

memo

Fischer, Merrill & Perkin CPA, LLC

To: Barbara Fischer, Managing Partner
From: Blake Hamm, Consultant
Date: 10/24/2013
Re: Suggestion regarding poor tax return quality

It is important to note that Ms. Jennifer Ramirez mentions in her email that the tax return failure rate has significantly increased over the past two years. I have also recognized that Mr. Thomas Hall has been in his position since these two years began in which he reformed the hiring and training process. Based on these and other facts, and the opinions and suggestions of your employees, I have concluded there to be two major problems that I will identify and offer solutions upon in the following numbers.

1. There seems to be some error in the hiring process based on the information Mr. Hall presented in his email about the "Quality problem with new employees". I am referring to the hiring of Chad Benson and Amy Minelli in addition to the four new staff accountants that left before six months because of feeling overworked. New employees are being hired that are not equipped for the high-paced work environment and possibly not qualified at all. In this capacity, I suggest you allow for a longer hiring process in which new hires are given a thorough background check and personality test. I understand this is a timely and costly process, but I believe it will aid in the longevity of your company and employees in order to lower your current tax return failure rate. In addition, I suggest that you urge the HR reps to be more honest with the amount of overtime required at your firm. This may cause some candidates to lose interest, but my next suggestion will address this.
2. I find the second error in reference to the maintaining of employees at the firm because of the culture and lack of incentives at your firm. I find these results from the most recent employee survey that shows the majority does not feel that: 1) Partners help me solve work related problems, 2) The training I received after being hired was effective, and 3) I expect to be employed here two year from now. My suggestion is that we place partners back into the training process. Although this is costly because it will not be billable hours, this will make the work environment friendlier because partners will spend more time with lower level employees. Also, this will help the employees get sufficient training which will lower the tax return failure rate. My

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other suggestion is that a positive incentive system should be created. An example of this is to offer employees a raise if they work over twenty hours of overtime during the tax season. This, along with the hiring reform I have suggested, will help to maintain employees which will, in effect, lower the tax return failure rate. In addition, this information may be given when hiring in order to avoid lost interest of prospective employees.

With the implementing of my suggestions, I am confident that the tax return failure rate will drop and employee satisfaction will increase. Please let me know if you have additional questions or if other suggestions come up at today's meeting.

Blake Hamm
Consultant