

Chris Jenkins: [00:00:00] You can have everything in the world, but if people don't feel like they belong or that they want to belong, they're not going to be a member. And it's really about that camaraderie, that fellowship being something larger than yourself and building on that that moves us forward. And you've got to have the students engaged, you've got to have the older folks engaged, and you just got to deal with the fact not everybody is going to be happy. Everybody is going to find value.

Peter Margaritis: [00:00:32] Welcome to Change your Mindset Podcast, formerly known as Improv is No Joke, where it's all about believing that strong communication skills are the best way in delivering your technical accounting knowledge and growing your business. An effective way of building stronger communication skills is by embracing the principles of applied improvisation.

Peter Margaritis: [00:00:53] Your host is Peter Margaritis, CPA, a.k.a. The Accidental Accountant. And he will interview financial professionals and business leaders to find their secret in building stronger relationships with their clients, customers, associates, and peers, all the while growing their businesses. So, let's start the show.

Peter Margaritis: [00:01:20] Welcome to Episode 19. And before we get to our guests, I want to wish everyone a Happy New Year, and I hope you all had a safe and festive holiday season. As I thought about 2019, I wanted to get off on the right foot, as well as I wanted to try something different.

Peter Margaritis: [00:01:40] And today, my guests are Allen Lloyd who's the CEO of the Montana Society of CPAs, Boyd Search who's the CEO of the Georgia Society of CPAs, and Chris Jenkins who's the CEO of the South Carolina Association of CPAs. I wanted to interview three people at one time. And I'd tell you what, this was a blast because I've known all three of them for many years because they all used to work for the Ohio Society of CPAs. And our discussion centers around the state of the CPA associations and the issues that members are facing in the accounting profession both current and in the future.

Peter Margaritis: [00:02:17] Before we get to the interview, I want to share that my book, *Taking the Numb Out of Numbers*, was ranked number 12 of the Best Books in 2018 for Speakers as ranked by speakershub.com. That blew me away. I was so excited about that rating. And the review they gave the book goes like this, "Peter does an outstanding job demonstrating how to present numbers to a non-number audience. It is useful information that can be used in any presentation. It can help make the presenter a rock star. I highly recommend this book for anyone who presents financial data and wants to make it interesting and relative to their audience, whoever they may be. I've already used many of the suggestions in his book."

Peter Margaritis: [00:03:01] Thank you very much Speakers Hub for that review and being ranked as one of the 12 Best Books for Speakers in 2018. And *Taking the Numb Out of Numbers* will transform your ability to communicate technical financial information in greater context through analogies, metaphors, and storytelling. Put another way, translate complex financial information into plain English, so your audience will gain a deeper understanding.

Peter Margaritis: [00:03:30] The book is available on Amazon.com, and paperback, and in Kindle. So, buy it as a New Year's present to yourself. If you like to purchase 10 or more copies, please contact me at Peter@PeterMargaritis.com for bulk discounts. So, without further ado, let's get to the interview with Allen, Boyd, and Chris.

Peter Margaritis: [00:03:54] Hey, welcome back everybody. Boy, are you in for a treat this week. Actually, this will be the very first episode of 2019. So, I thought I'd kick it off and try something completely different. I'm with three very special guests: Chris Jenkins, the CEO of the South Carolina Association of CPAs; Allen Lloyd, the CEO of the Montana Society of CPAs; and last but certainly not least, Boyd Search is the CEO of the Georgia Society of CPAs.

Peter Margaritis: [00:04:26] We have all CEOs who originated out of Ohio who are now running the other states. And I thought we could have a conversation on what they're seeing going on in the profession and give us some of their insights. So, each one of

you, we'll start with Chris. Give everybody a hello, a little bit about yourself, and then we'll move to Allen, and Boyd will come up in the rear.

Chris Jenkins: [00:04:50] Chris Jenkins here from South Carolina, CEO. I came from Ohio. I was there for 16 years as the CIO. So, my background is primarily technology. Looking forward to talking with everybody today and discussing what's going on with the profession, want to see what the other smart guys in the room have to say, and we'll go on from there.

Peter Margaritis: [00:05:08] Okay. Allen, you're up, bud.

Allen Lloyd: [00:05:08] Yes. So, I am Allen Lloyd from the wonderful state of Montana. Much like Chris, I'm looking forward to hear what others have to say, and I can't wait to share. This has been kind of a couple of weeks where I've been dealing a lot with our students and looking forward to sharing some of the cool things that are happening at Montana schools.

Peter Margaritis: [00:05:30] Great. Boyd.

Boyd Search: [00:05:31] Boyd Search, CEO of the Georgia Society of CPAs. I have known all three of you guys for longer than I probably deserve to. They're both right, and there is entirely too much noise in the system. And so, my conversations with you guys always actually help bring clarity to that. I know we'll laugh and make fun of each other a little bit today, but in all sincerity, that's, I think, not only me but hopefully other people get some of that clarity out of this.

Peter Margaritis: [00:06:01] Yeah. I think before we start, we should probably give a big shout out to Clark, who all three of you guys have had worked with over the years, and I've interviewed a number of times on this podcast. And I think a big thank you goes out to him for all of his leadership that he has given all of us over time.

Peter Margaritis: [00:06:20] So, we'll start with Chris. So, what do you see in South Carolina? I know that you've gone through a big overhaul, per se, in your membership

model, and you've created something completely new and different from the other states. Maybe you could fill us in on how that's working.

Chris Jenkins: [00:06:38] Well, the model's about all-inclusive membership, and it's about bringing the association back to what it originally was. And the association was a community, and the idea of the profession coming together and having that camaraderie. We spend a lot of time talking about CPE, and we spend a lot of time marketing CPE, but there are a lot of CPE vendors out there. What we were trying to do is deliver the maximum value for the minimum price. So, we wanted to roll CPE in as a member benefit.

Chris Jenkins: [00:07:06] And when you look at all of the talks that we've had about CPE over the years and what CPE actually is, it's that competence versus compliance. When you take the price point out of the CPE, it becomes more of a competency-based system. So, what we do in South Carolina, any of our live streams or any of those things, you can take those for free. The only time that you're going to use any of your bank hours, and those come with membership, is when you're going to get credit. So, we have a lot of people taking a lot more CPE, and it's more competency-based, and not worried about the compliance part because they know they're going to be able to fill that in, but the competency comes at no cost.

Chris Jenkins: [00:07:45] And I think that's important as we go forward. The world is changing very rapidly. And as that world changes, we want to make sure that we're delivering everything that we can. But most importantly from our association standpoint, it's really about delivering that community environment and working for the profession, advocating for the profession, and, again, removing the CPE component, not making that a sales pitch but making it just another member benefit shows our members everything that we do. And we've been able to communicate the advocacy, the student pipeline, the communications tools that we have. And CPE kind of fell down on our member value structure. It's something that CPAs have to have, and we hope that we deliver it well. But it's by far not the most important thing we do.

Peter Margaritis: [00:08:30] And this was a radical move. And I know because I was down there for a bit while you were going through this process. This took I can't even imagine how many hours and nights of lost sleep that you went through in order to get this thing rolled out. And I congratulate you on taking that risk and doing something different. And on the surface right now, I know you're still kind of new with it, but on the surface, it seems like it's going to be successful and will be sustainable.

Chris Jenkins: [00:09:02] It does look successful. I'm not to the point yet where I want to go, "Yeah, it's a wild success." With a change of this magnitude, you're going to get people who push back, and that actually makes the program better. So, we listen to those people. We made it better. I think some of the proudest moments this year were when the people who were really not happy with the change came back to us said, "You know what, I didn't like it. I've experienced it now, and you've actually brought the association back to what it's meant to be." And that is community and camaraderie. That's something that makes me really proud.

Chris Jenkins: [00:09:31] Our conference this year have been higher attendance than we've had in the history of SCACPA. And it's not like record numbers like you might see in a big state. When we get 400 people to an event or 500 people to an event, that's over 10% of our membership, which means -- And they're working with their peers now, and that interaction is what we drive. That's the value of the association. It's member-to-member interaction.

Chris Jenkins: [00:09:55] And I'm proud of where we're at. Does it mean that it's perfect? No, it's not perfect, and it will evolve over time. Does it mean it would work for everybody? Absolutely not. This program was specifically designed around the requirements in South Carolina, and that's why it works. It's specifically designed around what South Carolina CPAs need. We're not the AICPA. We're not these other organizations. We don't try to be that. We're here for South Carolina CPAs. That's all we focused on. That's all we did.

Peter Margaritis: [00:10:24] And that's great in how you've been able to get that message out. And we had talked on an earlier podcast about this topic, and the word

that you said that really stuck with me, because you summed it up in one word, fellowship. And that's what you've created down in South Carolina. And I think hats off to you, for myself as well, as your other colleagues who were on this podcast with us.

Allen Lloyd: [00:10:47] What Chris has done is really cool. And, I think, when you look at his timeline, being the rookie here in the group, this isn't something that Chris jumped in, and year two, was doing. He took the time to listen to his members, figure out what the needs were there. And then, this was the answer to those issues.

Allen Lloyd: [00:11:08] Here in Montana, one of the problems we have is we're a state of a million people that's three-and-a-half times the size of the State of Ohio. And so, CPE is difficult for us because it's hard to get here. And then, even once you're here, our cities, none of them are that big, and they're spread out so far from one another that it makes it difficult for us to get that teaching talent here.

Allen Lloyd: [00:11:34] And last year, one of the things we changed was we got rid of all of our eight-hour seminars. We switched to these cluster events. So, there are two or three days, and there are no classes longer than four hours, and you get to pick and choose. But what that allowed us to do is bring in a teacher who was teaching a broad topic, and we'd get enough people from that broad topic, but then to have that person there for the afternoon where they could do a deep dive. And then, in the past those deep dives just weren't happening because we never got enough people here to do it.

Allen Lloyd: [00:12:06] And so, looking at that situation and figuring out what works best for us, it's not going to work for anybody else. And figuring out those things, I think that's one of the things that I learned from Clark. Clark always had his thumb on what the members in Ohio needed and how we could provide that to them. And I think that's one of the biggest strengths that we probably all took away from working with him is understanding that we're membership organizations. We need to be aware of what our membership needs.

Peter Margaritis: [00:12:35] And each membership has different demographics, and different logistics, and everything to pull. Speaking of logistics, Boyd.

Boyd Search: [00:12:39] Yeah.

Peter Margaritis: [00:12:44] I mean, Georgia is not a small state, and you get a lot of stuff in Atlanta, but I know CPE is delivered throughout the State of Georgia.

Boyd Search: [00:12:51] When you listen to Chris and Allen, I think their stories and differences articulate well some of the challenges we face in the profession and how different our members operate, their varied needs and things, and you see these different ways of trying to adapt and adjust to those needs.

Boyd Search: [00:13:12] We are in Georgia. It's a larger state. I mean, it's fairly big geographically. We have a good membership size, over 21,000 CPAs in the state, licensed in the state, but there is an advantage for us in that 85% of our members are in Metro Atlanta. And that creates opportunity and challenges because while we are compressed in this space, traffic is terrible. It's not going to get any better. The joke is if you want to go anywhere in Atlanta, whether it's a half a mile down the road or 10 miles down the road, it's going to take at least a half an hour to just get started.

Boyd Search: [00:13:52] And so, we have made significant investments, as we've talked about before, in our live stream technology, and we're doing it all ourselves. And we have partners on the software side of things, but we have our own equipment, our own staff, and we do it for ourselves. And in an age when a lot of people are partnering with outside companies, or with other states, or whatever, we have moved in the opposite direction where we are entirely reliant on ourselves.

Boyd Search: [00:14:23] And so, we own the process, and own the technology, and hire the people beginning to end. And that has paid huge dividends for us both financially. We have not experienced tremendous growth in our margins, but we have offset losses that we see other states and other providers are having. And it's created a unique product for us in Georgia where we have firms, and companies, and people utilizing it in different ways. Everything from firms putting all their people in a conference room, and watching a live stream, and they discuss the issues as they're being talked

about. As the presenter brings up an issue, they can talk about client A, B, C and how that impacts them too.

Boyd Search: [00:15:03] The for-hire controller, and I know of this person who works out of her home, and probably I'm not going to say her name because she works at the same time the CPE class is happening. And that's, to Chris' point, about competency versus compliance. We've found a way to help you meet those needs.

Peter Margaritis: [00:15:22] Interesting. And what I hear from all three of you is the ability to recognize the idiosyncrasies or the uniqueness of your membership and try to tailor something to meet their needs. The one thing that Chris and I were talking before you guys joined us, he was telling me the uniqueness in South Carolina where -- Now, Chris, correct me if I'm wrong -- South Carolina Board of Accountancy only will allow or recognize only eight hours of professional development, like leadership, to be counted as CPE.

Chris Jenkins: [00:15:56] That is correct.

Peter Margaritis: [00:15:56] Yeah. And while I was talking about, I researched one time the State of Kentucky because going up there, I'd always want to take -- I'd love to teach there, but I found that they don't allow any personal development to be part of CPE, leadership types of courses.

Chris Jenkins: [00:16:12] That can be good and bad if you think about it, right. You're already fighting this battle of competency versus compliance. There's a bad taste in people's mouth over CPE because people have to do it. And what we see in students or what we hear from the firms is we need our new CPAs to have better writing skills, business development skills, communication skills. So, if you look at that, that's all personal and professional development.

Chris Jenkins: [00:16:41] One of the best courses I took as a young professional, and it sounds really strange, was Dine Like a Diplomat. I'd never been to a business there. So, I actually took a course through my association, and they taught me that you pull

the bread, you don't bite it. And those tips and tricks in what you do with your sugar packet is you put it under the plate, you don't leave it laying on the table.

Chris Jenkins: [00:17:02] But it's easy for us as seasons professionals to think everybody knows this stuff. Everybody knows how to draft a business letter. Everybody knows how to make a sale, how to do business development. These, to me, are very important skills, and people won't send their staff to CPE because they can't use that credit.

Chris Jenkins: [00:17:22] So, what if we took it another direction and say this is just part of lifelong learning outside of compliance to try to get people to come to that? And this is where we have to be unique in South Carolina because our firms need their new CPAs know how to do this. We have to find a way to provide it outside of the scope of CPE because of the limitation.

Chris Jenkins: [00:17:41] Another limitation is self-study. In South Carolina, you can only do 20 hours of self-study, and it will carry over from year to year. So, you've got that limitation. Again, some of the best CPE is the CPE that you need just in time, right. Oh, I picked up a new timber client. There's not a lot of timber CPE out there, right?

Peter Margaritis: [00:18:00] Right.

Chris Jenkins: [00:18:00] So, again, from my perspective, that limitation actually limits the CPA's ability to be competent in that area because they're not taking that CPE, they're not going to get that, but when they need it, it's really important. And that's where, as an association, because I don't sell CPE, I don't have to apply credit to everything. and it makes it better. But we have to fundamentally change how we think about education, how we think about professional learning because the world around us is changing so fast, there's no way to keep up.

Chris Jenkins: [00:18:31] And we value everything by the hour. So, we bill by the hour, we trace by the hour. It's the most ridiculous, outdated concept that I can imagine for

tracking anything of value. Value has its own measure. Time is not the measurement of value.

Peter Margaritis: [00:18:51] I'm going to give you a big amen on that because I fully agree with that, and the ability to check the box. But CPE, we teach CPE the same way we did 30 years ago. Not much has changed except maybe the delivery of it.

Chris Jenkins: [00:19:07] It's actually gotten worse. So, I started doing CPE courses 20 years ago, and I was a discussion leader. My job was to walk in a room, and facilitate a discussion, and to be a topic expert in technology. People would come in the room, they would talk about what they were doing and what their problems were, and I would facilitate the discussion to get to a solution. Now, it's all lecture, and that's what you're supposed to do. Now, I'm a presenter. And that's a problem because you learn more from experiences than I could ever prepare in a lecture.

Peter Margaritis: [00:19:37] Right, exactly.

Allen Lloyd: [00:19:39] And, I think, one of the things that we're doing right now is our president, my current president is very interested in engaging our young professionals. And so, we are taking our young professionals and having them go through some process to discuss the major topics that we're facing, the impact of technology, demographic changes. And then, here in Montana, we've got a large issue with rural CPAs who are retiring and leaving a void.

Allen Lloyd: [00:20:08] Part of that process, we're asking this group not only to come together and talk about the issue, but then, at the end of the day, they're going to be giving presentations at our annual conference next year on what they come up with. And a big part of the reason we did this was to give those people an opportunity to be presenting in front of a group of people, which is something, at their stage in their career, they might not necessarily get a lot of opportunities to do that.

Allen Lloyd: [00:20:33] When we initially started this, it was just a new task force that we were going to put in place. And then, luckily, one of these young professionals asked

us, "Hey, are you going to use CPE for this?" And we looked at him, and we're like, "Oh, that's what allows technical committees to obtain CPE for their work. This is a technical committee researching technical issues."

Allen Lloyd: [00:20:52] And so, we're thinking about how do we leverage this in the future as we learn how the folks in this process are learning. They're learning technical issues, but they're also learning some of these soft skills at the same time. How can we do more of that?

Peter Margaritis: [00:21:08] Right. That's a wonderful idea to have them come and present at your annual meeting. There'll be some nerves, but they'll get a ton out of that. They'll have a lot to walk away with it. That's great.

Chris Jenkins: [00:21:21] Can I do a pitch here?

Peter Margaritis: [00:21:23] Sure, yeah.

Chris Jenkins: [00:21:24] So, I know this guy. His name is Pete, Pete Margaritis. And he worked with us this year to build a speaker's training, and we've run it twice, and it's been wildly successful. So, what we've done is we brought our members in, and we gave them those tools and that comfort to be able to create materials, how to present, tell stories, actually get in front of a crowd. And again, that was two to two and a half days of CPE, but what we were able to do is build a speaker pool of 15 experts that are now comfortable in speaking as well.

Chris Jenkins: [00:21:53] So, I think there's a lot to be said about moving away from the status quo, and bringing in those new faces, and actually building the local speakers, the younger speakers, and bringing it back to that discussion.

Peter Margaritis: [00:22:08] Thank you for that. But that, to his point, it was a lot of fun to do it, but they walked away learning a lot of things that they never would have even thought about. And I think the one thing they kept saying is, "It's not about me. I learned

it's not about me, it's about the audience. And I have to tailor my conversation to the audience, not just my myself."

Peter Margaritis: [00:22:28] And to the point, we really do need the younger CPAs in the discussion leader pool because we're going to wake up here soon, and all the -- As Joan of the AICPA said, a lot of male, pale, and stale will be gone, and we've got to be able to backfill that. What about you Boyd in Georgia? As you're laughing there after my heartfelt comment.

Boyd Search: [00:22:54] I'm trying to figure out what the question is.

Chris Jenkins: [00:23:02] Because there are no questions, only solutions.

Peter Margaritis: [00:23:04] It's only solutions, yeah. It started as idiosyncrasies within our state. You can only have eight hours of personal development count as credit in South Carolina. What about Georgia? Do you have ethics requirements? Do you have a reduction of things, of topics that you can use and can't use?

Boyd Search: [00:23:27] Yeah. I mean, we do not have an ethics requirement; although, they're getting ready to pass one. So, that's coming. We're one of, basically, four states that doesn't have one. And so, we're behind, I think, on that in terms of public perception. We have a 16-hour requirement for A&A. So, we report every two years. It's 80 hours. You have to have, at least, 20 hours in each year. 16 of those 80 hours to be an A&A.

Boyd Search: [00:23:53] You can argue about foundation, and core of being a CPA, and things, but the reality is we have people that are running concrete companies, and they have to take 16 hours of A&A, and it's of no value to them from a professional development perspective. And so, Chris is absolutely right about what we should value versus what we do value in terms of time and those things.

Boyd Search: [00:24:21] It's an easy conversation to have or an easy thing to say that. It's another to be able to find a way that proves out to the public or somebody that

understands that you are, as a profession, adhering to a standard that maintains you, that keeps you as a competent professional. I get that the public perception and the reality of things are vastly different, but that's really, I think, the single greatest hurdle to getting agreement on how can we transform CPE to be something different from a regulatory perspective.

Peter Margaritis: [00:25:01] Right. And I know in Indiana, they begun to move to more of a competency-based model, and they started with ethics, and they were able to get their Board of Accountancy to accept. They still had to have credit. And you have to ask Jennifer Briggs about this, the details of it. But they've worked with the Accountancy Board to recognize that some of this stuff is going to competency-based. You got to take a test, pass it in order to say you can move on, but that does qualify for credit. But there's some fuzziness in that that is escaping me right now, but we tend to be moving in the right direction slowly, but that's what our profession is very slow. Allen?

Allen Lloyd: [00:25:45] The weird thing in Indiana is that it still converts back to hours.

Peter Margaritis: [00:25:48] Yeah. And I don't know how it converts though.

Allen Lloyd: [00:25:50] The hours and the explanation I was given is for a new person, it might take them five hours to take this class, but the class is only worth one hour; whereas, you've got this person that's already master to the subject, they can do it in 15-20 minutes, and they still get an hour. But it's that you've proved that you know this thing, and knowledge of that thing is worth X number of hours. So, that's one where I really like that they're trying something different, but I'd love to see a lot more of that, so we can figure out what works a little faster.

Peter Margaritis: [00:26:23] Well, I will contact because we'll probably come up on a year anniversary since I did interview Jennifer on that. I thought I was going to come back in and see where they are. So, I'll see if I can get her on the podcast to explain what's happened over the past year.

Peter Margaritis: [00:26:39] But if it takes somebody five hours, I guess, the end result is we are more competent at what we're doing because we've passed it versus I've sat there and, now, I can just check a box. So, what do you guys -- Allen was talking earlier about the young CPAs. Are you guys engaging any your CPAs in leadership and volunteerism with the organizations?

Boyd Search: [00:27:04] So, we opened the door to that this year. It seems like really late in the day to say you can be a student member, and actually be on a committee, and lead the organization, but it's something we just hadn't thought of. And if you want to grow your business in the future, it's something that's kind of self-evident, right. You're building an association for the future, you want to talk to the future professionals are going to be and figure out what they're going to want as they move forward.

Boyd Search: [00:27:31] One of the most frustrating things for me is I get calls all the time, "I want a three to five-year experienced CPA." All of the time. And I'm like, "Well, I've got a whole bunch of CPAs who are looking to get to three years of experience because they don't have that. They've got two years or a year of experience that was needed to get licensed. Are you willing to look at any of that?" "No, I want three to five years."

Boyd Search: [00:27:55] And I get it from a business standpoint, but you're never going to get three to five-year candidates unless you're willing to start hiring some. The race for talent, the fight for talent has kind of started to reverse, right. So, now, you see the big firms, the largest of the firms started to come downstream and take employees from the regional firms because we need employees.

Boyd Search: [00:28:18] So, where we used to say, "Oh, the regional firms will get their experienced employees out of the large firms," that's going away as more people move to the gig economy. And, again, three to five years experience, how do you calculate that if you have people who are working in this gig economy who are doing random work for different firms?

Boyd Search: [00:28:36] So, if I look at from the student perspective when I go talk to students, I love to tell them about the flexibility of the profession. That, to me, is the big selling point. You can go and do anything as a CPA. At the same time, I do want to get their feedback, and I want their ideas about how they're going to work, so I could start addressing this at the firm level and say, "Okay. How are we going to change the mentality of the firms who are hiring to say, 'You can get someone who maybe hasn't done the traditional three years of experience at the big four, and there's still quality candidates?'"

Boyd Search: [00:29:08] So, I think, it's important to bring those students in, start collecting that data now. And I'm actually kind of embarrassed that we were so late to bring them into the fold and say, "Volunteer with us, get some experience here, and tell us what we need to do to move forward."

Peter Margaritis: [00:29:23] Yeah. Somebody recently said that, "I'm looking for a 30-year-old tax manager." Well, they're kind of hard to find. Do you know how long it takes to get a 30-year-old tax manager? 30 years and 9 months.

Boyd Search: [00:29:36] That's the right answer.

Peter Margaritis: [00:29:37] That's the right answer, exactly. And the gig economy, soon as you said that, it popped to mind, one of your members, Sean Kenny, who I interviewed who's building a platform to change public accounting basically find CPAs from around the country that specialize in the areas, and if the firm doesn't have that talent, they can go to his platform, find that talent, hook themselves up, and the work gets done.

Chris Jenkins: [00:30:03] Right. So, PrepLink.io, another pitch there. The website is preplink.io. And it was built by a CPA, four CPAs. First, they get a subscription and find the talent that they need, and individual CPAs can, of course, put their experience up there and look for jobs. So, it is more about that gig economy. When you look at gen-Z and you look at the millennials, this is how they're working. I mean, this is their expectation.

Chris Jenkins: [00:30:28] Now, again, even on PrepLink, people are looking for people with experience, but they have to get that experience somehow, and this introduces them to different kinds of teams, different kinds of engagements, and build a very wide range of experience, and in a shorter period of time.

Chris Jenkins: [00:30:44] So, I think that that's going to be something that's great. We do see, with gen-Z especially, they want to work in an office, they want to have that stability, they want to be part of that team, but they're also struggling to get there. So, that gig economy is helping them gain those different types of experience, so that when they interview, they can talk about what they've learned.

Peter Margaritis: [00:31:03] Boyd, what do you what are you guys doing in Georgia with young CPAs?

Boyd Search: [00:31:07] So, let me start at a more macro level with just the issue of what are you doing with this particular set of people to try and get them engaged, or diversity and inclusion, or young people joining the association and being in leadership. I am right, wrong, or indifferent when we start to talk about, Well, we're going to put together a young CPA Committee. We're going to put together our D&I task force or whatever."

Boyd Search: [00:31:37] I have enough experience and cynicism that I tend to -- Unfortunately, my starting place is an eye roll because, largely, what comes of those things is activity that allows us to say we're doing things that makes us sound smart and makes us be able to make it sound like to other people that we're doing something that matters and makes progress, when, by and large, we rarely ever are.

Boyd Search: [00:32:03] And so, I think you have to do those things because they create conversations. But beyond that, it requires the leadership from Chris, from Allen, from me, from you as a past chair of the board of the Ohio Society, to function with great intention on things. And I don't mean quotas for young CPAs or others, but,

certainly, in developing your own personal network of people that you know and talking about opportunities to be engaged, or leadership, or whatever.

Boyd Search: [00:32:41] Because if I'm doing that, if Chris is doing that, if my board members are doing that, you tend to see a lot swifter and more productive progress, if you will, than you do by sitting people in a room, and talking about the issue, and saying, "Well, we're going to budget \$2000 next year for our young CPA board, so they can have a beer and broth night at the local ballpark," which are cool, but it doesn't put somebody on the board. It doesn't put them in a position where they suddenly realize, "Holy crap. My opinion matters. And the work I do and the attention I pay matters."

Boyd Search: [00:33:19] And so, we've done many of those things that everybody talks about. But the thing I'm most proud of is that we've had leadership that has recognized on all of those fronts. And I'll say diversity because diversity is not just an ethnic or racial thing. It could be young, generational, or whatever. They have an openness and a willingness to function intentionally when it comes to those things.

Boyd Search: [00:33:48] And as a result, we have a fairly deep bench of diversified talent across. We've got roughly what we say about 400 members that are actively engaged. And so, that means they are serving in some form of leadership role, task force committee, counsel, or whatever. And the bench is not as deep as I would like, but from a diversity perspective, again, diversity being all kinds of things, it's robust, and I'm quite proud of that.

Peter Margaritis: [00:34:21] I hear you, and I have lived through a lot of that frustration as well, but as you were describing this, the thing, we keep talking about leadership within, we need more leadership CPE, we would go soft skills. But a great place to develop all of those soft skills are volunteering and being part of a task force, part of a committee, getting involved. We're not seeing as much involvement from older, younger, middle of the road, whatever generation, into the association as we once did. And is it because we're just too busy or is it something else? I don't know.

Boyd Search: [00:35:02] I think the definition of involved or engaged is what you have to worry about. If you are 65 years old, your definition of engagement is far different than if you're 25.

Peter Margaritis: [00:35:13] Right.

Boyd Search: [00:35:13] And if you have an expectation, and I'm way over generalizing, but a 25-year-old is going to join the local chapter, serve on a chapter committee, decide to be a chapter officer, be the secretary, be the treasurer, be the vice president, be the social chair, be the president, and then maybe get the chance to share a lot of state committee where they've done -- And 30 years later, they get to bang the gavel as the chair of the board. That is not -- It's not how it works anymore.

Peter Margaritis: [00:35:47] Right.

Boyd Search: [00:35:48] We have focused on the idea of engagement, making it what the individual wants. And so, you'll have an individual of two different people, let's say, I'm making it up, sitting on the same task force that we'll have. And they will both have vastly different experiences in terms of the time they commit, the depth of their intellectual commitment, but both of them can walk away satisfied because of the way we structure it and the way we have a broader array of expectations or acceptable outcomes for individual volunteers. And that's hard because, particularly, if people have been around a long time, their expectations for what should be are way different.

Peter Margaritis: [00:36:33] Way different. What do you think about that, Allen?

Allen Lloyd: [00:36:35] As Boyd was talking, one of the things that struck me is on our board, we have two seats that are reserved, one's for a student, and one's for a young professional. So, every year, we've got one student that sits on our board and one young professional that is there. And that is part of their capacity of being on the board.

Allen Lloyd: [00:36:56] And one of the things that I've been really proud of is our group does a great job of making sure that those people are included in every conversation.

We don't ask our students just to talk and be engaged when we're talking about student issues. We want them talking and engaged on all the issues that the profession and the society is dealing with.

Allen Lloyd: [00:37:21] And that's where -- So many great ideas come from that and questions because the younger folks don't have all that history. And so, they're not following this track where they're like, "Oh, yeah. We've seen this problem before. We'll just do X, Y, and Z." They come out with a different angle, and it's amazing what it does to that board dynamic to have those folks in the room engaged and involved in the conversations.

Peter Margaritis: [00:37:45] Yeah, they haven't developed false biases out there. Actually, I was -- Do you have-

Boyd Search: [00:37:49] The kind I'm voted with.

Peter Margaritis: [00:37:51] This guy was saying that he was looking for it. And he went into the open rate. He want to have 100% open rate on this campaign that he was doing. And he had his group together and asked them all, "Well, what should we do?" And this intern goes, "Well, we'll have this event at the ballpark. Why don't you get a box, and put a baseball in it, and send it to all the people that you want to invite."

Peter Margaritis: [00:38:21] And nobody else came up with that idea. And actually, he ended up having about 100% open rate because when you get a box with something, what do you do? You open it. And then, the baseball and the invitation. So, yeah, that's a great idea. Back to you, Chris, what do you think?

Chris Jenkins: [00:38:38] So, I will say that Allen's idea of having reserved seats, I do like that. The concept that you're aware, and you need to have that representation on the board at that level, and you don't end up with the path that Boyd pointed out, which is 30 years. And I agree with Boyd. Involvement, the definition of involvement depends on the person, and it depends on their passion. And when you have a volunteer, I think

the most important thing that you need to do is you need to understand what they're passionate about. You just can't assume that somebody wants to be in a specific group.

Chris Jenkins: [00:39:14] So, we don't have what you would call a Diversity and Inclusion Committee, right. Diversity and inclusion is in everything that we do. We want to include everybody. We want to make sure that we have the proper thing. So, that's a charge of everything that we do. Young, startups, candidates, and students, and young professionals should be part of everything that we do. And the more that we realize that, I think the better off we're going to be.

Chris Jenkins: [00:39:37] And Boyd is absolutely right. Members can be very, very passionate about something, but they have a full-time job. If you really want traction, if you want to move, it's going to have to be somebody on staff, and they've got to go get it. So, I'm out. I go to all the universities. I'm the one that's leading the student charge, and it's very successful.

Chris Jenkins: [00:39:57] The other thing is I used to lead it, and I would take digital assets, and be like, "Hey, all of you, students, here are all these cool web assets and things that you can go to, and it works on your phone." What I found is they're overlooked. The way that I've been able to get the most traction is I take paper applications, and have them fill them out while I'm there.

Chris Jenkins: [00:40:16] So, I think that there's a lot going on there. I also see that we are starting to get more of the younger generation involved, but it has to do with change. We have a fear, as associations, as we should, that if we create too much change, the people who have supported us for the last 30, 40, 50 years won't like us anymore. We don't have that. It was just the change, right?

Peter Margaritis: [00:40:43] Right.

Chris Jenkins: [00:40:43] But we also have to recognize that if we don't change, if we don't do something different, the people who are going to support us for the next 30 years are not going to find us relevant. They're not going to find value in us. So, there

has to be this method of controlled change where you try to balance the needs of both without making either one 100% happy.

Chris Jenkins: [00:41:02] And one of the things I was told when I took this job, no matter what you do, somebody is going to be mad at you. If you want everybody to be happy, go sell ice cream. I'm not selling ice cream, right. And even with ice cream, it's going to melt. At least, my products not melt. But I think it's really important to, number one, understand your audience, understand you can't make everybody happy, get everybody to the table, and you're not going to get consensus. Now, you're not going to get a unanimous, "Yeah, this is perfect," but you're going to get, "This is what it takes to deliver value to me."

Chris Jenkins: [00:41:36] And if people can find the value, they will want to be part of the association. And that's because, again, for fellowship, to reinforce that they're part of something larger than themselves. Boyd and I talked about this. You can have everything in the world, but if people don't feel like they belong, or that they want to belong, they're not going to be a member.

Chris Jenkins: [00:41:54] And it's really about that camaraderie, that fellowship, being something larger than yourself, and building on that. That moves us forward. And you've got to have the students engaged. You've got to have the older folks engaged. And you've just got to deal with the fact not everybody is going to be happy, everybody is going to find value.

Peter Margaritis: [00:42:13] Well put. I mean, we never can make everybody happy. And I guess, it's important. As long as you've got a majority of consensus to what is happening, then you're moving in the right direction. I guess, when your popularity goes down to below 50, and you have more people against you than with you, that creates the issue, one of the issues.

Chris Jenkins: [00:42:36] I would like to stay at 80/20. That 60/40 is not where I want to be.

Boyd Search: [00:42:42] Did we just start talking about politics or?

Peter Margaritis: [00:42:44] Using that as a metaphor. Yeah, I would assume that 80/20 or 85/15 is the preferred, but where does it get to the point that it becomes concern? At what number?

Chris Jenkins: [00:43:00] A concern for myself, or concern for the association, or concern for the profession?

Peter Margaritis: [00:43:08] The first two, for yourself and for the association.

Chris Jenkins: [00:43:11] I have no idea about for myself, and I hope I'd never find out. And not to mean that we won't lead and make tough decisions on those things, but I don't have any perspective on when it would be a danger zone for me personally. I think for an organization, I don't know that there's a danger zone in terms of, "Gosh, 70%, 80% disagree with the direction we're going," because dissent or agreement implies some measure of engagement, and concern, and/or we'd say awareness. And that's not always -- Usually, for me, that's a good thing.

Chris Jenkins: [00:43:53] Apathy, I think, if you could measure apathy, that would be the one to measure for me that would give me concern if it reached a certain number. And I think some of the areas where we see that, and this is not a popular thing to say, CPE is an area, and you can talk about why, or who's to blame, or what's to blame, the CPE is an area where there is a tremendous amount of apathy, and that can be very dangerous. So, that's where I would go with it.

Peter Margaritis: [00:44:24] I think I'm going to make that into a bumper sticker because in all honesty, you're right about the apathy in the CPE world. What do you think, Allen?

Allen Lloyd: [00:44:34] I'm going to go to the opposite side of this issue because when I started, one of the things that I knew was going to be an issue is this whole idea of technology is coming to disrupt us all and-

Peter Margaritis: [00:44:46] Yeah.

Boyd Search: [00:44:48] And kill us, isn't it?

Allen Lloyd: [00:44:50] It's coming, right. I mean, things are changing. But at the same point, I knew coming in that I didn't need to make all my members blockchain experts within a month. But I think coming in, there was clear heads in the sand, and I would say it's probably 80/20. 80% of people were just ignoring this issue. And I think anytime you've got something where people ignore or are dismissing something that we, as a profession and associations, find important that's something where I go against that.

Allen Lloyd: [00:45:25] And I've heard from members that have told me that, "Stop mentioning this damn thing. I'm going to retire before it really impacts me anyway." and I'm like, "Well, are you retiring tomorrow? Because this is something that even today we're hearing from other members, members in industry that are actually using this stuff." And they're disappointed because the firms that they're working with don't understand it enough yet.

Allen Lloyd: [00:45:51] And so, I think, it depends on this issue. If it was something political, and I didn't have at least, I would say, 70% of my members on board, it's not something I would go chasing and advocate for the statehouse. But on some of these other fuzzier issues, I think I'm comfortable wherever it happens to be as long as I'm making progress in the right direction.

Peter Margaritis: [00:46:17] Do you remember, IFRS? The IFRS. And I would say I was very involved with it back then. And the acronym we used to say is it's incentive for retirement soon because I would hear a lot of the same thing. I'm not worried about this because I hope I'm retired by the time it comes into place. And we're going to-

Boyd Search: [00:46:37] We're going to look dead.

Peter Margaritis: [00:46:38] Yeah. And then, I look at it. I will go say to that same group and go, "We may not have adopted or converged with it, but if you look at the standards, how fast we have been putting it up for the last two years with redbrick, leasing, elimination of extraordinary items, changing inventory measurement from lower cost to net realizable value." That was all IFRS-based. That was all IFRS.

Peter Margaritis: [00:47:02] So, when someone says, "I'm glad we didn't converge because I was going to retire," well, you should have gone ahead and retired because it's really here, which you get a lot of that pushback. And with blockchain, I thought it was an intestinal disorder when I first heard of it, but I've come to find out that it still is with a lot of people in our profession because it's hard to get around, put your mind around the process, and it's upsetting some people in the abdomen area, I believe.

Boyd Search: [00:47:33] I don't think I want to know what you thought bitcoin was.

Peter Margaritis: [00:47:38] Well, I'll let that one past for now.

Allen Lloyd: [00:47:45] I think, we joke about blockchain, but I think if you take the time to learn it at a little bit at depth, you start to realize that there's a lot of opportunity in that for accountants and CPAs. One of the things I brought up with folks is you hear it's secure because it's distributed, right?

Peter Margaritis: [00:48:02] Right.

Allen Lloyd: [00:48:02] The same things on a thousand computers. You got to fit. You've got to get 501 of them in order to commit fraud. That sounds great. You hear that and you're like, "This, I can trust this." Well, what if 700 of those computers are all from the same business and the same IT guy can manipulate them all at the same time? It's not so secure anymore. And so, that, to me, is one of these places where we might have a role. Maybe part of our role with a blockchain is verifying that it's legitimately decentralized and is, in fact, protecting the way it says it is.

Peter Margaritis: [00:48:37] Don't give Jenkins any ideas here, okay? Being the former IT guy that he is, now, he's going to go basically take control. Well, being the former IT guy, you want to chime in, Chris?

Chris Jenkins: [00:48:49] I would look at artificial intelligence before I look at blockchain. So, robotic process automation and how that's impacting firms and changing the dynamics of the firm model is far more of a threat than blockchain is right now. Large scale blockchain is not reasonable in the short term. The power consumption that's required, the fact that everybody is building their own, and they're not going to integrate well with one another.

Chris Jenkins: [00:49:18] I mean, we see this with iPhone and Android, I mean, on a small scale. Now, try to do a global transactional system and try to get them to play nice with one another. Not to mention the amount of power required to do the encryption and the timestamp on these types of transactions, I mean, we'd have to have another sun to make it work on a large scale. It doesn't mean the blockchain is dead. No. For small scale implementations, it makes a lot of sense, but it's not decentralized. And that means it's less secure.

Chris Jenkins: [00:49:48] So, the first thing that I can tell you about any technology solution is when somebody comes to you and says, "I've got a completely secure solution," they're lying. Just saying that makes me go, "No, you don't," because it's built by humans. And if it's built by humans, it's fallible.

Chris Jenkins: [00:50:06] I look at over two-thirds of my membership, small practitioners, five or fewer firm partners maybe, something like that, they're working with Main Street businesses. Nobody is going to be implementing this in the next decade. Do I think that our larger industries will? Absolutely. For internal controls, it makes a lot of sense, but wide scale adoption, it's just not for me.

Chris Jenkins: [00:50:30] Now, on the other side of that, robotic process automation and those types of things, I think there's a lot of value in firms. I think there's a lot of

value in the audit. When you look at those types of tools in AI, I think that's really what's going to make the biggest change in the profession over the next 5 to 10 years.

Peter Margaritis: [00:50:47] I would tend to agree with you there. RPAs, McCormick has two RPAs. McCormick, the spice company. One is called Old Bay. One is called Pepper. And they do vendor reconciliations. Now, some of the people in AP did lose their jobs over, but they're able to go through and do the reconciliation. You need to look in this area here, and these over here look like to be fine. You might want to sample them.

Peter Margaritis: [00:51:14] And then, there's another. From artificial intelligence, there's a company called MindBridge based out of Canada who has taken a Watson type of environment and made it affordable for smaller firms to do audits with it. Download information into their AI, and it goes to a search through, and says, "Okay, here's some high risk areas based on some parameters that's out there that firms are using today."

Peter Margaritis: [00:51:41] And with the RPAs companies are using today, I think to your point Chris, I think that will continue to grow in the short term with blockchain being underneath that. But I think you're right about that blockchain, it's out there, maybe another 5, 10, 15 years.

Chris Jenkins: [00:52:02] But you got to look at the threat that RPA actually has. And I don't want people to be scared of technologies, but it shows that there is a disruptive force in the profession because if you're doing billable hours, and everything that you do takes less and less time, and you're not billing on value, everything gets cheaper. And you're actually delivering greater value.

Chris Jenkins: [00:52:22] That's not how products work. That's not how you build a healthy bottom line. We've got to find a way around this billable hour. We have to, again, focus on the value of what we're doing. When you're looking at 100% of data rather than sampling, that's the more valuable audit, and it should be priced accordingly.

Chris Jenkins: [00:52:42] And I think that that's the threat I see. And then, you look at the HR threats, right. How do you train humans to work with machines and how do you gauge their performance when the machines are doing the work? And from the CPA perspective, robotic process automation is really cool because who audits that the robots are working properly, that they're doing what they're supposed to do. I don't know about you, but my technology tends to fail right when I need it most. And I've got the feeling that somebody-

Boyd Search: [00:53:13] When you're in charge.

Chris Jenkins: [00:53:15] Yeah, when I'm in charge of it. That's the last one. Thank you, Boyd. But somebody had to be overseeing those types of issues and making sure that year over year, transaction after transaction that these machines that are now becoming self-aware or auto-learning, as you might say, aren't learning the wrong things and actually themselves committing fraud.

Peter Margaritis: [00:53:39] That's a good point. That's an excellent point. I want to change the conversation just a bit because we are touching on it. I want to know, of your members, what is the greatest pain point? What keeps them up at night in their world? And we'll start with-

Boyd Search: [00:53:58] That is unique.

Peter Margaritis: [00:53:58] Well, we're going to start with Allen first. Well, him first, and then move from there.

Allen Lloyd: [00:54:03] I think across the board, what we hear from everybody is "I'm too busy. I got too much to do." We had a small firm roundtable. I think there are 15 people in the room. Of the 15, all 15 were looking to lose clients this year because they didn't have the capacity to do the work.

Peter Margaritis: [00:54:22] Wow.

Allen Lloyd: [00:54:23] And when we talk about robots and all these things helping us with part of the work, of those 15 people, one was using the function in their tax software that would auto-populate after scanning. And so, to me, there's this huge disconnect with these folks. I've got way too much to do. And they're hearing, "Oh, hey. Here's this tool that can help you get more done." And they're like, "I really don't want to learn what that tool can help me do." And that, to me, is a big frustration points. Hearing folks that have have a problem and a solution that's right there, it's right in front of them, but they dismiss it.

Peter Margaritis: [00:55:07] Or they dismiss them because they don't have time to learn it. So, we know there's a learning curve when you adopt anything new. And is that the issue?

Allen Lloyd: [00:55:17] This is the crazy thing because the one person that is doing it, and the past two years, the same person has been in our roundtable and made the same comment, it's as easy as making a phone call. All of the tax software providers have this functionality. They charge you for it. I mean you got to pay a little bit of money for it, but it's not something that you don't necessarily have to learn anything. You just have to tell somebody to turn it on. And that's to be a -- Opportunity is right there in your face. Take advantage of it.

Peter Margaritis: [00:55:49] So, is it fear?

Allen Lloyd: [00:55:51] I think it is stuck in the muddedness.

Peter Margaritis: [00:55:54] Stuck in the muddedness.

Allen Lloyd: [00:55:58] I've done it this way forever. Why would I change? And if it were working, and they were taking on more business and doing more, I would completely agree. I'd be like, "Yeah, what you're doing works. But clearly, it's not working. And when something's not working, I think you have to open your eyes to different opportunities."

Peter Margaritis: [00:56:20] Oh. So, now, we're dealing with word change. And we know that, historically, CPAs aren't really great at changing or wanting to change.

Allen Lloyd: [00:56:31] And I think from our perspective, one of the side impacts of this is that for the past 10-15 years, we keep hearing how busy everybody is, and that's led us as associations to professionalize everything. We're like, "Our members are too busy to do these things. We'll go ahead and do it for the members. We'll take them. We'll get rid of that committee that's done this work for 20 years because they're too busy to do this anymore. So, we'll just do it ourselves." And what we miss there is that deeper knowledge of the profession that we would have had in the past but, now, is kind of missing.

Peter Margaritis: [00:57:11] Interesting. Chris, do you have your hand up or do you just have an itch over there?

Chris Jenkins: [00:57:15] I was itching, but I'm meant to speak too. So, I'm thinking of everything, yes.

Peter Margaritis: [00:57:22] Chris, what's keeping your members up at night? What's a big pain point?

Chris Jenkins: [00:57:26] I'm not going to give you another pain point. I'm going to say the same thing. I think one of the things that's most interesting to me, it's always a staffing challenge. right. Everybody is busy. But if you move away from the people you would normally ask, which are the partners, and you start going down the line, and you get it to the younger staff, one of the biggest complaints is, "Well, nobody up the chain wants to change. And I'm, now, a young partner in this firm.".

Chris Jenkins: [00:57:50] And they'll say, "Well, I'm going to retire. It's working good enough. Why would I change? Why would I go through that hassle, that work to learn something new?" when the younger partners are going, "Hey, I have an investment in this now, and this has to go beyond your retirement. We need to change." So, that rift

between the current status, the status quo, and the people who are in the position who need to change the business, I think that's something that is significant.

Chris Jenkins: [00:58:23] And I think it's actually turning people away from the firm. So, I think that's why you're seeing more people go out on their own because they're recognizing the need for change. So, they're going to go out and create their own firm where they control their own destiny because it's become too difficult to control their destiny inside the firm.

Chris Jenkins: [00:58:39] It's true. I mean, I can understand both sides of it. Working at the position I'm in, it's really easy to go, "You know what? This has worked for 100 years. Let's ride this train," but also recognizing that if something doesn't change, eventually, the trains coming off the tracks. I think that's difficult, especially as the firms grow in size, the more difficult it becomes because you have so many people at different levels in that they want to take advantage of change and full-fighting not to take advantage or change.

Chris Jenkins: [00:59:09] So, again, it comes back to we know we have a staffing problem, we know that we're busy. I still don't understand the concept of "I'm really, really busy, but I'm billing by the hour because there's only 24 hours in the day. If we're building by value, you will then be able to afford more staff and do more clients." But that rift between young and old really does worry me, and I'm sure it worries a number of people who have just signed up to be equity partners in firms.

Peter Margaritis: [00:59:39] Yeah I've heard that a lot over the last year. So, that same argument, "I'm a young partner. They're waiting for retirement. We need to change now." But there is one thing I will correct you on. There are more than 24 hours in a day in a billing process because when I worked at Pricewaterhouse in Cleveland, we had a gentleman. His first name was Joe, I won't say his last name, who did try to bill a client 25 hours of the 24-hour workday. So, apparently, it can almost be done. It must be-

Chris Jenkins: [01:00:09] How did that work out?

Boyd Search: [01:00:11] It wasn't Tom Cruise?

Peter Margaritis: [01:00:12] No, no, it was not. Actually, the tax partner said, "We're not charging 25 hours in a 24 hour day." That's the math, whatever, but every time I hear that, I think of my friend, Joe, and trying to do that way back in the day. How about you, Boyd? What keep your members up at night?

Boyd Search: [01:00:33] Similar themes, people and time are the first two that you hear from everybody. Don't have enough people, don't have the right people, don't have enough time to do any and all this stuff. Anecdotally, a theme I am I'm hearing, and I don't think it's something that on a survey, people would go check it off and be like, "Oh, yeah, that's one of my concerns."

Boyd Search: [01:01:02] But whether you -- And this isn't about politics but whether you want to blame the Trump effect, or other things, or a combination of things, the things we are willing to accept now from leaders that we would not accept years ago, and that's not just political or government leaders, but any type of leadership position seems to be weighing on people's minds a little bit. And I don't mean Steve Jobs wearing jeans and a mock turtleneck. I don't mean that kind of stuff.

Boyd Search: [01:01:33] I mean, this sort of adherence to crazy in a lot of ways, and our general willingness to just sort of accept crazy when 10 years ago, what defined crazy in our willingness to accept it was nowhere even close to the round that we see now. And so, all of that creates a measure of, I think, uncertainty or instability in people's lives because they're just not sure about things anymore. They're not sure about the markets. They're not sure about the government. They're not sure about our international relationships. They're not sure about it just any of this stuff because so much of it's just so crazy right now that that occupies more conversations than anything else. But, again, I don't know that it's something people would check off on a survey, and say, "Yeah, that's what's keeping me up."

Peter Margaritis: [01:02:27] Maybe we should add it to a survey because I don't think I've seen a survey out there, what's keeping you up at night, having that as one of the

issues of crazy or, I guess, the lack of civility at times, the lack of respect that out there that whether it's face to face, or through social media, or whatever, there's so much noise out there that it's just mind boggling. It kind of becomes overwhelming at times.

Peter Margaritis: [01:02:57] And I guess, if I had owned an organization, had a firm, and I'd be concerned about that as well on my people. What are their perceptions? What do they feel? They'll bring that into the office. And it would show up in the productivity. Is it becoming overwhelming for them? I tell people you don't know crazy until crazy shows up. And when crazy shows up, you got to call HR and call the cops because it's not going to be pretty at that point.

Peter Margaritis: [01:03:30] We've been at this now for about an hour. And one, I thank you all for staying awake, being attentive, and being-

Boyd Search: [01:03:37] We're not ending, are we? I've got all afternoon.

Peter Margaritis: [01:03:41] We can keep going.

Chris Jenkins: [01:03:43] I'm tired of hearing Boyd.

Boyd Search: [01:03:46] Yeah, because I've dominated.

Chris Jenkins: [01:03:49] Well, speak up.

Peter Margaritis: [01:03:49] I love it when the family gets together, and it feels like we're at Thanksgiving dinner or Christmas dinner. The brother-

Chris Jenkins: [01:03:57] How are you not going to talk about the new path the CPA? Come on.

Boyd Search: [01:04:05] I was kind of thinking the same thing.

Chris Jenkins: [01:04:07] How are we not talking about it?

Allen Lloyd: [01:04:09] The evolution. It's not a pathway anymore. They changed the word. It's completely different now.

Chris Jenkins: [01:04:15] Cognator.

Boyd Search: [01:04:15] For the record, that was Chris Jenkins. For the record.

Peter Margaritis: [01:04:23] For the record, that was Chris.

Chris Jenkins: [01:04:25] I'm assuming some of that will be edited out.

Peter Margaritis: [01:04:29] I may have to listen to this before it goes out or send it to you guys. No. Let's talk about the path to the CPA. What is that path? Since you guys want to hang out for a while.

Chris Jenkins: [01:04:44] Well, since I've dominated, I would like to defer to one of my counterparts to begin this discussion on the evolution of the CPA.

Allen Lloyd: [01:04:53] I will go first because I can point to something that's not mine that I really like. And so, we had some students at the University of Montana, and they do a capstone project as grad students. At the end of that, they give a presentation on the topic. But luckily, last year, their professor was my board chair. So, this year, they went out, and they looked at this alternative pathway. We're lucky here in Montana, I have an AICPA board member and a MSCPA board member who are both here in Montana. For a state this small, that's really strange.

Peter Margaritis: [01:05:33] Very cool.

Allen Lloyd: [01:05:34] Something we've worked hard on, and something that I'm riding coattails on that at this point, and hope to continue in the future. But this group looked at it, and these are students. So, these are people that are actually, they're going to be

more impacted by this than anybody. The rest of us are going to be retired, and they're still going to be going.

Allen Lloyd: [01:05:54] And what they identified was the fact that we've got some new things that are impacting the profession. We need to find a way to make sure that people have the appropriate level of knowledge of that. But at the same time, we don't have 25 hours in the day. And so, how do we fit this new thing into the existing framework? And something I think that we we all need to start thinking about is, what are those things that have been on the exam forever that maybe have lost some relevance?

Allen Lloyd: [01:06:33] Maybe some of these things that we've been teaching and having the students do for decades is not as relevant anymore. And this new technology it's impacting or new methodologies for doing the work is impacting. How do we make a change so that we can swap those things out?

Allen Lloyd: [01:06:53] And then my other big concern is, what about all these CPAs that are already out there? How do we make sure that as this profession is evolving that the -- We started talking about CPE. How do we make sure that that CPE is having the impact that it needs to have, so that everybody, not just the new students coming out, have this knowledge?

Peter Margaritis: [01:07:18] Should there be more than one type of CPA exam tailored to whatever specialty that I want to-

Allen Lloyd: [01:07:30] See, I have -- Initially, I really liked that idea of having CPA tax, CPA audit, right. But realistically, CPA, we only have one thing that we're the only people that -- They only have one thing that they're the only people they can do, that's attestation. And so, to have it for tax, well, technically, Chris Boyd and I could go open a tax shop today, and there's nothing to prevent that. So, that, to me, it becomes that regulatory part, where by state regulation, we can do one thing. If we're going to make that credential, then specialize in something else.

Peter Margaritis: [01:08:13] So, I'm a CPA, and I've done a test, and I don't do taxes, but I still have to do other things to maintain my license that has nothing to do with what I currently do, even though I'm on the other side trying to teach. And then, you look at the tax person in Michigan, you had to get like 15 hours or 8 hours of tax. And I taught a couple of classes up there. I do an A&A stuff, and I was getting like blank stares and stuff. I go, "What's going on?" And they go, "We're all tax people. We're just here just to set because the state requires us to do that to get 8 hours when maybe there's something more specialized they should be doing. So what kind of discussions are they having at the national level about this?"

Allen Lloyd: [01:09:06] I guess, I'm going to chime in. Well, I'm going to start this one too with one more pet peeve. And I'll stop being the Chris Jenkins. There's currently a group of 10, okay. You can see 10 people talking about this, okay?

Peter Margaritis: [01:09:21] Yeah.

Allen Lloyd: [01:09:21] That subcommittee is a group of 10 people. None of those 10 people is under the age of 40. None those 10 people work in industry. None of those 10 people work on the consumer side of financial statements. To me, that is a huge issue with that group.

Peter Margaritis: [01:09:46] Well, you don't have the right group together to do it. I'd say we're going to have diversity but I just got a bunch of older white guys to talk about it.

Allen Lloyd: [01:09:55] Mmhmm (affirmative).

Peter Margaritis: [01:09:56] Yeah, okay. So, Boyd, you're up, bud.

Boyd Search: [01:09:57] I am confused by a whole lot of things when we talk about CPA evolution because like the I checked, this profession's over 100 years old, and it has evolved in all kinds of ways and has been able to do it without fracturing itself at its core or its foundation. And so, it is completely beyond me why the conversation can't

be, "Let's assess what being a CPA is today, assess what we think it's going to be tomorrow, and you can measure tomorrow in whatever span of time you want to. And then, talk about the work that has to be done to freaking exam to adapt to those things." I don't understand why that's not the conversation.

Boyd Search: [01:10:53] And one of the responses is that, "Well, it takes five years to change the exam." So, you're telling me it's going to take less than five years to do this fractured other path or this other thing that's somehow, then, going to have a foundation that can withstand the next hundred years like the current one? None of it makes any sense to me. It's all in a mad rush. I don't understand that. And it's like, "Well, our hair's on fire, and we're all going to die, and we have to do it now." And I don't buy any of that.

Boyd Search: [01:11:20] I think, are we behind? Yes. Are firms operating, hiring, and practicing in a way that's different than what the exam largely test to in certain areas of the business? Yes. Okay. Well, then, let's start changing the exam to address those things. If we want to have a wider pipeline of people into it, then let's change the requirements that qualify you to sit for the exam.

Boyd Search: [01:11:48] I mean, largely, they're arbitrary. If you can pass the test, why can't you be a CPA? I get the whole education thing. I'm good with having to have a degree or 150 hours, which is an entirely different conversation. But if you have a college degree or a master's degree, and you can pass that exam, tell me why you don't belong, whether your degrees in tiddlywinks or brain surgery. None of it makes any sense to me. We're spending so much time on this nonsensical stuff, which let's have a conversation about changing the exam to meet today's and tomorrow's standards. Why is it harder than this? I'm sorry.

Peter Margaritis: [01:12:27] No, no. I'm glad you're not passionate about this at all.

Boyd Search: [01:12:32] Who's the Chris Jenkins now?

Peter Margaritis: [01:12:32] So, boy, I'll ask all three of this question, and then I'll get Chris, but there was a gentleman here in Ohio who didn't have an accounting degree,

and passed the CPA exam because he met some requirement out there. I don't -- Do you remember the guy's name?

Chris Jenkins: [01:12:52] I don't remember the name, but I know that you can. In Ohio, you can get a CPA without having an accounting degree. There's a backdoor.

Allen Lloyd: [01:12:58] You've got to have so many hours in accounting.

Chris Jenkins: [01:13:02] Right.

Allen Lloyd: [01:13:04] You don't have to have an accounting degree.

Peter Margaritis: [01:13:06] Right, but you have to have so many hours. There was a backdoor for this guy. He's one of the few in the state to do it through the back door. Chris, your thoughts?

Chris Jenkins: [01:13:14] CPA is the gold standard among financial professionals. It's a brand. It's a known brand. There's a lot of trust around that brand. The concept, like Boyd said, that there needs to be some other thing that happens for the profession to evolve, I have a hard time coming to grips with that simply because I've been to a lot of firms, and I don't see too many advocacies laying around anymore.

Chris Jenkins: [01:13:38] My experience with CPA is when technology is going to make business better, they use it. They're the trusted business advisors. They normally work well outside of the scope of finance to ensure that they're advising their clients on the right tools to use to complete the job. It's most of the time in specific industries, which I think is an incredible asset to the profession.

Chris Jenkins: [01:13:59] Is it true that the world is changing? Absolutely. Does that mean that there has to be a different path? I've had a hard time with it. The original proposal where we were going to get technology folks to switch over and get their CPA, as a technology professional, I have a number of credentials. I'm very proud of them. I worked hard to get them. Straight out of college with an IT degree, firms are going to

have to really up their pay scale if they think that they're going to transition somebody from an IT degree to a finance degree. It's the nature of the beast, right.

Chris Jenkins: [01:14:34] The problem that I have with education, and when we say, "Well, we'll have a different path of education, and we'll do something different here," technology education, it's not real. What you're learning at a university is already outdated by the time that you graduate. It changes too quickly. So, to, again, say, "Well, we'll load it up with education," that's silly. It's cost prohibitive. It makes people not want to go and get the CPA. Technology courses are outdated by the time that you get out.

Chris Jenkins: [01:15:04] So, again, this is where experience comes in, right. It is a three-legged stool: exam, experience, and education. With today's environment with colleges and with college courses, it's overly expensive to get to 150 hours. If you're going to take 150 hours, you want to take it in things that are going to pay you back.

Chris Jenkins: [01:15:21] I think that there has to be a lot of consideration given to that type of roadblock. And is it actually beneficial to a CPA? Are there other ways to achieve that through experience? Is there a bridge, for example, where instead of 150 and a year of experience, can you do two years of experience and 120, and actually gain the skills through doing things?

Chris Jenkins: [01:15:42] There's got to be a more flexible way, but the idea that we would take the CPA and try to transition it into something that it's not to devalue that trusted professional, to devalue the gold standard, I think it's harmful to the profession overall. Do I think that we have to learn new skills, just like Boyd said? Absolutely. Do I think there's a better way? Absolutely. And I think it starts with the exam. If items on the exam aren't relevant, change into something that is.

Chris Jenkins: [01:16:12] And if you change the exam, guess what the university is going to do? It's going to change what they're teaching. So, you're going to get the education. And then, when you get in the firm, you're actually going to be prepared to do the work that's necessary.

Chris Jenkins: [01:16:24] What firms are upset about is they're getting CPA candidates in, they can't do the work because they've been taught something from 10 years ago. Change the exam, the educators will follow, which will give you the experience that you need, and you're going to have highly qualified financial professionals, which is what a CPA is, that understand the technology around them just like we've had for the past hundred years.

Boyd Search: [01:16:43] I will add to what Chris said a little bit in that, one, anecdotally, we have a few firms, managing partners that kind of rail on this issue is that this notion that when we implemented 150-hour requirement in Georgia, as an example, we actually reduced the experience requirement to then become licensed. And they were against that when it happened, not necessarily against 150 hours, but against the reduction experience requirement.

Boyd Search: [01:17:13] And basically what they said is, "Look, what we've done is we have advocated our responsibility to have some type of apprenticeship in here, in this profession to universities, but they're not actually getting any skills that you develop through an apprenticeship." And so, there is there is some frustration over that whole concept.

Peter Margaritis: [01:17:35] Well, I will say this about one while you're a chair in Ohio, one of the things I was trying to tackle is if we're going to have 150 hours, put some meat on the damn bone. In Ohio, there was no meat on the bone. You could take anything. You can underwater bone pottery. As long as you got college credit for something that went to the 150 hours, which I thought that was a waste.

Peter Margaritis: [01:17:57] And my whole notch is, I think 120, get the accounting degree up to experience level, they still have to take CPE, they still have to do that other stuff, probably create a better CPA than make them take an additional 30 hours in something that's not relevant, or they're just trying to get the hours, just so they can sit for the exam. I just think that's been crazy.

Peter Margaritis: [01:18:21] And from what I understand, a lot of states haven't put any meat on that bone to say, "You need to take X, Y, and Z because that will make you a better CPA, pass exam." No. And what they typically test on the exam is what you took in your college-

Allen Lloyd: [01:18:38] Undergrad.

Peter Margaritis: [01:18:38] Undergrad, thank you. You just completed me. Thank you.

Boyd Search: [01:18:43] I also noticed, if you guys noticed, I did join the Glasses Brigade. You were all you're all there, so I felt the need to-

Chris Jenkins: [01:18:50] You still don't look smart.

Boyd Search: [01:18:51] When you're not, it's kind of hard sometimes.

Peter Margaritis: [01:18:58] Hey, why are you guys all looking to me? Hey, stop that.

Chris Jenkins: [01:19:03] I really question the cost of the education at this point. And I think that's the difference in the '90s when it was implemented versus today, and the fact that we are grasping for straws to now say what the education should be, and you have students who are just trying, especially first generation college students, to reduce their costs, to find non-traditional education, to meet a requirement. It is completely arbitrary.

Chris Jenkins: [01:19:28] And if you want to if you want to increase the number of people willing to take the exam, you really do need to look at the cost of that education versus the value it delivers. This was an apprenticeship profession when it began. And I think there's a lot to be said for the apprenticeship and the experience that comes with that.

Peter Margaritis: [01:19:48] I agree. I agree. Anything else you guys wanna talk about?

Chris Jenkins: [01:19:52] We can talk about why Clark is so great.

Boyd Search: [01:19:56] There is a coaching tree legacy or whatever that's out there. And I think you recognize the three of us as a part of it at the beginning. But Pete, there's no question, you're a part of that as well having served in leadership with him and stuff. And we would be remiss if we didn't take the opportunity to tell him that we love him, and he's a brilliant leader, but he's also totally full of crap.

Peter Margaritis: [01:20:19] So, Clark, you recognize that voice. That was Allen. Yeah, I think you spoke for all of us very well there, Boyd, about our feelings for Clark, and what he has done, and what he has taught all of us, and continues to teach us because I know you guys get together in Tennessee with him at times and I can just -- I'd love to be a fly on that wall just to hear what you guys are talking about, what you're hearing. Being retired, but he's still connected to what's going on in the profession very much so. So, a big shout out to-

Boyd Search: [01:21:00] That would be a lovely podcast.

Peter Margaritis: [01:21:06] Thank you, but that's okay. We do just that one little nugget. Just that one little nugget that you'd be able to pull out and be able to use. Gentlemen, I greatly appreciate you taking time to do this. Always fun to get the three of us, four of us together. Unfortunately-

Chris Jenkins: [01:21:24] [crosstalk].

Peter Margaritis: [01:21:25] Yeah, I can't. I'm the Accidental Accountant. And I haven't even started drinking yet. But, unfortunately, we had to get together via Zoom. But, hopefully, all of our paths will be in the same spot at one point in time. And I know how this can happen since I think Boyd could appoint me an at-large member, or Chris, or Allen to the accountancy board. And then, at least twice a year -- I mean, to the AICPA Council. And twice a year, we could, at least, get together, and all of us at one spot.

Peter Margaritis: [01:21:58] I'm just throwing out ideas, but I do greatly appreciate you guys taking time to do this. I think your insights and your knowledge is well worth people's time to sit, and listen to, and formulate opinions, and see how this profession will continue to move forward, and what changes will need to be made.

Peter Margaritis: [01:22:18] So, I will leave you with this. Happy New Year. Tons of prosperity. You guys have done great. And your roles as CEO, you're making mass changes, and you make great things for this profession into the area that you -- to your community. I'm just proud to know the three of you guys.

Chris Jenkins: [01:22:35] Right back at you.

Boyd Search: [01:22:36] Yeah, I'm shaking my head. They can't hear that, can they? Only Boyd can.

Peter Margaritis: [01:22:39] Only Boyd can do it.

Allen Lloyd: [01:22:43] It's funny that you say that. We're talking about Clark. We're talking about the four of us getting together. I think one of those things that's always amazed me about Clark and seeing this now, it props me up, but he really did a great job of finding people that he could mold. And I think that looking at all of us, we learned a great deal from him, but that's because he saw something in us. I'm proud of that as a person that Clark saw something in me and was able to build me into what I am today.

Chris Jenkins: [01:23:17] Some of us, we did challenge him more than others.

Peter Margaritis: [01:23:22] Yeah. Some of them challenge him more than others?

Chris Jenkins: [01:23:24] Yes. I absolutely love Clark Price, and I would not be where I'm at today if he weren't there guiding me and pushing me. And I could say the same thing about Boyd. I would not be sitting where I'm sitting today because I didn't always make the best decisions or control my emotions to the best of my ability, but I've grown a little bit, just a little bit, but I will always cherish that time.

Chris Jenkins: [01:23:46] And I'll be honest, in the last month, there's been a couple of tough spots I've been in where I needed to vent, I needed to get some advice, and he always takes my calls, and talks me through it, and tells me when I'm stupid, which is in his own Clark Price kind of way of telling you you're stupid or giving you that advice on how to move forward. I wouldn't trade anything for the time that I had with him in Ohio.

Peter Margaritis: [01:24:11] Yeah, those were-

Chris Jenkins: [01:24:13] Now, you Pete, on the other hand, I give that up in a heartbeat.

Peter Margaritis: [01:24:19] Back at you.

Boyd Search: [01:24:20] And yet another reason Pete's a member in Georgia and not South Carolina, right.

Peter Margaritis: [01:24:30] Oh, god, this one has been way too much fun. So, I do think the next thing that -- We should do this again but do it after 5:00. That should produce some additional fodder as well.

Chris Jenkins: [01:24:40] I think we should do the video. I think we should do it video, and weekly, and live broadcast it, and we all have to be drinking while we do it.

Peter Margaritis: [01:24:49] I'm in.

Chris Jenkins: [01:24:50] I might be able to get permission from my board to agree to not fire me over anything I might say in that.

Peter Margaritis: [01:24:58] You know, you might be on to something. Maybe even -- I'm not sure how we could do that live, but I'll look into that. Maybe we'll do a session live, and see how many people will be in the audience listening to us.

Boyd Search: [01:25:12] I'll be there for sure.

Peter Margaritis: [01:25:13] And happily as well.

Allen Lloyd: [01:25:16] We need really good bouncers, somebody to control the door, make sure the right people are in there.

Peter Margaritis: [01:25:24] Yeah. And I think Clark might be in the front row. So, guys, I do appreciate you guys a lot. I am privileged to have you guys as colleagues, as friends. And I look forward to, hopefully, spending some time face to face with you guys all in 2019, preferably someplace warm.

Chris Jenkins: [01:25:48] Charleston.

Peter Margaritis: [01:25:48] Works for me.

Chris Jenkins: [01:25:50] Convention is in Charleston and 2019, maybe all of us can get there.

Peter Margaritis: [01:25:56] Hey, I'll crash it. I'll crash the party. I'll crash that day. Oh, that's your annual convention. I still crash it.

Chris Jenkins: [01:26:06] Exactly.

Peter Margaritis: [01:26:07] Exactly. Cool. Great talk. Great talk for us. And we'll talk to you in '19. You guys have a happy holidays and look forward to chatting soon.

Peter Margaritis: [01:26:21] I want to thank Allen, Boyd, and Chris for taking time out of their schedules to be a guests on my podcast. It was so much fun interviewing these guys as you can tell by the laughter during the interview. I'm greatly indebted to all three of them, and I wish all three of them a very prosperous and Happy New Year.

Peter Margaritis: [01:26:38] In Episode 20, which airs on January 21st, I interviewed Jennifer Briggs, who's the CEO of the Indiana CPA Society. I interviewed Jennifer back in October of 2017, and our discussion centered around competency-based CPE, and how the Indiana CPA Society was utilizing this with their members. Well, it's been over a year, and I wanted to see how competency-based CPE was evolving in their state. So, thank you again for listening. Happy New Year, and share this episode with a friend.