

Accounting Firms Post 4.7% Increase in Local Jobs

Uptick follows three years of declines in OC employment

By JANE YU

Orange County's accounting firms seem to be back in growth mode, as recent data show a return to hiring at the largest local firms.

The 42 largest firms in Orange County collectively notched a 4.7% growth in employment during the past year, breaking a three-year streak of job declines. The annual employment decreases seemed to point to a bottoming out, as the successive drops went from 7% to 5% and then to less than a 1% dip in hiring last year.

The yearly Business Journal list ranks accounting firms by the size of their OC offices. The firms on this week's list combined for 4,072 employees, up from a year-earlier mark of 3,889.

More than half—at 24 firms—added jobs the past year, while eight firms saw drops. Nine firms said employment stayed flat. Totals for two firms were based on Business Journal estimates a year earlier and so were not compared to recently supplied data.

"Despite an uneven recovery and continued uncertainty, it's clear that businesses are investing in their future," said **Dennis Parrott**, Orange County managing partner for New York-based **KPMG LLP**. "That drives demand for relevant consulting businesses."

KPMG stayed at No. 2 on this week's list, with 408 employees in its Irvine office. The firm has 145,000 employees com-



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panywide, up by 7,000 from a year-earlier check.

The top four rankings were unchanged this year and again were comprised of the New York-based Big Four, which have offices here. Employees for the four made up more than 47% of the total number of jobs for the local industry.

No. 1 **Deloitte LLP's** operation in Costa Mesa saw employment stay flat at 730.

No. 3 **Ernst & Young LLP** grew its Irvine office by 4% to 391, and **Pricewaterhouse-**

Coopers LLP's Irvine office saw a 7% increase to 386 in the No. 4 position.

Irvine-based **Redwitz Business Solutions** reported 207 employees, moving up to the fifth spot. The firm has seven local certified public accountants, down one from a year earlier.

No. 14 **Haskell & White LLP** in Irvine made good on its year-ago projection of possibly expanding its local office by 8% to 10%.

The firm now has 62 employees after adding five over the past year for a 9% growth. Haskell & White has 38 certified public accountants in Irvine for a similar 9%

increase.

"What the numbers don't tell you is that we were actually short-staffed during the busy season," Managing Partner **Wayne Pinnell** said. "Our hiring statistics don't reflect the work that those people pumped out."

The firm recently wrapped up its fiscal year at the end of June, with a 13% increase in total revenue, versus a 1% uptick a year earlier.

"Right now, we have an increased load of employee benefit plans and nonprofit entities going into the summertime," Pinnell said. "During the traditional busy season, we had picked up a few more clients and public companies. There seems to be a bit more activity generally [that likely was prompted by] pent-up demand."

Some industries are faring better than others, he said.

"Real estate is still slow, waiting for valuations to come up. The green-type of ventures seem to get attraction, whereas some healthcare niche markets have cooled off a bit."

KPMG's Parrott said he has seen clients starting to spend more in information technology and data analytics.

"The cloud and everything surrounding the cloud, including tax, have become a key priority among business leaders," Parrott said. "The tax applications need to be figured into the return on investment. Clients are turning to us to assist with that. Also we're seeing a significant increase in the audit activity, (thanks to) increased mergers and acquisitions."

Scott Appel, partner-in-charge of **Hein & Associates LLP**, also has seen "an uptick in mergers and acquisitions deals, capital-rai-

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ing activities and some new business formations."

Denver-based **Hein & Associates** debuted on this year's list at No. 39, with 25 employees in its Irvine office reflecting a 56% increase. The firm has diversified its offerings, including additional transaction advisory services, as well as state and local tax consulting services, Appel said.

Mergers were again apparent.

No. 11 **White Nelson Diehl Evans LLP** in Irvine is the result of a combination between two Irvine-based accounting firms, **White, Nelson & Co.** and **Diehl, Evens & Co.** in



October.

Managing Partner **Dave Doran** is heading up the combined firm, which also has offices

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—Wayne Pinnell, Managing Partner, Haskell & White LLP

in San Diego County. The combined firm has 105 employees here, after cutting seven jobs.

Some partners have observed that the accounting industry is now feeling the repercussions of a virtual halt to hiring a few years back.

"While we are adding people, it has been somewhat of a struggle," Appel said. "Because the industry had significantly cut back on hiring in the 2008 to 2010 time frame, the experienced people we need just aren't out there."

Haskell & White's Pinnell said there's a shortage of senior accountants, generally meaning accountants with three years of experience.

"The accounting profession didn't hire people coming out of school back then," he said. "This past season was a scrambling point for a lot of firms to be able to find enough senior accountants." ■

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Rank Prev. Rank	Company •Address	Headquarters •Website •Email	OC employees •yearly % change	Firmwide employees •yearly % change	OC CPAs	OC partners	OC management consultants	Percent breakdown of accounting			Primary industries served	Top local official(s) •Title •Phone/fax
								•Audit	•Tax	•Other		
7 (7)	BDO USA LLP 3200 Bristol St., fourth floor Costa Mesa 92626-1808	Chicago bdo.com	130 4%	2,750 10%	60	11	6	60%	30%	10%	Technology, communications, electronics, pharmaceutical, medical devices, manufacturing/distribution, nonprofit, real estate, financial services, healthcare	Joe Johnson/David Yasukochi audit business leader/tax business leader (714) 957-3200/(714) 957-1080
8 (9)	Moss Adams LLP 2030 Main St., Ste. 1400 Irvine 92614-7222	Seattle mossadams.com orangecounty@mossadams.com	120 9%	1,750 0%	50	13	30	50%	40%	10%	Consumer products, construction, healthcare, manufacturing/distribution, SEC, technology, life sciences, transportation, real estate, retail, apparel	Roger Weninger managing partner (949) 221-4000/(949) 221-4001
9 (5)	McGladrey LLP⁽²⁾ 18401 Von Karman Ave., fifth floor Irvine 92612-8531	Bloomington, Minn. mcgladrey.com communications@mcgladrey.com	117 -27%	6,530 -6%	54	18	43	50%	40%	10%	Technology, manufacturing/distribution, financial services, private equity, healthcare, real estate, business services, SEC	Don Natenstedt regional managing partner (949) 255-6600/(949) 255-5091
10 (8)	Grant Thornton LLP 18400 Von Karman Ave., Ste. 900 Irvine 92612-0513	Chicago grantthornton.com social@gt.com	110 0%	31,581 5%	34	12	14	46%	27%	27%	Technology, medical devices, food/beverage, distribution, retail, financial services, nonprofit, real estate, SEC	Jacqueline Akerblom Gary Wilson managing partner partner-in-charge (949) 553-1600/(949) 553-0168
11 (NR)	White Nelson Diehl Evans LLP⁽³⁾ 2875 Michelle Drive, Ste. 300 Irvine 92606-1020	Irvine wndecpa.com lhourie@wndecpa.com	105 -6%	130 -3%	68	17	18	45%	42%	13%	Manufacturing/distribution, technology, government, entrepreneurial, healthcare, retail, financial services, nonprofit, real estate, employee benefits	David Doran managing partner (714) 978-1300/(714) 978-7893
12 (13)	CBIZ MHM LLC/Mayer Hoffman McCann PC 2301 Dupont Drive, Ste. 200 Irvine 92612-7503	Cleveland/Kansas City, Mo. cbiz.com, mhm-pc.com lori.king@cbiz.com	72 -1%	5,183 20%	33	13	8	70%	20%	10%	Technology, government, nonprofit, financial services, benefits/insurance, electronics, SEC, manufacturing/distribution	Mark Luttrell senior managing director (949) 474-2020/(949) 263-5520
13 (12)	Frazer LLP 135 S. State College Blvd., Ste. 300 Brea 92821-5819	Brea frazerllp.com jjones@frazerllp.com	69 -8%	80 -7%	32	9	0	60%	35%	5%	Food production, construction, technology, real estate, manufacturing/distribution	Jeff Jones managing partner (714) 990-1040/(714) 671-1041
14 (16)	Haskell & White LLP 8001 Irvine Center Drive, Ste. 300 Irvine 92618-3049	Irvine hwcpa.com inquiries@hwcpa.com	62 9%	64 8%	38	9	0	43%	57%	0%	Real estate, manufacturing/distribution, technology, medical/biopharmaceuticals, nonprofit, mergers/acquisitions, SEC	Wayne Pinnell managing partner (949) 450-6200/(949) 450-6201
14 (14)	HMWC CPAs & Business Advisors 17501 E. 17th St., Ste. 100 Tustin 92780-7924	Tustin hmwccpa.com cpas@hmwccpa.com	62 3%	62 3%	23	6	5	34%	61%	5%	Real estate, healthcare, manufacturing/distribution, entrepreneurial, professions, employee benefits, construction, nonprofit, technology, women-owned businesses	Steven Williams president (714) 505-9000/(714) 505-9200
16 (14)	SingerLewak 2050 Main St., seventh floor Irvine 92614-8255	Los Angeles singerlewak.com amuhs@singerlewak.com	61 2%	241 3%	25	11	1	55%	36%	9%	Construction, manufacturing/distribution, SEC	Glenn Carniello OC partner-in-charge (949) 261-8600/(949) 261-8610
17 (18)	Kushner, Smith, Joanou & Gregson LLP 8105 Irvine Center Drive, Ste. 1000 Irvine 92618-4920	Irvine ksjgcpa.com dbutz@ksjgcpa.com	57 4%	57 4%	45	8	0	64%	35%	1%	Manufacturing/distribution, service, construction, mortgage banking, energy, agricultural, senior living, nonprofit, employee benefits	Robert Kushner/Larry Gregson/Dana Joanou partners (949) 261-2808/(949) 261-0188
17 (16)	Wright Ford Young & Co. 16140 Sand Canyon Ave., Ste. 200 Irvine 92618-3715	Irvine cpa-wfy.com bob@cpa-wfy.com	57 0%	57 0%	31	8	0	38%	58%	4%	Real estate, manufacturing/distribution, estate planning, professional services	Robert Wright managing director (949) 910-2727/(949) 910-2728

Abbreviations: NA: not applicable; wnd: would not disclose
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⁽²⁾ McGladrey LLP sold its McGladrey Capital Markets business unit to Lake Oswego, Ore.-based D.A. Davidson in February

⁽³⁾ White, Nelson & Co. and Diehl, Evans & Co. LLP combined to form White Nelson Diehl Evans LLP in December 2011

Researched by Heidi Kulicke

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