

Campus Recruiting: What Local and Regional Accounting Firms Look for in New Hires

By George Violette and
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Accounting firms are displaying impressive revenue growth, creating increasing demand for entry-level staff. The CCH Young Accounting Professionals Survey published in March 2007 showed that growth in 2006 was the highest since 2000. At the same time, the report notes that baby-boomer accounting professionals are retiring in numbers likely to overwhelm the relatively smaller pool of new graduates entering the profession. A recent article in *The CPA Journal* noted that this trend has created intense competition among accounting firms vying for the most highly qualified students graduating from accounting programs [Bruce (Harv) Busta, D'Arcy Becker, P. Jane Saly, Richard S. Sathe, and Kate Mooney, "Effective Campus Recruiting: The Faculty Perspective," July 2007]. The most recent AICPA survey on the demand for public accounting recruits suggests that the competition continues to be intense, even in the current economy. A vast majority of smaller firms reported that they planned to hire the same number of or more graduates in 2008–2009 (Dennis R. Reigle, et al, "2008 Trends in the Supply of Accounting Graduates and the Demand for Public Accounting Recruits," AICPA, 2008).

Accounting Firms Survey

The authors conducted a study in which they questioned various accounting firms on their recruiting and interviewing methods. The results of this study should assist local and regional firms in evaluating their recruiting approach and comparing it against others. The study is also meant to aid students who are not aware of even the basics of the recruiting and

interviewing process by teaching them what prospective employers are seeking in successful candidates and providing them with the advance preparation needed to make the best possible impression on recruiters.



A sample of six public accounting firms that recruit students on the authors' university campus was selected. To provide a diversity of firm sizes, two multistate regional firms, each with 150 to 200 employees, and four local firms that ranged in size from about 15 to 65 employees, were surveyed. The authors interviewed the individual at the respective firms responsible for campus recruiting: four firm principals and two senior managers. *Exhibit 1* presents the questions that were asked in this study. Respondents were first asked to answer a broad overview question to determine the most important general characteristics sought in new hires. The survey questions then focused on the pre-interview process, such as how firms identify which candidates to interview, the interview process itself, the second-interview process, and the final selection and offer.

What Is Desired in a New Hire?

Although there was a wide range of characteristics that recruiters were looking for in new hires, three areas stood out: leadership potential, strong interpersonal communication skills, and enthusiasm and motivation toward the profession. Evidence of leadership potential might be assumed through participation in officer positions in campus student organizations, such as the student accounting society, as well as serving as a captain on a sports team in college or high school. Written communication skills are ascertained, in part, through the examination of the candidate's cover letter and resume, which demonstrates the care students should take in constructing these documents. Oral skills are carefully assessed in pre-interview receptions and in the interview process.

Students should be prepared to demonstrate their interest in and knowledge of the profession in their cover letter and during the interview process. They should take advantage of various resources available to assist with their job search. Career services professionals can be very helpful. Most schools offer help with writing resumes and cover letters and improving interviewing skills. For assistance, students can attend workshops or schedule individual appointments with career services. Online resources can also provide tips and advice. The AICPA offers help on "Becoming a CPA" through their website (www.aicpa.org), where students can learn more about career paths, hiring trends, and job search tips. The surveyed employers all stressed the importance of the potential hire showing some knowledge of the firm at the initial interview. Candidates can peruse a firm's website to find essential information

that will demonstrate this knowledge and interest.

Pre-interview Process

Accounting firms seek to identify and interview those students who embody the characteristics described above. This determination is made through a careful read of the applicant's cover letter, resume, and transcript. A well-written cover letter is very important to most firms, since it is the student's opportunity to show strong written communication skills and enthusiasm for the profession in general and the firm in particular. A well-written letter intended to make a student stand out must go beyond a general, job-seeking statement. It should show initiative and enthusiasm.

Recruiters generally prefer a one-page resume, unless the student has substantial relevant work experience to present which requires a second page. Nevertheless, recruiters emphasize the importance of a well-organized and typo-free resume, rather than the importance of the overall length. There is no need to list references on the resume or make the obvious statement that "references are available upon request." Instead, students should prepare a separate reference listing that they can give to the interviewer if asked. Students should identify and ask permission of faculty, employers, and others to serve as references, but there is no need for letters of reference to be prepared. If a recruiter wants information from a reference, the preference is generally for direct contact via telephone or e-mail.

Recruiters look for evidence of solid grades in accounting and business courses. Generally, they prefer an overall GPA of 3.0 or higher. Each recruiter surveyed was willing to interview students who do not meet this threshold, as long as the students can provide a reasonable explanation of why their GPA is lower. Nevertheless, all recruiters still insisted that the intermediate accounting series grades must be a "B" or higher, even if the overall 3.0 GPA is missed. The cover letter gives students with lower GPAs the perfect opportunity to convince potential employers that they do have the skills the employer seeks.

Most recruiters look for evidence of leadership and initiative, as stated earlier, such as being an officer in student accounting groups, a captain of a sports team, and participation in volunteer activ-

ities. They want someone who is active and involved. Most would prefer that potential hires complete their 150-hour requirement by graduation, though given the current competitive hiring environment, all quality candidates will receive offers. Those applicants who will not have completed their 150 hours by graduation should discuss their plans to meet this requirement.

Prior relevant work experience, including internships, is not expected but is usually a plus. If a student has worked many hours while taking a full course load at school and maintaining volunteer and family activities, this should be conveyed to the prospective employer. Even if the work is not directly relevant, participating in these activities while handling school responsibilities and other obligations demonstrates that an individual is organized and balanced.

Four out of the six firms surveyed held a pre-interview reception: Three held it at their offices, and one held it on campus. The other two firms had held such receptions in the past, but did not find them useful in their decision process.

The four firms use attendance at the reception to help gauge how interested students are in their firm. The expressed goals of the reception for the three firms holding it at their offices was to present the firm and its environment, to give students a feel for the personality and culture of the firm, and to give students a chance to envision where they would work. All three firms have students tour the office, with young current staff acting as guides. Two of the firms provide a "five-minute" informal overview presentation of the firm, which is usually given by the recruiting principal.

All four firms stressed the importance of the students dressing well, giving a firm handshake, and making good eye contact in conversations at the reception. Recruiters are looking for clues to the students' personalities and interpersonal skills, including their ability and comfort in asking and responding to questions. The reception also allows firms to gauge real interest. Most firms take feedback, either formally or informally, from the staff in attendance to determine "Who impressed? Who didn't?"

The Initial Interview

Most interviews last about half an hour. The style of interview varies greatly among

the firms surveyed. Some follow a prepared set of questions, while others ask assorted open-ended questions and "go wherever the interview takes them." All interviewers expect the student to arrive on time, display the right interpersonal cues, and show genuine interest in their firm. At a minimum, students are expected to have visited the firm's website and be informed about the basics. The interviewers' attempts to determine how serious the student is about their firm is based upon the questions students ask and their firm-specific knowledge.

EXHIBIT 1 Questions Asked in This Study

- What are you looking for in a new hire?
- How do you determine who you are going to interview?
- Does your firm hold some sort of a pre-interview reception for prospective interviewees?
- How do you conduct your interview? What are you attempting to learn? What is expected of interviewees?
- Who makes the decision to invite a candidate to a second interview? What is the process at this interview?
- Who makes the decision to extend an offer? How is it conveyed, and what are your expectations?

EXHIBIT 2 Examples of Typical Interview Questions That Might Be Asked

- "Tell me what you think about public accounting."
- "What do you think your work will consist of at our firm?"
- "Why are you interested in this firm? What do you want to know about us?"
- "Tell me about yourself."
- "Where do you expect to be in three to five years?"
- "Describe an example where you displayed leadership."

Students should come to the interview having prepared thoughtfully in advance. They should have done their homework on the firm and pondered typical questions that might be asked, such as those listed in *Exhibit 2*. Students should also come prepared with their own set of questions which demonstrate that they are informed and interested in the profession and the firm. *Exhibit 3* lists some potential questions for students to consider asking prospective employers. Students should understand that their goal at this first interview is to make a strong enough impression that they will be asked to a second interview.

Second Interview

The recruiter or interviewer generally determines which candidates will receive a second interview. In many cases, the managing principal or human resources manager (at larger firms) will provide input, but generally the recruiter makes the decision. The student is often contacted by telephone by the recruiter and invited to the second interview to be held at the firm's offices.

The second interview process varies among firms. Some have a very structured process, while others just have the student meet whoever happens to be available. Some firms have recruits meet only with the managing principal for a one-hour interview; others have a more formal schedule where the candidate will spend a few hours meeting several members of the firm, including principals and staff at various levels. Some firms take the candidate out to lunch, usually accompanied by relatively new staff. Other firms use written assessment instruments as supplements to obtain

additional information about the candidate. The Wonderlic general intelligence test is used by two firms, and a personality profile test is used by one.

The on-site interview is a chance both for the firm to sell itself to top candidates and for candidates to show why they are a great fit for the firm. Candidates should arrive on time—if not early—dress appropriately, and be prepared with additional questions to ask and a solid knowledge of the firm that shows their interest. The on-site visit is a chance for students to learn a bit more about the firm's "personality" and how that personality fits with their own. Students can see how formal or informal the atmosphere is, what people wear, how offices are set up, and so forth. If they are able to meet with multiple levels of staff, they have the opportunity to see what the firm's expectations are as employees move up in the firm.

The Offer

The decision to make a student an offer is generally made by either the managing principal or the recruiting principal. For some particularly impressive candidates, offers may occur "on the spot" at the end of the second interview. Most offers, however, are conveyed by telephone a few days later, by either the recruiter or managing principal. Students are typically given 10 days to two weeks to respond. Firms would prefer an oral acceptance at the time of the offer, but realistically they know that most students are interviewing at multiple firms and will need time to more fully consider their options before making a final decision. If a highly sought candidate needs more than the usual time provided for response to an offer, most firms are very willing to extend the deadline.

Employers want students to weigh their options and make a good decision, not a hasty one. They want students who truly want to be with their firm. Students should not be afraid to delay an acceptance for a reasonable time, especially if they are sincerely interested in multiple firms and need time to weigh the facts. Students must let these prospective employers know they are interested in the offer and will get back to them as soon as possible. Employers understand that prospective hires may need to seek input and advice from their family

or professors. If a candidate is not interested in a firm for whatever reason, firms appreciate knowing that so they can move on to another potential hire.

Not all students will be part of the initial offer calls. Some will be "on hold." Others will not be selected at all. For those not selected after the on-site interview, all the firms surveyed send a letter letting students know they were not selected and are no longer under consideration. A student who has received neither an offer nor a rejection letter should not get discouraged. Offers may yet be forthcoming. Most firms have a limited number of open slots and interview at multiple colleges. They must therefore wait for responses to outstanding offers. Often, several firms compete for the same individuals, so firms that do not hire those students receiving initial offers often follow up with offers to other highly regarded candidates. Students should remember that it is irrelevant whether they receive the first offer from the firm or the last, because ultimately firms only make offers to the candidates that they believe will be successful.

All firms surveyed welcome questions regarding offers made and are willing to clarify and respond to any concerns. Most are open to salary negotiations, but because firms have already conveyed what they believe to be a fair offer, a large salary bump is unlikely. At the entry stage of a career, the quality of training, work experience opportunities, and mentoring support are more important than dollars.

With the increased demand for new accounting talent, campus recruiting has become critical to accounting firms' strategies in attracting the talent necessary to sustain the revenue growth that has occurred in the past six years. In addition to helping accounting firms structure their recruiting and interviewing processes, the authors hope that the information provided by this study will help demystify the recruiting process for students, especially those with limited business and interviewing experience. □

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EXHIBIT 3

Examples of "Good" Questions Candidates Might Ask in an Interview

- "What sets your firm apart from the others?"
- "What does it take to succeed at your firm?"
- "What kind of work will I be doing?"
- "What kind of training and mentoring do you provide?"
- "What types of clients do you have?"
- "Describe the firm's culture."