



The uncertain economy has shaken the confidence of all workers in the U.S. and those in the accounting and finance profession are no exception. Interestingly, more accounting and finance workers than ever plan to look for a new job next year, even though fewer than ever are confident in their ability to actually land a good opportunity. Employers of corporate tax professionals need to not only understand, but indeed adapt to their employees' evolving needs and attitudes toward work if they intend to maintain their top talent during these uncertain economic times.

As More Accounting and Finance Workers Plan to Look for a New Job, Corporate Tax Departments Need to Focus on Retention of Top Talent

Economic uncertainty, fueled by the turmoil in the financial markets, has obviously taken its toll on the American workforce in the second half of 2008. A just-released survey commissioned by The Mergis Group found that the overall confidence of U.S. accounting and finance workers fell to its lowest level in the third quarter than in any other period since the quarterly benchmarking survey began in 2005.

One specific finding in the survey is especially noteworthy for employers of corporate tax professionals. The survey found that 41 percent of accounting and finance workers report that they are likely to look for a new job in the next year, a sharp seven percentage point rise from the previous quarter and a full six percentage points higher than the overall U.S. workforce.

Interestingly, the survey also found that fewer than one in two accounting and finance workers (48 percent) are confident in their ability to find a new position, a surprising 12 percentage point drop from the second quarter.

So here is what we have . . . a labor environment in which more of your employees plan to look for a new job in the months ahead, even though fewer of them are confident that they will be able to land something. This apparent disconnect is at least partially explained by the fact that 67 percent of the accounting and finance workers surveyed are now confident in their employers' future, a decline of seven percentage points from just three months ago.

The good news is that you are now forewarned. What are some things you can do now in order to retain the top talent in your corporate tax department and reduce the risk that your best workers are among those looking to get out the door?

The easiest way to make progress is to reconcile your own perceptions of what matters most to employees with the actual reported priorities of accounting and finance workers themselves. For example, three-quarters of employees view healthcare benefits (78 percent) and compensation (75 percent) as most crucial to retaining them, while employers feel the most important factors are the management climate (80 percent) and supervisor relationships (80 percent).

Consider the contrast between employer and worker views of the most important factors influencing employee retention:

Drivers of Retention:

Employer View

1. Management climate
2. Supervisor relationship
3. Culture & work environment
4. Benefits
5. Growth & earning potential
6. Training & development
7. Financial compensation
8. Time & flexibility

Worker View

1. Benefits
2. Financial compensation
3. Growth & earning potential
4. Management climate
5. Time & flexibility
6. Culture & work environment
7. Supervisor relationship
8. Training & development



The difference in these perceptions indicates some very troubling trends in the employee-employer relationship. The workforce is largely dissatisfied with their employers' efforts on the factors they feel are most important to them and will keep them in their current jobs. This is a problem in any environment, but is far more disconcerting at a time when four in 10 of your corporate tax department employees are planning to look for a new job soon. While some factors regarding job security are certainly out of any employer's control, it is crucial to engage employees on a regular basis and solicit their feedback on their personal job satisfaction and work environment. This will not only help retain crucial talent, but help make them more productive and loyal as well.

The lesson here is that it is imperative employers not only understand, but adapt accordingly to their employees' evolving needs and attitudes toward work if they intend to maintain their top talent during these uncertain economic times. While employees are definitely redefining their idea of "career success" and putting a premium on things like work/life balance programs, providing comprehensive benefits, commensurate financial compensation and a secure work environment that fosters creativity and participation will always be critical to long-term employee retention.

For employers of corporate tax professionals, a category of workers whose confidence in their job market is at its lowest point in years, the employee retention stakes are higher than ever.