

NeViews

DECIDING A FIRM'S CONTINUING EDUCATION APPROACH

By *Nicholas J. Mastracchio, Jr.*

Most CPAs realize that staying current takes more than the minimum hours required for CPE, especially considering the volume of professional literature being published. Another effort that takes considerable time is setting and maintaining a firm's policy and standards in this area to ensure that staff are up to date on new issues.

New York CPAs have many choices for obtaining professional knowledge. We can attend courses offered by the AICPA, FAE, accounting associations, and other professional groups. Self-study courses, including interactive ones offered on the Internet, abound. Another possibility is in-house courses offered by an outside organization or firm personnel.

Giving partners and staff the knowledge they need to properly do their jobs involves two dimensions: effectiveness and efficiency. To consider these two aspects one should look at the nature of the knowledge being acquired and the extent to which the knowledge needs to be disseminated.

If the knowledge is to be disseminated to a large group of staff, the firm can send the entire group to a course, or have one person attend and then present the information to the rest. Other choices include having the entire group take self-study courses, having someone come in to present material, or simply relying on everyone reading the professional literature to stay up to date.

Effectiveness Issues

Having a qualified professional present material is probably the most effective because it ensures that everyone receives the new material from a qualified presenter. A firm that uses this method can have participants share suggestions, concerns, and recommendations about how to approach the changes. This type of team building can result in greater acceptance of firm policies because everyone who will benefit is involved in weighing the alternatives and understands the decision-making process. When sending the

entire group to an outside course, everyone experiences the same presentation, but any discussion of the firm's reaction would have to occur afterwards.

Having one person attend a course and then present it to the group is less effective because only the person who attends the program has the opportunity to interact with the presenter.

Everyone taking a self-study course presents effectiveness limitations,

needed information. This includes out-of-pocket costs and the time required of firm personnel.

Having everyone use a self-study course is usually less expensive than everyone attending a course. This option, however, will require staff to spend more time discussing their understanding of the material—or lack thereof—because they had no authoritative source with whom to interact.

Although having everyone rely on reading publications for their continuing education decreases the out-of-pocket costs, the staff must invest time to ensure everyone has the same interpretation of the material and hold separate discussions to decide how the firm will implement any changes, and someone needs to coordinate and manage those discussions.

Having one person who attended a course make a staff presentation on the material may keep out-of-pocket costs down, but it may involve the most personnel time because the person attending the course has to prepare a presentation for the entire staff.

The out-of-pocket cost of sending everyone to a course or bringing in a presenter is determined by the number of personnel involved, the location of the course, and the cost of bringing in the presenter. In most cases where a large number of personnel are involved or the course involves significant travel, meals, and lodging, an outside presenter is more cost-effective than having the group travel to attend a course, which

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unless the program uses the Internet or another interactive medium for dialogue among participants and the presenter.

Probably the least effective method is to rely on everyone learning new material by reading publications on the topic.

Efficient Use of Time and Money

Another important aspect to consider is the efficiency of acquiring the

EXHIBIT 1
CONTINUING EDUCATION FOR A LARGE GROUP OF STAFF

Method	Effectiveness Rank	Efficiency	
		Out-of-Pocket Rank	Firm Time Rank
Presenter comes to the firm	1	4	1
Entire group goes to a course	2	5	2
One person attends course and presents in-house	3	2	4
Everyone takes a self-study course	4	3	3
Everyone reads publications on the issue	5	1	5

**EXHIBIT 2
CONTINUING EDUCATION FOR AN INDIVIDUAL OR SMALL GROUP**

Method	Effectiveness Rank	Efficiency	
		Out-of-Pocket Rank	Firm Time Rank
Attend a course	1	3	2
Take a self-study course	2	2	1
Read publications on the issue	3	1	3

has the additional indirect cost of time for travel and for determining the firm's approach to the issues. Personally, as a managing partner of a CPA firm, I would send my firm's staff to AICPA staff development courses and identify the best presenters. Our firm felt the extra travel cost is worth the benefit of obtaining the best knowledge.

If the course is presented in-house, the decision on how to apply the knowledge within the firm can be accomplished during the course itself, whereas if one attends an outside course this becomes a separate step. Two elements of efficiency are involved: out-of-pocket costs, and firm time. The various methods rank differently depending on the attribute considered. A summary of the methods and efficiency and effectiveness is shown in *Exhibit 1*.

A firm can use a number of alternative methods to acquire new knowledge, and the firm's approach can affect the entire firm. Certainly the nature of the subject matter affects how this is done, but the cost of the time involved can also be significant and should not be overlooked when selecting the method.

Individuals and Small Groups

When the material applies to only one individual or a small group, the assessment of alternatives is obviously different. For example, using an outside presenter can be eliminated as an option.

The most effective method is to attend a well-presented seminar, which not only gives the person the benefit of discussing the topic with a qualified person but also provides the benefit of hearing the questions, opinions, and insights of the other attendees. In my

own role as a managing partner I always attended the AICPA's annual management of an accounting practice (MAP) conferences. Although I have been a presenter at the MAP conferences, many times hearing the successful approaches and the failures discussed by my peers was the most beneficial part of the program. The partner in charge of the tax department of my firm had similar experiences when he had opportunities to discuss issues with other firms' tax partners.

The next most effective method is a self-study course. Here again the opportunity to interact with the presenter or others is missing. The least effective method is for the person to simply read publications without interaction with an authoritative instructional source.

MATCH THE MEDIUM WITH THE MESSAGE

In a recent independent survey of executives conducted for the staffing service Accountemps, 92% of respondents said managers often send an e-mail message rather than meet one-on-one. The survey included responses from 150 executives with the nation's 1,000 largest companies. Asked how often they think managers use e-mail messages as a substitute for face-to-face communications, 67% percent were of the opinion that they do so "very often," while 25% said "somewhat often," and 7% said "not very often."

Executives also were asked, "Aside from face-to-face communication, which of the following is the most

effective way to communicate with employees?" Their responses were: e-mail 43%, telephone 31%, videoconferences 20%, and written memos 5%.

"Face-to-face meetings reduce the potential for miscommunication, allowing individuals to share ideas and feedback with the benefit of vocal inflections, facial expressions and body language," cautions Max Messmer, chair of Accountemps. He advises managers to choose the medium appropriate for the message: "If the topic will involve debate or requires reaching a group consensus, arrange a meeting or conference call. For one-way communication or inquiries requiring little discussion, e-mail may be the most effective and timely vehicle."

An Indicator of Quality

In my experience, for important firm issues, the benefits of attending courses far outweigh the additional cost. When students wonder what to ask on job interviews, one suggestion I make is to find out the nature of the continuing professional education provided, because that can be a good indicator of the attitude of the firm. A firm that is dedicated to quality is dedicated to quality education. □

Nicholas J. Mastracchio, Jr., PhD, CPA, is an associate professor of accounting at the University at Albany, N.Y., and a partner in LCS & Z.

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