



Early Career Task Force Report to AGA's National Executive Committee October 2007

Introduction

The aging of America is a reality. From 2005 to 2030, the 65-and-over population will nearly double to 71 million and its share of the population will rise to 20 percent from 12 percent. However, even the Government Accountability Office (GAO), who has called strategic human capital management a government wide high-risk since 2001, doesn't cite the aging workforce and potential retirement wave as a "crisis". Instead it's viewed as the impetus to force agencies to transform their cultures and reform their longstanding approach to marshaling, managing, and maintaining the human capital needed to maximize the government's performance and ensure its accountability.

While thankfully not faced with wide scale human capital reform, AGA will be, if not already, affected. AGA's challenge to recruit, develop, motivate and retain key talent to meet its leadership needs, however, is never ending. As younger leaders take over, their generationally-shaped workplace related habits, attitudes, and values *will* reshape the organization. AGA should prepare itself for change.

Over the years through trial and error, the AGA National Office has accumulated a great deal of experience in what has and hasn't worked with early career programming and has been responsive in tweaking its offerings accordingly. Great programs and incentives aimed at early careers already exist, some better known and used than others. While all chapters don't have access to large populations of young professionals, all do face the challenge of succession planning and recruiting and developing new leaders.

Objectives and Methodology

At the request of Jeff Hart, AGA National President 2006-2007, the Early Career Task Force was established to determine how we can do a better job of recruiting and retaining early careers (younger) members and to develop suggestions to enlist a new generation of leaders for the organization. The task force, comprised of several AGA members under the age of 35 years as well as members experienced in working with early career programs in their chapters, met telephonically over the course of the past year and convened a roundtable discussion at this year's PDC to brainstorm ideas related to the task force objectives. Ideas generated were assessed in relation to existing AGA programs and incentives provided for early careers and the group benchmarked against similar professional organizations in making its conclusions. The

task force, as well as National Executive Committee (NEC) members, also conducted random interviews at their offices with individuals under the age of 35 to ascertain:

- why they did or did not join AGA
- if they are a member of any professional organizations
- things that are important to them when joining a professional organization
- obstacles that have kept them from joining a professional organization.

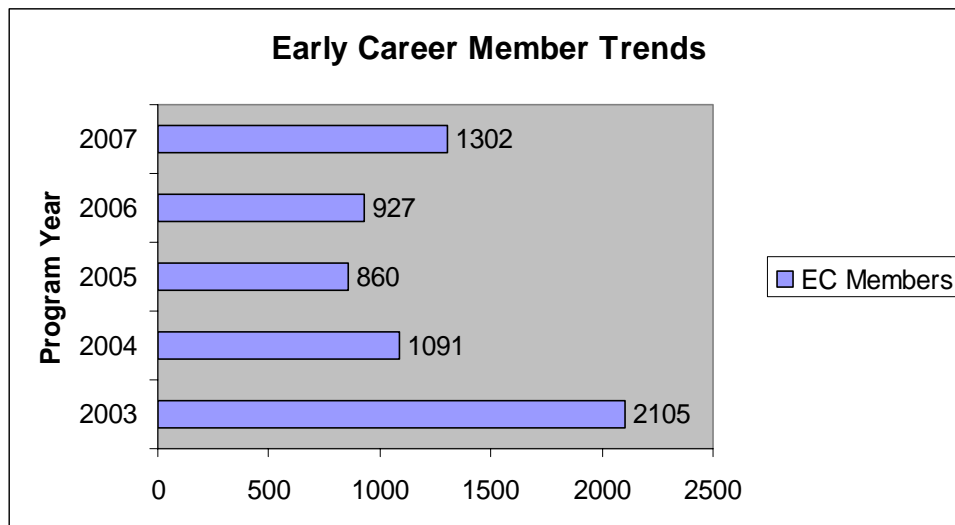
AGA Demographics

It is not mandatory for members or CGFMs to divulge their age, as a result, age information does not exist in AGA's iMIS membership system for more than 50 percent of our membership, making it difficult to have a full understanding of membership demographics by age. The membership system tracks by member category, which gave us some insight on AGA's "early career" population. As defined by AGA bylaws, this member category is bestowed upon individuals with less than three years experience in their government career. However, we do not consider that category definition sufficient enough to assess the state of AGA's recruiting, retaining and development of young members.

Available information shows the following:

- Total number of members as of 09.10.07: 14,668
- Early career members 1,302 (9% of total members)
- Number of early career members that did not renew their membership: 287 (22%)
- Total number of members that attended the 2007 Sectional Leadership Meetings (SLMs): 280
- Early Career members that attended the 207 SLMs: 19 (7% of SLM attendees)
- Total number of CGFMs: 10,424
- Early Career CGFMs: 39 (<1%)
- Nominations received for the new *AGA Emerging Leader* award in 2007: 4 (Individuals nominated must have 5-10 years of experience within the government financial management industry.)
- Number of chapters (out of 90) that signed up an EC member to use the 2007 early career PDC hotel scholarship: 9 (10% of chapters)
- Number of chapters (out of 90) that have claimed (partial or full) points for early careers section VI, (goals 1 and 2 - worth 2,000 points) in the chapter recognition program: 38 (= 42% of chapters) (this is the first year that chapters could earn points for EC activities so this is the first statistic available)
- Early Career Employers in 2007:
 - Private: 401
 - State/Local: 469
 - Federal: 352
 - Other (Students): 80

Since 2003, AGA's early career membership has fluctuated as shown in the chart below. A variety of events may help to explain the changes. In 2003, a bylaws update changed the early career member type to individuals with less than three years experience versus six years, narrowing the window for early career members in half. In 2004, AGA sponsored the first national career fair and offered free membership to the registrants, which may have helped boost early career membership. Recently, the chapter recognition program has offered incentives for chapters to recruit early career members. AGA has also strengthened its ties to the Beta Alpha Psi honors accounting society, and free memberships have been offered to interested college students (see Appendix 1 for a complete list of current AGA-aimed Early Career programs).



As opposed to considering early careers in their true definition of "individuals with less than three years experience in their government career", the task force instead took a broader perspective of AGA's younger membership, informally defining that group as those aged 35 or less.

Conclusions

Be Mindful of Generational Differences to Make AGA Enticing to Current and Future Leaders

Recognizing the preferences and motivations of AGA's latest and future generations of leaders is important in enabling AGA to most effectively recruit, develop and retain them (see Appendix 2). Young people need to be involved in visible roles and integrated into all facets of chapter activities. AGA needs to engage them in our established educational and certification programs – encourage them to continue their professional development with the CGFM certification. Capitalizing on what is important to younger generations, AGA should highlight opportunities to socialize and network, sending the message to young people that being a member is FUN. AGA's membership fee is not cost prohibitive.

At \$45, the annual membership fee for an early career member is far less than most young people's monthly cell phone bill, but the investment needs to be marketed as a gateway into a valuable network. Getting younger people to more local educational events might be a more realistic goal than expecting to see them en masse at a national conference, since travel expenses can be cost prohibitive and office or chapter seniority might force them to "earn" their way into contention through time or service. New professionals may also have specific technical or task related courses required of them before having much discretion in their training schedule. Enlisting senior management encouragement or invitation is often one of the most effective ways to recruit members and leaders and would seem to be even more necessary for impressionable new professionals. Nonetheless, when we asked young people what the barriers were to joining AGA, the cost of membership, particularly when a competing professional association was cheaper (American Society of Military Comptrollers), was cited frequently as a barrier.

Highlight AGA's Existing Early Career-Related Offerings

AGA has long recognized the importance of "early career" members and dedicated significant resources and time to reaching out and making itself attractive to this group. While AGA offers a wealth of early career related resources, including incentives, best practices, and on-going programs, there is surprisingly little comprehensive awareness of it, even by members of our task force who have experience in working with early careers.

Chapter Best Practices Abound

AGA is fortunate to have strong early career interest and programs in some of its chapters located in large metropolitan areas such as Dallas and the Capital Region. With larger populations of potential young members to work with, AGA has been well served by the innovation of early career leaders in these areas that have generated a lot of best practices from their experiences. Chapters and volunteers new to early careers don't have to reinvent the wheel or start from scratch but only have to visit the AGA website for a wealth of information on what has worked. The National Office staff is also a great resource because they can put interested parties in touch with those with related experience.

Leadership Knows No Age Limit

While involvement of younger members is definitely important, the development of new leaders, regardless of age, is critical to the success of AGA. Age therefore should not be an exclusionary or limiting factor to anyone wanting to more fully participate in AGA. Investing in "emerging leaders" may have more potential to be effective universally.

Young People Are Already Stepping Up

In many chapters and regions, younger members have already stepped up in filling leadership roles, as confirmed by the presence of members 35 or younger at last year's SLMs. While age-related demographics are incomplete, this year's PDC also had a visible presence of young people. To build on this progress, AGA could indicate its desire to have early career input at all levels of the organization. Early Career

individuals do not normally have access to the workings of AGA at the national and regional levels due their newness, not only to their careers, but to AGA. They also do not typically have an opportunity to influence the direction of the organization. Increasing opportunities for younger members could be adopted as part of an “Emerging Leaders” program to develop future AGA leaders.

Corporate Sponsors Are Contributing to AGA’s Exposure to Young People

The growth of AGA’s corporate sponsorship program is providing exposure to a significant number of young people that have the potential to become AGA leaders. These young people have a very visible presence at the PDC and may be encouraged by their employer to seek the CGFM.

Name Confusion Persists

Getting over the misconception of AGA being an organization for accountants makes recruiting, particularly younger members, an even bigger challenge. A *U.S. News & World Report* article dated 11.04.04, suggested that GAO “borrowed a page from private industry and market themselves more aggressively to would-be applicants” with its name change from the General Accounting Office to the Government Accountability Office. The article goes on to quote the managing director of recruitment and employment services as saying, “Accounting sounded like we were just balance sheets and financial statements. Accountability gives a broader sense of our work to assess how government programs are being carried out.”

Recommendation

We recommend that the NEC establish a National Emerging Leaders focus group to ensure the continuation of the work begun by the early career task force in determining ways that AGA can better recruit and retain members from Generation X (currently aged 42 to 27) and the Millennial generation (currently aged 27 or younger) and to develop suggestions to enlist a new generation of leaders for the organization (coined “emerging leaders”).

The National Emerging Leaders focus group should be charged with developing suggestions for how AGA’s strategic plan could be expanded to include the perspective of Generation X and Millennial generation individuals. A list of questions has been provided for consideration as a potential framework for focus group discussions (see Appendix 4). The focus group will also study the implementation of suggested practices or more fully develop concerns raised by this report.

Focus group members should be members of AGA, part of either the Millennial generation or Generation X, and appointed for renewable one-year terms. Similar to regional coordinator positions, all focus group members should be invited to attend their closest sectional leadership meeting if funds are available.

It is envisioned that the National Emerging Leaders focus group will be mutually beneficial to AGA and its participants. The focus group will provide AGA leaders and

staff insight to better position AGA to attract, recruit and develop new leaders. Additionally, this will provide younger members leadership opportunities at the national level.

Current AGA Early Career Programs

1. Become a Government Financial Manager PowerPoint Presentation: www.agacgfm.org/tomorrow/downloads/AGABecomeaGFM.ppt
2. Tomorrow's Professionals Website: www.agacgfm.org/tomorrow
3. AGA's First Undergraduate Government Finance Case Challenge – Oct. 15, 2007: www.agacgfm.org/challenge/index.htm
4. Chapter Early Career Best Practices: <https://members.agacgfm.org/scriptcontent/membersonly/bestpractices.cfm>
5. Online Early Career Corner: <http://members.agacgfm.org/scriptcontent/membersonly/eccorner.cfm>
6. Become a Government Financial Manager Tri-Fold Brochure: www.agacgfm.org/tomorrow/downloads/TmwProfBroc.pdf
7. Contact information for College deans and career centers upon request from the National Office.
8. AGA is an International Affiliate member of Beta Alpha Psi: www.bap.org/associates.htm.
9. AGA developed a government financial management collegiate course syllabus available to all chapters to pitch to local colleges and universities. Contact jsanders@agacgfm.org in our Education Dept. for the information.
10. AGA Career Center – AGA has an affiliate relationship with Careerbank.com at: <http://aga.careerbank.com/>. This site houses over 5,000 financial management positions across the globe. Individuals can load their resume and view available positions for free.
11. The AGA Academy offers several scholarships and assistantships to students pursuing a doctorate in financial management/auditing/performance disciplines: www.agacgfm.org/academy/index.aspx.
12. Chapter Recognition points are awarded to chapters that offer/participate in activities devoted to early career members.
13. AGA offers a new *National Emerging Leader Award* for Excellence to early career members: www.agacgfm.org/membership/awards/emergingleader.aspx

14. AGA offers college and high school scholarships annually.
15. Career Profiles – AGA interviews randomly selected early career members and constructs profile articles to help demonstrate the different government career options that exist: www.agacgfm.org/tomorrow/profiles.htm.
16. Hotel scholarships are offered to an EC member within each chapter for the Professional Development Conference (PDC) and National Leadership Conference (NLC). Cost example: 2007 PDC in Nashville, TN - \$140/night x 5 nights=\$700. We offer two scholarships per chapter for the PDC. The fee fluctuates as the per diem rate changes in each event location. We had 70 people utilize the PDC scholarship in 2007 which cost the National Office: \$50K.

Defining Generational Characteristics of Today's Workforce

Currently, "Baby Boomers" make up most of the AGA membership. This driven, workaholic group, born between 1945 and 1964 (currently aged 62 to 43), will "go the extra mile" and is always looking for opportunities to make a contribution. They often join professional organizations because "it is what a professional is supposed to do." This group believes they have changed the world and no one could have done it better. Unfortunately, this group sees themselves as "the stars of the show" and often resists change to processes that they have implemented. Since this group views hard work as necessary for moving to the next level, they are often willing to give lots of time to any group of which they are a part. Looking for opportunities to prove themselves, they often volunteer within organizations and utilize their accomplishments in climbing the ladder of success. Being a part of a professional organization and serving in a leadership position is generally a part of their career path.

"Generation X" was born between 1965 and 1980 (currently aged 42 to 27). This group tends to reject everything that is important to Baby Boomers. Unlike their predecessors, they do not trust institutions and organizations. This group is discouraged about society in general and is looking for a balance in their work and personal life. They are interested learning and growing in their work or organizations, however their time away from work is treasured and any group they join must demonstrate value, since it takes time from their personal time. Networking and having "fun" are important to this group. Friends and relationships are very important to this group and meeting others their age within their profession is very desirable. Having too many rules that handcuff their creativity is viewed as a negative characteristic for employers or organizations. Strict rules are too confining for this group. This group prefers quick communication in short sentences and brief messages. They frequently log into web pages and want to research organizations and groups via the internet.

The "Millennial" generation was born between 1980 to present (currently aged 27 and younger) and is just beginning to enter the workforce. This group is optimistic about the future and realistic about the present. They are tenacious and prefer collective action. They think globally, take technology for granted, seek networking opportunities, and want to make a difference in the world. They have a good work ethic and are looking for opportunities to learn and grow in their career and prove themselves. They want to see how they made a difference in others' lives or in their own personal life. They don't like the idea of starting at the bottom and they want to see immediate results and action. Millennials are still young and are searching for mentors that can assist them in planning their careers. This group is very techno savvy and email is their preferred mode of communication.

Task force members were asked to prioritize their top two suggestions for addition, deletion or revision to AGA's current slate of early career offerings. The National Emerging Leaders focus group, as interested, could assist in determining the feasibility of these suggestions.

1. Offer Free CGFM Training to Early Careers Who Join a Chapter

One way to encourage younger members to join AGA is to offer free CGFM training. The current cost of the CGFM program is \$85 per applicant and \$109 per test per applicant. Barring any employer financial support, it costs an applicant at least \$412 to sit for the CGFM exam, maybe more if the applicant doesn't pass all three exams on the first try.

While the CPA designation is much more expensive to obtain, younger members may elect to pursue the CPA designation because it is recognized more universally. Providing financial assistance through free or subsidized CGFM training and testing may persuade more young people to sit for the CGFM exam. Receiving free CGFM training upon joining a local AGA chapter would immediately give new members a vested interest in the chapter and cause them to maintain their membership status for a longer period of time.

2. Identify a "Capstone" Theme for AGA to Use in Attracting and Retaining Emerging Leaders

Professional associations like AGA group must compete for members by offering and continuing to meet the purposive and material needs of a new generation while trying to focus on the collective interest, values and status of the profession. Even political parties and military services are finding the need to market and campaign using new tools such as internet sources, blogs, and networks to communicate with potential recruits. A catchy phrase can be endearing and leave a long lasting impression -- "Be All That You Can Be...In the Army" was a recruiting jingle that's still remembered today.

After identifying where it wants to be in the next 5-10 years, AGA should consider adopting a "capstone" campaign theme that current and potential members can identify with, then get the "message" out to where targeted professionals live, learn, work and play. This could also be used in enlisting "emerging leaders" to show the value of good leadership in AGA. A theme can come from any source but should be based on some research and testing for potential impact and results. AGA has the potential of being an "important next step" in the next generation government professional's career. We just need to "market" that concept to them.

3. Get More "Emerging Leaders" to Conferences

The incentive of attending AGA conferences is a great tool to motivate, develop, and shape future AGA leaders at all levels. AGA recognizes that attending a conference can be a great way for an "emerging leader" to gain enthusiasm for being apart of the

organization. While AGA did offer an “early career” PDC hotel scholarship” in 2007, it was only utilized by 14 people. To be most effective, AGA should consider renaming the existing “early career” PDC hotel scholarship to “emerging leader” so that age does not restrict a chapter from sending a member with leadership aspirations from utilizing it.

Attending conferences provides AGA’s emerging leaders the opportunity to:

- 1.) Network with peers, managers, and high level executives in a professional, non-work environment
- 2.) Experience professional development beyond the chapter level
- 3.) Experience the organizations' commitment to motivating, developing and shaping its "emerging leaders".

Lowering the national conference registration fees for "emerging leaders" or providing additional incentives for chapters to send more "emerging leaders" to local, regional, and national conferences could be effective in building a cadre of future leaders.

4. Better Describe Early Career Related Positions

Consider establishing "Early Career" positions and related job descriptions to outline duties for: (1) the National Office’s National Early Career Coordinator, (2) Regional Coordinators for Early Careers (3) Regional Vice Presidents and (4) Early Career Directors/Chairpersons.

If “early careers” are truly considered the "future of the organization", regional coordinators for Early Careers need to be re-established. Early career job descriptions, goals and objectives should address tasks that target both professionals and students.

Job descriptions should also include emphasis on developing areas that are critical to the success of the early career program such as: (1) social networking (2) educational opportunities (3) mentoring (4) financial subsidies and, (4) involvement in local chapter, regional and national activities.

5. Ensure Young Member Participation at the Highest Level of AGA

Consider establishing positions to ensure younger member visibility and participation at the highest levels of AGA. For example:

- An early career/emerging leader seat on the NEC or National Board of Directors
- A national early career committee to maintain an early career focus for AGA
- An early career Regional Vice President to work with the early careers and CGFM Regional Coordinators to ensure a coordinated approach to early career initiatives.

6. Continue to Encourage Innovation in Early Career Programming and the Sharing of “Best Practices”

Chapters that had success with Early Careers should be encouraged to share their ideas and successes with other AGA chapters by posting them on the AGA National website. Although “one size does not fit all,” these successes can be tailored to the needs and available resources that existing chapters may have for establishing and maintaining their Early Career Programs.

AGA is always looking to recruit new members and increase participation among their current members. In addition, the AGA National website provides a wealth of information that chapters can use to market and develop their Early Career Programs. There are chapter reports from the Members Only Website that chapters can use to identify their Early Career Members. By giving chapters additional resources of information, other AGA chapters and AGA nationally can continue to thrive as a whole.

From these identified successes, AGA staff and AGA leaders can make decisions that will greatly benefit the AGA Early Career Programs. AGA can also incorporate these “Best Practices” into the Chapter Recognition Program to not only assist chapters in the development of their Early Career Programs, but to also provide opportunities for rewarding and recognizing them for their efforts.

7. AGA Should Market Itself to Colleges and Universities

Many business schools don't promote careers in government. Students rarely get the chance to see that there are other avenues of employment other than those in public and private industry. Students also remain unaware of AGA and the CGFM certification. AGA should promote the CGFM certification as an alternative to the CPA or CIA for governmental jobs. AGA should distribute materials to make students aware of governmental jobs and the different sectors including local, state, and federal and that jobs are available throughout the country and the potential for success is also available through government and AGA.

The key is to market government to college students so that they will want to work in the government sector. Then they will have a reason to join and become active in AGA. Having local AGA chapter representatives speak at campus clubs and organizations where other public and private firms speak is important, so AGA can begin reaching young students as well as those graduating. Also, have local chapters set up at local college career fairs to increase the awareness of AGA among students. AGA materials can be distributed both at the clubs and organizations and at the career fairs.

Consider targeting accounting professors with membership or CGFM scholarships in exchange for an agreement to be a college/university liaison between students and the local chapter. This could include making students aware of meetings, inviting them to attend, and/or attending with students, inviting AGA members to address classes or clubs, administering AGA scholarships, promoting the CGFM designation, earning the CGFM designation.

Initial Questions for the Proposed National Emerging Leaders Focus Group

Generation X focused questions:

1. How can AGA help to increase their trust in government financial programs and in AGA? How can AGA help you influence government in a way that will help to increase your trust/confidence in government?
2. How can we increase AGA's value to you?
3. How can we create AGA opportunities that do not require major time commitments?
4. How can we provide better/additional networking opportunities for you?
5. How can we make AGA more fun for you?
6. How can we create opportunities to unleash your group's creativity, in ways that are not available to you at work?
7. How can we reduce or streamline the "rules" related to AGA operations at all levels?
8. How can we communicate with your group better? Do we have the information you need on our website? If not, what should be improved?

Millennial generation focused questions:

1. How can AGA appeal to your age group with its optimism?
2. How can we create opportunities for "collective action" by your group?
3. How can AGA create an environment where you and AGA can get faster results and make a difference?
4. How can we provide better/additional networking opportunities for you?
5. What additional leadership opportunities should AGA provide your group? How can AGA provide leadership opportunities more quickly to those in your age group?
6. Should AGA adopt a formal mentoring program? If so, how should it be designed?

Additional direction for consideration by a National Emerging Leaders focus group:

- Consider separating recommendations or considerations into areas that could be addressed nationally versus by chapters.
- Determine AGA's "market penetration" percentage (# of AGA members, divided by the # of potential members (i.e., the estimated # of people in the "accountability profession", however you choose to define that).
- Determine what could be done, if anything, to help retain more members transitioning from the membership category of early career to the full membership category.
- Determine why so few people took advantage of 2007 early career hotel scholarships.

- Determine why so few people, not limited to early career members, are familiar with “the wealth of information” on the AGA national website.

Early Career Task Force Members

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* denotes an AGA Early Career Member