

# The Future is Now: Internships and the Next Generation of Accounting Professionals

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**T**he Bureau of Labor Statistics projects that 142,400 new accounting and auditing jobs will open up by 2024. This equates to an 11 percent job growth rate. Much of this growth will be filled by recent college graduates. Bursting with energy, enthusiasm and possessing a decided comfort with technology, new college graduates embody the changing face of the accounting profession. Unfortunately, the demand for accounting professionals has outpaced the supply in recent years. Thus, it has become increasingly important for firms to tap into the “best and brightest” of this generation; one of the most effective ways of doing this is via internships.

Internships have long been seen as the primary vehicle for firms to gauge the viability of a potential employee in a relatively low-risk environment. In recent years, however, roles have shifted and, increasingly, it is the firms themselves that are being auditioned. The Millennial job seeker has altered the professional calculus, with work/life balance, flexibility and autonomy now competing for importance with such traditional concerns as financial prospects, benefits packages and a firm’s upward mobility. As such, prospective employers have recognized the need to tailor the modern internship to fit these new realities. The authors used a survey to explore the firms’ expectations regarding these pre-professionals, how a firm conveys and nurtures these expectations, and how these firms are evolving their internship process to meet the needs of the emerging generation of accountants.

## Survey of Accounting Firms

We conducted a study in which we questioned a variety of different-sized accounting firms on their internship recruiting and support practices. The results of this study should be useful for other firms in assessing and evaluating their own approach by comparison. The study is also meant to assist students in understanding the internship process better and teach students more about what they need to do to be successful when participating in an internship.

A sample survey of seven public accounting firms that recruit student interns on our campus is reported. The survey sample summarizes the response from a wide range of firm sizes, with two Big Four firms, a non-Big Four global firm, a national firm, and three regional and local firms responding. Exhibit I presents questions that were asked in the study.

Respondents were asked to describe what they are looking for in an intern and what it takes for the internship to lead to a full-time job offer. The survey sought to understand how expectations were communicated to the interns and how the firms determined that these expectations were understood. Respondents were also asked what they did to help the students navigate the frequently difficult choice of deciding whether to do an internship in the audit/assurance area versus the tax area. Firms

were asked how they helped the interns deal with any stress they might feel while working to be successful in the internship and ultimately obtain a job offer. The survey closed by asking what changes they have made to deal with the expectations of the Millennial generation.

## Intern Expectations

Students want to know and understand what they must demonstrate to firms to be offered an internship and then what’s expected to be successful in the internship. We asked the firms to outline their needs and expectations in both the pre-hire interviews and during the course of the internship itself.

When evaluating the viability of interns for hire, firms obviously want interns who are intellectually bright. Students should show they have done their homework in preparing for their interview by asking quality questions, and demonstrating knowledge of the profession and the firm. Interviewers want students to demonstrate a genuine interest in the profession and a desire to learn more. Interviewees should demonstrate that they have a positive attitude, are good listeners, and are enthusiastic about the firm and engaging in the profession.

There are many skills and characteristics that firms want successful intern hires to demonstrate, though a few factors stood out and were common expectations across all or most. Firms are most likely to offer permanent positions to those interns who are coachable, are willing to learn and who value the feedback they are receiving. They desire interns who are intellectually engaged, inquisitive and careful listeners. They want their interns to exhibit an efficient learning curve, demonstrating understanding and growth from their errors and uncertainties by not asking the same questions multiple times. Firms seek interns who have positive attitudes, display a solid work ethic, and are good team players possessing strong written and oral communication skills.

Most firms have several days of initial training where interns learn the basics and firms communicate expectations. Firms usually assign one or more individuals to work with and support their student interns throughout their experience. Typically, students are assigned a peer mentor at the associate level and a performance coach at the manager level, with some firms also adding a partner level member to the support team.

Interns are monitored and evaluated throughout the process, with success determined by review of their actions and results. Mistakes are expected, but growth and progress are also expected. Many firms conduct a formal mid-point review to provide feedback to the intern, along with a final close out evaluation.

## Audit Versus Tax Decision

Students are typically asked to make a decision to choose whether they want to do an audit or tax internship, often before they have

completed either or both academic courses. We asked the firms how they help students with this difficult decision.

Most firms do their best to expose students to multiple employees of their firm from both audit and tax areas. This exposure is often done at recruiting events, both on and off campus so that students can learn from current employees and ask relevant questions to help them make an informed decision. Most firms emphasize that it is OK to switch areas later and that it is not at all uncommon for some to make such a switch.

Survey respondents indicated that traditional stereotypes of the more extroverted being attracted to audit and the more introverted being attracted to tax are not universally true. Overall, auditors might tend to be a bit more socially-oriented and outgoing, but a great many tax folks are too.

A major decision factor in the audit/tax choice tends to be around the type of work environment the student believes would be most enjoyed. Those who would like to travel more tend toward audit and those who prefer less travel tend toward tax. Those who would prefer more client continuity and more opportunity to develop a deeper relationship with the same team members may do better with audit. Those who would prefer a larger variety of clients and multiple different teams to work with may prefer tax. Some smaller firms give students an opportunity to work in both areas as part of their internship experience.

## Stress Management

Interns experience many stressors as they attempt to fit into a firm's culture and try to meet expectations that will result in a permanent job offer. Given that managing stress levels can improve job performance, we asked the firms how they support the intern in managing stress.

In the onboarding orientation process, most firms discuss the support systems in place to help the intern with all aspects of work, including the management of workload and stress. All firms have some type of mentoring system in place, some more formal than others. Generally, interns are assigned a peer mentor, someone closer to their age, experience and background. This "buddy" is intended to be someone with whom the intern can be comfortable with to ask questions and seek help as needed. Many interns are also assigned senior support, including managers and partners, as additional mentors. Many of the reported stress-reducing activities listed tended to be of a social nature, such as happy hours, sports and game nights, and community service events. These types of events are intended to provide the intern with opportunities to relax a bit and build collegiality.

## Changes for Millennials

Much has been written about the need to update the work environment to meet the needs and expectations of Millennials. We asked firms what specific changes or accommodations they have made to address this.

Survey responses in this area were more varied, but still retained a common thread of the need for increased flexibility, increased autonomy, closer relationships and greater work/life balance. One example of increasing flexibility and autonomy was demonstrated by one respondent who stated that many Millennials view work as a thing you do, not a place you go, so the firm tries to provide flexibility on the where as well as the when of work, as long as the work is done timely and professionally. Additional flexibility and balance are also provided with the ability to dress casually when not client facing. Another firm stated

that Millennials were motivated by flexible and varied experiences, so the firm attempted to meet this by exposing them to multiple industries, service lines and locations.

Other respondents indicated the importance of continuous in-the-moment feedback, rather than just waiting for formal review periods, and the importance of building relationships with Millennial employees to better understand their personal and professional interests and skills. Increased communication is a priority. Finally, the importance of social events, online branding and a social media presence was also suggested.

## Finding the Best and Brightest

The internship is a critical component of the process of bringing the best and brightest into a firm. As this survey indicates, firms have retained many of the time-honored means of assessing an intern for prospective employment; an intern's intellect, desire and attitude remain key indicators of a successful candidate for the firm. Additionally, the survey highlights considerations currently gaining prominence in the workplace, such as a firm's investment in support strategies and employee satisfaction.

Our survey makes clear that the most successful firms' internship programs will strike a balance between finding the candidates with the most attractive qualities for employment, and cultivating inclusive and supportive work environments for these future professionals. ■

### Exhibit 1. Questions Asked in This Survey

1. What specific skills and characteristics do you seek upfront in the successful intern candidates you select? What are you specifically looking for students to demonstrate in their internships that would likely result in them obtaining a permanent job offer from you? How do you determine that expectation communications are understood?
2. What do you do to help students determine the audit/tax decision? Have you identified personality types and/or other characteristics that lead you to believe that some students are better suited for one specialty area over another?
3. What do you do to assist interns in managing the stress of the transition from school to internship? Please briefly discuss specific stress-reducing opportunities you offer.
4. What specific changes or accommodations have you had to make to facilitate the recruitment and retention of Millennials?

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