IDENTIFICATION OF ACCOUNTING FIRM ALUMNI WITH THEIR FORMER FIRM: ANTECEDENTS AND OUTCOMES

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Abstract:
This research develops and tests a model of the identification of accounting firms' alumni with their former accounting firm. The model encompasses (1) both organizational and individual factors associated with the alumni's identification with their former firm and, in turn, (2) the effect of alumni identification on the alumni's inclination to benefit their former firm (i.e. send business to the firm). The results provide insights into the organizational processes within accounting firms from a perspective not examined by prior literature, namely the perspective of accounting firm alumni. The paper's results support the view that alumni are an important asset for accounting firms. The results also suggest that accounting firms can manage this asset. Accounting firm policies that operate while alumni are still employees affect alumni identification, which in turn affects alumni's inclination to benefit their former firm. In addition, the effort accounting firms expend maintaining their alumni base is also associated with alumni's inclination to benefit their former firm. Future research that examines factors related to accounting firm success (e.g. socialization, mentoring) should also consider perspectives of accounting firm alumni and the benefits that can accrue to the firm after the employee has departed.

Article:
Large public accounting firms are characterized by high levels of staff turnover, with 40-50% of staff typically departing within three years. Prior research focuses on documenting the negative effects of accounting staff turnover, and understanding the cause of the high turnover in order to reduce its dysfunctional consequences (e.g. Dillard & Ferris, 1979; Bullen & Flamholtz, 1985; Bao *et al.*, 1986; Rasch & Harrell, 1990; Gregson, 1992; Scandura & Viator, 1994).[1] This concern reflects researchers' focus on accounting firm performance and current employees, as distinct from former employees (i.e. accounting firm alumni). However, as a result of the high turnover, large accounting firms are a major source of trained professionals for accounting positions outside public accounting, and accounting firms have a large number of alumni for the size of the organization (Tyra, 1980).[2] Consequently, former employees of accounting firms become potential clients, and the relationship between the former employee and the firm becomes a valuable marketing resource for the accounting firm (Denney, 1983).

When the former employee retains an identification with the accounting firm, this identification may influence the former employee when he or she participates in hiring an accounting firm. Prior research has not examined the extent to which accounting firm alumni identify with their former firm and direct business to the firm. Accounting firms themselves do recognize the marketing potential associated with their alumni, and they expend time and resources to develop their alumni bases. For example, accounting firms emphasize job placement services for departing employees and they maintain contact with alumni through alumni directories, annual social events, newsletters, and periodic technical programs. However, the benefits accounting firms receive from these efforts have not been systematically examined.

The purpose of our study is to develop and test a model of the identification of accounting firm alumni with their former accounting firm, and the alumni's subsequent inclination to benefit their former firm. The study provides a first step towards understanding the alumni relationship in public accounting. We introduce the concept of organizational identification as a mediating factor between the accounting firm and the alumni's inclination to benefit their former firm.[3] Based on self-identity theory (Tajfel, 1982; Tajfel & Turner, 1985), organizational identification is distinguished from the affective concepts of satisfaction and commitment, which have been the focus of prior accounting research's examination of current employees' attitudes and behaviors. Organizational identification is a form of social identification that derives from the individual's desire for self-definition (i.e. self-concept). Individuals' desires to maintain the continuity of their self-concept over time and across situations provides the theoretical explanation for ex-employees' continued identification with (and predisposition to benefit) their past employer.

We are particularly interested in the potential for accounting firms to manage identification to maximize the benefit derived from their alumni base. Consequently, we model the antecedents of accounting firm alumni's identification with their former firm.[4] We also investigate the consequences of alumni's identification with their former firm in terms of the alumni's subsequent inclination to benefit the firm (i.e. contribute to favorable outcomes for the firm). Ultimately, the accounting firm would like to evaluate the impact of its alumni relations program on firm revenues and profits. Our effort provides a first step toward achieving this goal by focusing on alumni's identification and their inclination to benefit the firm. An advantage of focusing on inclination to benefit the firm is that this approach reflects potential future benefits from alumni who are favorably inclined toward the ex-employer, but who are not presently in a position of authority to contract (or recommend contracting) with the accounting firm.

This research is of interest for several reasons. First, although accounting firm alumni are important assets for accounting firms, prior research has not examined the relation between alumni and their former firm. Evidence on this relation provides insights into accounting firms' ability to manage their alumni asset. By finding that factors under the accounting firm's control (in addition to factors that are more related to the individual) are associated with identification, the study indicates that the alumni asset can be managed. Second, the study provides an alternative approach to examining accounting firm processes and behaviors (e.g. personnel policies), by investigating them from the perspective of former employees rather than current employees. In addition to supporting prior research by triangulation (Abdel-Khalik & Ajinkya, 1979), the study recognizes an additional set of outcomes of accounting firm processes and behaviors, namely their effect on the accounting firm's alumni base. Third, the study introduces the organizational identification construct into auditing research. The construct has proven useful in reconciling conflicting organizational behavioral research (e.g. Tsui *et al.*, 1992) and it has the potential to provide insights into the attitudes and behaviors of accounting firms' current employees as well as their alumni.

ORGANIZATIONAL IDENTIFICATION

Organizational identification refers to the perceptual cognitive connection that organizational members create with their organization. Mael and Ashforth (1992, p. 103) define organizational identification as "a perceived oneness with an organization and the experience of the organization's successes and failures as one's own." Social identity theory and, in particular, the proposition that individuals' perceived membership in the social group shapes their self-concept provides the basis for this perceived oneness (Tajfel & Turner, 1985; Kramer, 1991; Dutton *et al.*, 1994). Social identity theory maintains that individuals classify themselves into various social groups, including religious affiliation, gender, and organizational membership, in order to define themselves in the social environment and to enhance their self-esteem. The perception of group membership requires the individual's self-concept to encompass some of the same attributes as those that define the group. It does not necessarily require interaction with other group members or exertion of effort towards the group's goals (Tajfel, 1982; Tsui *et al.*, 1992). Consequently, identification is a perceptual cognitive construct reflecting the overlap in individual and group identities that is distinct from behavior (e.g. efforts by the individual on behalf of the group) and affect (e.g. satisfaction, loyalty, commitment) which are potential consequences of social identification (Ashforth & Mael, 1989).

Individuals' self-concept may result from a variety of identities each related to membership in a particular social group. Organizational research has examined the effect on self-concept of being a member of an occupational group (e.g. Van Maanen & Barley, 1984) and a work group (e.g. Alderfer & Smith, 1982). The collective identity of an organization, as defined by the organization's distinctive, central and enduring attributes is another such group. Being organization-specific, organizational identification is distinguished from professional identification. Research (e.g. Brown, 1969; Mael, 1988; Caldwell *et al.*, 1990; Mael & Ashforth, 1992) shows that organizational identification can be distinguished from other related constructs such as organizational commitment.

Related prior accounting research typically uses the organizational commitment construct as the lens for examining the job satisfaction and turnover intentions of current accounting firm employees. Based on a review of this literature, Gregson (1992) concludes that both organizational commitment and job satisfaction reduce turnover. Organizational identification can be distinguished from both of these affective constructs. Job satisfaction is "a pleasurable or positive emotional state resulting from the appraisal of one's job or job experiences" (Locke, 1976, p. 1300). Therefore, job satisfaction focuses on the individual's emotional reactions to his or her job. On the other hand, both organizational identification and organizational commitment involve a psychological attachment to the organization as a whole. However, organizational commitment is commonly considered a broader construct than organizational identification because it incorporates intended behaviors (Caldwell *et al.*, 1990). Ashforth and Mael (1989, p. 23) describe the difference between commitment and identification as follows: "an individual can score high on commitment not because he or she perceives a shared destiny with the organization hut because the organization is a convenient vehicle for personal career goals." Nevertheless, identification is often viewed as one basis for commitment (Kelman, 1958; Wiener, 1982; Caldwell *et al.*, 1990). The advantage of identification for this study is that, based on social identity theory, it provides an explanation for ex-employees' favorable behaviors towards their former firm.

The strength of organizational identification depends on the individual's perception of the attractiveness of being a member of the organization, where attractiveness is perceived in terms of the individual's own self-concept (Ashforth & Mael, 1989; Dutton *et al.*, 1994). Kramer (1991) suggests that a strong organizational identification can develop so that organizational membership becomes an important basis for employees' self-definition. O'Reilly & Chatman (1986) find that employees' behaviors, including organizational citizenship behaviors (requiring the expenditure of personal time and effort on behalf of the organization), are strongly related to the employees' identification with the organization. In particular, Chatman (1991) finds that a strong fit between staff accountants' values and their accounting firms' values (i.e. identification) is associated with higher job satisfaction and both the intent to stay and actual time spent with the firm.

Prior organizational research has focused mainly on current employees' identification with their firm. However, some research also suggests that college alumni's identification with their alma mater is associated with volunteering, networking, providing services such as lobbying (Melchiori, 1988), and is consistently found to be related to financial donations (Spaeth & Greeley, 1970; Martin, 1981; Connolly & Blanchette, 1986; Mael & Ashforth, 1992). Just as organizational identification provides a useful conceptual framework for understanding college alumni giving behavior, organizational identification also provides a relevant conceptual framework for examining why accounting firm alumni may be motivated to benefit their former firm.

A MODEL OF ACCOUNTING FIRM IDENTIFICATION

We focus on organizational identification as an important determinant of accounting firm alumni's inclination to benefit their former firm. Steele (1988) claims that individuals generally desire continuity of their self-concepts over time and across situations, so that organizational identification developed as an employee of an accounting firm will likely remain a component of the ex-employee's self-concept. Moreover, alumni may use their identification with their former firm to enhance their self-esteem. According to social identity theory (Tajfel & Turner, 1985; Dutton *et al.*, 1994), individuals seek to enhance their own self-esteem by distinguishing themselves in interpersonal relations. So that, for example, an alumnus of a Big Six accounting firm may feel that his or her identification with this firm is a basis of distinctiveness (and, hence, self-esteem) relative to

others whom he or she interacts with who did not work for this firm. Consequently, organizational identification provides a relevant conceptual framework for analyzing accounting firm alumni's relations with their former firm.

The model presented in Fig. 1 is adapted from study of college alumni's identification with their alma mater undertaken by Mael and Ashforth (1992). The antecedents of identification are based on social identity theory, the organizational identification literature, and the relevant (albeit limited) auditing research.

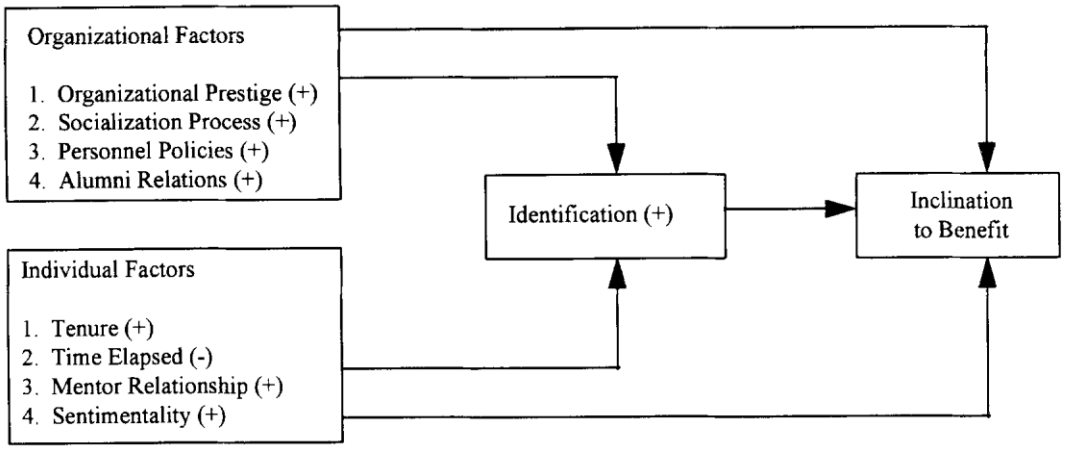

Fig. 1. Factors related to alumni's inclination to benefit their former accounting firm. (Signs indicate direction of hypothesized relations between specific factors, identification and inclination to benefit.)

While these antecedents are neither mutually exclusive nor exhaustive, the model nevertheless provides a reasonably comprehensive conceptual foundation for the study of identification of accounting firm alumni. Given our interest in the potential for accounting firms to manage their alumni asset, Fig. 1 classifies the antecedents of organizational identification as either organizational-derived or individual-derived. Organizational factors are controlled by the firm, and we hypothesize that these factors affect alumni's identification with their former firm. Individual factors are characteristics of the alumni that we hypothesize affect their identification, but the firm has lesser influence over these individual characteristics (relative to the organizational-derived factors). The accounting firm is interested in increasing alumni identification, because such identification with the firm is hypothesized to be positively associated with the alumni's inclination to benefit their former accounting firm. Finally, while identification is a mediating variable in alumni's inclination to benefit, the organizational and individual factors may also directly influence alumni's inclination to benefit their former firm. Figure 1 and our subsequent analyses allow for this possibility.

Organizational-derived antecedents of identification

Organizational prestige. Organizational prestige refers to the individual's beliefs about outsiders' perceptions of the organization. It is relevant to the individual's identification with the accounting firm both during and after employment. Dutton *et al.* (1994, p. 248) propose that responses to the question "How do outsiders think of me because of my association with this organization?" explain members' interest in the organization's external image. March and Simon (1958) suggest that individuals' propensity to identify with an organization increases with the organization's perceived prestige. When the external image is perceived as attractive, organizational affiliation creates a positive social identity for the individual, who is then motivated to increase his or her cognitive connection with the organization. For example, Dutton *et al.* (1994) refer to the finding of Vardi *et al.* (1989) that firm members in Israel producing for the military market (a socially desirable role) have greater organizational identification than members of a similar firm producing for the commercial market. Mael and Ashforth (1992) also find that identification of college alumni with their alma mater increases with perceived organizational prestige.

Socialization process. Alumni's perceptions about the firm's employee socialization should also significantly influence their identification with the firm. Based on an examination of organizational socialization in accounting firms, Fogarty (1992) suggests that socialization is a pervasive process in accounting firms and is

critical to their success. Wiener (1982) defines socialization as the process by which the values, norms, and beliefs of members are brought into line with those of the organization, and he includes socialization as a determinant of identification.[5] Successful socialization fosters identification by increasing the congruence between how members define themselves and the organization. Caldwell *et al.* (1990) and Chatman (1991) distinguish between perceptions of the socialization process and individuals' specific experiences. They find that individuals' perceptions of the effectiveness of their (current) firm's socialization process affect the person-organization fit.[6] Hence, we propose that accounting firm alumni's perceptions of their firms' socialization process will be positively related to their organizational identification.

Personnel policies. Accounting firms typically have formalized policies and practices on recruitment, orientation, training, evaluation, counseling, and outplacement. While these policies may be viewed as part of the socialization process, effective personnel policies are also likely to exert an independent and direct effect on identification. Training may be valued (and contribute to identification) because the technical knowledge learned contributes to the employee's subsequent employment opportunities (Ferris, 1981). Other formal policies, including counseling, outplacement, and even evaluation for departing employees affect the ease of transition from the accounting firm to new employment. These practices can reinforce the departing employee's identification and may help counter the negative effect on identification from a failed socialization process. Accordingly, we distinguish alumni's perceptions of accounting firms' specific personnel policies from the more general socialization construct. We expect that alumni's perceptions of the effectiveness of their firm's personnel policies will be positively related to organizational identification.

Alumni relations. Alumni relations directly operate on the accounting firm's former employees. Accounting firm efforts to maintain contact with their alumni often include (1) sending alumni directories and newsletters, (2) inviting the alumni for annual gatherings and social events, and (3) assigning the responsibility for periodically contacting each alumnus to firm personnel, often a former colleague or supervisor of the alumnus. Somewhat surprisingly, we are not aware of any research that examines the effect of these efforts on alumni identification and the subsequent securing of benefits (i.e. new business) for the firm. However, Dutton *et al.* (1994) argue that increased contact with an organization increases organizational identification. To the extent that these contacts remind firm alumni of their connection to the organization (Stern, 1988) and highlight the organization's attractive attributes (Bruner, 1957), then these contacts are likely to increase organizational identification. Moreover, the fact that accounting firms expend resources to maintain contact and promote themselves to their alumni suggest that they believe that these efforts benefit the firm. Consequently, we expect that the firm's success in maintaining communications with alumni is positively related to the alumni's identification with their former firm.

Individual-derived antecedents of identification

Tenure. Tenure increases the level and breadth of individuals' contact with their organization. Over time, employees become familiar with their organization's collective identity and accept themselves as members of this social group. Moreover, the longer the employment, the more salient this group membership becomes relative to other group memberships (Kramer, 1991). Consequently, the more time an employee is actively involved with the accounting firm, the greater the likely identification with the firm. This relationship between tenure and organizational identification arises in a variety of organizational settings (e.g. Glaser, 1964 (scientists); Hall *et at* , 1970 (forestry services); O'Reilly and Chatman, 1986 (college faculty)) and with college alumni (Mael & Ashforth, 1992).

Time elapsed. As an individual's self-concept is defined in terms of memberships in multiple social groups, it is likely that the salience of the social group based on the individual's more distant employment declines with the passage of time. Other social groups are likely to become more prominent. Spaeth and Greeley (1970) and Mael and Ashforth (1992) both suggest that such a reorientation occurs with college alumni. According to Mael and Ashforth (1992, p. 108) "the sense of shared destiny and belongingness would be expected to fade somewhat [as time passes]." However, the empirical evidence involving college alumni offers mixed results. While Mael and Ashforth (1992) do not find that the length of time since leaving college is negatively related to organizational

(i.e. college) identification, Connolly and Blanchette (1986) conclude that older alumni identify less with their institution than younger alumni. Based on the social identity argument that salience declines with elapsed time and Connolly and Blanchette's empirical evidence, we expect that the time elapsed since leaving the accounting firm will be inversely related to identification (Connolly & Blanchette, 1986).

Mentor relationship. In accounting firms, the mentor provides advice and support (which Scandura & Viator (1994) classify as social support, career development, and role modeling) to the protege through a conscious relationship between the mentor and protege (Fogarty, 1992). A strong relationship with a superior who exemplifies the organization promotes organizational identification by increasing the organization's attractiveness and the protege's perceived level of inclusion (Stern, 1988; Ashforth & Mael, 1989). Dirsmith and Covaleski (1985) study mentoring processes in public accounting and find mentorship prevalent and central to the socialization of new accountants. Those who did not have a mentor felt that they were not fully integrated into the firm.? Scandura and Viator (1994) find that the absence of mentoring is associated with an increase in turnover intentions in accounting firms. This body of research suggests that a close mentor relationship with a superior should result in greater identification with the firm. After the protege has left the firm, the relationship with the mentor may continue. Mael and Ashforth's results suggest that identification will be stronger for those individuals whose mentor is still employed by their former firm, and when there are still frequent contacts with the mentor (Mael & Ashforth, 1992). Thus, we include the alumni's post-employment relationship with their mentor in assessing the strength of the mentor relationship. A stronger mentor relationship should be positively associated with greater organizational identification.

Sentimentality. Personal predisposition such as sentimentality affects organizational commitment (Wiener, 1982), and it is also likely to affect identification. Mael (1988) defines sentimentality as the tendency to retain emotional and/or tangible ties to one's past, and to derive pleasure from discussing or reliving one's past. Hence, sentimentality affects an individual's openness to identification (i.e. the ease with which a cognitive connection can be made) and also the sensitivity of the individual's self-concept to revision due to the passage of time. Mael and Ashforth (1992) find that sentimentality significantly affects college alumni's identification with their former alma mater. Other studies find emotional attachment to the alma mater is a significant characteristic of alumni donors of educational institutions (Beeler, 1982; Shadoian, 1989). We propose a similar relationship for accounting firm alumni.

Outcome of identification: inclination to benefit

The accounting firm is ultimately interested in benefits in the form of their alumni contracting for the accounting firm's services or referring the accounting firm to others who are in a position to contract for such services. While type of industry, position within an organization, and social status help determine alumni's potential as a marketing resource, this potential also depends on the alumni's inclination to benefit their former employer. Social identity theory suggests that the alumni's identification with their former accounting firm is likely to affect their willingness or inclination to benefit the accounting firm when the opportunity arises.

According to social identity theory, "individuals tend to choose activities congruent with salient aspects of their identities and support the institutions embodying those identities" (Mael & Ashforth, 1992, p. 109). Dutton *et al.* (1994) propose that organizational identification leads to at least two types of behavior. The first is that individuals' sense of self as a group member "helps to form a pattern of in-group and out-group dynamics," with the shared identity creating an in-group bias (Dutton *et al.* , 1994, p. 254). This is reflected in greater cooperation with in-group members and presenting a favorable image of the organization to others (Kramer, 1991). Second, members undertake organizational citizen behaviors. Rather than purely self-interested actions, such behaviors are positive actions on behalf of the organization that are not contractually guaranteed nor required by the individual's role (Organ, 1990). Dutton *et al.* (1994, p. 256) suggest that individuals' "effort directed toward preserving, supporting, and improving the organization proceeds naturally from the congruence between a member's self-definition and the organization's definition." For example, Mael and Ashforth (1992) find that organizational identification is associated with college alumni's ranked priority of contributions and advising others (including their own child) to attend their alma mater. To the extent that accounting firm alumni still

identify with their former firm, both theory and empirical evidence suggest that the firm should benefit from the alumni's (pro-firm) behaviors.

The foregoing analysis of an individual's organizational identification, and its consequences in terms of the individual's inclination to benefit the organization suggests three groups of hypotheses:

(a) Alumni's identification with their former accounting firm is positively related to organizational-derived factors including the accounting firm's: (1) organizational prestige, (2) socialization process, (3) personnel policies, and (4) alumni relations.
(b) Alumni's identification with their former accounting firm is positively related to the individual's: (1) tenure, (2) mentor relationship, and (3) sentimentality, and negatively related to (4) time elapsed.
(c) Alumni's inclination to benefit their former accounting firm is positively related to their identification with the firm.

RESEARCH METHOD

Data collection

Data for this study were collected by a survey questionnaire sent to a random sample of alumni from the alumni directories of three of the Big Six accounting firms in two major U.S. cities. The survey instrument was initially mailed to 757 subjects. A postage-paid return envelope was also enclosed. After one month, a second request along with another copy of the instrument was mailed to alumni in one city who did not respond to the first request. The survey instrument did not reach 80 subjects because of inaccurate addresses in the alumni directory. A total of 236 responses were received for a 35% response rate, of which 207 (31%) were usable. Usable responses per office ranged from 21-35%.[8]

In the original sample of 757 alumni, 74.2% were males and 25.8% were females. The proportion of males and females among the 207 respondents is very similar: 154 males (74.4 precept) and 53 females (25.6%). The average age of the respondents is 41 years with a range of 25-77 years. The average tenure of the respondents with the accounting firm is 63 months (median=48 months) with a range of 10-424 months. The average time elapsed since they left the firm is 135 months (median=108) with a range of 8-485 months. The respondents indicated their title and specialization at the time of leaving the accounting firm. Of the total 207 respondents, 127 (61.4%) specialized in audit, 42 (20.3%) in tax, 27 (13%) in management advisory services (MAS), and 11 (5.3%) in other areas. The classification by title indicates that 35 (16.9%) were assistants, 99 (47.8%) were seniors, 42 (20.3%) were managers, 20 (9.7%) were senior managers, and 11 (5.3%) were partners when they left.

Measures

The survey instrument included measures that, where possible, were adapted from prior research (in organizational behavior and social psychology) and other measures that were especially developed for this study. Fifteen alumni from the participating accounting firms evaluated a draft of the survey instrument, to help ensure that the measures and questions were appropriate for this study's subjects. The final questionnaire incorporated these alumni's comments and suggestions. We discuss the measures in the order in which they appear in Fig. 1. (Appendix A provides the items and their standardized loadings for each measure.)[9]

Organizational prestige refers to the firm's perceived standing in the community. This variable was measured by a five-item scale adapted from study of college alumni conducted by Mael and Ashforth (1992). Respondents provided their perceptions of the degree to which their former accounting firm was respected by alumni, the accounting profession, and the business community. Mael and Ashforth (1992) report an internal reliability (Cronbach's coefficient alpha (Cronbach, 1951)) of 0.77 for their measure.[10]

Respondents' perceptions of their firm's socialization process were measured by an eight-item scale adapted from Pascale (1985). Respondents indicated the extent to which they agreed with characteristics of their former firm. The questions involve the perceptions of shared and consistent values and behaviors in the firm and the

means (e.g. reward system and promotion criteria) by which they were achieved. Chatman (1991) also adapted this scale to measure perceptions of the effectiveness of socialization in accounting firms. Neither of these studies report reliability statistics.

The personnel policies scale was developed for this study. Alumni rated the individual personnel programs of their former firm on a scale of 1-5 where 1=excellent, 2=above average, 3=average, 4=below average, and S=poor. The programs rated were recruitment, orientation, training, personnel evaluation, counseling, and outplacement. An employee undergoes orientation and training shortly after recruitment. Additional training, evaluation, and counseling take place periodically throughout employment, although evaluation and counseling are likely to be especially salient just prior to departure. The firm's policy on outplacement also affects an employee towards the end of his or her employment. Given these differences in personnel policies, exploratory factor analysis was conducted to examine their dimensionality (Hair *et al.*, 1995, p. 367). This analysis suggested that the appropriate treatment was to combine the responses to the first three items (i.e. recruitment, orientation, and training) into one variable denoting "recruitment" and the other three items (i.e. personnel evaluation, counseling, and outplacement) into another variable denoting "counseling".[11]

We also developed an accounting-firm specific scale to measure alumni relations.[12] To measure the firm's success in maintain contact with their alumni, we employed a series of questions regarding (1) how contacts were made (e.g. telephone call, office newsletter, personal letter, annual party) and (2) how many times contacts took place.

We elicited tenure by the number of years and months the alumni were employed by the accounting firm, and we used the alumni's date of departure to calculate the time elapsed since leaving the firm. The subsequent analysis reports both tenure and time elapsed in terms of years.

Mentor relationship was measured by a series of questions adapted from a study of college alumni undertaken by Mael (1988). We adapted the questions to determine if the alumnus had a close, mentor-like relationship with a manager or a partner at the accounting firm, and if so, whether the mentor was still at the firm. Questions also covered the frequency of contact with the mentor. These questions provided a composite measure of the strength of mentor relationship (Mael, 1988).[13]

We measure both sentimentality and identification with five-item scales adapted from Mael and Ashforth (1992). Mael and Ashforth (1992) report internal reliabilities of 0.72 for sentimentality and 0.87 for identification.

A four-item scale measured the alumni's inclination to benefit the firm. We designed this study-specific scale to capture the propensity of the alumnus to contract for the accounting firm's services and to recommend the firm to others.

Analysis

The relationships presented in Fig. 1 are tested by structural equation modeling using LISREL 7 (Joreskog & Sorbom, 1989). Combining elements of both factor analysis and multiple regression, this technique permits assessment of interrelated dependencies, while allowing for the effects of measurement errors on the structural coefficients (Hair *et al.*, 1995, p. 662).[14] Our analysis follows the two step approach recommended by Anderson and Gerbing (1988). The first step uses confirmatory factor analysis to develop an acceptable measurement model, where acceptability is reflected in the model's reasonable fit to the data and evidence that the indicator variables (i.e. scale items) are measuring the underlying (latent) constructs of interest. This first step is of particular interest given that this study provides an initial examination of accounting firm alumni. In the second step, a structural model specifies the (hypothesized) causal relations among the latent constructs. In addition to simultaneously testing the study's hypotheses, the technique permits the empirical derivation of a revised, better-fit structural model (i.e. a parsimonious model of alumni's inclination to benefit their former accounting firm).

TABLE 1. Descriptive statistics

Variables	Mean	Standard deviation	Theoretical range*	Actual range
Inclination to benefit	2.39	0.892	1-5	1.0-5.0
Identification	2.95	0.993	1-5	1.0-5.0
Organizational prestige	1.67	0.559	1-5	1.0-4.6
Socialization process	2.55	0.685	1-5	1.0-5.0
Personnel recruiting	1.96	0.755	1-5	1.0-5.0
Personnel counseling	3.01	0.841	1-5	1.0-5.0
Alumni relations	6.65	1.710	2-10	3.0-10.0
Tenure	5.30	4.531	0>	0.8-35.3
Time elapsed	10.92	7.537	0>	0.7-40.4
Mentor relationship	4.10	1.502	1-6	1.0-6.0
Sentimentality	2.80	0.682	1-5	1.0-4.6

* Where one represents the highest score, except for tenure and time elapsed which are measured in years.

Since there is no single statistic that best describes overall model fit in structural equation modeling, we follow Hair *et al.* (1995) and report results based on multiple indices. We examine model fit in terms of (1) absolute goodness of fit (i.e. chi-square, goodness of fit index (GFI), root mean square residual), (2) incremental fit of the proposed model compared to the null or baseline model (i.e. adjusted GFI, Tucker-Lewis index (TLI), nonmed fit index (NFI)), and (3) parsimonious fit indices which relate the goodness of fit of the model to the number of estimated coefficients required to achieve the level of fit, similar to the adjusted R^2 in multiple regression (i.e. chi-square/ degrees of freedom ratio, parsimonious nonmed fit index (PNFI)). While there are no specific guidelines for assessing the fit of a model, the larger the value of the GFI, adjusted GFI, TLI, NFI and PNFI, and the smaller the chi-square and the root mean square residual, the better fitting the model.

RESULTS

Table 1 presents descriptive statistics and Table 2 presents the correlation matrix for the study's variables.[15] On the whole, alumni's average responses are similar to the scale midpoints, although alumni have a particularly favorable perception of accounting firms' organizational prestige and recruiting." Alumni's average identification and inclination to benefit are 2.95 and 2.39, respectively, where a response of 1 (5) represents strong agreement (disagreement) with statements reflecting a willingness to favor the accounting firm. Table 2 shows that identification is positively associated with inclination to benefit (r=0.58, p<.01) and many of the antecedent variables are correlated as hypothesized with identification and inclination to benefit, although the set of significant correlations is not the same for both constructs.[17]

TABLE 2. Correlation matrix

	Inclination to benefit	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
(1) Identification	0.58**	—	—	—	—	—	—	—	—	—
(2) Organizational restige	0.54**	0.54**	—	—	—	—	—	—	—	—
(3) Socialization process	0.52**	0.54**	0.55**	—	—	—	—	—	—	—
(4) Personnel recruiting	0.52**	0.34**	0.69**	0.69**	—	—	—	—	—	—
(5) Personnel counseling	0.64**	0.39**	0.50**	0.70**	0.69**	—	—	—	—	—
(6) Alumni relations	0.30**	0.10	0.17*	0.26**	0.24**	0.30**	—	—	—	—
(7) Tenure	−0.16*	−0.13	−0.12	−0.40**	−0.10	−0.16	−0.04	—	—	—
(8) Time elapsed	−0.19*	−0.11	−0.06	−0.07	−0.22**	−0.10	−0.01	0.02	—	—
(9) Mentor relationship	0.11	0.27**	0.15	0.09	0.03	0.12	0.14	−0.08	0.23**	—
(10) Sentimentality	0.13	0.17	0.12	0.07	0.23*	0.15	−0.01	0.14	0.05	0.07

*p<.05; **p<.01 (two-tailed)

To provide some evidence on the generalizability of the following LISREL analysis, we examined the association between inclination to benefit and the sample characteristics (i.e. gender, specialization, and title) described earlier. In one-way ANOVAs with inclination to benefit as the dependent variable, neither gender nor specialization was significant (p>.15). Consistent with the hypothesized effect for tenure, title was significant (F=2.70, p<.05) with partners' inclination to benefit being significantly greater than that of staff (2.15 versus 2.81).

Measurement model

The measurement model describes the relation between the latent variables or constructs identified in Fig. 1 and the indicator variables (i.e. scale items identified in Appendix A). Each of the latent variables is measured by at least three indicator variables, other than alumni relations, mentor relationship, tenure, and time elapsed.[18] An examination of the initial measurement model indicated that one indicator from each of the organization prestige, socialization, and inclination to benefit measures was characterized by very large standard errors and low factor loadings. Following Hair *et al.* (1995, p. 639), we eliminated these three items from the measurement model. We examined measurement model adequacy in terms of the goodness of fit of the measurement model and the validity and reliability of the model's constructs (Hair *et al.*, 1995; Hatcher, 1994). Goodness of fit indices for the measurement model appear in Table 3. Values including .809 for the goodness of fit index, .848 for the Tucker-Lewis index, .590 for the parsimonious normed fit index, and 1.59 for the chi-square/degrees of freedom ratio suggest an acceptable fit.

TABLE 3. Measurement model: confirmatory factor analysis

Statistics	Full model	Two-factor model	One-factor model
Absolute fit measures:			
Chi-square	756.12	1054.86	1214.09
degrees of freedom (df)	476	521	524
Goodness of fit (GFI)	.809	.731	.694
Root mean square residual	.062	.085	.089
Incremental fit measures:			
Adjusted GFI	.762	.692	.653
Tucker–Lewis index (TLI)*	.848	.734	.659
Normed fit index (NFI)*	.738	.635	.580
Parsimonious fit measures:			
Chi-square/df ratio	1.59	1.99	2.32
Parsimonious normed fit index (PNFI)*	.590	.556	.511

* These measures compare the proposed model to the null (baseline) model where each indicator variable is assumed to measure a single construct without error. The chi-square for the null model is 2891.27 (*df*=595) with a GFI of 0.307.

Given that this study is the first evaluation of accounting firm alumni, the dimensionality of the Fig. 1 model and its constructs is of particular interest. In other words, is the specification of the various organizational and individual factors identified in Fig. 1 necessary, or could the data be just as well described by a simpler model? We took two approaches to examine this issue. First, we investigated the two simplest models: a single-factor model, where all the indicator variables from the organizational and individual factors were collapsed into one construct; and a two-factor model, where the organizational factor indicator variables were collapsed into an organizational construct and the individual factor indicator variables were collapsed into an individual construct. Table 3 shows that all measures of fit increase monotonically from the one-factor model to the two-factor model to the (full) measurement model. The superior fit of the two factor model over the one factor model supports the empirical validity of distinguishing between organizational-derived and individual-derived constructs. In turn, the better fit of the full model suggests that the organizational and individual constructs are multi-faceted.

The second approach involved assessing the discriminant validity of the nine individual and organizational constructs. Anderson and Gerbing (1988, p. 416) suggest constraining the estimated correlation parameter between two of the constructs to 1.0 and then performing a chi-square difference test on the values obtained for the constrained and unconstrained models. We performed this test on the 14 pairs of constructs with significant correlations in Table 2. (If two constructs are not significantly correlated, combining them into one construct is unlikely to result in a better model.) Thus, chi-square difference tests were performed between each of the (constrained) models and the full (unconstrained) model. The constrained models had a significantly poorer fit than the full model, as indicated by higher chi-squares ($p<.001$). Since collapsing correlated variables into a single construct reduces the model's fit, these results support the constructs' discriminant validity and the proposed measurement model.

We also conducted tests concerning the convergent validity and reliability of each measure. First, the standardized factor loadings (provided in Appendix A) for all indicator variables were statistically significant at the .01 level (two-sided). This finding supports the convergent validity of the indicators (Anderson & Gerbing, 1988). Second, we calculated the composite reliability and variance extracted for each measure (i.e. construct). Composite reliability measures the internal consistency of the construct's indicators, similar to coefficient alpha (Fornell & Larker, 1981). All measures demonstrated acceptable reliabilities, with coefficients above .70 (range of .73-.91). The variance extracted measures the overall proportion of variance in the indicators accounted for by the latent construct. Ideally this should exceed .5, although this measure is quite conservative (Hatcher, 1994). Variances extracted were above .5, except for socialization process (.34) and sentimentality (.38).[19] Taken together, the above results support the use of the full measurement model and its constructs and indicator variables for testing the study's hypotheses.

Structural model

Our initial conceptual model hypothesized that sets of organizational-derived factors and individual-derived factors affect the accounting firm alumni's identification with their former accounting firm, and that this identification increases their inclination to benefit their former firm. The structural model representing these relations (i.e. paths between the nine factors and identification, and the path from identification to inclination to benefit) is referred to as the restricted model in Table 4.

TABLE 4. Structural model: comparison of competing models

Statistics	Restricted model	Full model*	Revised model
Absolute fit measures:			
Chi-square	808.04	756.12	763.87
degrees of freedom (df)	485	476	485
Goodness of fit (GFI)	.796	.809	.808
Root mean square residual	.078	.062	.062
Incremental fit measures:			
Adjusted GFI	.750	.762	.764
Tucker–Lewis index (TLI)	.827	.848	.851
Normed fit index (NFI)	.721	.738	.736
Parsimonious fit measures:			
Chi-square/df ratio	1.67	1.59	1.57
Parsimonious normed fit index (PNFI)	.588	.590	.600
Structural equations:			
R^2 for identification	.541	.513	.484
R^2 for inclination to benefit	.374	.608	.570
Total coefficient of determination	.541	.711	.664

* The full structural model is equivalent to the accepted (full) measurement model. Hence, the model fit statistics for the full model above are the same as those reported in Table 3 for the full measurement model.

Statistics for two competing structural models also appear in Table 4. Figure 1 recognizes that the factors may also directly affect alumni's inclination to benefit the firm. The structural model that estimates paths between the nine factors and both identification and inclination to benefit is referred to as the full model in Table 4. To obtain the third model in Table 4, termed the revised model, we followed the procedure recommended by Bollen (1989) for revising a hypothesized (i.e. the restricted) model. First, hypothesized paths that do not provide significant explanatory power are trimmed from the model. Second, theoretically supportable direct paths from the factors to inclination to benefit were added if the modification indices provided by LISREL indicated that their addition improved model fit.

Inspection of the coefficients of determination in Table 4 suggests that the three models provide a good deal of explanatory power. In particular, the full and revised models explain relatively large amounts of variability in inclination to benefit (R^2s of .608 and .570, respectively). Table 4's results also reveal that the full model provides a significantly better fit than the restricted model (chi-square difference =51.92, *df=9*, p<.001). The chi-square difference between the full and revised models is not statistically significant (chi-square=7.75, *df=9*, p>.2). However, since both the incremental fit and parsimonious fit measures tend to favor the revised model, Fig. 2 presents the standardized path coefficients of the revised model.

The results provide evidence that both organizational and individual characteristics are related to alumni's identification with their former firm. Figure 2 shows that, as hypothesized, identification is significantly positively associated with two organizational-derived factors: (1) the prestige of the firm ($p<.001$), and (2) the firm's socialization process ($p<.001$).[20] The path from the firm's initial personnel efforts (i.e. recruiting) to identification is negative, contrary to expectations, and subsequent personnel/alumni policies (i.e. counseling and alumni relations) are not significantly related to identification. Two of the individual-derived factors are significantly positively related to identification, as hypothesized: (1) mentor relationships ($p<.02$) and (2) sentimentality ($p<.03$). However, the alumni's tenure with their former firm is not significant, and the relation between time elapsed and identification is contrary to expectations.

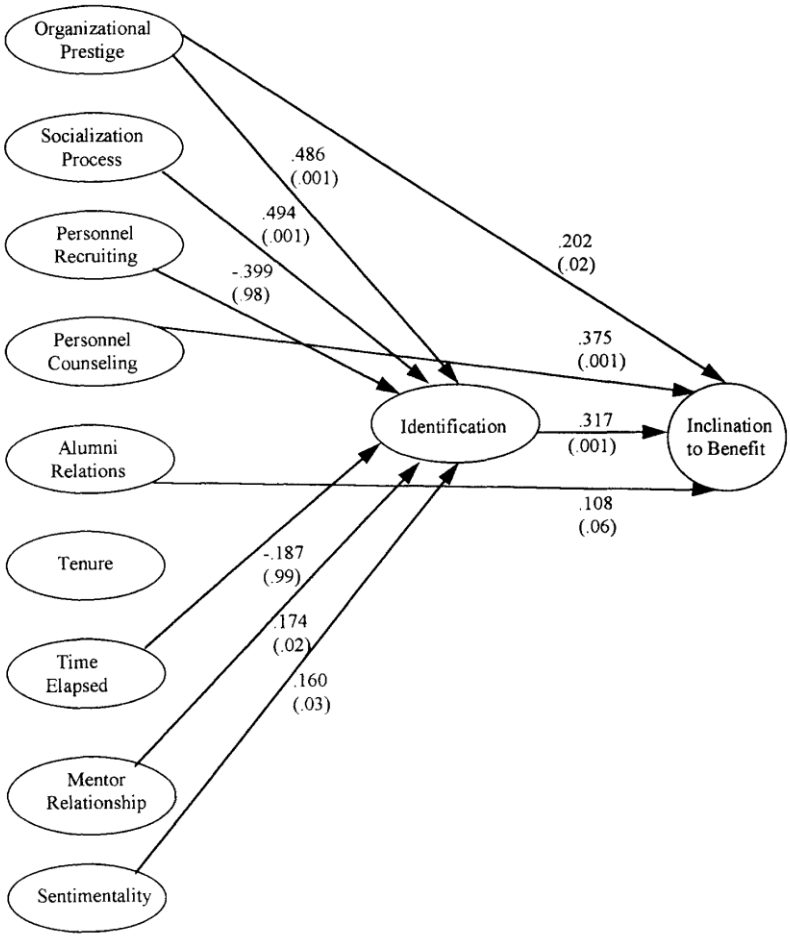

Fig. 2. Revised model: standardised path coefficients in alumni's inclination to benefit their former accounting firm. One-tailed significance levels are shown in parentheses.

Alumni's inclination to benefit their former firm was hypothesized to be positively related to their identification with the firm. Figure 2 shows that identification is significantly positively related to inclination to benefit ($p<.001$). Figure 1 also recognizes that both organizational and individual-derived factors may also impact alumni's inclination to benefit their former firm directly, in addition to being antecedents to identification. Table 4 and Fig. 2 indicate that this is the case. Three organizational-derived factors are significantly positively related to alumni's inclination to benefit their former firm: (1) organizational prestige ($p<.02$), (2) personnel counseling ($p<.001$), and (3) alumni relations ($p<.06$). None of the individual characteristics are significantly associated (directly) with inclination to benefit.

In sum, the results suggest the following revisions to the initial conceptual model of accounting firm alumni's inclination to benefit their former firm: organizational prestige has a direct and incremental effect on inclination to benefit beyond its effect on identification, while personnel counseling and alumni relations have a direct effect on inclination to benefit, even though they are not associated with identification. Tenure is the only variable that does not affect either identification or inclination to benefit.[21]

DISCUSSION, LIMITATIONS AND CONCLUSIONS

This is the first study, of which we are aware, that examines the antecedents of alumni identification with a former employer. The study is motivated by the importance of alumni to accounting firms. In contrast to prior research that focuses on causes of turnover in accounting firms, we focus on factors that help accounting firms manage their alumni asset. We develop a model of accounting firm alumni's identification with their former firm and their inclination to benefit the firm.

Our results suggest that accounting firms can influence identification and alumni's inclination to benefit their former firm. The significant results for organizational prestige indicate that firms' efforts to improve their corporate image should include alumni and, to the extent that identification is developed during employment, current employees. We also find that factors related specifically to current personnel that are recognized as important to firm success, such as socialization (Fogarty, 1992) and mentoring (Dirsmith & Covaleski, 1985), also significantly increase alumni identification with their former firm. This suggests that returns to the firm from efforts to facilitate socialization and mentoring continue after the individual employees have left the firm. Evidence that personnel counseling and alumni relations are not significantly associated with alumni's identification suggests that identification is largely established by the time the employee is involved in a career move. Nevertheless, both counseling and alumni relations are directly associated with alumni's inclination to benefit their former firm. These results suggest that counseling and subsequent efforts to keep in contact with former employees are still valuable, even though they may not have a significant impact on the alumni's (already established) identification.

Accounting firms devote considerable resources to their alumni relations programs in keeping track of their alumni, publishing alumni directories containing the names, addresses, and phone numbers of their alumni, and maintaining formal and informal contacts with their alumni. Alumni relations programs may also include annual picnics, social functions, and continuing education programs. While marketing may not have been the primary impetus for accounting firms to engage in these activities, results of this study reveal that alumni relations are important from a marketing perspective. However, further research is needed to identify specific programs and practices that most effectively enhance the alumni-firm relationship.

Two factors, time elapsed and personnel recruiting, are related to identification in the direction opposite to that hypothesized. Finding that time elapsed is directly related to identification suggests that older alumni identify more with the firm than recent alumni. This may occur in the public accounting setting if alumni's work experiences subsequent to leaving the accounting firm cause them to favorably revise their evaluation of their former firm. However, this result may also be due to a self-selection bias in accounting firm alumni directories, with included older alumni more likely to be those who have maintained contact with the firm. The negative relation between recruiting (including training) practices and identification may be a unique characteristic of accounting firm alumni. Dirsmith and Covaleski (1985) and Chatman (1991) suggest that accounting firm employees' values and behaviors are influenced more by informal processes than formal processes. Consequently, some employees could rate the firm's recruiting/training highly, but because of a lack of fit they are not socialized by the informal processes in the firm, and thus never develop a strong sense of identification. This effect may be exacerbated by employees who accept employment for the training and experience public accounting provides, but who never intend to pursue a career in public accounting (Bulien & Flamholtz, 1985). Clearly, these are important issues that warrant further research.

The study is subject to several limitations in addition to those discussed. The data are self-reported and hence are not easily verifiable. As this is the first study of accounting firm alumni, even the full model presented in Fig. 1 may be incomplete. Nevertheless, the moderate goodness of fit, the structural equations' high R^2, and the internally consistent pattern of results suggest that the model presented in Fig. 2 provides a reasonable starting point for future research on accounting firm alumni. In particular, the study's results suggest that many of the accounting firms' policies towards their employees affect the employees' perceptions and behavior, both before and after the employees leave the firm. Given that accounting firm employees are also prospective future customers of the firm, our results suggest that (1) policies and practices for enhancing employee identification

(e.g. socialization and mentoring) will likely increase alumni identification and their inclination to benefit their former firm, and (2) the firm can institute other policies and practices (e.g. personnel counseling and alumni relations) that directly increase the alumni's inclination to benefit their former firm. However, more specific policy suggestions for maximizing this alumni asset will require further research.

In addition to the above research suggestions, future research could collect data (1) directly from the accounting firms on their personnel policies and (2) from their current employees to compare with this study's findings. Information on the characteristics and perceptions of alumni who have actually provided benefits to their former accounting firm would be more difficult to obtain, but would be directly relevant. Finally, research on alumni's ability to benefit their former firm would also be worthwhile. Such research can play an important role in furthering our understanding of factors related to successful management of accounting firms' alumni asset.

Notes:

[1] Waller's (1985) examination of contract theory to control turnover is an exception. He recognizes benefits of turnover, including flexibility in maintaining the desired quantity and quality of employees and client goodwill from "loyal" former employees (p. 817).

[2] Many accounting firm employees intentionally use their public accounting experience as a training ground and stepping stone to employment opportunities outside of public accounting (Ferris, 1981; Bullen & Flamholtz, 1985).

[3] Ashforth and Mael (1989 p. 20) indicate that organizational identification has long been recognized as a critical construct in the organizational behavior literature. Research has shown that it affects employee beliefs and behaviors and, in turn, organizational performance (e.g. Brown, 1969; Hall *et at*, 1970; Patchen, 1970; Hall & Schneider, 1972; Rotondi, 1975; O'Reilly & Chatman, 1986; Tsui *et at, 1992).*

[4] Immediate benefits are also likely to accrue to the accounting firm as identification develops while the individual is employed by the firm. However, this study focuses on managing organizational identification to maximize the alumni asset, rather than to maximize current employees' contribution to the firm's immediate success.

[5] Pascale (1985) identifies a variety of practices for achieving organizational socialization, including: (1) experiences designed to teach and accept the organization's values, (2) career paths that expose the organization's core business, (3) the use of training, reward and control systems to emphasize key behaviors, and (4) the use of folklore and role models to reinforce important values.

[6] Chatman (1991) suggests that informal socialization practices (e.g. social activities) rather than formal socialization practices (e.g. training courses) may be more important for person-organization fit in public accounting. One reason for this is the nature of the auditing profession, where training focuses more on technical aspects of auditing rather than the norms and values of the firm. Dirsmith and Covaleski (1985) reach a similar conclusion regarding the role of formal versus informal communications within accounting firms.

[7] Mentoring can also be part of an accounting firm's formal personnel policies. However, as Dirsmith and Covaleski (1985) point out, not everyone participates in mentoring and mentor relationships can fail because either the mentor or protege does not have "the right stuff' (p. 159). For this reason, we classify mentoring as an individual factor and we focus on the perceived mentoring relationship rather than the existence of a formal policy, similar to Scandura and Viator (1994).

[8] Twenty-seven out of approximately 200 alumni responded to the second request. Inspection of these responses together with a multivariate analysis of variance revealed no significant differences between early and late respondents (Wilk's Lambda=0.941; $F(12, 176)=0.916$, $p=0.53$). This result provides some support for the representativeness of the data, although the small number of responses to the second request requires that this result be interpreted with caution.

[9] Except as indicated, all measures involved multiple items, answered on five-point Liken scales where: 1=strongly agree, 2=agree, 3=neutral, 4=disagree, and 5=strongly disagree.

[10] Information on the measures' reliabilities in this study appears in the Results section.

[11] Exploratory factor analysis was conducted on all measures with multi-item Liken scales, including those taken from the literature. Except for personnel policies, all exhibited unidimensionality.

[12] Discussions with contact persons at the participating offices indicated the use of a variety of approaches to contacting alumni. However, the firms did not have formal policies for targeting specific types of alumni.
[13] Mentor relationship and alumni relations scales incorporate both dichotomous and frequency responses. Consequently, we use arbitrary numerical reduction, a method of combining indicators into an index (Caplowitz 1985, p. 206) to determine composite scale ratings for strength of mentor relationship and for alumni relations (i.e. efforts of the firm to contact alumni). Mael (1988) employed a similar approach to obtain the score for strength of mentor relationship.
[14] For prior accounting examples of LISREL see, for example, Gregson (1992), Libby and Tan (1994), and Kalbers and Fogarty (1995).
[15] The covariance matrix is available on request from the first author.
[16] Recall that the items are based on a 1-5 Likert scale where 1= most favorable evaluation of the accounting firm.
[17] The set of significant correlations are not high enough (i.e. greater than .80) to indicate multicollinearity might be a problem in the LISREL analysis (Hair et al., 1995 p. 643).
[18] Alumni relations and mentor relationship constructs include both dichotomous and Likert-type scale items, so the scale items for each construct were combined into one measure through arbitrary numerical reduction prior to the LISREL analysis. Tenure and time elapsed are measured in years. Since LISREL cannot empirically establish reliability for single item measures, these reliabilities were estimated beforehand. Tenure and time elapsed should contain little, if any, error because they were measured directly, so we set their reliabilities at .99. The reliabilities of alumni relations and mentor relationship were set at .90 following Anderson & Gerbing (1988). Our results were insensitive to alternative specification of these reliabilities.
[19] Hatcher (1994 p. 331) warns that estimates of the variance extracted will very often be below .5 despite acceptable reliabilities. Low variance extracted values suggest that measurement error may work against finding significant effects for these constructs.
[20] Given the directional expectations, we report one-sided significance levels in Fig. 2. The revised model reported in Fig. 2 includes two paths (personnel recruiting and time elapsed) with large standardized coefficients that have signs opposite to that hypothesized. (The measurement scale for time elapsed results in a positive coefficient being consistent with the negative relation hypothesized in Fig. 1.)
[21] One reason for an insignificant result for tenure could be a non-linear relation between tenure and identification due to the up or out promotion practices in accounting firms. However, various transformations of the tenure variable were not significant when included in the LISREL analyses.
[22] According to Confirmatory Factor Analysis, these indicators had very large standard errors and low factor loadings. These were deleted for purposes of all further empirical analyses. The number in brackets following the other indicators is their standardized factor loading.
[23] See note 22.
[24] Since arbitrary numerical reduction, a method for combining indicators into an index (Caplowitz, 1985) was used to obtain composite (i.e. single) scale ratings for mentorship and alumni relations and tenure and time elapsed are initially single item scales, there reliabilities and hence loadings cannot be estimated by LISREL (see note 18 in the text).
[25] See note 22.

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APPENDIX: A

ORGANIZATIONAL PRESTIGE

1. When business organizations are recruiting new employees, they would not want people from my former firm.[22]
2. My former firm does not have a good reputation in the business community (0.742).
3. People in my profession think highly of my former firm (0.851).
4. My former firm is considered one of the best CPA firms (0.856).
5. A person seeking to advance his/her career in his/her present employment should downplay his/her association with my former firm (0.403).

SOCIALIZATION PROCESS

1. The intensity of entry level experience built cohesiveness among peers in each entering class (0.524).
2. All employees in my department began in entry level positions regardless of prior experience or advanced degrees (0.687).
3. Reward systems and promotion criteria required mastery of a core set of skills as a precondition of advancement (0.625).
4. The career path for staff was well defined over the first six to ten years with the firm (0.706).
5. Virtually all employees could identify and articulate the firm's shared values (i.e. the purpose or mission that ties the firm to society, the client, or its employees) (0.529).
6. There were very few instances when actions of management appeared to violate the firm's espoused values (0.518).
7. Employees frequently made personal sacrifices for the firm out of commitment to the firm's shared values (0.341).
8. When confronted with trade-offs between systems measuring short-term results and doing what's best for the firm in the long term, the firm usually decided in favor of the long term.[23]

PERSONNEL POLICIES

1. Please rate each of the following programs of your former CPA firm:
   (a) Recruitment (0.624)
   (b) Orientation (0.739)
   (c) Training (0.761)
   (d) Personnel evaluation (0.788)
   (e) Counseling (0.725)
   (f) Outplacement (0.589)

ALUMNI RELATIONS[24]

The following questions are concerned with your former CPA firm's efforts to stay in touch.

1. How did the firm contact you? (Check as many as are appropriate)
   (a) Telephone call
   (b) Office newsletter
   (c) Technical material
   (d) Personal letter
   (e) Alumni directory
   (f) Lunch with firm personnel
   (g) Annual party and/or picnic
   (h) Other (please specify)
2. Approximately, how many times did the CPA firm contact you last year through all of the above mentioned means?

TENURE

1. How long were you employed? Years . . . and months . . . .

TIME ELAPSED

1. What was your date of departure (month and year)

5. When someone praises my former firm, it feels like a personal compliment (0.887).

INCLINATION TO BENEFIT

1. I would like to see my former CPA firm be our auditors (if they are not currently our auditors) (0.861).

MENTOR RELATIONSHIP

1. When I was employed in the firm, (choose one)
   (a) Yes, I was close to at least one partner or manager.
   (b) No, I was not especially close to any one partner or manager.
2. That partner or manager (the one I was closest to)
   (a) is still at the firm.
   (b) is at a different firm.
   (c) in a different occupation.
   (d) is retired.
   (e) is no longer living.
3. Currently, I speak to that partner or manager (or did during the person's lifetime) about . . . times a year.

SENTIMENTALITY

1. I like to reminisce about my youth (0.613).
2. I like to save souvenirs or other reminders of interesting places or events (0.388).
3. I am moved emotionally when recalling scenes from my youth (0.855).
4. I am a sentimental person (0.680).
5. Anniversaries of special events are not important to me (0.386).

IDENTIFICATION

1. When someone criticizes my former firm, it feels like a personal insult (0.812).
2. I am very interested in what others think about my former firm (0.743).
3. When I talk about my former firm, I usually say "we" rather than "they" (0.735).
4. My former firm's successes are my successes (0.814).

2. I would like to see my former CPA firm provide us other services (0.887).
3. When the opportunity arises, I recommend my former CPA firm to my friends and acquaintances (0.753).
4. If I had the authority, I would not reappoint my former CPA firm if they were our current auditors.[25]