

# DOES IT BALANCE? EXPLORING FAMILY AND CAREERS IN ACCOUNTING

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## ABSTRACT

*As the millennial generation enters the work place, the importance of work/life balance is becoming paramount. With more than half of accounting graduates in the country comprised of women, and the rise of dual career families, providing the appropriate balance that can mix work and family is increasingly important. For the accounting industry, does a strong work/life balance go beyond the balance sheet? This study examines how family friendly current human resource practices are in three accounting firms in the Midwest. Through our sample, we assess employees' work and family experiences, as well as the outcomes of those experiences.*

## INTRODUCTION

The accounting industry has undergone a remarkable change in the past 22 years. According to the AIPCA[1], the percentage of female graduates entering the accounting profession has increased to 56% of all new entrants, compared to 50% in 1986. With the increasing number of women entering the profession, there is increasing pressure to provide an appropriate work/life balance that addresses both employee desires and employer needs.

This study focuses on three areas related to this year: 1) the impact of gender and family structure affect work and family commitments, 2) the role marriage has on career success, and 3) the role children has on career success.

## METHODOLOGY

A questionnaire adapted from Friedman and Greenhaus [3] was developed and placed on SurveyMonkey.com for easy access to respondents. Information about, and a link to, the survey was sent to 3 small accounting firms in Wisconsin. To increase the response rate, employees were offered entry into a drawing for a \$100 gift card if they completed the survey.

## PRELIMINARY RESULTS

We received a good response to two of the three accounting firms surveyed. For the first accounting firm, we sent the survey to 74 employees (47 female, 27 male) and received 33 responses (44.6%). For the second firm, we received 36 responses out of 91 (39.6%). For the third firm, a link to the survey was sent out with a company newsletter to 350 employees, and we only received 90 responses.

Overall, the demographics of our survey was 71% female with 99% of the respondents identifying themselves as Caucasian. Not surprisingly, given the focus of our research, the respondent group was well-educated, with 100% earning a bachelor's degree, and 67.1% earning a bachelor's degree and certification. The age of the respondents was spread out with 42% between 20 and 30 years old, 25% between 30 and 40 years old, and 24% between 40 and 50 years old. Given the focus on family, we found that 60.8% of respondents were married, and 41.6% had children. For those with children, 34.4% of respondents returned to work less than a month after the birth of their child, and 81.3% returned to work within three months. Upon returning to work, 78.8% returned to full-time status.

## FINDINGS

### Career Involvement

We first examined how gender and family structure helped to understand work and family commitments. How involved are accountants in their careers? Looking at hours worked per week, we found that men average significantly longer hours per week in accounting firms than women ( $t=3.702, p=.001$ ). Men averaged 50.2 hours worked per week ( $s=6.16$ ), while women averaged 6 hours fewer at 44.2 hours per week ( $s=7.28$ ).

We then examined career aspirations of male and female accountants. Do males differ from females in how far they want to climb the career ladder? Respondents were asked to rate their aspirations on a 9-point scale ranging from (1) first level manager to (9) top executive. It was found that men had significantly higher career aspirations than women ( $t=4.79, p=.000$ ). Men averaged 8.17 ( $s=1.11$ ) while women averaged 6.62 ( $s=1.68$ ).

A third way of measuring how involved accountants are with their careers is looking at career importance compared to their partner. Overall, no statistically significant difference was found. Thirty-eight percent of respondents indicated that their careers were of equal priority to their partner. In terms of gender, 38% of males and 54% of females thought their career had a higher priority than their partner.

A fourth way of examining career involvement is examining psychological involvement. We looked at how psychologically involved accountants were in their job by taking the average of 3 questions: (1) "A major source of satisfaction in my life is my career;" (2) "Most of the important things that happen to me involve my career;" and (3) "I am very much involved personally in my career." Respondents rated their answer from 1-low to 5-high to each of these 3 questions and we took the average score. We found no statistically significant difference between males and females in psychological involvement, as both are significantly involved. Males averaged 3.72 ( $s=.64$ ) and females averaged 3.51 ( $s=.71$ ).

### Marital Impact on Career Success

A second area of interest was the impact of marriage on career success. Table 1 summarized means, standard deviations, and bivariate correlations among the study variables for males.

**TABLE 1**  
**Means, Standard Deviations, and Correlations for Male Respondents**

Level 1 Variables	n	Mean	s.d.	1	2	3	4
1. Income <sup>a</sup>	23	129.55	133.26				
2. Highest Position Achieved	23	5.61	2.54	.65***			
3. Married <sup>b</sup>	23	0.65	0.49	.44*	.70***		
4. Age	23	36.74	11.93	.60**	.78***	.66***	
5. Parental Status <sup>c</sup>	23	0.68	0.48	.49*	.87***	.79***	.72***

<sup>a</sup> Income is measured in thousands of dollars

<sup>b</sup> Dummy-coded: 0 for unmarried, 1 for married

<sup>c</sup> Dummy-coded: 0 for not a parent, 1 for parent

\*  $p < .05$

\*\*  $p < .01$

\*\*\*  $p < .001$

One measure of career success is overall annual income. Respondents were asked to indicate their current income from an array of salaries listed in \$25,000 increments. The majority of respondents earned between \$25,000 and \$75,000, with 41.8% earning between \$25,000 and \$50,000, and 32.9% earning between \$50,000 and \$75,000.

We tested Freedman and Greenhaus' [3] hypothesis of whether having a family is considered a bonus or a penalty. Historically, having a family has been perceived as a bonus for married men, as they are seen as more stable and responsible, with strong support of spouses [3]. For women, however, having a family is seen as a penalty. Women are perceived to be less committed to their careers, and are a riskier investment, as they may leave work to have children [3].

To take into account the possibility that the age of the respondent might affect the difference in income between married and unmarried men, we ran a regression equation with income as the dependent variable, and age and marital status as dependent variables. Table 2 shows the results.

**TABLE 2**  
**Regression: Income vs. Age and Marital Status for Males**

Variables	b	s.e	t
Intercept	.301	1.655	0.18
Age	2.605	0.920	2.25*
Marital status	.811	2.150	0.71

\* $p < .05$

While the regression is significant ( $F = 19.50, p = .000$ ), age was the only significant variable, which supports the notion that as age increases, one's salary increases as well.

Table 3 summarized means, standard deviations, and bivariate correlations among the study variables for females.

**TABLE 3**  
**Means, Standard Deviations, and Correlations for Female Respondents**

Level 1 Variables	n	Mean	s.d.	1	2	3	4
1. Income <sup>a</sup>	52	55.19	25.36				
2. Highest Position Achieved	55	3.31	1.86	.67***			
3. Married <sup>b</sup>	56	0.59	0.50	.25	.46***		
4. Age	56	34.46	9.71	-.01	.31*	.32*	
5. Parental Status <sup>c</sup>	56	0.55	0.50	.33*	.53***	.60***	.34*

<sup>a</sup> Income is measured in thousands of dollars

<sup>b</sup> Dummy-coded: 0 for unmarried, 1 for married

<sup>c</sup> Dummy-coded: 0 for not a parent, 1 for parent

\*  $p < .05$

\*\*  $p < .01$

\*\*\*  $p < .001$

To take into account the possibility that the age of the respondent might affect the difference in income between married and unmarried females, we ran a regression equation with income as the dependent variable, and age and marital status as dependent variables. The regression was insignificant ( $F = 1.95, p = .153$ ) indicating that there was no significant difference in income between married and unmarried females.

A second measure of career success is the position currently held by respondents in the organizational hierarchy. Similar to the 9-point scale regarding career aspirations earlier, we asked respondents to rank what position they held from (1) first level manager to (9) top executive. 47.4 percent of respondents indicated their were in a lower-level position (1-3), 33.3% in a middle-level position (4-6), and 19.2% in an upper-level position (7-9).

Our research demonstrates a significant difference between married and unmarried men ( $t=4.08, p<.002$ ). 52.17% of married men were in an upper level position compared to only 4.35% of unmarried men. As with income, we wanted to take into account the age of the respondent when considering the relationship between the highest position achieved and marital status. We ran a regression equation with position achieved as the independent variable, and age and marital status as dependent variables. Table 4 shows the results.

**TABLE 4**  
**Regression: Position Achieved vs. Age and Marital Status for Males**

Variables	b	s.e	t
Intercept	1.91	0.69	2.79**
Age	1.19	0.37	3.25***
Marital Status	1.70	0.90	1.89*

\*  $p < .10$   
 \*\*  $p < .05$   
 \*\*\*  $p < .01$

In this instance, not only is the regression significant ( $F = 19.50, p = .000$ ), but all variables are significant as well. Not only does age positively influence one's position in the organization, but marital status does provide that bonus as well.

Does the same bonus occur for females? With highest position achieved as the independent variable and marital status and age as dependent variables

**TABLE 5**  
**Regression: Position Achieved vs. Age and Marital Status for Females**

Variables	b	s.e	t
Intercept	1.73	0.51	3.42***
Age	1.50	0.47	1.51
Marital Status	0.36	0.24	3.18***

\*  $p < .10$   
 \*\*  $p < .05$   
 \*\*\*  $p < .01$

In this instance, marital status did not provide a "penalty" for women pursuing a career in accounting. Rather, like men, women benefited as well by getting married.

A third measure employed to example the relationship was marital status and career satisfaction. Does being married positively impact career satisfaction? Respondents were asked to indicate their current level of satisfaction with their career on a 5-point scale, with "1" indicating "highly dissatisfied" and "5" indicating "highly satisfied." For males, marital status did not play a statistically significant role ( $t = .05, p = .96$ ), as 93.33% of married males, and 87.50% of unmarried males were "satisfied" or "highly satisfied" with their career. A similar result is found

when comparing married and unmarried females ( $t = 1.26, p = .123$ ); 87.87% of married women, and 82.61% of unmarried women were “satisfied” or “highly satisfied” with their career.

### Impact of Children on Career Success

Does having children help one’s career as an accountant? As with marital status, we use income, position achieved and career satisfaction as measures. To take into account the possibility that the age of the respondent might affect the difference in income between male parents and male nonparents, we ran a regression equation with income as the dependent variable, and age and parental status as dependent variables. Table 6 shows the results.

**TABLE 6**  
**Regression: Income vs. Age and Parental Status for Males**

Variables	b	s.e	t
Intercept	0.41	1.77	0.23
Parental Status	1.28	2.51	0.51
Age	1.88	1.05	0.09*

\*  $p < .10$

While the regression is significant ( $F = 4.91, p = .020$ ), age was the only significant variable, which supports the notion that as age increases, one’s salary increases as well. There was no significant difference between parental status and income.

A similar approach was taken with regard to female parents and female nonparents. We ran a regression equation with income as the dependent variable, and age and parental status as dependent variables. Table 7 shows the results.

**TABLE 7**  
**Regression: Income vs. Age and Parental Status for Females**

Variables	b	s.e	t
Intercept	2.55	0.27	9.40**
Parental Status	0.68	0.26	2.63*
Age	-0.12	0.13	0.37

\*  $p < .05$

\*\*  $p < .001$

Not only is the regression significant ( $F = 3.46, p = .039$ ), the parental status of the female impacts the income one earns in accounting firms independent of age. Instead of being penalized, women get the “bonus” we might have expected for men for having children

For position achieved, we ran a regression equation with highest position achieved as the dependent variable, and age and parental status as dependent variables. Table 8 shows the results.

**TABLE 8**  
**Regression: Position Achieved vs. Age and Parental Status for Males**

Variables	b	s.e	t
Intercept	2.26	0.52	4.35**
Parental Status	3.27	0.74	3.40**
Age	0.60	0.30	0.59*

\*  $p < .10$

\*\*  $p < .001$

The regression was statistically significant ( $F = 37.48, p = .000$ ), indicating that being a parent leads to a significant jump in one's position in the organization, compared to not having children. Does the same result occur for women? Table 9 has the results.

**TABLE 9**  
**Regression: Position Achieved vs. Age and Parental Status for Females**

Variables	b	s.e	t
Intercept	1.82	0.49	3.68*
Parental Status	1.78	0.46	3.87**
Age	0.29	0.24	1.23*

\*  $p < .01$

\*\*  $p < .001$

In this instance, the regression was also significant ( $F = 11.00, p = .000$ ), but the impact on having children was much smaller than for men, with women only getting a 1.78 position bump compared to 3.27 for men. This fits with the "penalty" hypothesis that Friedman and Greenhaus [3] present.

## CONCLUSIONS

As our research indicates, gender and family roles play a significant role in one's career aspirations and development. Both men and women benefit career-wise when climbing the corporate ladder, but men benefit more than women. The number and age of the children, length of the marriage/relationship, income of partner, satisfaction with one's own or family income might also be additional and relevant variables for future research.

## REFERENCES

- [1] AICPA Work/Life and Women's Initiatives. 2004. A Decade of Changes in the Accounting Profession: Workforce Trends and Human Capital Practices. New York, NY.
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- [3] Lancaster, L.C., and Stillman, D. 2002. When Generations Collide. New York, NY: HarperBusiness