

GROW at Baker Tilly

2015 REPORT



grow

GROWTH AND RETENTION OF WOMEN

This past year was an important year for Baker Tilly. We continued our exponential growth, expanded our influence, and continued to build our position of leadership within the profession.

Throughout this historic and future growth, we continue to focus on maintaining a culture that embraces opportunity for everyone.

Our GROW (Growth and Retention of Women) program is entering its eighth year as Baker Tilly's signature firmwide initiative. While primarily focused on improving the growth and retention of women, GROW is a catalyst for opportunities across the firm for all team members.

A number of workplace programs and policies, including flexible work arrangements and enhanced parental leave, were directly influenced by GROW's commitment to helping employees integrate work-life responsibilities.

This year GROW was again central to Baker Tilly's commitment to supporting, mentoring, and advancing women. From networking events to leadership panels and career development, GROW is a powerful resource at both the local and national levels to help women connect, learn, and excel.

The hallmark of every successful cultural initiative — and GROW certainly is one — is its ability to reach beyond its initial objectives to influence and empower new ideas and new directions.

Certainly, the GROW program's influence is expanding. A natural extension of GROW is the strategic business imperative of diversity and inclusion. Baker Tilly's position as an employer of choice will be greatly enhanced by how well we value and respect the contribution of diverse perspectives.

In 2015, GROW's successful blueprint served as a model for Baker Tilly's launch of SOAR (Supporting Opportunity, Advancement, and Recognition for All) which, while currently focused on enhancing our ability to attract new talent, is also an education, awareness, and networking program that will work to ensure that all of our team members experience a supportive, responsive workplace.

Looking ahead, GROW will always foster the advancement of women, while pursuing new ways to enrich the lives of all employees. And with GROW's legacy comes opportunity for the program to leverage its solid foundation — as it has this year through its active support of Baker Tilly's diversity and inclusion journey.



Tim Christen
Tim Christen
CHAIRMAN AND CEO



Kimberly S. Herlitzka
Kim Herlitzka
PRINCIPAL AND GROW COMMITTEE CHAIR

Why GROW?

Our values of Integrity, Passion, and Stewardship guide the GROW initiative. It is the right thing to do, for the right reasons, and helps us build the Baker Tilly of tomorrow.

Research by Catalyst, a leading not-for-profit organization with a mission to expand opportunities for women and business, shows that women comprise 46.8 percent of the US labor force, and account for 51.4 percent of the positions in management and professional related occupations.¹ Additionally, today 60 percent of college graduates and post-graduates are women.² However, when it comes to leadership positions the number of women professionals becomes smaller.³ Supported by the 2013 Bureau of Labor Statistics, Catalyst results show that women account for only 16.9 percent of board members, 14.6 percent of executive officers, 8.1 percent of top earners, and 4.8 percent of CEOs.

This experience of women is mirrored within the accounting profession. The American Institute of CPAs' (AICPA) research indicates that the percentage of new CPAs is evenly split between men and women. The Bureau of Labor Statistics also states that 63 percent of all accountants and auditors in the US are women.⁴ Yet, women account for less than 25 percent of partners in US CPA firms.⁵ It is in the interest of both the profession and Baker Tilly to respond with programs that attract, develop, reward, and retain women in leadership positions, including partnership.

BENEFITS OF GROW

1 Drives profitable growth

Research has verified that companies with diverse executive boards enjoy significantly higher earnings and return on equity.⁶

2 Reflects a diverse client base

Currently there are more than ten million majority-owned, privately held, women-owned firms in the US, employing more than thirteen million people and generating more than \$1.9 trillion in sales.⁷ The accounting firm client demographic will change further with minorities expected to become the US majority in 2042.⁸

3 Reduces turnover

Many firms report they are struggling with retention despite progress in hiring under-represented minorities and females.⁹ At the same time, there is a war for talent, making recruiting efforts difficult. Firms are using higher salaries, relocation assistance, and bonuses to attract top candidates.¹⁰ Creating an inclusive environment reduces turnover and has a positive impact on the bottom line.

¹ Catalyst, "Quick Take: Women in the United States," New York, Catalyst, 2014.

² National Center for Education Statistics, "Table 318.30: Bachelor's, Master's, and Doctor's Degrees Conferred by Postsecondary Institutions, by Sex of Student and Discipline Division: 2011-12," 2013 Digest of Education Statistics (2014).

³ "Catalyst Knowledge Center," last updated June 10, 2014.

⁴ Current Population Survey, Bureau of Labor Statistics, "Table 11 Employed Persons by Detailed Occupation, Sex, Race, and Hispanic or Latino Ethnicity 2012," Annual Averages 2012 (2013).

⁵ "2015 Trends in the Supply of Accounting Graduates and the Demand for Public Accounting Recruits," American Institute of CPAs.

⁶ "Gender Diversity and Corporate Performance," Credit Suisse Research Institute, August 2012.

⁷ Sangster, Elissa, "Women on Corporate Boards: The Role of Business Schools for Fundamental Change," Graduate Management News, a newsletter of the Graduate Management Admission Council, March 2013.

⁸ "Occupational Outlook Handbook, 2012-13 Edition," Bureau of Labor Statistics, United States Department of Labor.

⁹ Lee, Danielle, "When will the profession change? On diversity, accounting's mission is unaccomplished," Accounting Today, June 1, 2012.

¹⁰ Baysden, Chris, "Demand for accounting grads reaches all-time high," Journal of Accountancy, June 19, 2013.

4.8%

CEOs

8.1%

Top Earners

14.6%

Executive Officers

16.9%


Board Members

51.4%

Management/ Professionals

46.8%

US Labor Force



grow at Baker Tilly

Baker Tilly's commitment to attracting, developing, rewarding, and retaining women is an important part of our journey to become America's Finest Professional Services Firm.

GROW began as a task force to understand the firm's status in attracting, developing, rewarding, and retaining women. The task force compared the firm to its peers as well as conducted a survey of women at Baker Tilly.

Through its initial research, Baker Tilly discovered that its work-life programs and efforts to develop and retain high-potential women, as compared to other accounting firms, could be stronger. To address this need, Baker Tilly launched GROW.

2007

- > Task force is formed and conducts research on attracting, developing, rewarding, and retaining women in the firm; the result of the task force is the formation of GROW
- > Firm enhances maternity/paternity/adoption leave to align with market trends
- > GROW coordinates four professional networking events with more than 200 participants per event

2008-2011

- > Flexible Work Arrangements policy standardized and released across the firm
- > Increased GROW representation at local offices providing greater opportunities for local networking, professional development, and social events
- > Professional development and networking events increase to approximately 250 people per event
- > Baker Tilly recognized as "A Best Accounting Firm for Women" by the American Society of Women Accountants/American Woman's Society of CPAs for the first time

2012

- > "Flexibility in the Workplace Guidelines" is distributed firmwide
- > GROW Leadership program integrates with Pathways, formally becoming part of Baker Tilly's learning and development programs
- > Local GROW Professional Development & Networking Champions identified and roles defined
- > Baker Tilly recognized as "A Best Accounting Firm for Women" by the American Society of Women Accountants/American Woman's Society of CPAs for the second consecutive year

2013

- > GROW Committee collaborates with other Baker Tilly International firms interested in starting a women's initiative program
- > Became a LeanIn platform partner
- > Baker Tilly recognized as "A Best Accounting Firm for Women" by the Accounting & Financial Women's Alliance (formerly American Society of Women Accountants) and the American Woman's Society of CPAs for the third consecutive year
- > Enhancements made to Baker Tilly's paternal and maternal leave policies

2014

- > Pilot GROW Advocacy program is implemented
- > Inaugural GROW Leadership event is held, participants included:
 - Board of Partners
 - Management Committee
 - Partners
- > GROW newsletter is developed and distributed firmwide
- > Baker Tilly recognized as "A Best Accounting Firm for Women" by the Accounting & Financial Women's Alliance (formerly American Society of Women Accountants) and the American Woman's Society of CPAs for the fourth consecutive year

2015

- > GROW Advocacy program completes first year and welcomes second class of participants and advocates
- > Gender Intelligence concept is introduced and educational discussions are held firmwide
- > GROW is integrated into Baker Tilly's new northeast region
- > Second annual GROW Leadership event is held, participants included:
 - Board of Partners
 - Management Committee
 - Female Partners

grow at Baker Tilly

The advancement of GROW originates from three primary strategies to support the firm's vision to become America's Finest Professional Services Firm:

- ① Increase the proportion of women in firm leadership and partner positions
- ② Increase the retention and advancement of women at all levels in the firm
- ③ Create an environment perceived to be and without actual gender boundaries

Through a formalized committee of a broad base of stakeholders, GROW's accomplishments have benefited all employees and continue to make Baker Tilly a great place to work.

For years, Baker Tilly has been a leader among public accounting firms with regard to gender diversity and recently we have intensified our focus on diversity and inclusion. The firm's dedication to valuing all of its team members is critical to our vision of becoming America's Finest Professional Services Firm.

— Julius Green, Partner, Regional Tax Leader for the Philadelphia Tax Services Practice, and Pennsylvania Institute of Certified Public Accountants President



GIVING Back

Investing in the future with the intent of leaving everything better is at the heart of Baker Tilly's values. By encouraging community involvement and charitable activities, our people will be more fulfilled and our communities will be enriched.

Baker Tilly is proud that our people live our core value of Stewardship. The firm actively supports women-focused charities and business associations that advance the careers of professional and executive women, support women's health issues, and help women and girls live up to their potential. Below are examples of how our people and our firm have given back.

- > CALVARY WOMEN'S SERVICES
- > GEORGETOWN LOMBARDI COMPREHENSIVE CANCER CENTER BREAST CANCER EVENT
- > A FUND FOR WOMEN
- > DOORWAYS FOR WOMEN AND FAMILIES
- > SOUTHSIDE FAMILY NURTURING CENTER
- > EXECUTIVE WOMEN INTERNATIONAL – LEHIGH VALLEY CHAPTER
- > THE WOMEN'S CENTER
- > UNITED WAY WOMEN'S LEADERSHIP COUNCIL
- > CHATHAM UNIVERSITY CENTER FOR WOMEN'S ENTREPRENEURSHIP



We are working to make gender diversity programs a fundamental part of our culture. They help to create an environment in which all of our team members feel welcome to contribute and collaborate. Gender diversity makes us a sharper, more successful business. Good ideas and insights come from every part of our organization. We need to capitalize on the skills, knowledge, and talent of all our team members, to drive innovation and move our firm forward. GROW helps us leverage this unique power of diversity.

— Karleen Mussman, Chief Human Resources Officer

GENDER Intelligence®

At Baker Tilly, we know that blending diversity of thought, leadership, and decision-making can change the work environment for the better, drive retention and productivity, and most importantly, deliver results.

Understanding gender-related tendencies, even our own, helps us engage more effectively in the workplace and in so many other areas of our lives. This year we focused on the importance of Gender Intelligence®, which is the understanding that differences between men and women include variations in brain structure and chemistry that influence the way men and women think and act, as researched and defined by the Gender Intelligence Group.

Embracing gender differences and taking advantage of the complementary approaches men and women bring to our firm helps us to make better strategic decisions, mirror the market and, as a result, deliver Exceptional Client Service.

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THIS YEAR, ACROSS THE FIRM, OUR LOCAL GROW INITIATIVES HOSTED 20 EVENTS FOCUSED ON INCREASING AWARENESS AND UNDERSTANDING OF GENDER INTELLIGENCE.



I've found Gender Intelligence to be a useful tool to increase my awareness and to help me to consider tendencies that often exist along gender lines. In basic terms, not just treating others how I want to be treated, but also considering how they want to be treated.

— Josh Meinen, Partner in the Manufacturing and Distribution Practice

Local GROW CHAMPIONS

Engaged leaders are essential to GROW's ongoing success. As advocates for diversity and inclusion inside and outside Baker Tilly, team members at the firm and business unit levels are collaborating to advance the initiative's progress.

Baker Tilly's local GROW champions lead the initiative at the business unit level through professional development and networking activities. Serving as on-the-ground liaisons between their business units and the firmwide GROW committee, they are helping to accelerate the achievement of GROW's goals by effectively executing the firmwide committee's strategic goals.

These dedicated team members are driving engagement and involvement in the program — and facilitating opportunities for everyone to participate. On any given day across our firm, a GROW-sponsored education, training, mentoring, or networking opportunity is either being planned or is actually occurring — and our local GROW champions are making it happen.

THANK YOU TO OUR LOCAL GROW CHAMPIONS:

APPLETON

Tori Farmer

Senior Accountant

CHICAGO

Jennifer Finger

Senior Manager

Tiffany Fleury

Senior Manager

DETROIT

Sara Rebman

Manager

JANESVILLE

Karen Larson

Senior Manager

Amanda Sookraj

Senior Manager

MADISON

Jodi Dobson

Partner

MELVILLE

Melissa Hicks

Senior Manager

Ruth Iorio

Manager

MILWAUKEE

Beth Weir

Senior Financial Recruiter

MINNEAPOLIS

Renee Schwartz

Senior Manager

NEW YORK

Lian Brandt

Senior Manager

OAK BROOK

Jennifer Finger

Senior Manager

Tiffany Fleury

Senior Manager

PITTSBURGH

Susan Maloney

Senior Manager

PHILADELPHIA

Matthew Robbins

Senior Manager

Erica Valente

Senior Manager

WASHINGTON, DC

Courtney Davison

Senior Manager

Liisa Warden

Senior Manager

WILLIAMSPORT

Jennifer Rhea

Senior Manager

WYOMISSING

Brandi Marderness

Senior Manager

Local GROW CHAMPIONS

I am privileged to work with GROW's outstanding local champions. I'm constantly inspired by their efforts, and the difference they are making as the link between our firmwide GROW committee and our local offices. They bring GROW to life at the local level — and are truly the foundation for GROW's impressive track record of accomplishment.

— Ellen Labita, Partner in the Not-for-Profit Services Group and Firm GROW Committee Liaison to the Local GROW Champions





Having a 'seat at the table' is very important for our women professionals. It is also very important for our firm. Leadership is not gender specific. Commitment does not belong to women or men exclusively. Good ideas come from everyone. All perspectives are needed to ensure sound strategy and realize sustainable success. Baker Tilly's women professionals share their leadership, commitment, ideas, and diverse set of perspectives in the best interest of our firm. This allows us to truly live our 'one firm' operating protocol, and understand and leverage the skills and ideas of all of our team members.

— Christine Anderson, Managing Partner of Assurance, Firm Financial Services Industry Leader, and Baker Tilly Board of Partners Member

Baker Tilly's commitment to diversity is helping us attract and retain the best people and clients. GROW benefits everyone at our firm, enhancing our ability to learn from the differences in thinking and leadership styles between men and women, and leading to increased value for Baker Tilly and our clients. As a strategic initiative, GROW is important in defining our culture and driving our success.

— Christine Fenske, Partner, Asset Management Practice Leader, and Baker Tilly Board of Partners Member



WOMEN to Watch

We applaud the many women at Baker Tilly who have been recognized for their leadership, personal and professional accomplishments, and involvement in their communities. They are role models for all of us.



Rose Ann Abraham

Partner in the Employee Benefit Plan Practice
Promoted to Partner, June 2015

"Early in your career, showcase your leadership and technical skills by proactively seeking roles on projects, both within and outside of your team, that will challenge you and create visibility firmwide."



Danielle Hawley

Partner in the Healthcare Practice
Northeast Pennsylvania Business Journal's Top 20 Under 40

"I think it is extremely important in any organization to have diversity within the leadership. It's easy to surround yourself with others that act and think like you, but by bringing individuals with other perspectives into your leadership you are creating an organization that is inclusive and better connected to our people and the clients we serve."



Marina Houghton

Michigan Office Managing Partner
Baker Tilly's First Female Office Managing Partner

"Collaboration is key. Surround yourself with strong teammates, utilize their talents, and diligently contribute your own."



Monica Modi Dalwadi

Partner in the Risk and Internal Audit Consulting Practice | SmartCEO's 2015 Brava! Award Winner and Chair of Baker Tilly's SOAR (Supporting Opportunity, Advancement, and Recognition for All) Committee

"Women and men have different perspectives and insights; the differences enable better problem solving, ultimately enhancing us as valued business advisors and enhancing firm performance."



Vicki Hellenbrand

Partner and Firmwide Leader of the State and Local Government Practice

"I've learned you will not have control over challenges thrown your way. You will only have control over how you react to them and that determines how happy and successful you will be."



Barbara McDuffie

Managing Director of Business Development | NAIOP (Commercial Real Estate Development Association) Research Foundation Governor

"Good leaders knows when to listen and when to talk. They are creative collaborators which creates followers!"

WOMEN to Watch



Heather Peters

Executive Director of Human Resources Optimization
SmartCEO's Executive Management Award for HR Leadership

"To me, stewardship is about having an attitude of caring beyond myself. It's about looking at the bigger picture and seeing how what I do — personally and professionally — impacts the community and the people around me."



Michele Schlereth

Senior Manager in the Trust and Estate Practice
Graduated from Touro College Jacob D. Fuchsberg Law Center, May 2015, Magna Cum Laude and Recipient of the Bessie Ray Geffner Memorial Award for Outstanding Woman Law Student – Evening Division

"Have confidence in yourself and don't be afraid of what other people think."



Christine Trunnell

Partner in the Business Information Systems Practice
Promoted to Partner, June 2015

"All leaders should push themselves to explore opportunities outside of their comfort zone. Your career is an evolution — don't just accept change, embrace it."



Liisa Warden

Senior Manager in the Commercial Real Estate Practice
GWSCPA (Greater Washington Society of CPAs) Women to Watch

"I have learned and gained the most by taking risks and pushing outside of my comfort zone. Say 'yes' even if it scares you!"



Katherine Wiernicki

Partner in the Commercial Real Estate Practice
GWSCPA (Greater Washington Society of CPAs) Women to Watch

"I've grown the most in my career when I've taken on projects or opportunities that challenged me in a new area. Learning is continuous and being a bit uncomfortable as part of that process is OK."

GROW ADVOCACY

GROW Advocacy is our women's sponsorship program designed to retain and develop our high-performing, high-potential women. Selected women are matched with experienced partners in leadership roles who work to influence and advocate for the career advancement of their program participant. The firm is committed to building a sponsorship culture as a way to promote, develop, and retain top performing women.

17

IN ITS INAUGURAL YEAR, GROW ADVOCACY MATCHED 17 PAIRS OF ADVOCATES AND PARTICIPANTS.

20

ANOTHER 20 PAIRS HAVE BEEN MATCHED FOR THE SECOND YEAR.



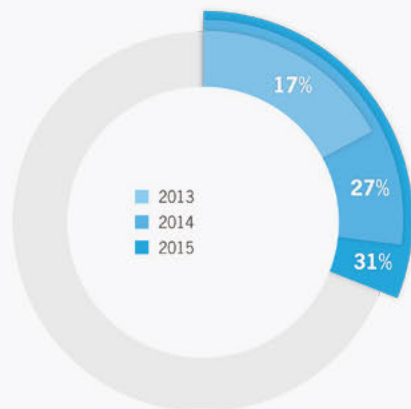
I am proud to be the Management Committee liaison for GROW. While GROW has been successful since its launch, we have taken significant steps in the last year by educating ourselves on the differences between genders. We now see much more clearly the benefits of a diverse workforce, diversity in leadership, and a balanced client service team. Our ability to execute on the primary strategies of GROW has become a competitive advantage.

— Todd Stokes, DC Metro Area Office Managing Partner

ADVANCING Women Leaders

Working across the firm, Baker Tilly is helping women at all levels develop business acumen and leadership skills to advance their careers and fill important roles.

One of GROW's objectives is to increase the number of women who hold firm leadership positions, including increasing the number of women partners. By identifying high-performing women and offering development opportunities to gain valuable experience, broaden capabilities, master new skills, and develop proficiency in a variety of areas, Baker Tilly is creating a culture in which all can reach their fullest potential.



BAKER TILLY WOMEN ON FIRM COMMITTEES

Baker Tilly has an established committee structure which helps steer our course. Although each committee has its own individual charter, collectively, these committees monitor our profession and market conditions to ensure our decisions, policies, and appointed leaders position our firm for future growth and career opportunities for our people.

We're proud to have increased the percentage of women who hold firm committee assignments over the last three years.



I appreciate that Baker Tilly has been fully supportive of my schedule after my maternity leave. This openness has allowed me to find an arrangement that is mutually beneficial for the firm and me. I have maintained strong relationships with my clients, continued building my team, and was promoted to senior manager since I started my Flexible Work Arrangement.

— Courtney Davison, Senior Manager in the Commercial Real Estate Practice

84%

ACCORDING TO BAKER TILLY'S MOST RECENT EMPLOYEE ENGAGEMENT SURVEY, 84% OF RESPONDENTS, MEN AND WOMEN, BELIEVE THAT BAKER TILLY PROMOTES THE GROWTH AND ADVANCEMENT OF WOMEN IN THE FIRM.

29%

29% OF BAKER TILLY'S PROFESSIONALS PROMOTED TO PARTNER IN 2015 WERE WOMEN.

Looking FORWARD

Baker Tilly has always excelled at looking forward, understanding what is possible, and collaborating to achieve it.

Our values of Integrity, Passion, and Stewardship have been the foundation of our success and a roadmap for our firm's future. Since its inception, GROW has been the best possible reflection of those values. We are proud of the accomplishments of the GROW initiative, and are confident its outstanding track record of success will continue.

When I become CEO in June, my platform will be built on four pillars: people, collaboration, growth, and revered brand. GROW is such an important cultural initiative because it engages all of these pillars. It makes Baker Tilly a richer, engaging, and more attractive place to work.

It's difficult to overstate the importance of gender diversity to our ongoing success. Baker Tilly's ability to compete and grow in the global, knowledge-based economy is based on embracing the unique perspectives and contributions of women. Since GROW was launched, it has helped foster an inclusive, supportive workplace that helps women reach their fullest potential.

While we're proud of what GROW has achieved, we're all motivated by what will be accomplished with a strong sense of purpose for an even better future.

GROW will continue to be part of Baker Tilly and there is much to look forward to. GROW's work in the professional development of women is expanding. By leveraging outside resources and other women's groups, the initiative will continue to bring innovative ideas to support the firm's vision. Additionally, GROW will continue to work with our regional offices to ensure all women at the firm can take advantage of local networking and professional development opportunities to advance their careers.

GROW is an example of how we can make a difference for our people, clients, and communities.



Alan Whitman
CEO-ELECT

GROW
Leadership

Professional
Development

Networking

Career Paths

Flexibility

Recruiting



Candor. Insight. Results.

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