

Adapted from the “Goals for Next Year” speech given by Josh McIntyre, incoming Alaska Society of CPAs president, at the May 29, 2015 Annual Meeting

Introduction

I want to start by saying thanks so much to our past-president Lance Bodeen and our new executive director Crista Burson for everything they have done over the past year to help us get to where we are today. When Linda Plimpton announced that she was retiring I was seriously worried that being president of the Alaska Society might mean sitting in Linda’s office and trying to do her job for several hours every day, and at the same time trying to keep up the work from my day job. Also, I want to say “thank you” to all of our board members, committee members, and volunteers.

This year’s annual meeting was fantastic. We had a wonderful welcome reception hosted by our young CPA group, an excellent progressive dinner with a ceremony dedicated to Linda to thank her for her service. In addition, we had an excellent thought provoking discussion on the direction of the regulation of our licensing and CPE requirements. Also, we had very interesting presentations covering Alaska specific ethics, and fraud issues.

About Me

Before I cover the topic of goals, I want to share a little bit about my background. Some of you have known me for over 15 years, and some of you have never met me. I was born in Richmond, Kentucky, and growing up lived in Kentucky, Rockford, Illinois, and then Bemidji, Minnesota. In 1994 my family moved to Anchorage, and I have lived here since then. I graduated from Service High in 1998 and from the University of Alaska, Anchorage in 2002. I am a second generation CPA, and got my first job in accounting as an intern at Mikunda, Cottrell in 2001. I worked there through 2006, and then went to work for VECO about 6 weeks before they were hit with a huge amount of well publicized legal trouble. I realized a couple of things at VECO; first, was that the job that I envisioned was not going to exist and that public accounting was probably a better fit for me than business and industry. I returned to Mikunda in 2007, then in 2013 Mikunda merged with BDO.

I have a wonderful and very supportive wife, Erin, and two kids, Natalie who is almost 5 and Charles who is almost 3. Between, work, kid related activities, church, and trying to stay in shape I keep a pretty full schedule. A little over a year ago one of our staff people told me that she was getting really stressed out, and she knew I must be busy and dealing with things that are really stressful, but that I seem calm most of the time. She asked how I managed to do that. I hadn’t really thought about it, but told her I had not always been that way, but I found that if I make sure to make time to stay emotionally, spiritually, and physically in good shape nothing that I deal with at work gets me too stressed out. When I get free time in the winter I enjoy snowboarding or skiing at Alyeska and in the summer hiking on trails close to Anchorage. That is enough about me; I really want to cover our state society.

Shifting Generations

Obviously Linda's retirement will have an impact on my time as president. As I mentioned in my [newsletter article](#) from earlier this month, her retirement made me really reflect on the need for CPAs in our state to consider the impact the retirement of experienced CPAs will have on us. I have heard the statistic that 35% of CPAs currently in practice will retire within 10 years. I could not find a specific source to cite, but based on my own observations I tend to believe it. When you consider the potential impacts of this change it can be frightening and hard to accept.

Together we all need to work on embracing change. At my firm we have a set of [five core values](#) which are: People first, Be exceptional every day, every way, Embrace change, Empowerment through knowledge, and Choose accountability. Our firm takes these values seriously and focuses much of our effort in training and conducting our day-to-day activity on following these values. As a CPA, I try to incorporate these values in all of my actions and these are the values that I bring to my role in our society. I am more than happy to embrace whatever changes we face. I know there will be people from my firm who read this, so just to put your minds at ease; before I shared our core values, I double checked, and they are not a secret, and as you can see from the link above, they are open for others to see on our website, and in our marketing materials.

So what we need to consider is "What changes are we facing?"

We know that retirement and moving on is inevitable. However in some ways we are dealing with a unique situation where the entire shift of leadership and responsibility is not just from one generation to the next generation that immediately follows. Because of the population sizes of generations many Baby Boomers will be replaced directly by Millennials. According to a report from [Pew Research](#), which was based on analysis of data from the US Census, in the first quarter of 2015 Millennials became the largest generation in the workforce. In mid-May, I attended the AICPA General Council Meeting in Washington D.C. During a panel session with younger CPAs--which included our very own Amy Cooper--a young lady, who is a senior in college, responded to a question regarding the perceived lack of loyalty from her generation. Her response was along the lines of, she felt that she would most likely be loyal to the accounting profession, but anticipated making numerous job changes during her career. Immediately after her comment, my table--along with many others in the room--burst into whispered conversation. It was really hard for many to sit in that room and hear someone say something that they did not want to accept. I found myself quickly explaining to someone at my table who had critical comments about young people like me that I was not a millennial, that I was born in 1979 and am among the youngest of Gen X, and that I also could not personally relate. However, I do understand the unwariness this attitude causes.

Most of you have probably read articles showing some frightening trends in the number of anticipated job changes during the careers of millennials. We know that in the short-term career change may be financially beneficial and feel rewarding, but frequent job change throughout a career for most people will cause limitations on earning potential and career advancement. You can only "trade-up" by moving jobs so many times before people look at your resume and refuse to hire you. If you consider this

potentially limiting factor, along with the trend of rising tuition costs, the financial difficulties faced by Millennials and future generations could be substantial. I decided to extrapolate some of the statistics associated with these trends to see what the future might be like. Based on the numbers that I came up with things really are not looking good. If current trends continue, my great-great-grandchildren should expect to change jobs at least 250 times over their careers, and can expect to pay over \$5.7 million in 2015 dollars for a four-year college education. If these numbers tell you anything, it should be that I have no business trying to project trends into the future, and that maybe, just maybe, news articles and reporting on these trends gets more readers by making things seem a little more extreme and a little more frightening than they really are. This is just a guess on my part, but I am thinking that articles titled “Everything Just Fine” don’t get many readers.

Let’s consider some numbers that don’t involve much extrapolation. According to the [Bureau of Labor Statistics](#), the average number of different jobs held by young adults born between 1980 and 1984, which includes the very oldest of the Millennials, from age 18 to 26 was 6.2. A [very similar study](#) conducted on adults born between 1957 and 1964, the youngest of the Baby Boomers, found that between the ages of 18 and 25 this group held an average of 5.5 different jobs. If these studies had covered the exact same age ranges, I would bet that the numbers would be nearly identical. These studies also noted that around the age of 26 or 27 the rates of job change among survey participants began to decrease; with the number of job changes by those holding at least a four year college degree either at or below the average.

One of my first memories of seeing issues with generational transition was from the 1992 Presidential election. At the time I did not really read much about politics, but there was a political cartoon that sticks in my memory. It showed George Bush as a World War 2 pilot and as a leader in various situations, along with a caption about the World War 2 generation, while it reflected Bill Clinton as a kid with an untucked shirt and backwards hat, along with a caption about the Baby Boomer generation. There was no criticism of Clinton other than his youth compared with Bush, and the implication that his generation was not prepared to lead because they had not been around during the Second World War.

Just as a side note to that example, I have really found that there is almost no better way to get younger people to tune-out than trying to relate to them by selecting an example that happened before they were born. One more side note, an excellent way to offend people who are older than me and get them to tune out is by telling them how young I was during an event that they clearly remember happening when they were adults. If the only thing this accomplished by my effort is uniting generations based on the common ground is that no one likes the way I present examples and everyone is making a note to avoid me in the future, I will count that as a major accomplishment.

I honestly believe that there are more similarities between generations than most people like to admit, and the doubts, the criticisms, and the worry over changes have all happened before, and most likely will happen again during future generational shifts. Instead of focusing on the uniqueness of each generation, what we really need to focus on is the uniqueness of this generational shift, as I mentioned before, many retiring Baby Boomers are being replaced by those who are significantly younger, and not

just members of Generation X, who most Boomers are comfortable working with by now, but actually part of the Millennials who bring some new aspects to the work place dynamic.

So what about goals for this year? Until now, this has just been about myself and explaining the issue of shifting generations.

Goals for This Year

My first goal for this year is increased numbers of [student members, associate members, and new CPA members](#). Unless people are encouraged by others, they typically wait to engage in state society activities until they have received their CPA license and are more established in their careers. Right now we have a strong core of people who have been involved for decades, but will be leaving the profession in the next few years. I want to encourage these people to pass on as much knowledge and wisdom from the benefit of experience as they can.

On May 27, society members from our first class of the Leadership Academy hosted an event which was well attended and included many younger members. I believe they will keep the momentum going, and with the support of their employers will really provide one of the key elements to connecting newer CPAs with more experienced CPAs who will be leaving the profession.

The next element to make this work needs to be the continued involvement of our experienced CPAs on committees and groups, and their willingness to pass on knowledge while encouraging innovation. For many of you this will not be the first time that you have done something like this. I remember spending time with others listening and learning being asked for my thoughts and involvement. Unfortunately there were just not enough people from my generation in my age range to fill the void that will be left as members retire.

I am certainly willing to help others, and teach what I know, but in reality I am not quite at 15 years into my career, and still have things to learn myself, both from more experienced CPAs as well as new members just starting their careers.

If you spend time around me you will quickly find that adopting new technology is not one of my strong points. I don't have a Facebook account, I have never used Twitter, I do have LinkedIn, but am probably using it extremely ineffectively. I don't understand the concept of hash tags. Mentally when I read something that starts with a hashtag I automatically associate the sign with the word "number" and have to re-read before I realize what it is supposed to say. I am sure most of our newer members could help me with all of these concepts, and probably many of our more experienced members too. That stuff I just admitted to "not getting" only scratches the surface.

As I mentioned before, in Mid-May, I was in Washington D.C. Part of that trip involved going to Capitol Hill to visit the offices of the Alaska Congressional Delegation. John Rodgers, our Alaskan AICPA General Council representative, who has done the Capitol Hill visits before, was scheduled to go with us, but had a last minute emergency that required him to return home. John was able to coordinate with our congressional delegation, and with Crista to make sure that our visits happened. Without John's help we

probably could have figured out things on our own, but it was comforting for three rookies, Lance, Crista, and me, to know that someone who had done this before was still involved.

I would really like to see every meeting, every committee, task force, and other types of groups associated with the Alaska Society involve members from each generation whenever possible. By no means do I want to encourage anyone to step down from positions, or to retire early, but I also don't want people who want to move on to other pursuits to be in the position where they decide to stick things out because we never prepared anyone else to fill their role.

Also, as I mentioned, I would like us to have increased student member involvement. Last Fall I had the opportunity to teach an income tax class at UAA. It was a great experience, and really helped me to strengthen my personal connection with my alma mater. It also served as a great reminder that there is a big opportunity for us to reach future CPAs early in their career. I know that many of our colleagues in education are advocates for the society and encourage student membership. I would like to see us establish a stronger and slightly more formal relationship with the student accounting clubs, realizing this is an opportunity to steer accounting students to the CPA track and also to encourage involvement by the accounting clubs in society functions. This is going to require us selling them on the benefits of being a CPA and letting them know what the AKCPA can do for them.

My next goal is for continued involvement and support by employers of our Leadership Academy. I don't know how many of you had the opportunity to review the application packets that were sent out earlier this year, but if you saw the comments from past participants and the employers that sponsored them the results were phenomenal. This upcoming leadership academy will start in December with several sessions following.

As we were planning the concept, and planning for our initial group of participants we really had no idea what the response would be, if we would be successful, or if we would be able to have more than just that first group of participants. If I remember correctly our goal for the first group was 10 to 15 participants. I think we had five. It was a small group, they were taking a risk, their employers were taking a risk, and it paid off. Our upcoming class has 11 participants who were accepted, and we anticipate a strong future for this program.

Another goal this year involves our [Financial Literacy Committee](#). I served on the committee for a number of years, and was involved in many meetings and events. When I first started we were using tools that had been developed by the AICPA a number of years ago. Over the last few years the AICPA has revamped the tools available to members who want to volunteer to promote financial literacy. Members of the accounting team from Arctic Slope Regional Corporation used these tools in conjunction with other financial literacy resources to put on an event in one of their region's villages that was attended by around 100 people. They promoted financial literacy and awareness of the tools available from the AICPA. I see an excellent opportunity to leverage the work done by ASRC to encourage other Alaska Native Corporations with strong accounting staffs and good resources to use the model put forth by ASRC to do the same within their villages. Not only will this promote awareness in

areas with populations that are in need, but can also serve as an opportunity for an introduction to accounting and CPAs as a potential career path in areas where there are likely not any CPAs.

One additional goal that I have for this upcoming year is technology related. We need to improve the productivity of meetings involving members in different locations in our state. For the most part any meeting that we have involving members from various locations is just a conference call. Within my firm we have the technological ability to share screens, video or voice chat over the internet, and send instant messages. This is easy enough that I can use it comfortably with little assistance. As a state society I would like to see us adopt a medium of communication that accomplishes all of these aspects, is easily affordable, and can meet technical specifications for all organizations that employ members of the Alaska Society. I really believe this is feasible, will provide great benefit, and that we have members with the aptitude to make this happen.

The last goal relates to our office here in Anchorage. I would guess that most of you know exactly where it is and some of you have been there thousands of times. This December our current lease runs out, and it has been the topic of many discussions at board meetings. Prevailing thoughts are that moving to a smaller location would save the society a significant amount of money and that when we need a space as large as our conference room we can make arrangements. At this point, no conclusions have been reached, and we do not have a plan in place. Sooner, rather than later, we will assemble a task force to determine what we are going to do. If you are interested in helping with this, or have ideas please let Crista know. We will likely keep the task force small to allow for cohesive decision making, but are very much open to thoughts and suggestions that might work.

In Conclusion

I want to conclude by saying thanks for taking the time to read this. I want you to walk away knowing that your involvement in our state society is important no matter your age, or level of experience. I am a strong believer in the idea that the more you give away, the more you get back. You can give away all kinds of things, money, time, knowledge, compassion, you don't always know what you will get in return. you might receive a valuable connection to others, a renewed sense of the human spirit, or just a simple expression of gratitude from those impacted. At times you might not even be aware that you received anything at all, but whatever you receive usually is something much more valuable than what you gave away. With that in mind I encourage you to be generous in everything you do, and look forward to a fantastic year.
