2016 AICPA/CPA.com NATIONAL MAP SURVEY SUMMARY

The 2016 National Management of an Accounting Practice (MAP) Survey reveals that firms across every revenue band are showing solid gains in revenue and profitability, diversifying services, incorporating a greater mix of billing protocols and exploring diverse strategies for growth. Firms are building on the successes of the last few years while proactively addressing many of the challenges facing them today. At the same time, firms are making investments to overcome obstacles in their way – whether environmental, economic, cultural, regulatory, demographic, technological or entrepreneurial.

“One of the most telling conclusions revealed in the survey this year is that you don’t have to be big to run a very profitable firm, and you don’t have to be small to be innovative and nimble,” says Mark Koziel, CPA, CGMA, the AICPA’s Vice President of Firm Services and Global Alliance.

Regional improvements are seen much more uniformly around the country today. Over the last few years, growth was interspersed between areas trying to gain forward momentum. “Advances are being made from coast to coast and throughout all regions in between,” notes Carl Peterson, the AICPA’s Vice President of Small Firm Interests.

The business of public accounting is strong. And while firm owners are facing challenges, they also see expanding opportunities for staff, owners and clients.

The MAP Survey, the profession’s largest benchmarking poll on practice management topics, is conducted every two years. The survey gathers information on the financial results and practice management approaches of firms. The national results are reported as medians and broken into seven size segments, from those with less than $200,000 in annual revenue to those with $10 million or more as well as by geographic regions and sub-regions. Responses were gathered from May through July of 2016 and reflect firms’ financial results for 2015.

Firm owners and administrators are among the many interested readers who can use the survey results to analyze how their firms compare with others throughout the country as well as in their own size segments and geographic areas. They can also diagnose their firms’ areas of strength and weakness and identify alternative approaches to the challenges they face. The survey is a great reality check that spotlights where a firm stands in relation to other similar practices and which issues it may want to address. It’s easy to identify the significant differences between an individual practice and others in the same size segment or region. Reviewing the survey forces firm leaders to dig deep to understand variances from the median and to line up their metrics with their desired results, identifying solutions as needed. This commentary will spotlight some of the key aspects of the survey results and ways to put them to use.
ABOUT THE SURVEY
The AICPA PCPS/CPA.com National Management of an Accounting Practice Survey is conducted every two years by the AICPA’s Private Companies Practice Section in partnership with CPA.com. For 2016, representatives from almost 1,600 CPA firms were asked details about their latest fiscal year financial results. Responses were gathered from May through July 2016. The poll’s premier sponsor is Aon.

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