

Is it the Kids or the Schedule?: The Incremental Effect of Families and Flexible Scheduling on Perceived Career Success

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ABSTRACT. Flexible work arrangements (FWAs) are widely offered in public accounting as a tool to retain valued professional staff. Previous research has shown that participants in FWAs are perceived to be less likely to succeed in their careers in public accounting than individuals in public accounting who do not participate in

FWAs (Cohen and Single, 2001). Research has also documented an increasing backlash against family-friendly policies in the workplace as placing unfair burdens on individuals without children.

Building directly on a previous study in this journal (Cohen and Single, 2001), this study addresses the issue of whether the documented perceptions toward FWA participants are the result of electing to take part in the FWA or the result of bias against employees with children. The research questions are addressed in a 3×2 experimental setting in which we manipulate FWA participation, along with family status and gender of a hypothetical manager in a public accounting firm. Our findings indicate that FWA participants are viewed as less likely to advance and as less committed than individuals without children or individuals who had children but who were not taking part in a FWA. Male FWA participants are viewed as less likely to succeed than female FWA participants. This effect appears to arise from a perception that FWA participants are willing to make sacrifices in their careers to accommodate family needs and thus may not be as committed to making the sacrifices perceived as necessary to meet the rigorous demands of the public accounting environment. This raises the ethical question of what could be done to change the culture in public accounting to foster a substantive support system for individuals who want to balance a family and a career.

KEY WORDS: children, flexible work arrangement, gender, public accounting

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Introduction

This study builds directly on a prior study in this journal (Cohen and Single, 2001) to address the issue of whether the documented perceptions toward

flexible work arrangement (FWA) participants found by Cohen and Single (2001) are the result of electing to take part in the FWA or the result of bias against employees with children. Despite the slowdown in the United States economy in the early part of this decade, attracting and retaining quality staff is still the top HR issue for public accounting firms in the United States (AICPA, 2002). This has also been true in other industries and in professional fields like banking and law (Almer et al., 2003). In addition, with public accounting firms increasingly multinational in nature, the importance of examining the effectiveness of FWAs is important for office locations throughout the world. One way firms have been attempting to retain staff in the last decade has been through the use of flexible work arrangements (Hooks, 1996), such as reduced hours arrangements, telecommuting, or non-standard work weeks. In a less robust economy, allowing employees to utilize FWAs may help firms achieve needed cost savings by better matching staffing with seasonal workload fluctuations (Dennis, 1997). FWAs may also be more attractive to some people who would have otherwise left the workforce, but chose to remain on a FWA in order to provide economic security for their family in the event of spousal job loss (Shellenbarger, 2001b). Further, Cohen et al. (1998) argue that women and men view accounting ethics issues from a different lens and if FWAs can help retain a higher proportion of women in positions of leadership, then the ethical decision making in public accounting may potentially be enhanced. Thus, fostering substantive success of FWAs potentially has the benefit of helping retain skilled professionals in a cost-effective manner while still helping employers create an ethical climate whereby individuals can have the support system in place to succeed in balancing their work and family life.

Flexible work arrangements have become increasingly important to accounting professionals, most often women (Cohen, 1997), who use them to balance work and family demands (Almer and Kaplan, 2000; Cohen and Single, 2001). The popular press has recognized public accounting firms' efforts in this regard by including public accounting firms among Fortune's list of Best Companies to Work For (Fortune, 2001) and Working Mother magazine's Best 100 Companies for Working Mothers (Working Mother, 2001).

Although there is evidence that the public accounting firm culture may be changing, prior research in this journal (Cohen and Single, 2001) found that in the public accounting environment, peers and superiors perceive negative career consequences of using a FWA. However, because Cohen and Single only compared FWA professionals with children to non-FWA professionals without children, it is unclear whether it was "the kids", or "the schedule" that caused the FWA participants to be viewed more negatively.

The primary contribution of this study is to tease out whether the negative effect of FWAs on perceived career success is due to the schedule itself, or if in fact the previously documented negative perception against participants of FWAs (Cohen and Single, 2001) is a surrogate for anti-family or gender bias. The current study examines this issue by eliciting measures of perceived career success and perceived commitment for six different categories of hypothetical audit managers: with children on a FWA, with children not on a FWA, and with no children and not on a FWA, each of which is described as either male or female. In this study, we are examining perceived and not actual equity and logistical issues. However, it is well documented in the social psychology literature (e.g. Ajzen, 1988), that perceptions significantly influence behaviors.

By extending Cohen and Single (2001) and comparing the incremental differences in how peers and superiors assess each of these hypothetical audit managers, we are able to discern the underlying cause for biases against those utilizing FWAs in public accounting. By isolating out potential biases, professional firms can tailor their programs in a manner that is perceived as equitable and thus improve the FWA's potential to succeed.

Firms that are interested in pursuing FWA policies in the retention of valued staff need to understand potential sources of resistance. The insights gained from this study about the potential biases that may affect employees who have or are contemplating a FWA can be utilized in the design and implementation of future FWAs. For example, firms can work to reduce perceptions of inequity and assign FWA participants to sufficiently challenging and prestigious clients that will enable the individuals to gain the requisite skill set necessary to enhance their potential for future career success.

Literature review and hypothesis development

Flexible work arrangements

Prior research has demonstrated that from the perspective of the FWA accounting professional, FWAs improve job satisfaction, burnout and turnover intentions (Almer and Kaplan, 2002). These benefits to the professional do appear to potentially be accompanied by some negative consequences. In a prior study in this journal, Cohen and Single (2001) found that FWA participants, irrespective of gender, were judged to be less likely to advance to partner, more likely to voluntarily or involuntarily leave, and less likely to be requested on a future engagement than non-FWA professionals. While Cohen and Single highlighted the presence of these potentially detrimental reputational consequences of using a FWA, they did not examine whether this effect was caused by the FWA schedule itself, or if it was due to some other factor such as the perceived inherent difficulty of juggling a family and a very demanding professional work environment.

If in fact, the negative perceptions associated with a FWA really are attributable to the schedule itself, two possible causes exist. First, the schedule may cause logistical issues. For example, a FWA professional using a reduced hour arrangement may be less available to answer questions from subordinates, causing delays or inefficiencies in completing work. Second, research in organizational policy suggests that negative perceptions associated with employees utilizing a FWA may be due feelings of inequity among other employees (Grover, 1991). Perceptions of inequity can cause the FWA to be viewed as unethical since the program is viewed to favor some individuals (e.g. individuals with children) and not another segment (e.g. individuals without children). A backlash has emerged against family friendly policies in recent years as evidenced by a number of grassroots efforts including the Childfree Network and the Singles-Friendly Workplace Campaign waged by the American Association for Single People (www.singlerights.com). These groups argue that the current benefits system is unethical since families receive more fringe benefits, and often expect co-workers to pick up the work of parents tending to family needs (Allerton, 2000; Seligman, 1999).

As Grover (1991) suggests, FWA professionals may be perceived as receiving too many of the firm's discretionary resources. Rothausen et al. (1998) propose that the existence of family-friendly policies can cause resentment among non-participating co-workers. Specifically, they found that employees not directly benefiting from on-site child-care centers were less positive in their views toward on-site child-care centers than individuals who use the centers. This backlash is explained in terms of organizational justice theories and suggests that any negative consequences of FWA usage in public accounting may be attributable to equity perceptions among coworkers (Grandey, 2001). For example, with the emphasis on team-based environments, the workload of FWA participants could be perceived as being shifted disproportionately to other members of the team (Grandey, 2001). Thus, individuals who are taking part in FWAs could be perceived as not contributing their "fair share" to the workload of the audit team (Cohen, 1997).

Consistent with prior research on the negative consequences of a FWA on desirability for a job, commitment to the firm and the career, and future success perception measures, the following hypothesis is proposed:

H1: Individuals who participate in a FWA as compared to those who do not, will be viewed as less desirable for an engagement, less committed to firm and career, less likely to advance to partner, more likely to be involuntarily counseled out and more likely to voluntarily leave the firm.

Family

Public accounting is a demanding profession, requiring long hours that often conflict with the needs of children (Hooks, 1992; Hooks et al., 1997). Research has found that not surprisingly, having a family in public accounting can have negative career consequences. Anderson et al. (1994) demonstrated that audit seniors described as married with children were generally perceived as less likely to succeed than those described as single. Johnson et al. (1996) found that audit seniors' current and future performance was judged lower when the explanation for a budget overrun was family related than when it was

client related. Even more recent research conducted subsequent to firms' "family friendly" focus of the 1990s, have found some evidence of the potentially detrimental career effects of a family. Family structure (single versus married with a child) affected perceptions of likelihood of voluntary turnover of new staff, but not hiring or initial advancement judgments (Almer et al., 1998). In that study, (Almer et al., 1998) the focus was on new hires so it is unclear how Almer et al. (1998) results may change when examining more experienced staff. Finally, qualitative responses reported by Cohen and Single (2001) suggest that in public accounting, the perceived ability to "juggle" and "pull one's weight" affects evaluations of success. In addition to affecting third party perceptions (e.g., superiors, peers and subordinates), the negative career consequences of family demands are also acutely felt by accounting professionals. Hooks et al. (1997) found that turnover intentions of experienced CPAs, irrespective of gender, were directly related to family demands (e.g., marital status and number of children) while Collins (1993) and Dalton et al. (1997) found that the stress of juggling personal and professional demands was an important factor in leading to turnover.¹

In light of this stream of research documenting both first person and third party negative career consequences of having a family while in public accounting, the following hypothesis is proposed:

H2: Individuals who are married with a family compared to those who are not married and do not have a family, will be viewed as less desirable for an engagement, less committed to firm and career, less likely to advance to partner, more likely to be involuntarily counseled out and more likely to voluntarily leave the firm.

Flexible work arrangements and gender

Early research provided some evidence of an overt gender bias in public accounting. For example, Anderson et al. (1994) found that hypothetical audit seniors described as female were generally judged by their peers as less likely to succeed. Johnson et al. (1996) also found that current and future engagement performance for female seniors was judged more harshly than male seniors when there was a

budget overrun. Further, some studies demonstrated differences in the perception of employee career commitment based on employee gender; males are perceived to have a higher level of career commitment than females (Anderson et al., 1994; Ragins and Sundstrom, 1989; Trapp et al., 1989).

More recently, the direct effects of gender bias against women appear to be on the decline. A number of studies published in the late 1990s and early 2000s found that females are assessed no less favorably, and in some cases more favorably, than their male counterparts. In their study of career success and advancement perceptions, Cohen and Single (2001) did not find a direct gender effect on career advancement or success measures. Similarly, Johnson et al. (1998) did not find a main effect for gender in audit managers' performance evaluation judgments.² One explanation that has been provided for this decline in overt gender bias is that while firms instituted gender diversity initiatives as early as the 1970s, it took time for the organizational culture to change (Johnson et al., 2000).

Accordingly, based on the recent trend in gender research, there is no expectation of a main effect for a gender bias. However, there is a potential interaction effect between using a FWA and the gender of the FWA professional. Popular press cites indicate that males on the "daddy track" may be penalized more than women on the "mommy track" (Winters, 2001). Since women primarily utilize FWAs (Almer et al., 2003; Cohen, 1997; Levy et al., 1998), men using a FWA may be viewed as outside the norm. A number of theoretical bases could explain this phenomenon. Organizational socialization theory posits that when a CPA does not adopt the behaviors and norms consistent with their prevailing firm culture, they tend to leave voluntarily or involuntarily (Fogarty, 2000). Further, this failure to appropriately socialize may negatively impact third party perceptions (Lowe et al., 2001). For example, the paucity of similar FWA male role models at higher levels can signal to others in the firm that the FWA male has not been appropriately socialized and therefore is viewed as unacceptable for upper management. Finally, in a non-accounting context, Allen et al. (1994, 444) suggest that taking a family-related leave of absence by a man or a woman is seen as evidence of lack of career commitment, but that men who take a parental leave of absence are viewed as "eccentrics" or not committed to their careers. Accordingly, the

following hypothesis is proposed for the interaction between gender and FWA.

H3: Males as compared to females who participate in a FWA will be viewed as less desirable for an engagement, less committed to firm and career, less likely to advance to partner, more likely to be involuntarily counseled out and more likely to voluntarily leave the firm.

Family and gender

The impact of having a family and working in public accounting may also interact with gender. Since women bear the disproportionate amount of family responsibilities, any negative consequence of having a family should be more pronounced for women with families than men with families. This expectation has been corroborated in prior research conducted by Anderson et al. (1994) who found that peer perceptions of female advancement were more negatively affected by having a family than male advancement. Further, Johnson et al. (1996) also found that when there was a budget overrun, the effect on performance rating if it was due to family reasons was greater for female than for male seniors.

However, it is possible that the gender diversity initiatives and more family-friendly culture of firms in recent years have mitigated this tendency (Almer et al., 2003; Cook, 1999; Hooks and Higgs, 2002). Further, popular press accounts suggest that male professionals are demanding more flexibility in the workplace to accommodate family needs (Working Mother, 2002). Therefore, we explore the following research question:

RQ1: Will females with families as compared to males with families be viewed differently in their desirability for an engagement, commitment to the firm and career, likelihood to advance to partner, likelihood to be involuntarily counseled out and likelihood to voluntarily leave the firm.

Research design and methodology

In order to build on the prior study in this journal (Cohen and Single, 2001) and test these hypotheses, we utilized a between subjects 3 (work arrangement/

family status manipulation) \times 2 (gender) design. Because of design considerations and subject availability, we did not utilize a fully crossed design to determine the three categories of hypothetical audit managers. This will be discussed in further detail later in this section. Each subject provided in total six dependent measures of which two each were related to career success (being requested on next engagement, advancing to partner level), commitment (to firm, to career) and turnover expectations (being involuntarily counseled out, voluntarily leaving the firm).

Vignette development

Respondents were provided with a profile of a hypothetical audit manager (see Appendix A). In the vignettes, each audit manager was described as either using a FWA or not, and specified their family status and gender. The vignette used was the same as that used by Cohen and Single (2001) but to build on their study we included the additional condition of a manager with children not using a FWA. For example, in the case of “No Flexible Work Arrangement/Children/Female Manager” the individual was described in part as follows:

“Elaine is married to Robert, who is the Controller at a local hospital, and his job does not allow flexibility. They have one child. Elaine puts in a typical sixty-hour work week except during busy season when she puts in many more hours. Prior to the birth of her child, Elaine enjoyed working out at the gym and getting together with friends in her free time. However, because of child care responsibilities and the need to be involved in client development activities, she is finding that these days she does not seem to have any free time.” Thus, the vignettes which had been pilot tested extensively with human resources professionals were meant to evoke the complex juggling acts that professionals often have to do when combining careers and family responsibilities.

Respondents

The questionnaire was distributed to audit seniors, managers, senior managers and partners employed at several offices of each of our three participating firms. Firm participation was elicited through the

TABLE I

	Demographics N = 299 ^a		
	Males	Females	Total
Rank			
Senior	28	36	64
Manager	44	44	88
Sr. Manager	53	49	102
Partner	32	4	36
Department			
Audit	98	66	164
Tax	32	47	79
Consulting	31	22	53
Marital Status			
Married	130	102	232
Single	30	35	65
Children			
Yes	91	71	162
No	69	66	135

^aNote that the full sample equals 299 but some respondents did not give complete demographic information so the totals for each category are not all equal. Rerunning the analysis with only those subjects who answered all the demographic questions did not qualitatively change the results.

support of AICPA Women and Family Issues Executive Committee. This committee is designed to promote work life balance issues in the public accounting profession. In offering their support, the Committee indicated that little attention had been given to non-Big 5 firms and strongly recommended that the focus of this research be on this under researched population.

Participating firms were two national and one regional assurance services firm. Questionnaire distribution and collection was facilitated by each participating firm's firm-wide HR office. In total, 610 questionnaires were distributed to the three participating firms and 299 useable responses were received back for a response rate of 49%.³ Table I presents the demographics information on the respondents. Examining Table I, it is evident that about three quarters were married and about 55% had children. Over half of the respondents worked as auditors with the remaining working in tax and consulting positions. Since no effect was found for firm or office location, all subsequent data is reported for the aggregate sample.

Independent and dependent variables

As mentioned earlier, we did not utilize a fully crossed design to determine the three categories of hypothetical audit managers. The final combination of the family status/work arrangement variable was not used, as it is so infrequent for someone without children to use a FWA (Levy et al., 1998), that it would likely have raised concerns about realism.

Instead, we developed three levels for our GROUP variable: (1) with children on a FWA, (2) with children no FWA and (3) no children no FWA. Thus, by comparing the incremental difference between groups 1 and 2, the effect of work arrangement can be assessed. The effect of having children can then be assessed comparing the incremental difference between groups 2 and 3. Gender (GENDER) was also manipulated by describing the hypothetical audit manager as either male or female.

Following Cohen and Single (2001) and Lowe et al. (2001), six dependent variables capturing aspects of perceived career success were elicited, each on a ten-point Likert-type scale with end points of 1 extremely unlikely/not at all committed to 10 extremely likely/extremely committed. The dependent variables included being requested on next engagement, commitment to firm and career, advancing to partner level, being involuntarily counseled out and voluntarily leaving the firm⁴. Additionally, covariates were included in the model for respondent rank within firm, department (tax versus audit), whether the respondent had children, gender of the respondent and firm.

Analysis and results

Because there were significant correlations (p -value < 0.05) among all our dependent variables except Voluntarily Leaving the Firm, data was analyzed using a MANCOVA for the first five dependent measures (Being Requested on Next Engagement, Commitment to Firm, Commitment to Career, Advancing to Partner Level and Being Involuntarily Counseled Out). ANCOVA was then used for the dependent variable Voluntarily Leaving the Firm. Table II panel A presents the MANCOVA results and Table II panel B presents the ANCOVA results.

TABLE II

Panel A: MANCOVA on dependent variables 1–5

Independent variable	Pillai's Criterion ^a	
	(F approximation)	<i>p</i> -value
Gender	0.028 (1.554)	0.173
Group ^a	0.385 (12.965)	0.000
Gender × Group	0.085 (2.418)	0.008
Covariates		
Rank	0.003 (0.149)	0.980
Department	0.013 (0.711)	0.616
Children	0.012 (0.633)	0.674
Gender ^b	0.081 (4.797)	0.000
Firm	0.028 (1.567)	0.170

Panel B: ANCOVA – dependent variable 6

Independent variable	F ratio	<i>p</i> -value
Gender	2.101	0.148
Group ^a	6.366	0.002
Gender × group	4.563	0.011
Covariates		
Rank	0.028	0.867
Department	2.257	0.134
Children	4.517	0.034
Gender ^b	0.592	0.442
Firm	0.795	0.373

^aGroup is defined as whether the vignette describes an individual as either: (1) FWA/Children; (2) No FWA/Children; (3) No FWA/No children.

^bBecause gender and rank may be highly correlated, we reran the analysis without gender. There are no substantive changes in significance levels on any variables.

The MANCOVA results indicate a significant main effect for GROUP (p -value < 0.000) and GENDER × GROUP interaction (p -value < 0.008). Because of the significant interaction, hypotheses are tested by examining the marginal effects (i.e. simple main effects) of each manipulated variable (Neter et al., 1990). Of the covariates included in the model, only the respondent's gender was significant at a p -value < 0.05, with female respondents giving higher ratings than male respondents for all but being involuntarily counseled

out. Similarly, the ANCOVA results indicate a significant main effect for GROUP (p -value < 0.002) and a GENDER × GROUP interaction (p -value < 0.01). Again, because of the significant interaction, hypotheses will be tested by examining the marginal effects of each manipulated variable. Only whether the respondent had children was a significant (p -value < 0.05) covariate with childless respondents giving higher ratings than respondents with children. Overall the multivariate results suggest that taking part in a FWA may adversely affect perceived career success.

In order to understand the direction of significant differences, Table III presents the means and p -values using Scheffe's procedure for multiple contrasts.

Effect of work arrangement

A comparison of responses for Group 1 (FWA with children) to Group 2 (no FWA with children) supports the expectation of the incremental effect of work arrangement. For each of the first five dependent variables, irrespective of gender, the hypothetical audit manager using a FWA was judged less favorably than the manager not using a FWA. These differences in means are most pronounced for Being Requested on Next Engagement and Advancement to Partner. Interestingly, these are the two measures that most directly address immediate and long-term perceptions. The two commitment measures are also significantly different but there is not a significant difference in the likelihood of the manager Voluntarily Leaving the Firm. Perhaps this suggests that the FWA is perceived to be a useful retention tool, but that participants will not advance as readily nor be considered as desirable a co-worker for the period that they are participating in the FWA. Accordingly, support is found for hypothesis 1, that taking part in a FWA would have a negative effect on the perceived career success of the participants.

Effect of children

The main effect for having children is determined by comparing the marginal differences between Group 2 (No FWA with children) and Group 3 (No FWA no children). In contrast to the effect of FWA, a signifi-

TABLE III
Adjusted cell means for career progression and success measures

	Group 1 FWA with Children	Group 2 No FWA with Children	Group 1 versus 2 marginal effect of work arrangement	Group 3 No FWA without children	Group 2 versus 3 marginal effect of children
<i>Panel A: Being requested on next engagement scale anchored by (1) extremely unlikely – (10) extremely likely</i>					
Gender					
Male	4.930 (1.969)	7.837 (1.748)	p -value < 0.01	7.544 (2.276)	N.S.
Female	5.750 (2.283)	8.043 (1.885)	p -value < 0.01	7.429 (2.972)	N.S.
Marginal effect of gender	N.S.	N.S.		N.S.	
<i>Panel B: Commitment to firm scale anchored by (1) not at all committed – (10) extremely committed</i>					
Gender					
Male	6.977 (1.596)	8.958 (0.824)	p -value < 0.01	8.684 (1.365)	N.S.
Female	7.213 (1.955)	8.891 (1.140)	p -value < 0.01	8.196 (2.504)	N.S.
Marginal effect of gender	N.S.	N.S.		N.S.	
<i>Panel C: Commitment to career scale anchored by (1) not at all committed – (10) extremely committed</i>					
Gender					
Male	6.930 (1.580)	9.122 (0.696)	p -value < 0.01	8.754 (1.366)	N.S.
Female	7.146 (1.957)	8.826 (1.122)	p -value < 0.01	8.357 (2.631)	N.S.
Marginal Effect of Gender	N.S.	N.S.		N.S.	
<i>Panel D: Advancing to partner level scale anchored by (1) extremely unlikely – (10) extremely likely</i>					
Gender					
Male	3.860 (2.406)	7.958 (2.173)	p -value < 0.01	8.544 (1.226)	N.S.
Female	5.319 (2.704)	8.043 (1.619)	p -value < 0.01	7.911 (2.560)	N.S.
Marginal effect of gender	p -value < 0.05	N.S.		N.S.	
<i>Panel E: Being Involuntarily counseled out scale anchored by (1) extremely unlikely – (10) extremely likely</i>					
Gender					
Male	5.140 (2.356)	3.667 (2.337)	p -value < 0.01	2.754 (1.629)	N.S.
Female	4.354 (2.522)	2.870 (2.156)	p -value < 0.05	3.500 (2.449)	N.S.
Marginal effect of gender	N.S.	N.S.		N.S.	
<i>Panel F: Voluntarily leaving the firm scale anchored by (1) extremely unlikely – (10) extremely likely</i>					
Gender					
Male	7.651 (1.557)	6.980 (2.165)	N.S.	5.807 (2.318)	p -value < 0.05
Female	6.458 (2.283)	6.739 (2.333)	N.S.	6.214 (2.095)	N.S.
Marginal effect of gender	p -value < 0.05	N.S.		N.S.	

TABLE III (Continued)

	Group 1 FWA with children	Group 2 No FWA with children	Group 3 No FWA without children
<i>Panel G: Cell sizes</i>			
Gender			
Male	43	49	57
Female	48	46	56

cant effect for CHILDREN was only found for one of the 12 possible comparisons. Specifically, a significant difference (p -value < 0.05) was found between Group 2 and 3 only for males for Voluntarily Leaving the Firm (Panel F). Thus, we find no main effect for having children, but an interaction between CHILDREN and GENDER (see discussion below). As a result, no support is found for hypothesis 2, that having children would have a negative effect on the perceived career success of the participants.

Interaction between gender and work arrangement

As expected, comparison of the responses for the male versus female hypothetical audit manager within each group indicates that there is no main effect for GENDER. However, the pattern of results does support an interaction between GENDER and FWA. Examining the means for males versus females within Group 1 in Panels D and F indicates that in both cases, males utilizing a FWA were judged more unfavorably than females utilizing a FWA. That is, FWA males were judged less likely to advance to partner and more likely to voluntarily leave the firm than FWA females. Interestingly, this effect did not impact Being Requested on Next Engagement nor the Commitment variables. Accordingly, limited support is found for hypothesis 3.

Research question 1: interaction between gender and family status

As exploratory analysis, we also examined whether there was a significant interaction between Gender and Family Status. Interestingly however, this interaction only appears in the Voluntarily Leaving the Firm variables, and it appears to affect men, not

women. Specifically, males with families are judged more likely to voluntarily leave than those without, yet there was no difference on this dependent variable for females. Although overall, it appears that the interaction between gender and family status has minimal impact on the perceptions of career success it is interesting to examine in future research the underlying factors on why men are viewed more critically as far as the impact of children on perceived expectations of leaving the firm.

Discussion

This study reports the responses from 299 audit seniors, managers and partners from three national or regional public accounting firms. Respondents provided their beliefs about career success and commitment for one of six possible hypothetical audit managers. The results indicate that use of a FWA has a detrimental effect for both males and females on each dependent measure elicited except Voluntarily Leaving the Firm. Gender and family status did not have a main effect on perceptions: however each interacted with FWA as discussed below in more detail. This result differs from Cohen and Single (2001), which did not find a significant gender/FWA interaction. Important differences in the samples may explain this difference. Their sample was from two large city offices of one Big Four firm. In this study we look at numerous offices of three national/regional firms allowing us to avoid the influence of any overt regional or specific-office cultural biases, and mitigate demand effects.

The importance of creating an organizational culture that fosters an individual's ability to balance work and family has been well recognized by professional services firms. As Cook (1999, p. 36), the former CEO of a major public accounting firm

stated about his firm's decision to promote FWAs, "it was ethically the right thing to do to fulfill our obligation to the people of the organization to provide them with the maximum opportunity to realize their full potential as professionals." Accordingly, this study's primary contribution is to build on a prior study in this journal by Cohen and Single (2001) and thus tease out whether the negative effect of FWAs on perceived career success is due to the schedule itself, or if in fact the anti-FWA bias is a surrogate for anti-family or gender bias. Results indicate that the negative perceptions associated with using a FWA documented by Cohen and Single (2001) do appear to be attributable to the FWA itself. Responses to whether the FWA professional would be requested on the next engagement were significantly lower if the hypothetical manager was on a FWA, suggesting that the FWA somehow impairs perceptions of the FWA professional's ability to "pull their own weight" because they have authorization to limit their hours (Hooks and Thomas, 2002). This finding is consistent with anecdotal accounts that the success of a FWA is strongly dependent upon ensuring an appropriate match between scheduling needs of the professional, constraints of the workplace and needs of coworkers and clients (Dennis, 1997; Shellenbarger, 2001a). Accordingly, firms may want to continue efforts to ensure that staffing assignments involving FWAs are equitable to all involved, and that the non-FWA personnel working with FWA personnel are sufficiently informed of the equities of the work assignment. Moreover, firms can specifically train, evaluate and partially reward partners for their ability to successfully integrate FWA participants into the audit team structure.

Further, the negative consequences of the FWA appear to go beyond the short-term natural slowing of advancement that would be expected with a reduced workload since individuals on a FWA are perceived as less committed to both their firms and their careers. Instead, these individuals may be viewed as signaling that they value their careers less because they have arranged their schedules to accommodate family needs, and this in turn affects the likelihood that they will advance in the firm. One interpretation of this finding is that the "family friendly" culture of public accounting firms has only come so far. That is, it is acceptable to be committed to family, as long as one does not place it ahead of the normal work demands.

However, in contrast to prior research on the benefits perceived by FWA professionals (Almer and Kaplan, 2002), our results did not indicate that the FWA professional is perceived by others as more or less likely to voluntarily leave the firm. Almer and Kaplan (2002) found that the FWA professionals themselves stated they were more likely to remain with their firm because of the FWA arrangement, yet in the current study, peers and superiors did not perceive this benefit. This finding suggests that if firms want to try and improve perceptions within their firms of FWA professionals, they may want to more effectively communicate the retention benefits of FWAs.⁵ Further, as Almer et al. (2003, p. 87) suggest, "In order to maintain job satisfaction and adequate advancement opportunities, it is necessary to ensure that FWA auditors continue to receive sufficiently challenging work both to further their professional development and to keep up networking opportunities."

Another finding in the current study is the documentation of an interaction between gender and FWA. Men on a FWA were viewed as less likely to stay with the firm and advance to partner than women on a FWA. These men however, are not viewed as less committed to the firm or their career, nor are they viewed as less desirable for a future engagement. This pattern of results could be explained by organizational socialization theory (see Fogarty, 1992).

Organizational socialization theory suggests that men on a FWA are outside "the norm" and as such, would feel out of place and be without similar role models in upper management. Yet, this negative impact to males on FWAs did not affect perceived commitment to firm and career. Attribution theory would predict that professionals on a FWA would be viewed as less likely to advance because their approach to work/family balance signaled that career was less important to them (Green and Mitchell, 1979). The lack of evidence for this result may represent "good news" for males who desire a FWA. It implies that men on FWAs are not facing a short term bias in staffing desirability or commitment beyond that attributable to the FWA. The only additional bias they face is on perceptions that they will voluntarily leave. Thus, their task in making partner may simply involve staying with the firm long enough despite the likely absence of male FWA role models. From the perspective of firms, this finding suggests that if they want to make FWAs

more acceptable for men, they may want to increase the visibility of successful FWA male professionals to make this route appear more mainstream.

Finally, results of this study indicate limited support for an interaction between gender and family. For example, men with children were judged more likely to voluntarily leave than women with children. One possible explanation for the finding that men with children were judged more likely to voluntarily leave than women with children is that firms' efforts to improve the culture regarding women and families appear to be working, but perhaps these efforts have not extended to males who are increasingly taking an active parenting role in our society. Firms' family friendly policies are generally believed to target women and make it easier for them to stay once they have children, but perhaps men may not feel this benefit extends to them as well.

This finding has important implications for the ethical climate that public accounting firms can create that will foster the successful use of FWAs given the increasingly difficult challenge they face in attracting and retaining top quality professionals (Copeland, 2002). For example, Almer et al. (2003) found that organizational factors play an important role in an individual's decision to adopt a FWA and that women are still overwhelmingly more likely to adopt FWAs than their male counterparts. If younger males are demanding more flexibility than they have in the past, it may be worthwhile for firms to step back from overwhelmingly focusing their family-friendly policies on women, and to take a more balanced approach by including more men. Cohen et al. (1998) demonstrate the importance of maintaining gender diversity in management ranks to ensure a broader perspective in ethical decision making. Further, if firms are successful in promoting FWAs, this could potentially reduce concerns about auditor independence being compromised by either the loss of experienced staff or by auditors leaving to take positions with firms they have previously been involved with in an audit. For example, with Enron the quality of the audit may have been compromised because there were a number of former auditors who had left Arthur Andersen to work for the company and allegedly the independence of auditors was compromised by auditing the work of former colleagues (Almer et al., 2003). Future research should investigate if FWAs sufficiently enhance the reten-

tion of auditors to the point that they enhance audit quality and at least the perceptions that auditor independence has been maintained.

There are limitations of this study that represent additional opportunities for future research. First, the public accounting professionals participating in this study all worked for national or regional firms, were working in large offices in fairly progressive cities and were all at least of senior rank. To the extent firm culture differs depending upon the size of the firm, results of this study may not be generalizable to Big Four or to smaller local firms, offices that are smaller or are located in less cosmopolitan areas, or to professionals below the rank of senior. Future research may examine whether the biases related to the use of FWAs differ by firm or office size. This could also be explored in a multinational setting by examining if biases against individuals who take part in FWAs are exacerbated by national and cultural differences. Second, firm HR professionals facilitated questionnaire distribution. Because HR promotes using FWAs, a social response bias (Randall and Fernandes, 1992) may have occurred inducing more favorable responses toward a FWA. As such, it may be possible that the biases detected may be stronger than reported in this study. Future research may use protocol analysis to explore the reasons behind the adoption decision in more depth. We also did not examine the scenario of single parents with children or same-sex households. Future research could examine the impact of the myriad of family structures on perceived success of individuals taking part in FWAs. Finally, we looked at the FWA in the context of childcare issues. Perhaps if the scenario was couched in terms of taking more care of an ailing parent, there may have been less of a "bias" against FWA participants.

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Appendix A.

Is it the Kids or the Schedule?: Incremental Effect of Families and Flexible Scheduling on Perceived Career Success

Version 1 of instrument vignette: flexible work arrangement/male manager

Robert Richardson is a manager in your department. He has been with the firm since graduating from a large State University. Robert is married to Elaine, who is the Controller at a local hospital. They have one child. One year ago, following the birth of his child, Robert negotiated a reduced workload of 60% of the normal 60 hour per week expectation. Since then he has been spending three days a week in the office or with clients and completing the rest of his work at home. Since his spouse's job does not allow flexibility, he finds that some weeks he works less than 36 hours due to extra child care demands such as illness, but feels that over time the hours even out since some weeks he must work more than 36 hours due to last minute client demands. In his free time, Robert enjoys working out at the gym and getting together with friends, however, he is finding that these days he does not seem to have any free time.

Robert's performance evaluations have always placed him "At Expectations" or "Above Expectations". For the past three years he has been assigned to one of the office's "highest profile" clients, and he has worked hard to do an outstanding job with this client while keeping his other clients happy at the same time. This past year Robert had to make some difficult choices among his client assignments since it was not possible to stay with all of them. He chose to have several of his smaller clients reassigned in order to stay with his largest client. Robert was beginning to work on bringing new business to the firm, but has found that he does not have time to pursue practice development activities for the time being. He still attends in-house training sessions but has stopped doing presentations since the preparation takes too much time away from his work with clients. The firm encourages staff members to form mentoring relationships and Robert has become actively involved in advising two junior level staff members on client relations, dealing with technical problems on engagements, and other professional and career issues. He still maintains these relationship but these days most of their interaction is via phone or email.

Version 2 of instrument vignette: no flexible work arrangement/female manager

Elaine Richardson is a manager in your department. She has been with the firm for the six years since she graduated from a large State University. Elaine is single and has no children, although eventually she would like to have a family. She puts in a typical sixty-hour work week except during busy season when she puts in many more hours. In her free time Elaine enjoys working out at the gym and getting together with friends, however, she is finding that the need to be involved in client development activities is beginning to cut into some of her leisure time.

Elaine's performance evaluations have always placed her "At Expectations" or "Above Expectations". For the past three years she has been assigned to one of the office's "highest profile" clients, and she has worked hard to do an outstanding job with this client while keeping her other clients happy at the same time. Elaine is beginning to work on bringing new business to the firm. She is frequently asked to make presentations at in-house training seminars due to her technical expertise. The firm encourages staff members to form mentoring relationships and Elaine has become actively involved in advising two junior level staff members on client relations, dealing with technical problems on engagements, and other professional and career issues.

Version 3 of instrument vignette: no flexible work arrangement/children/female manager

Elaine Richardson is a manager in your department. She has been with the firm for the six years since she graduated from a large State University. Elaine is married to Robert, who is the Controller at a local hospital, and his job does not allow flexibility. They have one child. Elaine puts in a typical sixty-hour work week except during busy season when she puts in many more hours. Prior to the birth of her child, Elaine enjoyed working out at the gym and getting together with friends in her free time. However, because of child care responsibilities and the need to be involved in client development activities, she is finding that these days she does not seem to have any free time.

Elaine's performance evaluations have always placed her "At Expectations" or "Above Expectations". For the past three years she has been assigned to one of the office's "highest profile" clients, and she has worked hard to do an outstanding job with this client while keeping her other clients happy at the same time. Elaine is beginning to work on bringing new business to the firm. She is frequently asked to make presentations at in-house training seminars due to her technical expertise. The firm encourages staff members to form mentoring relationships and Elaine has become actively involved in advising two junior level staff members on client relations, dealing with technical problems on engagements, and other professional and career issues.

Notes

¹ The findings discussed above may seem counterintuitive given the old stereotype of the successful partner as a married male with children. However, that stereotype included a wife who stayed at home full time. In this study, we capture an alternative and increasingly common scenario in which both the husband and wife are employed full time outside of the home. Further, popular press accounts suggest that younger males entering the workforce have different expectations about their role in childrearing from those of the preceding generations even in cases in which their wives stay at home (Working Mother, 2002).

² One recent study, (Lowe et al., 2001) even found that male audit seniors were actually judged less positively than females in terms of normal promotion and likelihood of being counseled out.

³ Since each of the firm's HR firm-wide office administered the data collection, no response bias could be assessed. However, there is some evidence (Cohen et al., 1998; Randall and Fernandes, 1992) that suggests that there may be a social desirability response bias in studies such as these. Thus, if anything, the results of this study would perhaps understate any potential bias against FWA participants.

⁴ We also asked subjects each set of questions in terms of their peers ("How likely would your peers?") and superiors ("How likely would your superiors?"). In general, there were no differences in the statistical

outcomes for the manipulated variables. All reported data is thus reported in terms of the perceptions of what the respondent believes.

⁵ It should be noted that Almer and Kaplan (2002) looked at the population of FWA participants while this study compares FWA participants to the employee group in general (i.e. a group that includes members who may not ever desire a FWA).

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