

AN ANALYSIS OF THE RECRUITING PRACTICES OF SMALL
ACCOUNTING FIRMS IN THE STATE OF OKLAHOMA

By

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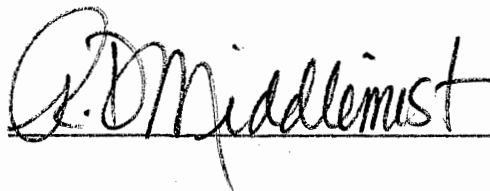
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Scope and Method of Study: This study performed a descriptive analysis of recruiting practices of the small accounting firms in Oklahoma. The study then attempted to disclose if the systematic use of certain recruiting practices improved the recruiting effectiveness of a firm (the ability of a firm to locate and hire qualified personnel). Recruiting effectiveness was measured through the use of the yield ratios of hires/offers, offers/interviews, and positions filled/positions open. Data was collected through questionnaires mailed to public accounting firms operating in Oklahoma. Analysis was performed on the data using the computerized Statistical Analysis System (SAS).

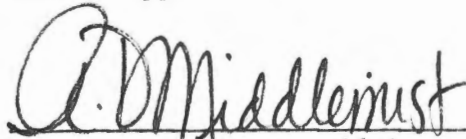
Findings and Conclusions: The firms surveyed had an average of six professional staff people employed. The average number of positions open was three. Systematic recruiting practices were found to exist in the types and degree of sources used in interviewing prospective employees, and were related to the yield ratios representing a firm's recruiting effectiveness.

ADVISER'S APPROVAL

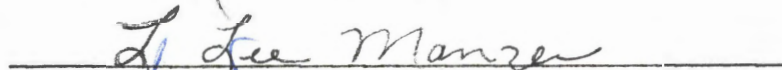


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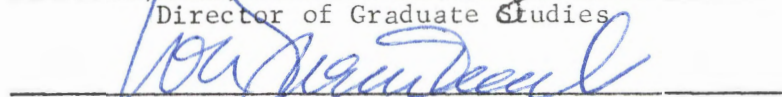
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CHAPTER I

INTRODUCTION

"Whenever human resources must be systematically expanded or replenished, a recruiting system of some kind must be established" (Hawk, 1967, p. 63). A recruiting system includes planning for the recruiting activity, determination of the number of positions to fill, the requirements of the jobs, and the cost and time the recruiting operations will require. Both internal and external labor market factors should be considered. Effective and consistent methods for screening and evaluation of candidates for employment must also be specified (Cascio, 1978).

Each year companies must look to their personnel needs and then look both internally and externally to the labor markets for individuals to fill those jobs. Each year college graduates and the unemployed must search for jobs with organizations which can fulfill their particular needs and desires. The ability of an organization to attract and hire these individuals when positions open is vital to the survival of the firm.

One of the biggest deterrents to growth for a small business is the seemingly unavailability of qualified personnel. Large organizations have more capital at their disposal to invest in recruitment and training activities which appeal more favorably to the qualified individual who is searching for a job. These activities would include participation in campus related activities, interviews on campus, expense-paid office

visits for prospective employees, training in interviewing and selection techniques, and printing of brochures and pamphlets describing various aspects of the firm.

Still, there are methods of recruitment which may have been neglected by small businesses. Every business must invest in the recruitment function to some extent if it expects to hire qualified personnel to fill positions left vacant through firm growth or personnel turnover.

In the public accounting industry, large multinational firms have for years recognized the need to recruit highly qualified professional personnel for all levels of the organization. A public accounting firm is unique from most other business organizations in the type of personnel needed. Except perhaps for the few clerical employees, the accounting firm must hire highly educated professionals who possess technical tax, audit, and accounting knowledge, and the energy and qualities necessary to serve a variety of clients. The large public accounting firms must hire these professional staff people each year to keep up with industry growth and attrition of personnel. Through the last decade, large accounting firms have found colleges and universities to be a primary source of new personnel (Anderson and Griffin, 1963).

The smaller, locally operating public accounting firms, on the other hand, do not recruit as heavily for the following reasons: (1) lack of a need (due to a lack of company growth or attrition), (2) failure to designate recruiting responsibility somewhere within the firm and so this activity is constantly bypassed, and (3) a shortage of finances to budget to the recruiting activity. But as pointed out by Hawk (1967) and others, the personnel selection decision is vital to every firm and some allocation of time and money must be made to this

important function.

Purpose of This Study

This study is being conducted because of concerns expressed by the small public accounting firms operating in Oklahoma about their difficulty in locating and hiring qualified professional staff people.

Currently, little is known about the recruitment practices of small public accounting practices in the state of Oklahoma. This study will attempt to reveal the growth in personnel in each firm for the previous two years, the size of each firm--measured in the number of professional staff people employed, and the recruiting sources and practices used by each firm.

The study suggests the following research question: To what extent is the successful hiring of qualified professional staff people dependent upon the recruiting sources used and other independent variables such as recruiting techniques and evaluation procedures used?

The independent variables in this study include recruiting sources, use of company brochures and letters, invitations for office visits, and use of structured interviews and evaluation techniques. These variables cannot be manipulated or controlled by the researcher and are expected to vary across firms.

Studies of recruitment practices across various industries have found that most firms that are recruiting managerial and professional personnel rely mainly on colleges and universities, promotion from within, friends and relatives, and private employment agencies as sources. Applying these findings to the local accounting industry, one would expect to find that those firms which recruit from these areas should be

more successful in obtaining personnel than those which do not.

Other studies have found that prospective employees choose between employers based on objective measures (e.g. salary, location, position, etc.) or subjective measures (whether or not the company's "image" satisfies deeply seated and poorly understood emotional needs), or by looking at the difference between treatment he receives from recruiting companies. It is likely that those firms which make an effort to supply the individual with more information about the firm, and his position and career with it, will experience more success in the recruitment process. Information about the firm can be expressed through brochures and letters describing the firm, office visitation, and projection of a professional company image by the interviewer in interviewing and evaluation of the candidate.

The dependent variable of success in recruiting qualified individuals can best be measured by the ratio of hires to offers made by a firm. The higher the ratio percentage, the more successful the firm in recruiting. This measure of success, despite its obvious limitations, is being used because it automatically takes into account each firm's distinct idea of a "qualified individual," and it is easier to determine than qualities of specific individuals acquired such as his G.P.A., character, or productiveness. Other measures of successful recruiting which will be correspondingly used in this study are the number of available positions in previous years which have been subsequently filled and the ratio of interviews to offers of each firm.

Overview of Report

This paper encompasses four components. The first is a literature

review, which discusses various aspects of the recruiting function and research conducted of recruiting practices of various industries and accounting firms in particular. Second, a survey of the small public accounting firms in the state of Oklahoma is performed and the methodology is discussed. Next, the results of the survey are analyzed, which is followed by the summary and conclusions of the study.

CHAPTER II

REVIEW OF RELATED LITERATURE

The hiring of personnel is one of the most critical functions in the growth and survival of all organizations. "Most companies have long recognized that the success of their organization depends greatly on the quality and competence of their personnel" (Stanton, 1977, p. 6). The tasks of company personnel, from routine employee tasks to executive decision making, are vital to all operations in an organization. The efficient completion of all organizational tasks is dependent upon the organization's human resources.

In a large organization the effects of a single employee's task efforts are often not perceptible in overall company performance. Conversely, tasks performed by individuals in small organizations take on greater significance simply because their respective tasks constitute a large proportion of company output and are more apparent. As can be seen, when compared with the large firm, the responsibility of individual positions in the small firm may be greater. Also, more importance is placed on positions which require technical or specialized skills in the performance of that task.

The work performed in the public accounting industry is by nature highly specialized. The complexities of tax laws, audit functions, and accounting principles which must be applied in business, causes the accounting industry to be very demanding of the qualifications and

performances of its personnel. A high level of competence and energy is required of the successful accounting professional. Personnel turnover is high in the public accounting industry. Therefore, more stress is necessarily placed on successful recruitment and hiring of the highly qualified individual. Recruiting of additional personnel is required whenever positions become available through either growth or turnover. Regardless of the cause, organizations must periodically recruit in order to "add to, maintain, or readjust their total manpower complement in accordance with manpower requirements" (Cascio, 1978, p. 185).

The Recruiting Function

"Whenever human resources must systematically be expanded or replenished, a recruiting system of some kind must be established. Organizations as open systems demand that this dynamic equilibrium in manpower requirements be maintained for organizational maintenance, survival, and growth" (Cascio, 1978, p. 185).

The recruitment of manpower should be viewed as a two-way process. Prospective employees seek out organizations just as organizations seek out candidates for employment. In order for organizations and applicants to meet, three conditions must be satisfied. "There must be a common communication medium, the job seeker must perceive a match between his or her personal characteristics and stated job requirements, and then the job seeker must be motivated to apply for the job" (Cascio, 1978, p. 186).

Roger Hawk (1967) identified the major activities associated with the proper recruitment of personnel. First of all, the number of openings in the firm must be estimated. Then the job requirements must be

researched along with a documentation of the type of person which will be required to fill the job.

A recruitment plan should be devised which develops future actions based on previous experiences. The time, money, and staff necessary to achieve a given hiring rate should be specified. To determine the hiring rate a company may start by estimating the number of leads needed to generate a given number of hires in a given time. Leads are the knowledge of specific candidates for employment before meeting them in an interview setting. Yield ratios (i.e., ratios which determine from historical data the percentages of new hires/offers made, leads/invites, etc.) are a good start in estimating the number of leads necessary for a business to hire one individual. Yield ratios can be expected to vary across organizations because of their difference in staff requirements, nature of work, geographical location, and economic factors affecting that industry. Yield ratios mentioned by Hawk (1967) include leads/invites, invites/interviews, interviews/offers, and offers/hires. The time needed to complete each step and the entire process leading up to the hire is important to note in recruiting. A firm must start its recruiting process well in advance of its desired time for filling the position. The entire process may take several months. Again, the time will vary with organizational differences and general economic conditions, e.g., whether a firm is in a 'buyers' or 'sellers' market.

Hawk (1967) next describes in some detail the various operations conducted in order to acknowledge the openings available, locate candidates for employment, evaluate the candidates, and hire those most suited to the organization. In order to acknowledge to the public that positions are available, the firm may advertise in newspapers, technical

journals, by direct mail, and through radio and television. Most companies use all or some combination of the above mentioned media.

"To locate prospective employees the firm should look first to internal sources and then to external sources. Internally the firm must promote existing personnel identified either through 'taking of inventory' or from response to in-house posting of available jobs" (Cascio, 1978, p. 191). External sources for recruiting applicants include public and private employment agencies, educational institutions, employee referrals, unsolicited applications from walk-ins or write-ins, labor unions, the military, professional societies and conventions, and responses to advertising.

Across all occupations, direct application--both unsolicited and in answer to advertisement--is the most frequently used method for obtaining jobs. However, various studies indicate that employers find different sources yield higher than others depending upon the type of position and specific requirements needed of the individual.

Studies of Recruiting Practices

In the paragraphs that follow the author will review studies conducted on the recruiting practices of American businesses. The studies involve a variety of industries and types of personnel sought. The findings from these studies will be used to set the theoretical base for further specific study of the accounting industry.

Various studies completed before 1950 surveyed methods of job finding by the unemployed and the recruitment sources used by employers. These studies were conducted in the manufacturing industries located in the eastern United States. These studies revealed that most jobs are

found through informal methods such as by asking friends and relatives and unsolicited applications at company gates. Since these findings are specific to the manufacturing industry, their application to other industries' personnel needs are very limited.

Subsequently, in 1954 Theodore Malm conducted a survey of employer personnel practices in the metropolitan area of San Francisco Bay. The survey covered all major industry groups in that area. The businesses in the San Francisco Bay area were relatively small and only 19 percent of the firms were in manufacturing. The average wage and salary level of this area in 1954 was among the highest in the country.

The San Francisco Bay study indicated that recruiting practices varied according to the size of the firm, occupational characteristics of the jobs being filled, and with the nature of the industry. Several formal channels of placement played significant roles in the San Francisco Bay area.

When hiring manual workers the largest sources used are unions, direct-hiring, and public employment agencies. Clerical employees were located largely through public and private employment agencies, direct-hiring, and through advertisements in newspapers. Direct-hiring and promotion from within are the main sources used in recruiting sales-people. Sources used by employers in recruiting managerial and professional personnel are found to be promotion from within, recommendations from employers, colleges and universities, and private employment agencies.

In industries (such as construction) with typically small firms, less reliance is placed on promotion from within and more reliance is placed on locating potential employees through friends and relatives.

Larger firms, on the other hand, sought more professional and managerial personnel from within the firm, direct-hiring, and universities than did their smaller counterparts. This difference is due in part to the larger firms' greater resources for recruiting expenses, the size of their internal labor pools, and their highly developed "training programs which serve to make promotion from within a more effective policy" (Malm, 1954, p. 515).

Small and large firms also differ in the geographical area covered in the search for prospective employees. The smaller firms tend to recruit within a smaller geographical area than the large firms. "There are two main factors explaining these differences: (1) smaller firms place less serious drains on local labor pools and can usually fill their few vacancies from local sources, and (2) the relative cost of long recruiting trips per vacancy filled would be much less for firms which have a large number of positions to fill" (Malm, 1954, p. 516).

Other studies of recruiting practices of companies in differing industries include those of Spriegel and James (1958), Rees and Schultz (1970), and Reid (1972). Conclusions from these studies do not differ substantially from those previously mentioned.

However, it was found that the use of college recruiting, application blanks, and the personal interview became fairly standard through the years of 1939 to 1957 (Spriegel and James, 1958). Also, informal methods (e.g., asking friends and relatives about possible job opportunities, applying to firms on the chance that vacancies exist, and checking gate notices at factories) are widely used by the urban blue-collar unemployed. Those using informal methods were found to be no worse off in terms of time out of work, wages, or job preference than

those who located work through the more favored methods of answering company ads and applying through public employment agencies.

The studies mentioned above differed in purposes and did not always explore the same area of recruiting, nor answer uniform questions. Ericson (1979), after a review of the literature on the recruitment function, listed several fundamental questions which still remain unanswered. These include: (1) Is there a pattern, in terms of channels, frequency, and regularity of use, to the various recruitment methods used by employers? (2) What are the characteristics of the pattern? Are they unique to industry? Occupations? Skill? etc. (3) Is the pattern stable or changing? What are the main trends? (4) What innovations are being used (automated selection techniques, etc.)?

Another question of interest includes the determination of the relationship of recruitment patterns and their changes to other influencing factors such as entry wage and hiring standards. Ericson (1974), also asks how the varying levels of effort in recruitment affect the ability to attract "qualified" workers? This study will attempt to answer some of the above questions as they apply to the local accounting industry.

Conveying the findings of the various studies just mentioned, to the accounting industry, one would expect to find that large national accounting firms fill positions by promoting from within and recruiting college graduates from a large geographical area. Looking to the national accounting firms which have offices operating in the Southwest we find that this is indeed the case (Anderson and Griffin, 1963). Less is known about recruiting practices of Oklahoma's small firms. This author expects to find that small firms locate their candidates for employment

largely from colleges in the immediate area and through referrals from friends, relatives, and colleagues, and private employment agencies.

This study should indicate some of the various recruitment methods used by smaller accounting firms and their selection techniques. Through surveying the local accounting firms, recruitment sources, practices, and hiring success, new light may be shed on the effectiveness and usefulness of certain methods used in the recruitment function by these firms. The methodology used by this author for the study is discussed later in this paper.

Personnel Recruiting and Public Accounting Firms

Of particular interest to this study is to determine the extent of the use of colleges and universities as a recruiting source by the small accounting firms. If universities are to properly orientate accounting graduates toward employment with small accounting firms, the small firm's needs and career opportunities must be known. The college campus has been a prime source of professional and managerial employees over the previous two decades. Whenever industries can locate a pool of qualified candidates for employment it has the opportunity to reduce recruitment costs by obtaining as many employees as possible from that source.

There are several advantages the college recruitment source has to offer. Universities have a ready pool of qualified individuals who have the energy and drive necessary to succeed in business. The universities also have placement offices organized to aid companies who are seeking employees. A business may recruit from several universities which have a strong curriculum in a field specifically needed by that business. The

recruitment dates and interviews can and should be planned far in advance so that brochures, applications and the interviewer may be adequately prepared by that date. For general discussions of campus recruiting, see Clarke (1958), Bach (1959), and Dempsey (1968).

A survey by Dennis and Gustafson (1973), revealed that the attitudes of personnel managers toward use of college campuses as a source of professional and managerial personnel are very positive. The sample represented a wide variety of industries and geographical locations. Companies ranged in size from 40 to 74,000 employees. Out of all college graduates hired by these firms, 51.1 percent of the hires came from on-campus recruiting. The following sources ranked behind on-campus recruiting and are listed here in order of importance. They are: (1) unsolicited applications, (2) answers to advertisements, (3) employment agencies, (4) employee referrals, and (5) others (Dennis and Gustafson, 1973, p. 721).

Table I illustrates the percentage of college graduates hired from various sources across different industries. It is expected that the accounting industry in Oklahoma will largely parallel the findings illustrated for service industries and Finance, Insurance, and Real Estate companies.

In general, the survey also found that the personnel managers believe college recruiting to be less expensive than use of employment agencies, possibly due to agency fees. The results indicate that criticisms of college recruiting for educated personnel are not that widely held and it is still a sound method used across industries.

TABLE I*

SOURCES OF COLLEGE GRADUATES BY INDUSTRY

Industry	Number of Responses	College Recruiting	Employment Agencies	Employee Referrals	Advertisements	Unsolicited Applicants	Other
Transportation and Public Utilities	4	46.3	1.3	15.5	5.0	19.5	12.5
Wholesale and Retail Trade	4	21.2	17.5	8.8	22.5	27.5	2.5
Finance, Insurance	5	55.6	21.2	7.4	9.2	5.6	1.0
Services	10	56.5	11.0	10.3	13.2	7.7	1.3
Government (State and Local)	4	25.0	0	5.0	18.0	43.2	8.8
Fabricated Metal Products	6	61.3	10.9	4.8	9.0	14.0	0
Electrical and Electronic Products	9	69.7	3.4	2.8	10.5	12.4	1.1
Chemical Petroleum and Rubber Products	5	52.0	8.2	9.8	5.0	22.4	2.6
Foods, Beverages and Tobacco	5	59.0	11.6	5.6	15.7	7.0	1.0

*Adapted from Dennis and Gustafson, Personnel Journal, August 1973, p. 723.

Specific Studies on the Recruiting Practices of Accounting Firms

There are a few studies concerning the recruiting practices of public accounting firms. The studies are not uniform in purpose but do provide insight into differences in selection criteria and recruiting sources between large and small firms.

Anderson and Griffin (1963) studied the recruiting policies of nine national accounting firms. All nine of the firms made annual or semi-annual trips to the college campus. While on campus they conducted interviews with prospective employees which were previously arranged by the college placement office.

These nine national accounting firms considered first, grades; second, personality (which included motivation, poise, social graces, and tact); third, appearance; and fourth, extracurricular activities; as the important factors in the evaluation of the interviewee. "Grades are of primary importance in the selection process. The commonly recognized standard is the "B" average. Several firms indicated indirectly that students with lower grades are rarely considered" (Anderson and Griffin, 1963, p. 92).

Seaton and Jackson (1973) surveyed a cross section of CPA firms in eight states which included Oklahoma. Two-hundred-ninety-seven small to medium-sized firms responded to their survey. The firms were all practicing in cities of 25,000 population or larger. The firms surveyed indicated the following characteristics were sought in new employees: ambition, personality, grades, appearance, and ability were most frequently mentioned. These were followed by maturity, experience, character, and expression. These factors differ slightly from those ranked

by the nine national firms in the Anderson and Griffin study (1963). However, it should be noted that the factors listed by smaller accounting firms in the Seaton and Jackson study appear not in rank order but in order of frequency of mention. These authors also found that the respondent firms used college placement centers as a source of prospective employees but more frequently mentioned sources were referrals from other firms and colleagues, newspapers, and walk-ins.

The above differences between large and small accounting firms should be expected. Some small firms simply do not recruit frequently from college campuses. This may be due to their lack of funds to support campus recruiting, their lack of company growth, or their inability to compete with other firms in this market. Whatever their reason it will be of benefit to our colleges and graduates to know why they do not recruit more heavily from this source and to know their specific personnel needs and opportunities in order to determine the desirability of employment.

Small to medium-sized firms are frequently at a disadvantage in recruiting on college campuses. Public accounting, other industries, and government must all compete in the recruitment of qualified candidates for employment. "As a general rule, the larger firm is more in the public eye and is more likely to have better recruiting equipment and people with recruiting know-how" (Perry and Cutting, 1961, p. 41). Recruiting equipment includes such items as brochures and pamphlets depicting the advantages and opportunities in the firm, and specialized training for the recruiter in interview techniques and use of psychological tests.

The small firm frequently overlooks the budgeting of time to the

recruiting activity and makes schedules only for the direct responsibilities to clients. But, "the small firm as well as the large, must take the recruiting problem seriously enough to assign definite responsibility for it within the firm. Recruiting is then basically a matter of determining where the available supply is, and how to attract those with the proper qualifications. Although several sources are available, such as new college graduates, industry, and other firms, the primary source over the long run is new college graduates" (Perry and Cutting, 1961, p. 41).

Even though typically the small firm may be at a disadvantage in recruiting personnel when compared to large firms, there is no reason why this should remain true. The small firm which uses sound recruiting practices should be able to attract its share of the qualified personnel available.

"The recruiter for the small firm should be aware of the advantages of employment by his firm, the available aids for selection and procurement of qualified individuals, and the need for a modest public relations program. Advantages of employment by a small firm would typically include greater responsibility in starting position, broader experience in all areas of public accounting work with a variety of clients, employees may be recognized as a professional earlier in their careers, may live in a small community, may do little traveling, can more quickly become a member of the firm's team and become active in the community in which they live" (Perry and Cutting, 1961, p. 43).

Perry and Cutting (1961) and Anderson (1972) discuss college recruiting by small accounting firms. The articles explain advantages a small accounting firm may offer the college graduate and provide

suggestions for successful campus recruiting. Suggestions include the use of letters written by small firms instead of printing up brochures about their respective companies. The small firms may also use pamphlets and the Personnel Testing Program, both provided by the American Institute of Certified Public Accountants. The pamphlet illustrates public accounting work and the testing provides a comparison of individuals' aptitudes in accounting, knowledge of the field, and patterns of interests with those of others who have similar education and experience. Anderson (1961) discusses the use and application of the AICPA's Personnel Testing Program in depth for the interested reader.

Ellyson and Shaw (1970) report on the use of a psychological assessment procedure used in an accounting practice. The authors state that the use of psychological testing has resulted in a better qualified staff, less turnover, and lower recruiting costs.

Several tests and procedures can be used by the small firm to enhance its competitive position in recruiting. As mentioned, the small firm can produce many of its own materials which are needed or may acquire them through the AICPA's advisory committee. The use of these tools and evaluation techniques should improve the recruiting effectiveness of the small firm.

Other areas that should not be overlooked in the recruiting function of the small accounting firm involves the aspect of public relations. Care should be given to the development and protection of a firm's image on all campuses and other recruiting sources. First of all it is of primary importance that the recruiter realize he represents the accounting profession and the professionalism of his firm. This professionalism should be shown throughout the interview and with all

contacts made on the campus. The firm should be involved in professional and community organizations and should cooperate with colleges in teaching and speaking engagements, and support of campus activities and organizations.

Employer Choice by Candidate

As previously mentioned the recruitment function involves a two-way street. The firm conducts a search for what it considers qualified personnel while the individual seeking employment conducts a search for the firm to which he will offer his services and abilities. The firm which utilizes its resources to appeal to the job seeker will be in a better position to attract prospective employees. In the following paragraphs the theories of job-selection will be briefly discussed. These theories are based on job-selection by the college graduate.

Behling, Labovitz, and Gainer (1968) in their review of literature found three types of implicit theories of position selection. These types are identified as: (1) Objective Factor Theories, (2) Subjective Factor Theories, and (3) Critical Contact Theories.

Behling, Labovitz, and Gainer (1968) summarize the ideas implicit in the Objective Theories as follows:

The selection of a position by a college graduate is basically a process of objective weighing and evaluation of a limited number of immeasurable characteristics of employment offers such as pay, benefits, location, opportunity for advancement, nature of work to be performed and educational opportunities. Although the importance of these factors may vary from individual to individual, there is a fairly consistent weighing pattern which, if detected and used as a basis for structuring the firm's offer of employment, will significantly increase the hiring effectiveness of the firm (p. 15).

The basic logic of the Subjective Factor Theories may be summed up

as follows:

The selection of a position by a college graduate is the result of a perceived high degree of confidence between deeply seated and poorly understood emotional needs, and the ability of the firm, or more accurately its image, to satisfy those needs for the individual candidate. The decision is not based upon weighing of objective factors in a pattern which is fairly consistent from individual to individual, but rather is made on a highly personal and emotional basis (p. 17).

The authors state that in contrast, Contact Theorists feel:

The typical candidate is unable to make meaningful differentiations among firms or offers in terms of either objective factors or subjective image because length of contact is short, offers tend to be consistent, and the student lacks the necessary experience to readily evaluate them. The candidate still, however, must make a choice and is forced to rely on difference in treatment which he can perceive. The selection of a position by a college graduate is generally the result of the student's evaluation of the recruiter and of his treatment during the plant visit (p. 18).

The authors go on to conclude that "the average individual will be affected by elements of all three theories, but in varying degrees, in varying circumstances" (Behling, Labovitz, and Gainer, 1968, p. 18). The individual in his search for employment will probably first separate companies based on weighed objective factors. When he can no longer differentiate respective companies through these objective factors the "image" of the firm and its apparent ability to satisfy his underlying emotional needs will be relied on to partially differentiate between firms. The critical contact elements will influence his choice when differentiation on objective and subjective factors is found impossible. Critical contacts include the recruiter's personality, brochures, and the nature of the physical facilities of the firm. The use of these differing types of employer evaluation will also necessarily differ among individuals with the number of offers received, and the time pressure involved in the decision. Specific studies have been made

which provide insight into selection of firms by graduating accounting students. Carpenter and Strawser (1970) surveyed undergraduates and found that although undergraduates preferred the job characteristics more closely associated with small firms, recruiting data indicated that the national firms were the more successful in their recruiting efforts. In partial explanation of this phenomenon, James R. Barnhart conducted a survey of 44 accounting graduates of Virginia Polytechnic Institute and State University to determine the factor or factors influencing the choice of employer (1971). The findings were limited by the sample size and the state of the economy at the time. The survey was made during a period characterized as a "sellers market." In a "buyers market" other factors, such as job security, could have played a significant role in the employer decision.

Barnhart (1971) found the following eight factors influenced the job selection of the graduates: the most important factor mentioned was opportunities for advancement, followed by firm's office visitation, location of firm, starting salary, type of initial assignment, initial firm interview, influence of family, friends, spouse, and others. This data illustrates that the firm office visitation is very important in the recruiting of personnel. The author also discovered that many students went into the interview feeling that the employer firm was too small, but the same students eventually took jobs with these small firms. This indicates that reservations can be overcome through effective recruiting. Some students felt that large firms did not offer personal attention and strong advancement opportunities. They felt the small firms offered these and that they would be more of the team and less likely to be forgotten in a small firm.

After the office visit many of the students could associate the larger firms with those characteristics previously ascribed to only the smaller firms. The survey found no large differences between the recruiting practices of small and large firms. The salaries offered the graduates were all within a very close range and so salary did not play a major role in the decision process of the individual simply because the differences were not significant (Barnhart, 1971).

Summary

The accounting firm which uses proven techniques for recruiting on college campuses should be able to attract its share of the qualified personnel available. This survey will attempt to discover the tools and methods used by small accounting firms in the state of Oklahoma. It is thought that those firms which use brochures, campus, and office interviews, and which actively support collegiate activities will be more effective in the recruiting environment. Use of the aforementioned tools should help the firm better meet the objective and subjective factors which the potential candidate uses in choosing his/her employer.

CHAPTER III

METHODOLOGY

The purpose of this study was to perform a descriptive analysis of the recruiting activities of the small accounting firms in Oklahoma. In the performance of this analysis the following hypothesis was tested: Systematic recruiting activities, which are related to the ability of a small accounting firm to attract and hire qualified personnel, do exist in practice and can be determined.

Data for this study was collected through questionnaires sent to 208 public accounting firms operating in Oklahoma. Names of the accounting firms were taken from the 1979 registry of the State Society of CPA's. Questionnaires were sent to all but 12 of the firms. Public accounting firms that were not included in this study were the "Big 8" firms and four other large firms with offices operating internationally. A description of the recruiting practices of these large firms was given by Anderson and Griffin (1963) as mentioned previously in this paper. Fifty-four questionnaires were returned for a response rate of 26%. Out of the 54 returned questionnaires, 50 were usable for purposes of this study.

The questionnaire asked about the services provided by the firm, number of personnel in the firm, the number of positions opened in the firm since January of 1979, and the number of these positions which were subsequently filled. Questions were asked about the difficulties

encountered in recruiting personnel and the sources used in obtaining personnel. The number of interviews, offers of employment, and hires made over the last 15-month period were also recorded. Additionally, information was obtained on the criteria used in employee evaluation, and the accounting firm's perceptions of its competitive position in hiring personnel.

Dependent Variables

Implicit in the hypothesis presented above is the assumption that the recruiting effectiveness of a firm can be measured. Recruiting effectiveness is reflected by the ability of the firm to attract qualified personnel. The description of "qualified personnel" will necessarily vary across firms based on their individual perceptions. It was assumed by the author that each firm would offer employment only to those individuals which it perceived as being "qualified."

Dependent variables used as a measure of the recruiting effectiveness of a firm which incorporate each individual firm's idea of qualified personnel were the yield ratios previously discussed in the literature (Hawk, 1967). Yield ratios used in this study were total hires/total offers made, total positions filled/total positions open, and total offers made/total interviews conducted. The answer given by respondents for the number of total positions filled and the sum of the answers given for the number of hires made per source were not always equal. The difference per firm was small and perhaps attributable to attrition of personnel hired over the 15-month period. That is, those firms having attrition of personnel may have made more than one hire for an open position in this time period. The questionnaire obtained the number of

interviews conducted per source, the number of offers made per source, and the number of hires made per source. The yield ratios were generated from these numbers during the analysis. In addition to the yield ratios, the amounts of total interviews, total offers made, and total hires were used as unique dependent variables in this analysis.

Independent Variables

Independent variables are those which the firm can control in its recruiting process. Those measured in this study were the number of professional personnel employed by the firm, specific recruiting practices of the firm, recruiting sources used by the firm, services provided by the firm, and company perceptions of certain variables which may affect the firm's ability to attract qualified personnel.

Variables mentioned in the literature having an impact on the candidate's choice of firm were the active support of campus organizations and activities, the use of company brochures or letters in recruiting, invitations for expense-paid office visits, the use of a recruiter trained in interview and selection techniques, the use of a structured interview plan, and the use of psychological tests in employee selection. The recruiting of individuals for employment is aided by the use of the first four variables just mentioned. They add to the prospective candidate's knowledge of the firm and help to create a favorable firm "image." This in turn should increase the number of applicants with the firm. Use of the last three respective variables aid in the selection process of the firm. Use of these factors will allow the firm to distinguish between relevant qualifications of individuals interviewed.

Another group of independent variables considered in this study were

the sources used by the firm in the search for employees. The firms were first asked to estimate the percentage of employees they acquired from each of the following sources: (1) Industry, (2) Other public accounting firms, (3) Universities, and (4) Other sources. This question illustrates the rankings of the four sources in terms of the percent of new hires typically acquired by the firms.

The indication of the use of universities from the above items does not necessarily mean that the respective firm conducts interviews on campus. Another question asked the respondent to indicate the number of candidates interviewed who were located through each of the following sources:

Number of campus interviews

Number through university placement (without campus interview)

Number through responses to company ads

Number by referral from colleagues and employees

Number of write-ins

Number of walk-ins

Number through employment agencies

Other

These variables represent the number of actual interviews conducted through each specific source and, if summed, represent the total interviews conducted by the firm.

The independent variables of recruiting activities, and sources used in the recruiting process mentioned above may or may not have an impact on the recruiting effectiveness of a firm. Other variables which are separate from the recruiting activity which might impact the ability of the firm to attract qualified personnel follow:

- (1) The salary offered,
- (2) The geographical location of the office,
- (3) The respective firm's reputation or "image,"
- (4) The opportunities for advancement,
- (5) The fringe benefits available to employees,
- (6) The size of the firm,
- (7) The level of responsibility in the starting position.

Each firm was asked to indicate what it perceived as its competitive position on the above mentioned factors relative to other accounting firms and other industries. The firms indicated their perceptions on a five point scale ranging from "definite advantage" to "definite disadvantage." Space was provided on the questionnaire for a listing of other advantages or disadvantages experienced by the firm.

Moderating Variables

The respondents were asked to indicate the importance of the following variables used to evaluate employees in its selection process: (1) GPA, (2) past related experience, (3) participation in collegiate activities and organizations, (4) scholarships and honors received, (5) part-time employment, (6) personal references, (7) appearance, and (8) personality.

The respondents indicated their attitudes toward each of these variables by describing them as either very important, moderately important, slightly important, slightly unimportant, moderately unimportant, or very unimportant. Values assigned to each variable ranged from 7 for very important to 1 for very unimportant with no response receiving an assigned value of 4.

The Analysis

Two types of analyses were made on the data in this study. First, a descriptive analysis of the firms was undertaken. Second, an analysis to determine what variables impact the recruiting effectiveness of the firm was conducted. Both analyses are statistical in nature and will be performed using the Computerized Statistical Analysis System (SAS).

Rather than mention each variable and the type of scale used for each, the reader is referred to the copy of the questionnaire appearing in the appendix to this paper. The questions requiring a "yes" or "no" response were assigned a respective value of 1 and 0. The independent variables which appear in the questionnaire with a 5 item ordinal scale ranging from very important to very unimportant were assigned respective values ranging from 5 to 1. The moderating variables dealing with a company's selection criteria appear with a 6 item ordinal scale ranging from very important to very unimportant. Values for these responses were assigned as follows with no response receiving an assigned value of 4:

<u>Response</u>	<u>Value Assigned</u>
very important	7
moderately important	6
slightly important	5
slightly unimportant	3
moderately unimportant	2
very unimportant	1

All other variables were measured using interval scales and the value used in the analysis was equal to the response given on the questionnaire. However, the responses given on question 14 were also assigned

percentage values. Question 14 asked the respondent to estimate the number of candidates interviewed for employment who were located through each of the following sources: (1) on campus, (2) through university placement, (3) in response to company ads, (4) by referral from colleagues and employees, (5) through write-ins, (6) through walk-ins, (7) through employment agencies, and (8) through other sources. The firm responded to this question by indicating the number of interviews it conducted through each source. This measure was used to view the total interviews conducted through each source but could not be used as an indication of the source most used across a number of firms which had different numbers of total interviews made.

By taking the number of interviews through each specific source and dividing by the total number of interviews conducted by the firm, one obtains the percentage of use of a specific source in the recruiting process. Using the percentage figure in the analysis, comparisons across firms of the effect (if any) that the use of a 'specific' source had on recruiting effectiveness was determined.

For purposes of the descriptive analysis the means, standard deviations, sums, minimum values, and maximum values of all variables in the data set were computed. The data was then sorted into two separate sets based on whether or not the firms indicated use of universities as a source. The means, standard deviations, sums, minimum values, and maximum values were then computed for each separate data set.

Since the indication of universities as a source does not necessarily indicate specific recruitment of personnel on the college campus, the data was again sorted in accordance with the firms' use or non-use of interviews on campus and interviews with candidates found through

university placement. The same statistical data previously mentioned was generated on each data set.

The comparison of the statistics generated on each data set's (universities use or non-use, campus recruiting use or non-use) dependent variables revealed the differences which result from use of that specific recruiting source. The data generated on the overall small accounting firm's average size, average services provided, and various aspects of their recruiting activities provided a description of these activities for the total sample in general.

The next analysis involved the relationship between the independent variables of types of services provided, the recruiting methods utilized, sources of prospective employees used, and company perceptions of certain variables effecting its competitive position, with the dependent variables which represent the recruiting effectiveness of the firm. This analysis was performed using multiple regression on the data. The use of regression implies that the variables be measured on an interval scale. The data generated in this study is on nominal scales, ordinal scales, and interval scales. However, as mentioned by Kerlinger (1973), the regression analysis can still be made using nominal and ordinal measures and the effects of independent variables on dependent variables may be accurately observed.

Multiple regression was performed for independent variables in a specific category (i.e., recruiting techniques, sources used, perceptions, and services provided) with each dependent variable (total hires/total offers, total offers/total interviews, positions filled/positions open, total number of interviews, and number of personnel in the firm.) The author expected to find that the yield ratios would increase with

the increase in use of the recruiting techniques measured. It was also hypothesized that the use of the college campus and university placement to locate and hire qualified individuals would improve the yield ratios of a firm. Relationships which may exist between other dependent and independent variables was also analyzed.

The moderating variables of company selection criteria were included as dependent variables in the analysis. This determined if a relationship existed between company recruiting practices and the criteria they looked for in selecting an individual for employment.

A definition of the regression statistics used in this study will now be made. (1) The standard deviation shows the average dispersion of the dependent variable values from their mean. (2) The coefficient of determination (R^2) of the multiple regression model represents the amount of variation in the dependent variable explained by the independent variables. The R^2 can also be thought of as the reliability of that particular model in predicting the movement of the dependent variable. (3) The partial regression coefficients (Beta's) are used to evaluate the importance of each individual independent variable in explaining the variation of the dependent variable. (4) An F-test was used to determine the significance of the overall regression of the dependent variable on the multiple independent variables. The F-test was also conducted to find the level of significance for each beta coefficient of the independent variables.

This author's intention was to measure the relationship of certain recruiting practices to the ability of a firm to attract qualified personnel. There were several other factors which could have affected this ability. They include the firm's salary, its location, the benefits

offered to employees, the opportunities for advancement within the firm and as a professional, and the size of the firm. The companies' perceptions of these items, relative to other public accounting firms and other industries, were obtained in the questionnaire. The comparison of regression of firm effectiveness (dependent variable) on these independent variables and on the other independent variables of recruiting practices served as measure of validity. Both the reliability and validity of this study were affected by the low response rate received on the questionnaire.

CHAPTER IV

RESULTS AND IMPLICATIONS

The results of the descriptive analysis can be best illustrated through the use of tables. Rather than listing all the results generated on each variable, only the results which lend themselves to the best description of the pertinent variables are shown. Similarly the data generated for each regression model is not shown in full. The relationships between the independent and dependent variables will, however, be fully disclosed.

This chapter will first review the results of the descriptive analysis of the overall sample. Next, a review of the sample sets created by sorting on use or non-use of college campuses as a recruiting source will be made. The results from the regression analysis will then be discussed. Finally, the implications of the overall results of the study will be discussed.

Results of the Study

Accounting Firm Descriptive Analysis

Table II discloses the average size of the firms in the sample, the average number of openings in the firms since January of 1979, and the average number filled since that date. The standard deviations, ranges, and total sums for each variable are also given.

TABLE II
 AVERAGES OF FIRM SIZE, POSITIONS OPEN, AND POSITIONS FILLED
 (n = 50)

Number of:	Mean	STD Dev.	Range	Sum
Accounting personnel	6.62	6.29	1-37	331
Positions open	3.14	3.84	0-25	157
Positions filled	1.71	3.25	0-21	84

The size of the firms sampled (measured in the number of professional staff people employed) ranged from 1 to 37 employees. The mean was 6 and the deviation was 6 so most firms were in the 1 to 12 personnel range. The total number of professional staff employed was 331. The average number of positions open was 3.14 and the average number filled was 1.71. A total of 157 positions were opened from January of 1979 to April of 1980 and 84 of these positions have been subsequently filled.

The services provided by the accounting firms include tax work, auditing, bookkeeping and management advisory services. The average percentages for the time spent on each activity were 45% on tax, 25% on auditing, 18% on bookkeeping, and 11% on management advisory services. This order of ranking was common to all firms, but several firms indicated higher percentages for tax work or auditing.

Accounting Employee Sources

The data revealed that on the average the accounting firms obtained

51% of their employees from universities, 33% from other accounting firms, and 16% from other industries. Eighty-two percent of the firms sampled indicated they did acquire employees from universities as opposed to other industries and other accounting firms. However, only 20% of the companies indicated they conducted interviews on campuses or through university placement. This points out the fact that very few of the respondents actively recruited on campus but attracted the university graduate by other means. The number of firms using a specific source, the number of interviews made through each source, and the number of offers and hires made to individuals interviewed through each source appear in Table III. Yield ratios for each specific source appear in Table IV.

Tables III and IV reveal that only 10 out of the 50 respondents, or 20%, conducted on-campus interviews. Without regard to its statistical significance, most firms mentioned referrals from colleagues and employees as a source, followed by write-ins, walk-ins, responses to company ads, employment agencies, on-campus interviews, and university placement. Those firms which did conduct campus interviews had a larger number of interviews from that source than from any other. On the average a larger number of offers were made and a larger number of hires were made. This illustrates the fact that the college campus provides a larger pool of individuals in one location to interview.

An interesting point can be seen by observing the percentage of offers to interviews appearing in Table IV. Assuming that firms made offers to only those individuals they deemed highly qualified, the on-campus recruiter interviewed a larger number of people to find those qualified than a recruiter interviewing through university placement,

TABLE III
TOTAL AND AVERAGE STATISTICS FOR SOURCES USED, INTERVIEWS
CONDUCTED, AND HIRES AND OFFERS MADE

Source	No. of Firms ¹ Using Source		No. of Interviews		No. of Offers		No. of Hires	
	Total	%	Total	Avg	Total	Avg	Total	Avg
Referrals	30	60	85	2.83	44	1.46	33	1.1
Write-ins	28	56	111	3.96	16	.57	11	.39
Walk-ins	27	54	74	2.74	17	.62	12	.44
Responses to ad	16	32	96	6.0	*	*	*	*
Employment agencies	13	26	61	4.69	40	3.07	20	1.53
Campus interviews	10	20	202	20.2	57	5.7	30	3.0
University placement	9	18	33	3.66	14	1.55	11	1.22
Other	0	0	0	0	0	0	0	0

¹Total number of firms = 50

* Offers and hires for this source were not given. These figures are integrated into offers and hires made to write-ins and walk-ins.

TABLE IV
YIELD RATIO STATISTICS PER SOURCE USED

Source	No. of Firms [*] Using Source		No. of Hires/Offers	No. of Offers/Interviews
	Total	%		
Refferals	30	60	.75	.51
Write-ins	28	56	.68	.14
Walk-ins	27	54	.70	.22
Employment agencies	13	26	.50	.65
Campus interviews	10	20	.52	.28
University placement	9	9	.78	.42

* Total number of firms = 50.

employment agencies, or those referred to him by colleagues and employees. Reasons for this may be that the employer using the latter sources may have been selective about who he wished to interview before the interview took place. Also, a firm may have wanted individuals who have experience as opposed to those having only part-time experience or only a college degree.

Although on-campus interviewing had a lower percentage of offers to interviews than some of the other sources, its advantages were that a larger number of interviews and offers could be made in one location at one time. Advantages of interviewing through university placement, through employment agencies, and those referred by colleagues and employees is that a firm may be more selective in those it interviews and so interview a greater percentage of qualified personnel.

Accounting Firms' Selection Criteria

The mean values of the selection criteria appear below. The values placed on each specific item were measured on a scale ranging from 1 to 7, with 7 representing a value of most importance. The criteria are listed in rank order based on its mean value.

<u>Criteria</u>	<u>Mean</u>	<u>Std. Dev.</u>
Personality	6.75	.49
Appearance	6.55	.59
G.P.A.	6.025	.97
Related Experience	6.025	1.02
Part-time employment	5.60	1.19
Personal references	5.30	1.15
Honors received	5.15	1.36
Activities in collegiate organizations	4.575	1.61

These findings differ slightly with those of Seaton and Jackson (1973) mentioned previously in this paper. Their survey of small CPA firms in eight states listed ambition, personality, grades, appearance, ability, maturity, experience, and character in order of importance. The data generated in this survey of small firms in Oklahoma reveals that personality and appearance are of primary importance followed by grades, and past related experience. The ranking of past related experience in the top four supports the use of referrals, university placement, and employment agencies sources as previously mentioned in this chapter.

Accounting Firms' Specific Recruiting Activities

The mean values given on the independent variables of recruiting activities were low. This indicates that only a few firms used these activities. Since these items were assigned a value of 0 or 1 the mean value appearing below will reveal the percentage of firms using that variable in their recruiting practice.

<u>Variables</u>	<u>Mean</u>
Active support of collegiate organizations and activities	.25
Use of letters or brochures describing firm activities	.09
Providing of an expenses-paid office visit	.30
Having a recruiter trained in interview and selection techniques	.14
Use of a structured interview plan	.16
Use of psychological tests or other	0

Only a total of 13 firms, or 26% of those responding to the survey, used at least one of these methods in their recruiting practice. None

of the firms surveyed used psychological tests, the personnel testing program of the AICPA, weighted application blanks, or any other measure in the selection process.

Accounting Firms' Perceptions

The independent variables measuring company perceptions of its competitiveness with other firms and other industries on seven items had means ranging from 3.84 to 2.93. The variables and their means and standard deviations appear below.

<u>Variable</u>	<u>Mean</u>	<u>Std. Dev.</u>
Image	3.84	.87
Opportunities for advancement	3.80	1.07
Responsibility in starting position	3.62	1.0
Benefits provided by the firm	1.42	.75
Geographical location	3.37	1.23
Size of the firm	3.28	1.08
Salary offered	2.93	.94

The variables appear in rank order according to relative advantage to disadvantage to the firm. An indication of a neutral position is represented by a 3.0. The standard deviation of each variable will provide some idea of the closeness of the majority of other responses to the mean. The data reveals that the majority of firms surveyed felt they are competitive with other businesses in firm image, opportunities for advancement, responsibility in starting position, and benefits provided by the firm. The size of the firm and the starting salary offered were listed as disadvantages more often than those previously mentioned.

Question four in the survey asked the firm if it experienced difficulty in recruiting qualified personnel. Sixty-three percent of the respondents indicated yes; they did experience difficulty. The reasons

most often sighted by the firms to explain this difficulty was the low salary offered, location in a small town, and a lack of experience in applicants. Those mentioned less often include: low responses to company ads and a lack of planning for the recruitment function.

Data of Sorted Observations

Hiring or Nonhiring of Recent College Graduates. The data was first sorted according to the respondents indication that they received new employees from universities. This could be through write-ins, walk-ins, referrals, on-campus recruiting, etc. The data was sorted into two sets, those which acquired new college graduates and those which did not.

Those firms which indicated they acquired personnel only from other industries or other accounting firms had an average of only three professional staff. Firms which acquired new college graduates had an average professional staff of eight. This difference in number of professional staff was found to be significant at the .001 level. The mean responses for selected dependent variables follow:

<u>Dependent Variables</u>	Firms Hiring New College Graduates (n = 36) <u>Mean</u>	Firms Not Hiring New College Graduates (n = 8) <u>Mean</u>	T-test Level of Significance
Total interviews	15.27	4.6	.0335
Total hires/total offers	.70	.62	.6764
Total offers/total interviews	.61	.50	.6230
Total positions filled/total positions open	.52	.31	.1766

The data suggests that firms which have more staff people and are larger in size, recruit more university graduates. The t-test reveals that the differences in the other means for the two populations are not

significant. The test of the level of significance was adversely affected by the low response rate to the questionnaire. The number of interviews conducted is significantly higher for firms hiring graduates.

Without regard to the level of significance, those firms using universities as a source have 52% of their positions filled as opposed to 31% for those who do not. Also, the data reveals that firms hiring new college graduates are slightly more effective in recruiting and hiring qualified individuals as measured by the yield ratios.

Recruiting or Nonrecruiting On-campus. The data was also sorted according to the respondents recruiting and not recruiting on the college campus and through university placement. The average size of those firms not recruiting directly from campuses was 5.4 professional staff. This difference in size of firms is significant at the .001 level. Those recruiting on campus had an average number of personnel of 9.1. The mean values for selected dependent variables appear below.

<u>Dependent Variables</u>	On-campus Recruiting (n = 16) <u>Mean</u>	No-campus Recruiting (n = 34) <u>Mean</u>	T-test Level of Significance
Total interviews	20.9	7.4	.0456
Total hires/total offers	.69	.57	.2880
Total offers/total interviews	.36	.59	.1536
Total positions open/ total positions filled	.43	.43	.9813

This data indicates that differences exist between those firms not recruiting directly through university placement and on-campus, with those which do actively recruit on-campus and through university placement. Significant differences exist in the size of the firms recruiting on-campus, and in the total interviews made. Those recruiting on

college campuses conduct three times as many interviews and have a higher total hires/total offers ratio. There is a .23 difference in the offers to interviews percentage. This does indicate that fewer qualified people were found relative to the number interviewed. This same fact was mentioned previously in this paper in the discussion of sources used by respondents.

Accounting Firm Regression Analysis

In this section the author will discuss the relationships between the dependent and independent variables in the study. The overall hypothesis is that a relationship exists and can be determined between the systematic use of certain recruiting practices and the effective recruitment of personnel. A part of these relationships were revealed in the previous descriptive analysis. Regression analysis should support these findings and also reveal the strength of the relationship (R^2) and its level of significance (F-test).

Evaluation of Sources

Table V illustrates the data generated by regression of the yield ratios on the independent variables of industry, other accounting firms, and universities as sources of employees. The relationships of the yield ratios to the sources used were not significant. The beta values show the importance of a specific variable in explaining the variation of the dependent variable. The positive beta values indicate that as the use of a specific source increases, there is an increase in the value of the dependent variable. The negative beta values indicate that as the use of a specific source decreases, the value of the dependent

variable increases.

TABLE V
RELATION OF GENERAL SOURCES TO YIELD RATIOS

Sources	Hires/Offers Beta	Offers/Interviews Beta	Positions Filled/ Positions Open Beta
Industry	.62*	.21	-.16
Other Accounting Firms	.08	-.16	.07
Universities	.16	.06	.21
	$R^2 = .087$	$R^2 = .0144$	$R^2 = .046$

p < .01

**
p < .05

*
p < .10

The regression of the dependent variables on the percentage use of seven specific sources is discussed next. The model tests the relationships which exist between the dependent variables and the increase in interviews conducted through on-campus recruiting, university placement, responses to company ads, referrals from colleagues and employees, write-ins, walk-ins, and employment agencies. The multiple regressions of the dependent variables on all seven of the independent variables are shown in Table VI.

These models show that the yield ratios are linearly related to the

TABLE VI
RELATION OF SPECIFIC SOURCES TO THE YIELD RATIOS

Sources	Hires/Offers	Offers/Interviews	Positions Filled/ Positions Open
	Beta	Beta	Beta
Referrals	.72 ^{***}	1.43 ^{***}	.56 ^{***}
Write-ins	.93 ^{***}	-.22	.66 ^{**}
Walk-ins	1.05 ^{***}	.61	.23
Responses to ads	.21	-.14	.59 ^{**}
Employment agencies	.35	.85	1.0 ^{***}
Campus interviews	.48 ^{***}	.27	.44 ^{**}
University placement	.96 ^{***}	.52	-.92
	$R^2 = .56$ ^{***}	$R^2 = .41$ ^{***}	$R^2 = .33$ ^{***}

^{***} p < .01

^{**} p < .05

^{*} p < .10

increase in number of interviews conducted through each source. By observing the beta values, the independent variables that contribute the most to the true variance can be determined.

The regression model of hires/offers on the independent variables mentioned reveals that increases in the use of walk-ins, university placement, write-ins, or referrals result in a substantial increase in the number of hires to offers made. This seems logical since individuals who walk-in or write-in or are referred to a respective firm may have more interest in accepting a job than an individual approached by the firm on campus or through employment agencies.

The model of offers/interviews to the specific sources used supports the results found in the descriptive analysis shown previously in Table IV. However, it is important to note that only the beta of referrals is significant. Those firms having a larger number of interviews through referrals and employment agencies have a larger number of offers to interviews made. This illustrates that firms using the sources stated above more than the other sources will interview more employees which they perceive as being qualified. This is probably due to the fact that they can be more selective in who they interview when using these sources.

The model of positions filled/positions open to the independent variables in Table VI ranks employment agencies, responses to ads, and write-ins as the chief contributors to the true variance. This reveals that firms using higher percentages of these sources were more efficient in hiring and filling open positions. Employment agencies were by far the most important in explaining this dependent variable.

Evaluation of Recruiting Activities

The effect which the use of certain recruiting practices had on the dependent variables will next be discussed. The recruiting activities used in this analysis were the (1) support of campus activities and organizations, (2) use of letters or brochures describing the firm, (3) the invitation of expense-paid visits to the offices for prospective employees, (4) use of a trained recruiter in interview and selection techniques, (5) use of a structured interview plan and (6) use of psychological tests or other tests in the evaluation of prospective employees.

The use of the above-mentioned factors, as was hypothesized, should improve the evaluation process of both the recruiter and the prospective employee. Table VII contains the results of the regression that was performed for the dependent variables of total hires/total offers, total offers/total interviews, and positions filled/positions open to the independent variables mentioned. The R^2 's were low and the F-tests were insignificant for all of the above-mentioned dependent variables in the models. One reason for the low R^2 is that few of the firms responding used these activities. The activities listed lend themselves to a greater use by firms which actively recruit from college campuses. Firms which did not recruit on campus or directly through university placement probably saw less need in active support of college organizations and activities (either through funds provided or acceptance of speaking and teaching engagements), in printing letters and brochures which describe the firm, using a structured interview plan for all interviews, and in using someone trained in interviewing and selection techniques. None of the firms in the sample indicated they used any

TABLE VII
 MULTIPLE REGRESSION STATISTICS OF YIELD RATIOS
 ON RECRUITING ACTIVITIES USED

Recruiting Activity	Hires/Offers Beta	Offers/Interviews Beta	Positions Filled/ Positions Open Beta
Support of campus activities	-.07	.12	.33
Descriptive letters or brochures	-.008	-.31	-.01
Office visit	-.10	.57	-.09
Trained recruiter	.15	-.48	.22
Interview plan	-.06	-.42	-.24
Evaluative tests	0	0	0
	$R^2 = .046$	$R^2 = .11$	$R^2 = .145$

p < .01

**
p < .05

*
p < .10

form of evaluative tests.

In consideration of the facts just mentioned, the next analysis was performed. Stepwise regression was used to evaluate the relationships between the independent variables of recruiting activities and two separate data sets of dependent variables. The division of the data sets was determined by whether or not the respondents recruit through on-campus interviews and University placement.

Table VIII lists the R^2 and gives the level of significance for each model of dependent variable tested with all five of the independent variables. These models are for the majority of respondents which did not recruit directly on-campus or through university placement. The R^2 's and F-tests reveal that none of the relationships in these regression models were significant. The use of a trained recruiter, descriptive letters or brochures, expense-paid office visits, etc. did not significantly affect the firms' yield ratios.

The analysis of the regression of the same dependent to independent variables was next performed on those respondents indicating use of on-campus recruiting and University placement as sources. This data appears in Table IX.

The strongest and most significant relationship in this data set was the number of hires/offers ratio to the independent variables. The Beta values in this model were found to be negative for all but the independent variable 'use of a trained recruiter.' This implies that the use of these activities resulted in a lower hires to offers ratio. This relationship is opposite of what was expected. Perhaps those using more of the recruiting activities (independent variables) made more offers and thus had a smaller hire to offers ratio.

TABLE VIII

MULTIPLE REGRESSION STATISTICS FOR FIRMS NOT RECRUITING ON
CAMPUS OR THROUGH UNIVERSITY PLACEMENT

Recruiting Activity	Hires/Offers	Offers/Interviews	Positions Filled/ Positions Open
	Beta	Beta	Beta
Support of campus activities	.44	.20	.53
Descriptive letters or brochures	.09	-.76	-.31
Office visits	-.28	.95	-.08
Trained recruiter	.19	-.69	.20
Structured interview plan	.59	.14	.006
	$R^2 = .22$	$R^2 = .20$	$R^2 = .25$

p < .01

**
p < .05

*
p < .10

TABLE IX
 MULTIPLE REGRESSION STATISTICS FOR FIRMS RECRUITING ON
 CAMPUS AND THROUGH UNIVERSITY PLACEMENT

Recruiting Activity	Hires/Offers	Offers/Interviews	Positions Filled/ Positions Open
	Beta	Beta	Beta
Support of campus activities	-.36**	.29	.07
Descriptive letters or brochures	-.31***	.01	.28
Office visits	-.0001	.14	-.20
Trained recruiter	.014	.01	.30
Structured interview plan	-.11	-.37	-.04
	$R^2 = .78$ ***	$R^2 = .14$	$R^2 = .13$

 $p < .01$

**
 $p < .05$

*
 $p < .10$

Evaluation of Effectiveness Based on Firm Perceptions

This evaluation viewed the relationships between the dependent variables and a firm's perceptions of its competitive position based on the following independent variables: (1) salary offered, (2) geographical location of firm, (3) reputation or 'image' of firm, (4) opportunities for advancement, (5) fringe benefits offered, (6) size of firm, and (7) the responsibility in starting position. Multiple regression analysis was made using the above independent variables and the dependent variables of hires/offers, offers/interviews, and positions filled/positions open. The R^2 values, Beta coefficients, and their level of significance (if any) appear in Table X.

The model with the most significance shows that 37 percent of the change in the total hires/total offers ratio is explained by the independent variables. Interestingly, the Beta values revealed that the independent variables of salary, locality, and opportunities for advancement were negatively related to the ratio of hires/offers. That is, those firms which indicated lower values for the independent variables in Table X had a higher hires/offers ratio. The independent variables of company image, fringe benefits available, size, and responsibility were positively related to the hires to offers ratio. It was expected that all independent variables would be positively related. The fact that this is not the case indicates that a company's perceptions of its comparative advantages or disadvantages on certain factors may not be so viewed by a prospective employee.

The Moderating Variables

Moderating variables (GPA, activities and organizations involved

TABLE X
 MULTIPLE REGRESSION OF DEPENDENT VARIABLES ON FIRM
 PERCEPTIONS OF ITS COMPETITIVE POSITION

Firm Perceptions	Hires/Offers	Offers/Interviews	Positions Filled/ Positions Open
	Beta	Beta	Beta
Starting salary	-.096*	.023	-.008*
Geographical location	-.040**	-.051*	.038**
Firm reputation or 'image'	.050*	.25	.081*
Opportunities for advancement	-.030*	-.05	.057*
Fringe benefits offered	.12*	.22	-.045
Size of firm	.05*	0.0001	-.071*
Responsibility in starting position	.22*	.306	-.023*
Other advantages	-.081	-.39	.41
Other disadvantages	.88	1.58	.42
	$R^2 = .37^{**}$	$R^2 = .30$	$R^2 = .24$

p < .01

**
p < .05

*
p < .10

in, part-time employment, personal references, honors, and related experience) were regressed on the independent variables of specific sources used (on-campus, university placement, company ads, etc.). This revealed the relationships which existed between those firms which placed a high value of importance on moderating variables with the corresponding use of a specific source. This data appears in Table XI. The only multiple regression model which had an R^2 above 31% or was significant was the model of 'part-time experience' with the sources used by a firm.

The sources used which corresponded the greatest with an increase in the assigned value of part-time experience were responses to company ads, referrals from colleagues and employees, and walk-ins. This relationship implies that those firms recruiting largely through company ads, referrals, and walk-ins also ranked part-time experience high in their evaluation of prospective employees.

Other Regression Performed

Regression was also performed to view the relationships which may have existed between type of services rendered and the various dependent ratios. The regression analysis did not reveal that any relationships existed.

Regression Using Size As the Dependent Variable

A final regression analysis was performed using the size of the firm as the dependent variable. The size of the firm was measured by the number of professional staff people employed by a firm. The results of this multiple regression analysis appears in Tables XII through XIV with the data listed according to the independent variables in the

TABLE XI

REGRESSION OF MODERATING VARIABLES AND SOURCES USED IN RECRUITING

Sources Used	Selection Criteria					
	Collegiate Activities	G.P.A.	Related Experience	Honors Received	Personal References	Part-Time Experience
	Beta	Beta	Beta	Beta	Beta	Beta
Campus interview	.035**	.017**	-.018**	.02**	.0003**	.005**
University placement	-.15	.001	.005	-.10	-.19	-.11
Ads	.04*	-.02**	.30*	-.014*	.02**	-.09**
Write-ins	-.20	-.028*	.08*	-.11	.05*	.04*
Walk-ins	.32	.065*	-.14	.22	-.11	-.16*
Employment agencies	.18	-.122*	.07*	.10	.02*	.024*
OS	-1.34	-2.04	-.54	-1.75	.29	-2.79
	$R^2 = .31$	$R^2 = .30$	$R^2 = .11$	$R^2 = .17$	$R^2 = .31$	$R^2 = .49$ ***

p < .01

**
p < .05

*
p < .10

TABLE XII
 MULTIPLE REGRESSION OF FIRM SIZE
 ON FIRM PERCEPTIONS OF ITS
 COMPETITIVE POSITION

Perceptions	Size Beta
Salary offered	1.37
Geographical location	-.46
Firm image	.62
Opportunities for advancement	-.24
Fringe benefits offered	.93
Size	2.73**
Responsibility in starting position	-1.88
$R^2 = .27^{**}$	

p < .01

**
p < .05

*
p < .10

TABLE XIII
 MULTIPLE REGRESSION OF FIRM SIZE
 ON FIRM RECRUITING ACTIVITIES

Recruiting Activities	Size Beta
Support of campus activities	2.49
Descriptive letters or brochures	-3.05
Office visits	-.93
Trained recruiter	1.93
Structured interview plan	8.542**
$R^2 = .30^{**}$	

 p < .01

**
 p < .05

*
 p < .10

TABLE XIV

MULTIPLE REGRESSION OF FIRM SIZE ON
THE NUMBER OF INTERVIEWS
CONDUCTED PER SOURCE

Source	Size Beta
Campus interviews	.41 ^{***}
University placement	-.48
Responses to ads	-.19
Referrals	-.18
Write-ins	-.34
Walk-ins	.72 ^{**}
Employment agencies	.57 ^{**}
OS	-3.40
	$R^2 = .74$ ^{***}

p < .01

**
p < .05

*
p < .10

analysis.

By looking at the Beta coefficients one can see the contribution of specific variables to the particular relationship. Looking at Table XII one finds that the larger a firm the higher was its perceptions on the advantages of its size, salary offered, and benefits provided. Its perceptions on the advantage it had in responsibility of position and locality decreased, however.

Implications of the Study

The average number of professional staff people employed by the firms surveyed was 6.62. This ranged from a low of one staff person to a high of thirty seven. The firms performed mostly tax work followed closely by auditing. The firms had an average number of positions open for the past fifteen-month period of 3.14. The average number filled over that same time period was 1.71.

It was hypothesized that systematic recruiting activities, which are related to the ability of a small accounting firm to attract and hire qualified personnel, do exist in practice and can be determined. This study found that first, there are systematic recruiting activities which are currently being used by the small accounting firms and second, these activities are related to the recruiting effectiveness of a firm.

Systematic Recruiting Activities

The use of systematic recruiting practices were found to exist. Tables III and IV revealed that the use of specific sources of prospective employees by small accounting firms can be divided into three distinct groups. From 54 to 60 percent of the firms surveyed used

referrals, write-ins, and walk-ins as sources of prospective employees to form the first group. A second group of sources used less frequently were employment agencies and responses to ads. These were used by 26 and 32 percent of the firms respectively. The third group of sources was used least often. Campus interviews and university placement made up this group and were used by only 18 to 20 percent of the firms surveyed.

This data reveals that much more reliance was placed on locating prospective employees through the informal methods of referrals, write-ins, and walk-ins. This was probably attributable to their low cost and their low demand on company time. The use of company advertising and employment agencies are more formal means of locating candidates for employment. These sources are also more costly. The use of campus interviews and interviews through university placement are more costly in terms of both expenses for recruiting trips and allocations of time.

Most of the firms surveyed needed to hire around three personnel to fill open positions. It may be that many of the firms satisfied this need through the use of informal recruiting sources. If this need was not satisfied through the informal sources the more costly recruiting sources were used. Use of the informal sources, company ads, and employment agencies appeal to prospective employees in the local areas. Use of campus interviewing and university placement broadens the firm's recruiting area and adds to the number of applicants at the firm.

The Effectiveness of Selected Recruiting Practices

The ability of a small accounting firm to attract and hire qualified personnel was found to relate to specific recruiting practices

which the firm used. Three measures of recruiting effectiveness were used in this study. They are the total number of hires/total number of offers, the total number of offers/total number of interviews, and the number of positions filled/number of positions open.

A brief definition of the ratios will now be made. It is important to understand that implicit in the definition of the ratios is the assumption that a firm will offer employment only to those individuals which it perceives as being qualified. The hires/offers ratio represents the willingness of a qualified individual to accept an offer of employment with a specific firm. The offers/interviews ratio represents the percentage number of qualified individuals the firm found relative to the total number interviewed. The positions filled/positions open ratio represents the ability of the firm to locate, hire, and retain qualified individuals as a percentage of total positions open in the firm. Therefore, there are several possible reasons why this ratio may be low. One is that the firm may not have found enough qualified individuals to hire. Another may be that the particular firm's hires/offers ratio is low. Finally, a low positions filled/positions open ratio could be attributable to attrition of personnel previously hired. In short, it may be said that the positions filled/positions open ratio may reflect the desirability of employment at the firm as perceived by its employees.

There are several factors which are unrelated to a firm's recruitment practices that may affect all three of the yield ratios. These factors include the starting salary offered, the geographical location of the firm, the size of firm, opportunities for advancement in the firm, responsibility in the starting position, fringe benefits offered,

and firm reputation or "image." The firm's perception of its competitive position on these factors was obtained in this study. In general, this study found that the firms surveyed ranked themselves as being less competitive on the factors of geographical location, starting salary, and firm size. The regression model of hires/offers on these perception factors found a significant relationship existed.

Effectiveness and Sources Used

A firm's recruiting effectiveness was found to be significantly related to the sources which were used in interviewing candidates for employment. This data appeared previously in Table IV of this paper.

Hires/offers Ratio. The hires/offers ratio was significantly related to a firm's percentage use of referrals, write-ins, walk-ins, university placement, and campus interviewing as sources of prospective employees. As indicated earlier, a majority of firms used at least referrals, write-ins, and walk-ins as sources, but may use additional sources as well. Of the firms using the sources mentioned, those using a higher percentage of either walk-ins, write-ins, referrals, university placement, or campus interviews also had a significantly higher hires/offers ratio. There are many possible reasons why this relationship exists. As can be easily seen, those individuals interviewed who were found through referrals or who were walk-ins, or write-ins were probably already interested in accepting employment with that firm and thus were found to be more apt to accept an offer of employment. It is also possible that walk-ins and write-ins were aware that the firm was aggressively seeking employees on college campuses and so became interested in seeking employment with that firm. Individuals located through

university placement and campus interviewing may be more willing to accept jobs simply because they have not already located a job with another company, although this would not always be the case.

Positions Filled/Positions Open Ratio. The positions filled/positions open ratio was found to significantly relate to the use of referrals, write-ins, responses to ads, employment agencies, and campus interviewing. This indicates that those individuals located through these sources were more easily located, hired, and retained. The variable employment agencies was found to contribute a much greater amount to this relationship than any other variable mentioned. This may be because a firm using this source could better locate and select individuals particularly well suited to the firm's working environment and specific needs. The sources of write-ins, responses to ads, and referrals can be grouped next in importance, followed by campus interviewing. This simply indicates that when firms conducted a large percentage of interviews through any of these sources, more of their positions were filled. An increase in use of university placement was not found to significantly relate to a firm's ability to locate, hire, and retain qualified employees. In fact, the insignificant relationship which did exist was found to be negative.

Very few firms used university placement as a source and when it was used, only a small number of interviews were conducted. The negative relationship between university placement and the positions filled/positions open ratio probably indicates that firms did not use this source until they discovered they could not locate, hire, and retain an adequate number of employees from other sources. Thus, firms using a larger percentage of interviews through university placement

probably already had a low positions filled/positions open ratio.

Offers/Interview Ratio. The offers/interviews ratio was found to significantly relate to the increase in the use of referrals as a source. This shows that out of the firms using the mentioned sources, those conducting a high percentage of interviews through referrals located a greater number of qualified individuals. This reveals that a large number of individuals referred to a firm by colleagues and employees are perceived as being qualified and more offers per number of interviews could be made.

The Significance of Firm Size

The analysis revealed that firm size (measured in number of employees) was related to several factors. Large firms were found to interview a greater percentage of individuals through on-campus interviews, employment agencies, and walk-ins. This is attributable to the fact that they had more open positions to fill and could better absorb the cost of recruiting on-campus and through employment agencies. The larger number of walk-ins probably indicates that individuals were more interested in seeking employment with large firms or were more aware that openings existed in the larger firms. Larger firms also were more apt to use a structured interview plan probably because they also conduct a larger number of interviews; especially on-campus interviews.

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APPENDIX

1. How many professional staff people are employed presently by your firm? _____
2. What was the number of available job openings for professional staff people in your firm during 1979? _____ For the current year? _____
3. How many of the above positions have been filled? _____
4. Did your firm have difficulty in recruiting qualified personnel?
 Yes _____ No _____ Comments about difficulty _____

5. Please estimate the percentage of total services provided by your firm which the following activities represent. The percentages should add up to 100.

	<u>%</u>
Tax Work -----	_____
Auditing -----	_____
Bookkeeping -----	_____
Management Advisory Services -----	_____

Total = 100 %

6. From which of the following areas does the firm acquire its employees? Please estimate the percentage by placing the appropriate number on the blank provided.

	<u>%</u>
A. Industry -----	_____
B. Other Public Accounting Firms -----	_____
C. Universities -----	_____
D. Other _____ <div style="margin-left: 100px;">(please specify)</div>	_____

Total = 100 %

7. If firm does not acquire employees from (c) above proceed to question 14.

8. Please indicate the importance placed on the following factors when considering someone for employment. Circle the appropriate phrase which best describes the relative importance of that factor in the employee selection process.

A. College G.P.A.

Very Important	Moderately Important	Slightly Important	Slightly Unimportant	Moderately Unimportant	Very Unimportant
-------------------	-------------------------	-----------------------	-------------------------	---------------------------	---------------------

B. Past related experience

Very Important	Moderately Important	Slightly Important	Slightly Unimportant	Moderately Unimportant	Very Unimportant
-------------------	-------------------------	-----------------------	-------------------------	---------------------------	---------------------

C. Participation in collegiate activities and organizations

Very Important	Moderately Important	Slightly Important	Slightly Unimportant	Moderately Unimportant	Very Unimportant
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D. Scholarships and honors received

Very Important	Moderately Important	Slightly Important	Slightly Unimportant	Moderately Unimportant	Very Unimportant
-------------------	-------------------------	-----------------------	-------------------------	---------------------------	---------------------

E. Part-time employment

Very Important	Moderately Important	Slightly Important	Slightly Unimportant	Moderately Unimportant	Very Unimportant
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F. Personal references

Very Important	Moderately Important	Slightly Important	Slightly Unimportant	Moderately Unimportant	Very Unimportant
-------------------	-------------------------	-----------------------	-------------------------	---------------------------	---------------------

G. Appearance

Very Important	Moderately Important	Slightly Important	Slightly Unimportant	Moderately Unimportant	Very Unimportant
-------------------	-------------------------	-----------------------	-------------------------	---------------------------	---------------------

H. Personality

Very Important	Moderately Important	Slightly Important	Slightly Unimportant	Moderately Unimportant	Very Unimportant
-------------------	-------------------------	-----------------------	-------------------------	---------------------------	---------------------

9. Does your firm actively support any college clubs, organizations, scholarships, or other activities on any campus? _____ yes _____ no
10. Does your firm provide brochures or letters briefly describing the firm's location, clients, activities, and nature of employees' duties to the graduates who are potential employees? _____ yes _____ no
11. Are invitations for expense-paid office visits extended to prospective employees? _____ yes _____ no
12. Is the college recruiter for your firm professionally trained in interview and recruiting skills? _____ yes _____ no
13. Is a structured interview plan followed for every campus interview?
_____ yes _____ no

14. Please estimate the number of candidates interviewed for employment (including those interviewed but not hired or offered employment) who were located through each of the following sources in 1979.
Circle the correct number on the scale.

1. Number of campus interviews

0 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 / over 20, indicate number _____

2. Number through university placement (without campus interview)

0 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 / over 20, indicate number _____

3. Number through responses to company ads

0 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 / over 20, indicate number _____

4. Number by referral from colleagues and employees

0 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 / over 20, indicate number _____

5. Number of write-ins

0 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 / over 20, indicate number _____

6. Number of walk-ins

0 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 / over 20, indicate number _____

7. Number through employment agencies

0 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 / over 20, indicate number _____

8. Other source (Please specify) _____

0 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 / over 20, indicate number _____

15. For the year of 1979 please indicate the number of offers of employment made to prospective candidates who were first located through that respective source. Then estimate the number of hires that came from those offers for each source listed.

	<u>OFFERS</u>	<u>HIRES</u>
On campus interviews	_____	_____
University placement (without campus interview)	_____	_____
Referrals from colleagues and employees	_____	_____
Write-ins	_____	_____
Walk-ins	_____	_____
Employment agencies	_____	_____

16. Does your firm use any type of tests or other measures in personnel selection such as a weighted application blank, personnel testing program of the AICPA, psychological tests, and/or any other? _____ yes _____ no
If yes, please specify _____
- _____
- _____
- _____

17. There are many possible reasons why a firm may or may not find difficulty in recruiting employees. Below is a list of factors which may provide your firm with a competitive advantage or disadvantage relative to other accounting firms and other industries in the hiring of qualified personnel. Please indicate the possible advantage or disadvantage which the following factors contribute to your firm by circling the correct response.

A. Salary offered

Definite Advantage	Slight Advantage	Neutral	Slight Disadvantage	Definite Disadvantage
-----------------------	---------------------	---------	------------------------	--------------------------

B. Geographical location of office

Definite Advantage	Slight Advantage	Neutral	Slight Disadvantage	Definite Disadvantage
-----------------------	---------------------	---------	------------------------	--------------------------

C. Reputation or 'image' of firm to prospective employees

Definite Advantage	Slight Advantage	Neutral	Slight Disadvantage	Definite Disadvantage
-----------------------	---------------------	---------	------------------------	--------------------------

D. Opportunities for Advancement

Definite Advantage	Slight Advantage	Neutral	Slight Disadvantage	Definite Disadvantage
-----------------------	---------------------	---------	------------------------	--------------------------

E. Fringe Benefits

Definite Advantage	Slight Advantage	Neutral	Slight Disadvantage	Definite Disadvantage
-----------------------	---------------------	---------	------------------------	--------------------------

F. Size of Firm

Definite Advantage	Slight Advantage	Neutral	Slight Disadvantage	Definite Disadvantage
-----------------------	---------------------	---------	------------------------	--------------------------

G. Responsibility of starting position

Definite Advantage	Slight Advantage	Neutral	Slight Disadvantage	Definite Disadvantage
-----------------------	---------------------	---------	------------------------	--------------------------

Other advantages (describe) _____

Other disadvantages (describe) _____

VITA

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Thesis: AN ANALYSIS OF THE RECRUITING PRACTICES OF SMALL ACCOUNTING
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