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Alyssa K. Lee

University of Connecticut, alyssa.k.lee2@gmail.com

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MINORITIES AND WOMEN IN ACCOUNTING

Alyssa Lee
University of Connecticut

Introduction

The world of business is evolving. As a client service, public accounting also needs to change. The classic stereotypical accountant is a middle-class white male. Years ago, they were the only individuals to occupy the accounting field. Their clients were largely the same. However, things are different now. Today, businesses run by minorities and women are on the rise. Public accounting is about evenly split by gender and minorities are a significant part of newly hired staff. On the other hand only about 21% of partners are women (Lee, 2012), and even fewer are a minority. Of all CPAs, only about 3% are Hispanic and 1% are black (DiversityInc, n.d.). Though these numbers seem quite low, they are still a vast improvement over the past. However, the fact stands: while diversity in accounting is expanding, it still doesn't quite match the rest of the country. Minorities make up about 8% of CPAs, but about a quarter of the total population. Though firms are making great strides in recruitment, retention remains disappointing. As our markets become globalized and the range of clients expands, the need for diversity becomes ever more apparent. We need a variety of employees to successfully serve a variety of clients.

Though the field has been relatively successful in attracting diversity to the profession, it has had trouble keeping it. Minority hiring rates have been on the rise, but the overall percentage of minority staff has lagged in comparison. For example, in recent years, minorities accounted for 25% of college hires, but only 20% of the whole staff (Tsyiac, 2012). These people are attracted enough to the profession to give it a shot, but they don't stay. What is driving these minorities out? Because the field has been dominated by white men for decades, it has not been quick to adjust to the diverse cultural backgrounds of its new entrants. Just as the clash of cultures limit our interactions in the world around us, so too can they limit us in the workplace.

Understanding how these cultures interact, and how they hold workers back, may help us remedy the issue and allow our minority hires to flourish.

Establishing the “Norm”

What is an “average” accountant? As described by the Bureau of Labor Statistics, accountants work full time, in offices, with teams or alone. Their work is fast-paced and often stressful. Their median wage was \$63,550 in May 2012 (U.S. Department of Labor, 2014). They generally all hold bachelor degrees and many are Certified Public Accountants. Accountants are also largely employed in industry and the government.

Currently, white men still hold the most power in the field. In large firms, 72% of staff is white and 79% of partners are men (Tsyiac, 2012). According to the Association of Accountants and Financial Professionals in Business (IMA), experienced male accountants earn \$121,896 on average (Schiffel, 2013). The average respondent of IMA’s survey had gone to college for at least a bachelor’s degree, had worked in the field for more than 20 years, and was married. They had been with their current employers for ten years. Though this data does not take into account younger, newer accountants who haven’t had a chance to join the IMA yet, it is valuable in showing us the standing of those farther along in their careers. We can see what the future may hold for today’s new accountants.

Currently, the future looks bright for these individuals. According to the Bureau of Labors Statistics (U.S. Department of Labor, 2014), the field is expected to grow by 13% in the next year, by 166,700 jobs. The future of accounting is tied to the health of the economy. Right now, we are still steadily growing out of the recession. As more companies excel in their

businesses, their need for quality accounting services also grows. Therefore, opportunities for accountants are also on the rise.

While the future bodes well, some accountants still choose to leave the profession. Accounting firms can experience up to 20-25% of employee turnover in a single year (Brundage, 2010). There are various reasons for this high turnover, but some of the most common are getting a “better” job in another field, such as industry accounting; inadequate performance reviews; and not “fitting in”. Many accountants choose to stay with public accounting for 3-6 years, become a manager, and then leave to find a job in industry (Cohn, 2011). For these people, public accounting is just a stepping stone, either for their dream job or a job they think will be more lucrative. Men also commonly leave accounting because they feel that their careers are not progressing favorably or they receive an “unfavorable promotion decision” (Pitman, 1989). They feel that they aren’t being appreciated or aren’t being given proper credit for their hard work. Finally, some employees simply do not feel like they “fit in” with their firms. They aren’t comfortable around their coworkers and always feel at a disadvantage.

Not “fitting in” with firms is a top reason why minorities and women leave the profession. Regarded as the “norm”, with a majority presence, white males may still feel out of place, but the odds are that they are much more likely to feel at home in the office than their more diverse coworkers. On the other hand, the cultures and values of minorities and women are too often misunderstood, creating feelings of discomfort and distance. This culture clash is driving away the enormous potential of diversity. We need the rich detail and fresh ideas that these groups can bring to the table. So what can we do to make them feel more welcome in our profession? To increase retention of minority and women, the profession must learn to open their minds to the different values of their coworkers, and to act upon this understanding.

Women

Currently, females make up a sizable portion of the workforce. Women make up about 50% of entry level hires. Only about 21% of partners are women (Catalyst, 2013), though this is still a vast improvement over decades past. Nevertheless, women on average still make less money than their male counterparts, work less, and are generally perceived as less suited for the job. But, this does not necessarily mean that all women accountants are less satisfied with their careers. Women in accounting have made great strides towards workplace equality.

Women began to enter accounting in significant numbers during World War II (Wootton, 1994). As the companies' men, and their potential successors, were drawn into the war, firms began to hire women en masse to replace them. The demand for accounting services had increased, much as the demand for many services increased to support the war. To keep up, firms finally opened their arms to women. Before the war, the number of female CPAs was few. New York, regarded as having the most female CPAs, only had 40. In most other states, the women CPAs could be counted on one hand.

Women are much better represented now. Before, women were discouraged from entering business schools and relegated to office and secretarial work in accounting firms. However, during the war, women proved that they were just as good as men in their assigned tasks. With economic necessity came acceptance of women as accountants. Even though the tradition of hiring predominantly men picked back up after the war, women had their foot in the door. The number of women accountants and CPAs blossomed, and continued to grow in the following years. Today, there are many programs advocating and supporting them, as well as many women in positions of authority.

However, even though women make up half of the entering workforce, their numbers and pay dwindle farther up the corporate ladder. According to the IMA 2012 Salary Survey, established women accountants are paid 78% of an average man's wages, which is approximately \$109,158 (Schiffel, 2013). One would expect that this gap would close farther up the corporate ladder, but the opposite is true. Starting out, men and women actually have about the same pay. Some women are even paid more. But as we look farther up, the gap widens. The IMA's survey implies that male and female respondents are demographically similar: 20 years in the field, married, and in their late forties. But obviously, something has to be different to create such a large disparity.

Part of the reason why women in many accounting positions are paid less is that they work fewer hours. Some women are expected to stop working altogether when they have children; of these women, some of them *are* happy to leave. Their families can afford the lost income. However, many women choose to continue working after they've started a family. Of these, some are able to maintain a good work life balance. They can have the best of both worlds. However, many other couples can't manage this. The mother and father need to make sacrifices to raise their children, and they need to decide who gives up what. Usually, the mother is the one who has to cut back on work. Meanwhile, the father continues working full time. According to Kay Hymowitz (2012) of the *Wall Street Journal*, "almost 55% of workers logging more than 35 hours a week are men" At the same time, women make up over 80% of all part time accounting workers (Catalyst, 2013). Either the mother quits altogether or she'll cut her hours to part time. When I interned at PricewaterhouseCoopers over the summer of 2013, it was common for women to cut their workweek down to four days. Women work fewer hours, and therefore have less opportunity to earn wages. Even though some men have taken up many child caring duties

in the past few years, allowing their wives to work more, the mother as primary caretaker is a hard stereotype to break.

Women have many stereotypes working against them, all of which are slow to fade. Aside from the caretaker stereotype, women's personalities' are often also seen as less suited to the workplace.

I recently had a meeting with a senior partner and two leaders. One of the leaders was a young man, the other a young woman. The man demonstrated his initiative and willingness to take on a risky assignment by using sports analogies and repeatedly stating that he was on board. The woman demonstrated her commitment and willingness to jump in and take the risk by asking questions about the assignment, assessing the situations, and preparing to plan. After the meeting, the partner said to me, 'Obviously he is ready for this and she is not because all she did is ask questions. It is unfortunate because she is really more qualified to lead this.' (Bennett, 2013)

In this example, the male's brashness and eagerness were perceived positively, while the female's inquisitiveness and reservation were seen as hesitation. Even though the male really wasn't as qualified as the female, his aggressive, "masculine" attitude impressed the partner more than the female's "feminine" patience and planning. Obviously their personalities have little to do with their actual performance, but their stereotypical personalities were still enough to sway their partner's judgment.

If a feminine personality works against a professional, what about a masculine personality? Studies found that virtually all female partners had an androgynous or masculine personality (Raffield, n.d.). None of them exhibited overtly feminine demeanors. This suggests that a woman has to be "manly" to make it to the top. However, this is not necessarily the case.

At one of the largest accounting firms, one woman was by far their top earner. However, she was overly aggressive and outspoken. Her coworkers thought she was brutish and unpleasant. She was kept from assignments and never made partner, even though her skill merited it. Meanwhile any men with similar traits and comparable earning power *were* promoted to partner. While this woman suffered, any man who exhibited the same behavior with the same achievements was lauded. Stereotypes can hurt women in either direction.

Often, men do not understand women. As we've seen, many traditionally feminine characteristics can manifest as actions that men misinterpret. Patience and docility can be seen as hesitation and weakness. At the same time, if a woman doesn't adhere to her traditional traits, she can be seen as *too* aggressive. Women's "culture", no matter the color of their skin, is something that men need to consider. These gender misunderstandings hold women back and alienate them from the profession.

Women are a valuable asset of accounting firms and deserve their support. Many firms do provide services to help them. Ernst and Young in Stamford, CT provides daycare services in-house. PwC provides either paternity or maternity leave, giving parents the option of who stays home and who goes back to work. They also have a leave of absence, of up to five years, promising continued employment upon their return. Deloitte has a mentorship program just for women. Firm infrastructure has vastly improved and is certainly capable of allowing women their options. The question is, are women happy with the options they've chosen?

Based on my own research, it seems that many women are generally satisfied with their career choices. When I tried to conduct a survey over the Spring of 2014 gauging career satisfaction, the only responses I received were from several white women who had been with their firms for at least four years and planned on staying for at least another year. They were all

largely satisfied with their experiences. During my internship with PwC in New York over the summer of 2013, I spoke to many women about their work-life balance. One partner never had a family, but her career invigorated and inspired her. Another woman had just had a child and would go home by five every evening. One associate had been with the firm for a few years and was still contemplating what she wanted to do with the rest of her life. She wasn't sure when she wanted to start a family and what would happen to her career when that happened. However, she wasn't worried. She knew that with whatever she decided to do, the firm would support her and be able to work with her. While these observations are largely seen from just one firm, I do believe that these trends are developing throughout the profession. Every year, women become a little more prominent in the field. In 2013 Smith, Sullivan, and Brown PC, an all women accounting firm celebrated their 20th anniversary. As women become more visible, they gain more power and the ability to influence their own careers.

Women in accounting have come a long way, but there is still room for improvement. Women are allowed to make choices for themselves and firms have become more flexible and accommodating. However, women do not always feel free to use these options. Many women are happy with what they've chosen, but if a woman does not fit into the typical stereotypes, her coworkers may not react positively. They can be exclusionary and unfair, denying her compensation and recognition because of a gut feeling. These women can have the world crumble around them just for being themselves. The field's infrastructure has developed to support these women, but not all of their coworkers have made this leap yet. Therefore, it is the people and not necessarily the companies creating these conflicts. For the sake of women, the next thing that must change is attitude.

Blacks

African Americans have made great progress penetrating the accounting field since the 1960s. In 1969, the National Association for Black Accountants was founded. They were created as a support and advocacy group for Black accountants. At the time, there were only 136 Black CPAs. There were 100,000 CPAs in general across the nation (Association for Black Accountants, 2014). Today, in part thanks to NABA's efforts, there are over 5,000 practicing Black CPAs. This is a great improvement, but in comparison to white workers, this number is still quite small. African Americans made up 4% of hires in 2010 (Lee, 2012), but made up over 12% of the U.S. population (Humes, 2011). Why are African Americans so severely underrepresented in accounting? Some major factors are that African Americans don't feel culturally connected to their firms, they aren't becoming CPAs, and they aren't making the most of their careers.

First, Black accountants often do not feel culturally integrated with their firms. According to Liz Gold (2010), from *Accounting Today*, "40 percent of African American accountants who left public accounting firms early in their career were rated above average in their final year and another 56 percent were rated average. Only 4 percent were rated below average". For the most part, these employees were technically proficient, perhaps even outstanding. However, because they didn't feel like they "belonged", they didn't feel that their technical skills would be enough for them to succeed.

Black culture differs from white culture in many ways-some of the most prominent are speech and dress. Since African Americans were first brought to America in colonial times, the language they use has diverged from mainstream America's. Dialects develop among different

groups. Sometimes these dialects are spread geographically, such as Boston accents vs. New York accents. However, they can also be split by culture, such as is the case with “Black” English and “Standard” English. According to Professor Alan D. Desantis (n.d.) of the University of Kentucky, Black English is more animated, emotional, and varied than Standard English. It is often considered unrefined, childish, and uneducated by non-users. Non-users often misinterpret its use and can feel threatened or insulted when spoken to. On the other hand, users of Black English also see Standard English as distant, cold, and conformist.

These differences in language can negatively affect Black workers. The workplace uses Standard English, therefore African Americans must also use Standard English to adapt. Of course there are varying degrees of Black English, just as there are variances in Standard English. Black English is not always interpreted as threatening or uneducated. However, any significant deviation from Standard English is usually seen as inappropriate. Even non-Black employees with heavy accents can feel the need to alter their speech. Still, no matter how “Black” their speech is, many African Americans are affected when they have to alter it in the workplace. Speech is a part of identity, so altering it is suppressing a part of the self. When Black workers speak casually, they are seen as inappropriate, but when they speak “correctly”, they can’t be themselves.

Black workers also treat their dress differently. According to Emily Carol Blalock and Jan Hathcote of the University of Southern Mississippi (2006), African Americans take their clothing more seriously than most other Americans. They spend more than any other demographic on clothing and 47% more than the average American on personal care products. Their appearance and dress are a huge part of their identity. They use it to communicate status and personality. They typically like to wear bold, ethnic patterns and bright, audacious colors.

However, louder colors are often seen as “lower class”, therefore making them inappropriate for the workplace. Dress in the workplace is largely conformist, preferring more neutral tones in only a few styles. It should not be “distracting”-clients should take more away from the substance of your speech than your clothes. Like everyone else, Black workers must also conform to this template if they wish to succeed. However, conforming means blotting out this significant element of expression. Unable to express themselves, they can’t *feel* like themselves. Without their own speech and dress, many workers just can’t settle into their own skin, let alone fit into the office.

Because Black accountants make up only a small percentage of the field, their culture is underrepresented and often repressed. They have very few role models to look up to and little true, empathetic support. Even if an African American makes it into the manager position, many of them will have assimilated into the firm’s culture. For example, in a group of associates, dress will be largely diversified based on prior cultural background. But then, in a group of managers, dress will be nearly identical, regardless of race (Ross, 2010). In the workplace, they have left behind what makes them unique as African Americans, leaving many of their younger Black associates without someone they can relate to. Black culture and identity is too often repressed in the office. If workers can’t be themselves there, they may feel better off where they can be.

Second, African American accountants are also not attaining their CPA certification. Becoming a CPA is the one greatest thing that will validate your career as an accountant. Not having that certification would severely harm your career in public accounting. The CPA exam is geared for recent college graduates (Cohn, 2011). So, the longer one waits to take the exam after graduating, the harder it is to pass. African Americans seem to put the exam on hold more often than their white counterparts. According to Frank Ross, director of the Center for Accounting

Education at Howard University's School of Business, "Minorities tend to have a lot more single mothers" (Cohn, 2011). This means that these women are going to have a lot more on their plates than some of their coworkers. They will have to take care of their children, feeding, sheltering, and raising them. They will not have the time to study for a rigorous exam. It could be years before their lives settle down enough to allow them to prepare for the CPA exam. By that time, they've lost their old study habits and their firms are antsy to have them pass. To many, it just seems easier to quit public accounting and go somewhere else.

Finally, Black accountants aren't making the most of their careers. This isn't to say that they are aren't trying. Many factors, many of them out of their control, make it more difficult for African Americans to thrive in the profession. Generally, when supervisors can relate to and identify with their workers, they like them more. They will give them more advice and speak well of them to their peers. The reverse is also true. If a manager can't relate to their subordinate, they probably won't like them as much. They will minimize interaction. I've stated before that the culture of Black accountants does not mesh with typical firm culture. I've also mentioned that virtually all managers have adapted to it. Therefore, when most managers see these Black accountants with their own unique interpretation of things, such as dress and language, they see something different. They often misunderstand these differences, taking them to show laziness or meanness, and begin to create a negative rapport. This negative rapport spreads until it becomes unbearable for the worker. Through no fault of their own, the associate no longer feels welcome in the workplace.

According to Frank Ross, studies show that the longer you stay with public accounting firms, the more satisfied you will be with your career and the more money you will make (Cohn, 2011). A longer run in accounting reflects better on your resume and to prospective employers.

The more attractive you look, the more benefits you will reap. Since many Black accountants feel unwelcome and leave public accounting sooner, without their CPA no less, they're missing out on many opportunities that would have been available to them if they had stayed a little longer or earned their certification.

We need to develop an open-mindedness to all cultures to bolster the retention rates of minority hires. When we don't understand other cultures, whether consciously or not, we often snub them, giving preferential advice and care to those we consider more similar to ourselves. Even if someone is assigned to mentor a minority hire, if they don't relate to them, they're not going to go to the extra mile to make sure they succeed. For example, if it is an "unsaid" rule never to go into John's office before 9, a mentor will pass this on to someone they do like, but not to someone they don't. If the disliked worker breaks this rule they were never aware of, they will be considered rude and ignorant. This negative reputation will grow and follow them through the office as more and more of these fumbles occur. It is completely unfair to the associate. By opening our eyes to the different subtleties of other cultures, to widen our horizons, we can learn to accept many diverse individuals into our personal circles. When we can do this, we can spread our knowledge and favor equally.

Asians

Of all minorities in public accounting, Asian Americans are the most well represented. According to Ken Tsyiac (2012) of *The Journal of Accountancy*, they are about 11% of professional staff, while making up only about 4.8% of the U.S. population in 2010 (Hume, 2011s). They are also highly represented in accounting classes, becoming the top picks of campus hires. However, only 2% of partners are Asian. They fare no better in industry. Less than

2% of executive positions at Fortune 500 companies are held by Asians (Stock, 2011). What causes this disparity? If Asians are so well represented in school and on the associate level in firms, why does that trend not continue into management? A phenomenon called the “Bamboo Ceiling” may be to blame. Certain ideals of Asian culture clash with the predominantly white culture of firms, distancing Asian associates from their managers and hurting their careers.

The Bamboo Ceiling is the concept that certain ideals that Asians are raised with hold them back in the American professional sphere. Asians are commonly taught to keep their heads down and work hard. Don't talk when unnecessary; use your time to maximize work. To many Asian children, these ideas come as second nature. However, the manifestation of these traits can come across differently to their managers. For example, if an Asian associate is sitting in a meeting, listening quietly, they are being polite. They are taught not to interrupt when someone else is talking. On the other hand, if the presenting manager watches the Asian associate and sees that he is just watching, not vocalizing anything, the manager may think that the associate is bored or disinterested, perhaps even “too good” for the topic at hand. The manager will apply his own values over the associate's actions and jump to conclusions. Even though the associate was just being polite, the manager now thinks he is apathetic (Yang, 2011).

Certain qualities that firms value do not come inherently to Asian employees. In an interview conducted among CPAs and a college professor, the respondents said the following were what they expected of future CPAs in regard to leadership: initiative for feedback and more work; setting high expectations for your career and communicating those with management; networking; setting meetings with CPAs in higher positions; mentoring; having leadership skills in a team to develop your coworkers; taking accountability and being a humble team player; creativity in firm and client solutions; and refining presentation and communication skills (Drew,

2012). Being a humble team player and solving problems are things that Asian workers understand and know how to do, assuming they've come this far already. However, going out of their way just to talk to people, to network or seek guidance, is out of the norm for them. As expressed by many Asian American writers, if they have questions about something they've done wrong or have objections, they're taught to keep their head down and just work harder (Yang, 2011). Eventually, everything will work itself out through sheer hard work.

Fraternization and networking are skills that Asians have to put more effort into than their coworkers. As I mentioned earlier, close relationships with managers can be the difference between getting recognized and having your accomplishments glazed over. While the cultural differences of Asians are not as obvious as those of other ethnicities, they are still quite powerfully present. When Jane Hyun, author of *Breaking the Bamboo Ceiling*, spoke in an interview with NPR (Block, 2011), she recounts her own experience working in a Fortune 500 company. While she would be working as usual, one of her coworkers would just get up for twenty minutes, walk into the manager's office, and talk. One day, Hyun asked her coworker why she wasted her time. To her, those twenty minutes could have been better utilized at the computer. Her coworker's answer was that she was just trying to build a relationship with their boss.

And that was the first time I had that a-ha moment of really getting the fact that, you know, you can actually - without being asked to come to the meeting or without scheduling a meeting, you can actually go in unannounced and unscheduled, to have this very informal relationship with a manager. I didn't see that as a possibility because I thought hard work was working alone at your desk.

It took Hyun two years to come to this conclusion. Many Asians come to this later, or never at all. They don't realize that social skills are important. They miss out on important opportunities because they don't immediately see the need to reach out and talk.

Without seeing the need for creating that personal connection, they are never seen as more than just part of the background. Journalist Wesley Yang (2011) writes that in high schools with populations of high achieving Asians, even with their extraordinary grades, these students just fade into the scenery. They have the credentials to take the hard work and do something extraordinary, but they don't have the social skills to really stand out and shine.

Even when they come to this realization, Asians have a difficult time changing and adapting to the American social sphere. Socialization is best learned through years of practice. Even if you realize one day that you're bad at it, you can't just turn around and become a social butterfly the next day. They have to make an extraordinary effort to learn this essential soft skill. Yang refers to Jerry Tran, who trains Asian men on picking up women. These men were taught to work, not to socialize. Though they are smart, kind men, they have no idea of how to approach the opposite sex or how to express themselves. Some of them can barely even smile. This same awkwardness carries over into the workplace. Many Asians are unable to articulate their feelings and make emotional connections with their coworkers. Without really trying and working hard to improve their networking, they also just become part of the scenery. In the end, they are looked over while their coworkers gain recognition and promotions.

As is the case with the other minorities I've talked about, the key to improving Asian Americans' lot is greater firm-wide cultural awareness. We need to be able to look past our ethnocentric values to recognize the true intentions of our coworkers. If managers and supervisors can see an Asian associate's quiet as patience and respect rather than apathy or

disinterest, they can learn to relate to them. Asians must also learn to reach out, to meet the firms half way. Currently there is not much support for teaching Asians these soft skills. They're portrayed as the "model minority". Since they succeed so well in technical aspects, why do they need any help? However soft skills are just as important as these technical skills. Some firms have recognized this and established programs to develop them, such as Merck and Co.'s "The Art of Cultural Fluency" (Stock, 2011). By helping Asians develop their voice, and working to understand that voice, we can unlock their full potential.

Hispanics

Along with African Americans, Hispanics are grossly underrepresented in the profession. According to the 2010 Census, Latin Americans made up 12.5% of the United States population. They are also responsible for more than half of the growth of the U.S. population between 2000 and 2010 (Humes, 2011). As more and more Hispanic individuals establish themselves in the United States, their presence in the business world grows. As such, their need for quality accounting also increases. Their presence in our firms should be growing too. However, only about 5.8% of the public accounting profession is Hispanic (Tsyiac, 2012). Which aspects of Hispanic culture and that of the public accounting firm clash? What drives away our Hispanic hires? Much like their Black counterparts, Hispanic employees can have a hard time relating to their white coworkers and fitting in with the predominantly white office culture. Many Hispanics identify more heavily with particular groups, typically have less trust than the general public, and are more influenced by religion.

According to Neal Holladay, writing for the USDA in regards to working with Hispanics, Hispanics tend to identify themselves as part of groups. Rather than working to put themselves

ahead and taking the credit, they work to advance the wellbeing of their whole “in-group” (Holladay, n.d.). This may be an advantage under certain circumstances, as it would encourage the growth and development of whole engagement teams. However, in advancing the group, they may glaze over the individual. Individual accomplishments may be attributed instead to the group, which can create misunderstandings in performance reviews. If the individual is always giving credit to the group, they may not be earning the recognition they deserve, holding their own career advancement back. Similar to Asians, Hispanics also believe in the power of simple hard work (Taylor, 2012). If you work hard, then everything else will work out. However, both of these groups need to realize that hard work without rapport can only take you so far. With no voice, they can often be overlooked and not taken seriously.

Hispanics also do not trust as easily as most of the American population. According to PewResearch on Hispanic trends, “86% of Latinos say you can’t be too careful when it comes to dealing with people. Among the U.S. general public, just 61% say the same” (Taylor, 2012). With Hispanics having such a hard time learning to trust their coworkers, it’s harder for them to work with and accept constructive criticisms from them. Trust is also essential in admitting someone into the “in-group”. Though the in-group can take away from individuality, it is still a valuable structure for building lasting relationships. If only managers and co-workers could enter these “in-groups”, they would be comfortable enough to provide critical advice and lessons that could make or break a career. Finally, trust is reciprocal. If Hispanic workers do not trust their peers, their peers will not trust them either. Without trust, a team cannot effectively work together. This not only affects work performance, but also work relationships.

Hispanic communities are also more heavily influenced by religion. First generation immigrants are the most religious Latino group, as well as the largest group of Latinos currently

present in the country (Taylor, 2012). Therefore, the presence of religion is still largely pervasive among Hispanic communities in America. This heavy religious influence may be attributed to uncertainty avoidance. Uncertainty avoidance is how a culture feels uncomfortable or threatened when encountering the uncertain. To cope with this feeling, many Hispanics have turned to religion. This uncertainty avoidance and religious devotion affect Hispanics in the workplace in how they perceive actions around them. Every action has an answer, whether secular or divine. If the problem is something simple, like the printer running out of ink, they know that fault can be attributed to heavy use of the printer, and they know how to fix it. However, if disaster were to strike, and no other explanation can be found, it is something that God meant to happen. Their fate is in His hands. They can attribute the problem to “divine will” and be content to leave it at that. This can be problematic because in dire circumstances, we need to take action. We need to look for explanations and try to fix things. We can’t just look to God and resign ourselves to fate.

Significant religious devotion can also create tension in the office. While we are striving for ethnic diversity in the workplace, we are also seeking religious diversity. Because so many different religions will be represented in the office, employees are encouraged to respect each other’s beliefs. Part of this is also keeping these views to yourself, keeping religious conversation to a minimum. Hispanics, because they are not white, already have to conform to a predominantly white office culture. Asking them to keep their religion to themselves restricts their identities even further. There is only so much we can ask of them before they feel completely repressed.

As is the case with any minority, Hispanic culture is different from the white culture that firms are familiar with. Some things are easy to reconcile. For example, Hispanic culture treats time as flexible. An appointment is just a guideline; a meeting could start half an hour after its

appointed time, and no one would be frustrated. On the other hand, time in America follows a rigid schedule. If you're half an hour late to a meeting, your manager is not going to be happy. Usually, a simple talk is enough to make sure this misunderstanding never happens again. However, not all differences in culture are so easy to fix. Having someone change or widen their perception of the world is not something that can happen overnight. If we want to adapt Hispanic employees to the kind of individuality, trust, and accountability that firms expect of them, we have to meet them halfway. We need to understand their background, and learn to make their transition into the workplace a smooth one. If we try to force our own ideas upon them, we can only drive them away, as has already happened throughout the field.

LGBTQ

Of all minority groups, LGBTQ (lesbian, gay, bisexual, transgender, and queer) individuals are the most unique and the most blatantly discriminated against in the general workplace. Because sexuality can be hidden, the precision of many studies is questionable. However, there is no question that sexuality discrimination exists. According to the Catalyst Knowledge Center (2012), 15-43% of gay and transgender employees had experienced harassment or discrimination in the workplace. Of these, 8-17% were fired or not hired, because of their sexual orientation, 10-28% were not promoted because of their sexual identity, and 7-41% had faced verbal or physical abuse. LGBTQ individuals come from many diverse backgrounds, so they do not share one common culture. A gay man can be White, Black, Asian, Hispanic, or anything else. He will exhibit traits of whatever culture he was raised in. However, even a gay white man can face discrimination from other white men. The source of prejudice against them is therefore not cultural, but ideological. It is not just their individual culture we need to come to

terms with, but the mere concept of alternative sexuality that we need to accept. Fortunately, the public accounting profession in particular has been quick to adapt.

LGBTQ individuals are discriminated against simply because they do not fit the “norm”. Just as black men and women were once widely discriminated against simply because of the color of their skin, LGBTQ people are discriminated against simply because of the people they love. According to Karen Franklin (n.d.) of *Frontline*, some people hate gays because gays oppose the structure of sexuality that our society has set up. The American culture has set up a dichotomy of male and female. Anything outside of these two do not “fit in”. Therefore, the social constructs of our society have no place for LGBTQ individuals. To some, LGBTQ is “breaking the rules” and needs to be punished. They need to be taught a lesson so that they will change their ways and conform. In the office, this can manifest as an LGBTQ person being treated unfairly or even losing their job.

This treatment is largely unregulated and overlooked because there is no federal LGBTQ protection in the workplace. There is nothing stopping an employer from firing his best employees simply for being gay. On the one hand, many states and companies have provided measures to prohibit discrimination based on sexuality and sexual identity. They recognize that such blatant discrimination is unjust. However, there is still no federal law on the matter. Currently, the Employment Non-Discrimination Act (ENDA) is still making its way through Washington. It passed the Senate in November 2013 with bipartisan support and is still awaiting approval from the House of Representatives. From a survey conducted in September 2013, more than 2/3 of voters, also bipartisan, support the act (HRC, 2014). The bill’s acceptance looks favorable. However, until then, many LGBTQ workers will have to suffer unjustly at the hands of prejudiced employers in those states that have not yet implemented their own legislation.

Fortunately, the public accounting profession is ahead of the curve. Many firms recognize that equal treatment for LGBTQ is just the right thing to do. It shows other supportive firms and individuals, potential clients, that the profession is also supportive; it doesn't alienate another source of top talent; and it treats everyone fairly. In fact, accounting firms are among those companies that have created substantial supportive measures for LGBTQ workers. They offer LGBTQ employees equitable marriage benefits. For example, Ernst and Young will refund couples that have to pay extra taxes when their marriages aren't recognized and they have to file separately. PricewaterhouseCoopers, when figuring out benefits for their employees, will also recognize the marriages of LGBTQ employees and extend those benefits as they would for a heterosexual family. When a *Vault* survey asked employees how inclusive their firms are of LGBTQ rights, many rated their firms very favorably, 8.16 to 8.42 out of ten on average. These scores are very high because the firm's infrastructure can support these unique people. Many LGBTQ employees really do appreciate the support groups and financial support. However, just as is the case with the treatment of women, the individual agendas of employees may not always match up.

While accounting firms as singular entities are very supportive of LGBTQ rights, the individuals within these companies may not be as enthusiastic. In the same *Vault* survey, some employees saw that their LGBTQ coworkers were definitely treated equally and that the firms respected them. On the other hand, the firms didn't exert a great amount of effort in recruiting more of them. Individuals may have their own reservations about LGBTQ issues and may not want to encourage more of these people into the office. Though, this could also be indicative of indifference on the issue. The people running these firms don't care what an employee's sexuality is. So long as they can perform their job, they deserve their position. However, other

employees who took the survey say that their firms are doing excellent jobs of accommodating their LGBTQ hires. They have outreach programs and really try to celebrate their diversity. One of these workers, gay himself, says that he has never felt more respected and supported than at his firm. Like in many things, there are variances throughout the profession. However, in general, it is safe to say that the accounting profession is certainly more LGBTQ friendly than many other fields. Even if the people are concerned or indifferent about sexual orientation, most firms have measures in place to protect their rights. Therefore, whether they are straight, gay, lesbian, or anything in between, a public accountant can expect equal treatment based on their sexuality.

Conclusion

Culture is what sets us apart. When we don't understand the cultural backgrounds that bring forth our coworkers' actions, we often jump to conclusions and attach labels. When our culture rejects their very identity, we label them as freaks and push them away. These labels and reactions can be ethnocentric and absolutely incorrect. But that doesn't stop us from using them and depending on them to judge people. The minorities and women we attach these labels to have felt alienated for years. We have certainly made improvements to our own understanding and their inclusion. We have mentoring programs, support groups, and scholarships for these current and future employees. Despite all this, we still haven't managed to keep up with diversity in the world at large. Diversity in America is growing faster than in the workplace.

However, we *can* catch up. Recruiting has been largely successful. Recruiters have started speaking to younger audiences and inspiring them sooner. Accounting organizations provide scholarships to college accounting majors. Rates of diversity hires are promising. The issue at hand is retention. Currently, recruitment rates are higher than retention rates. Part of the

problem is a lack of role models. Another is a lack of cultural understanding. As our understanding becomes more open, our percentage of minority advancement will increase. As more and more minorities make it up the corporate ladder, associates will have more diverse role models to relate to. The trend builds on itself. But first, we have to start it. We need to understand where our women, our Black, Asian, and Hispanic coworkers are coming from. We need to accept that the color of your skin or the object of your affection has no impact on your work. Without putting in the effort to bridge the gap between cultures, we will never get our retention rates off the ground. We can never really open our arms to the many people at our doors. Diversity is essential. Public accounting is a client service. Our clients require diversity, and so it is our responsibility to give it to them. Furthermore, it is our responsibility as social citizens to understand each other in general. Aside from just the workplace, it is up to us to make our world a place where everyone, not just accountants, can feel welcome.

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