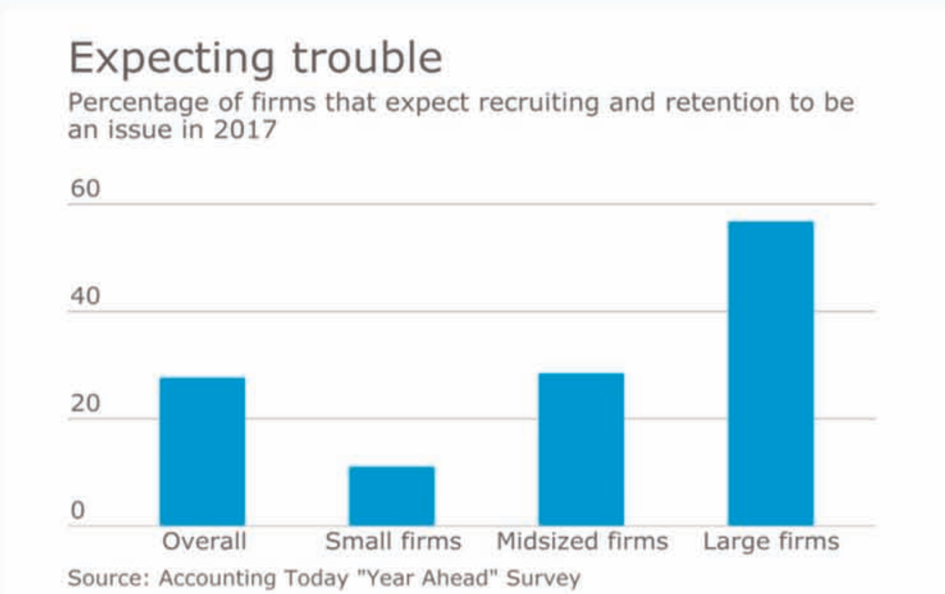
Recruiting Millennials can be hard, but what happens when you've already hired them? Retention, especially among young professionals, can be trickier than attracting talent in the first place, so how does a firm go about keeping young professionals happy in a constantly evolving workplace? Accounting Today sat down with some experts on the topic to find out how to make the elusive age group happy where they are.

Hate to see you go

While young professionals' reasons for walking away from a firm can be as varied as they are, some base causes stay the same.

Sandra Wiley, chief operating officer of Boomer Consulting, believes that young professionals can often find what they need outside more traditional firms. "I think it is the perception that the profession is not changing to meet their needs," she said. "They would like to have more flexibility, more connection to firm leaders, [and] the ability to advance faster, [with] educational opportunities and to be in a position that allows them to innovate when they see aspects of the work that don't make sense to them. They believe they will find all of those things in private companies, so they are exiting."

Co-founder and partner of consulting firm ConvergenceCoaching Jennifer Lee Wilson also echoes the grass-is-greener philosophy that young professionals espouse these days. "[It's] opportunity outside the firm that feels more attractive or engaging than the opportunity they perceive inside their firm," she said. "The lure of promotion, more money, a more progressive industry or entity, more flexibility — all of these are calling young people out of their firms."



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"New accountants want to feel valued," said Frank DeLapa, CFO at Washington, D.C., staffing firm Sparks Group. "They may feel that neither their work nor their time is being taken seriously, so when another offer comes along, they take it. Additionally, they may not understand the career path at the firm and don't see the potential or opportunity for personal growth. A motivated accountant is someone who feels an impetus or inspiration to act in a certain manner or towards a goal."

Joy Batteen, director of human resources at Top 100 Firm Kaufman Rossin in Miami — which was named Accounting Today's No. 1 Large Firm to Work For in 2016 — has seen her firm retain a high number of young professionals. She believes that other firms' reluctance to embrace a changing workplace is already damaging future prospects. "The lack of flexibility and long hours are really hurting the public accounting industry," she said. "Depending on the firm and practice area, schedules can still be far over 40 hours a week. Due to technology, young people have grown used to flexibility, and when they can't find that in their career, they are going to look elsewhere."

Give and take

Accounting firms may be hesitant in what they're willing to give Millennials to entice them to stay, but our experts agree that only a few core elements can make all the difference in retention.

"People need to feel their work has meaning, [that] they belong, and they are empowered," said Wilson. "Firms can accomplish this in many ways, including giving more context to the work being performed, giving your people client contact early and often, delegating and really giving up control, and allowing your people to identify solutions to any issues in the firm (internal or external). Choose two or three of their ideas and empower them to implement them."

Communication is also essential in keeping track of staff and their goals. "I believe continuous feedback is a key component of motivation and achieving high-quality work," voiced DeLapa. "However, both managers and their employees may have an aversion to traditional reviews, which can be ineffective. Therefore, utilizing augmented reviews with ongoing feedback can be more beneficial."

"What was once important (standard rewards) have changed in preference and priority and the need to [take] annual employee satisfaction surveys or other surveying methods is critical to stay current and relevant," said Evette Baker, president of Sparks Group. "In reality, if more organizations embraced this surveying, they may find that they are only transferring where rewards are being invested."

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In addition to what she dubs "the basics" of office culture — including flexible work hours, "dress for your day" policies, diversity programs and salary at or above market value — Wilson emphasizes that the right managers can make or break retention efforts. "If you have a 'mean' or 'bad' boss somewhere in the firm (supervisor, manager, principal or partner) who doesn't adhere to firm values or practices, you can have all of the other elements I mentioned and it won't solve turnover," she cautioned. "Nothing drives people out faster than a leader whose behavior is repellent and unaddressed!"

Wiley believes that teamwork is a surefire way to help young people stick around. "If you want to retain your superstars, allow them the opportunity to get connected with other young professionals outside of the firm," she said. "They love the collaboration and interaction. However, they don't just want to go learn new and exciting ideas, then come home to an environment that says, 'We don't do things like that here.' The idea that the firm's leaders are not open to change will drive them out, not engage them."

Of course, bells and whistles will always have their place in firms, too. "We are constantly evolving our retention efforts," said Kaufman Rossin's Batteen. "We allow flexible schedules — working from different office locations, or home. We also provide benefits that go above and beyond traditional options, like mileage reimbursement, catered meals, on-site massages, yoga and physical therapy, just to name a few. Joy at work is one of our core values!"

By the numbers

Making progress in retention will sometimes rely on the hard numbers. Wiley suggests if your firm isn't tracking retention numbers already, it needs to start now.

"Firm leaders need to be honest with themselves and not play with the numbers," she said. "Saying things like, 'We won't include this person, because they really didn't fit anyway,' or, 'We made the decision to let this person go,' should not be an excuse to make the retention rate look better than it is."

"Additionally, start tracking engagement in the firm by using short pulse surveys to see if people are feeling engaged," she added. "There are lots of great resources and tools on the market today, but the most important thing is to be consistent and do something with the feedback you receive."

Batteen said that Kaufman Rossin regularly takes periodic surveys of staff, focusing on "innovative ways to maintain a happy work environment, and when someone is interested in pursuing other options, we try to find an internal fit prior to exploring options outside of the firm."

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"As long as what you're measuring is not subjective, managers should be able to gauge fairly quickly how well their retention program is progressing," said DeLapa. "I like to use the methods that are most applicable to the business environment. Time-to-hire is one metric that is widely used in larger firms and requires tracking the total time required for hiring; if positions go unfilled, the firm loses."

"Cost-per-hire is probably the most important indicator of how well your retention program is progressing," he said. "When defining the total cost associated with a given position and hire, firms need to include separation costs, replacement costs, training costs, and an estimate of lost productivity."

Wilson suggests grouping turnover into three categories: involuntary turnover, voluntary desirable turnover and voluntary undesirable turnover. While the first two categories deal with candidates leaving and the firm accepting it, she urges that voluntary undesirable turnover is the real cause for concern. "This is when someone says, 'I quit,' and firm leaders feel like putting their heads down on their desks and wailing," Wilson said. "These are the people we most want to hear from. 'What could we have changed that might have caused you to stay?' It is hard to get honest answers from these people as they are often too kind to tell their truth or afraid of burning a bridge. But they would be the people who could point us to strategies that would allow us to save others like them in the firm."

Ask not ...

It's easy for firms to think of Millennials as the source of their staffing headaches, but the sooner they understand that the ball is in their court, the better. Stronger retention numbers are as simple as a change of perspective on only a few issues.

"Millennials are our new workforce and we need to find ways to integrate their needs and values into the workplace," said Baker. "We must be willing to change the way we have 'always done things,' as there might be better, more efficient ways that offer work-life balance and higher morale."

"Listen to your employees, set expectations, and be innovative about your retention efforts," urged Batteen. "Along with flexibility, you have to have accountability. The younger generation wants to work when they want and where they want. That may work for those who are disciplined enough to do so, but others will need to be held accountable."

"Retaining good accountants will require a structure that provides employees with the tools to perform their job well, and promote innovation and creativity whenever

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possible," advised DeLapa. "Train managers to be effective coaches and mentors; offer your accountants a path to greater pay, recognition and responsibility; share company strategies and vision on an ongoing basis; and keep employees in the loop whenever possible concerning any change that could either directly or indirectly affect them."

"At the Digital CPA Conference in December, Daniel Burrus, a keynote speaker there, said, 'When young people come out of school and join a CPA firm, they get in a time machine and go 20 years backward.' This doesn't work for retention!" Wilson warned. "Firms that aren't focused on changing fundamental aspects of the public accounting model … will continue to see their people — especially their young people — voting with their feet."

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