

The Impact of Gender And Dress on Choice of CPA's

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Abstract

The study investigated the impact of client gender, CPA gender, and CPA dress on the likelihood of hiring a CPA for professional services. Subjects' perceptions of CPAs in regard to nine variables, such as expertise, credibility, and professionalism, were collected and analyzed. The results indicate that perceptions of friendliness were significantly affected by both client and CPA gender, while professionalism was significantly affected by the dress. Moreover, interactions of the three main effects were significant.

Introduction

Customer satisfaction research (Churchill and Surprenant 1982; Oliver 1980; Bolton and Drew 1991) suggests that customer satisfaction is a function of prior expectations, current perceptions of performance and disconfirmation arising from discrepancies between expectations and perceptions of actual performance. Prior expectations regarding a CPA play a pivotal role in not only the decision to hire the CPA but also in the continued satisfaction of the client. A client is satisfied when s/he finds that the CPA meets or exceeds expectations as to knowledge, trustworthiness, reliability, professionalism, and expertness. A client is dissatisfied if the perceived actual experience with regard to these important attributes falls short of prior expectations. As such, all public accountants, including Certified Public Accountants (CPAs), must be aware of the manner in which they are perceived by their clients(1).

Perceptions may be influenced by several factors. The purpose of this research was to examine the impact of two factors on clients' perceptions of CPAs. The first of these two factors was gender. Experiments examining gender issues in a variety of contexts have been published in psychology journals(2). Accounting academics and practitioners have recently shown an interest in gender issues and have established a Gender Issues section of the American Accounting Association. This interest is largely driven by the reality of an increasing number of women as public accountants and small business owners. The study examined the impact of the gender of both the CPA and the client on the latter's perceptions of the CPA. The appearance of the CPA was the second factor examined. In a Utopian environment appearance would have little impact on perceptions. Unfortunately, Utopia has not been achieved in

the business world, and many articles and books have been written on dressing appropriately(3).

The study addressed two research questions: (1) "are client perceptions of CPAs impacted by gender?" and (2) "are client perceptions of CPAs impacted by the appearance/dress of the CPA?."

The first research question can be further divided since the gender of both the CPA and the client may have an impact on clients' perceptions. As such, three independent variables were utilized in the study; CPA Gender, Client Gender, and the CPA's Dress. Eight client perceptions of the CPA and an overall rating of the likelihood of hiring the CPA to perform professional services were utilized as dependent variables. The clients rated the CPA on his Expertise, Knowledge, Trustworthiness, Credibility, Reliability, Professionalism, Friendliness, and Honesty.

Methodology

A field experiment was conducted to determine the effect of the three independent variables on client perceptions and likelihood of hiring the CPA. The dependent variables were measured on a seven-point Likert scale. The clients (subjects of the experiment) were randomly chosen from the yellow pages and telephone directory of a west Texas city having a population of more than 100,000. The subjects were then contacted to determine if they had used CPA services in the past year and, if so, their willingness to participate in the study. Approximately 90 percent of the individuals contacted in this manner agreed to

participate. Most of the subjects were small retailers with less than \$1 million in sales.

The research instrument consisted of a photograph of the CPA and the following description:

He/She is an accounting graduate of a reputable state university and a CPA. He/She is 28 years old and married. He/She has been in public accounting for two years. He/She is a member of the American Institute of Certified Public Accountants (AICPA).

The CPA gender and dress variables were manipulated by use of four different scenarios included with the survey instrument, as follows:

1. The above description using "He" and a photograph of a male CPA wearing a business suit (formal dress).
2. The above description using "He" and a photograph of a male CPA in casual dress.
3. The above description using "She" and a photograph of a female CPA in a business suit (formal dress).
4. The above description using "She" and a photograph of a female CPA in a casual dress.

The client gender variable was manipulated by a random distribution of surveys to male and female subjects. This led to a 2 X 2 X 2 factorial design.

Statistical Analysis and Results

Multivariate Analysis of Variance (MANOVA) was used to analyze the 382 responses on the nine dependent variables for the 2 X 2 X 2 factorial design. The MANOVA results are presented in Table 1.

Table 1
MANOVA Results

EFFECT	WILK'S L	EXACT F (9,365)	PROB > F
CLIENT GENDER (CG)	0.949362	2.16	0.0240
CPA GENDER (CPAG)	0.847581	7.29	0.0001
DRESS (D)	0.843315	7.54	0.0001
CG X CPAG	0.936686	2.74	0.0041
CG X D	0.932382	2.94	0.0022
CPAG X D	0.965214	1.46	0.1605
CG X CPAG X D	0.963601	1.53	0.1349

Note: Other MANOVA tests, Pillai's Trace, Hotelling-Lawley Trace, and Roy's were all consistent.

H = Type III SS&CP Matrix for: Effect
 E = Error SS&CP Matrix
 P = Rank of (H+E) = 9
 Q = Hypothesis DF = 1
 NE = DF of E = 373
 S = Min(P,Q) = 1
 M = 0.5(ABS(P-Q)-1) = 3.5
 N = 0.5(NE-P) = 182.0

Results of MANOVA

As shown in Table 1, the three main effects are significant at the .05 level of significance. This implies that the clients' responses differed significantly for the levels of the independent variables on at least one of the dependent variables. In addition, two of the four interactions are also significant at .01 level of significance. While Table 1 presents results for the Wilk's Lambda criterion only, all other MANOVA tests have similar results.

ANOVA Testing

Following Hummel and Sligo (1971), separate univariate Analysis of Variance (ANOVA) were performed on each of the nine dependent variables using the three main effects and the two significant interactions in the model. The two nonsignificant interactions, CPA Gender by Dress and Client Gender by CPA Gender by Dress, were dropped from the ANOVA model. The ANOVA results are presented in Table 2.

Table 2
ANOVA Results

Variable	CG	CPAG	D	CG X CPAG	CG X D
LIKELIHOOD OF HIRING					
MS	1.0973	0.2366	7.0488	9.6656	29.3144
F	0.50	0.11	3.22	4.42*	13.40**
EXPERTISE					
MS	0.2639	2.1664	4.8505	11.3336	8.5923
F	0.14	1.16	2.60	6.07*	4.60*
KNOWLEDGE					
MS	3.5076	0.3558	3.6726	17.9430	4.3132
F	2.15	0.22	2.25	11.01**	2.65
TRUSTWORTHINESS					
MS	0.0688	6.9757	0.0123	8.8945	5.7283
F	0.03	3.40	0.01	4.33*	2.79
CREDIBILITY					
MS	1.7611	5.1287	2.3041	14.2905	18.8070
F	0.95	2.77	1.24	7.71**	10.15**
RELIABILITY					
MS	1.1256	3.0678	0.0036	2.2993	25.5514
F	0.61	1.65	0.00	1.24	13.75**
PROFESSIONALISM					
MS	5.3426	5.8657	92.8387	11.8361	24.7674
F	2.20	2.42	38.26**	4.88*	10.21**
FRIENDLINESS					
MS	6.7677	44.4344	0.7413	19.2189	5.8456
F	3.83*	25.13**	0.42	10.87**	3.31
HONESTY					
MS	0.0346	1.3153	4.5664	12.6903	2.8983
F	0.02	0.65	2.24	6.23*	1.42

Note: DF = 1 for all effects. *p<0.05, **p<0.01.

CG = Client Gender
 CPAG = CPA Gender
 D = Dress

Main Effects

Gender. As shown in Table 2, gender has a significant impact on the perceptions of Friendliness. Client Gender and CPA Gender are statistically significant at the .05 and .01 levels, respectively, for this variable. The female clients perceived the CPAs to be more friendly (mean 5.5) than did the male clients (mean 5.2). Also the male CPAs are perceived to be more friendly (mean 5.7) than the female CPAs (mean 5.0).

However, in the presence of significant interactions, simple interpretations of significant main effects (i.e., female clients perceived all CPAs to be more friendly or male CPAs were perceived to be more friendly than female CPAs, as above) may sometimes be misleading. In such situations, additional insight into the interpretation of main effects can be developed by examining the "cell" means (Tallmadge and Shearer, 1969).

The data shows that the female clients perceived the male CPAs as being more friendly than did the male clients. The difference between the responses of the male and female clients for male CPAs are statistically significant ($p < 0.01$). The female clients perceived the female CPAs as less friendly than did the male clients. This difference is also statistically significant ($p < 0.05$).

On the question of male CPAs versus female CPAs (CPA Gender), the data shows that the male CPAs are rated significantly ($p < 0.01$) higher on friendliness by the female clients. The male clients perceived the male CPAs as more friendly than they did the female CPAs. This difference is not statistically significant ($p > 0.1$), however.

CPA Dress. The appearance of the CPA has a significant impact on the perceived Professionalism of the CPA. Formally dressed CPAs are considered significantly more professional, with a mean response of 5.3 compared to a mean of 4.3 for the casually dressed CPAs. Additionally, the data clearly reflects that formally dressed CPAs are considered more professional by all clients (male or female). The formally dressed CPAs are considered significantly ($p < 0.05$) more professional than the casually dressed CPAs by the male clients. The female clients also rated the formally dressed CPAs as significantly ($p < 0.01$) more professional than the casually dressed CPA.

Interactions

While the main effects are significant only for the friendliness and professionalism variables, the interactions are significant for most of the dependent variables. An advantage of factorial designs is the simultaneous analyzing of the interactions of two or more independent variables. The presence of a significant interaction implies that the variables do not act independently of each other, but rather in concert (Kerlinger, 1964). In the context of the present study it means that when taken alone the Client Gender or the CPA Gender do not impact the Likelihood of Hiring a CPA but taken together they significantly affect the Likelihood of Hiring the CPA. These significant interactions are discussed below.

Client Gender by CPA Gender. Table 2 shows that the Client Gender by CPA Gender interaction is significant for eight of the nine dependent variables at significance levels of .01 or .05. The data show that male clients are more inclined to hire the female CPAs, while female clients are more inclined to hire the male CPAs. Given this result, it is not surprising that male clients rated the female CPAs as more trustworthy, professional, expert, credible, honest, and knowledgeable. The reverse is true for female clients. The only exception to the rule is that male clients perceived the male CPAs as being more friendly than the female CPAs and the female clients perceived the male CPAs as much more friendly than the female CPAs. Additionally, the female clients did not generally perceive as great a difference between the male and female CPAs on professionalism, trustworthiness and credibility, as did the male clients.

Client Gender by CPA Dress. Table 3 shows that the Client Gender by CPA Dress interaction is significant for five of the nine dependent variables at significance levels of .01 or .05. The data indicate that female clients show a significant preference for the formally dressed CPA, rating formally dressed CPAs higher on all five of the variables. The male clients indicate a preference for the casually dressed CPA on all five of the variables. Additionally, their ratings of the casually dressed CPA are greater than the female clients' ratings of the formally dressed CPA.

Discussion and Implications

The results of the research indicate that gender and appearance impact the clients' perceptions of CPAs in a complex manner. Both the Client Gender and the CPA Gender significantly affected the perceived Friendliness. Female clients perceive the male CPAs as more friendly than the male clients. Whereas the male clients perceive the female CPAs as more friendly. With regard to the CPA Gender, the male CPAs are perceived as more friendly than the female CPAs.

Gender of the client or CPA alone had little impact on the other dependent variables examined, including the Likelihood of Hiring. Of interest to the accounting profession is how the increasing number of female accounting graduates are perceived by users of CPA services. The results of the study indicate little difference in the perceptions of the clients towards male and female CPAs. The female CPAs are ranked essentially equal to or greater than the male CPAs for all of the dependent variables other than Friendliness. As such, the results suggest that the increasing number of female accounting graduates will have a positive impact on the profession.

The dress of the CPA had a significant impact on his/her perceived professionalism. The formally dressed CPAs are considered more professional than the casually dressed CPAs. The results clearly support the emphasis in the literature on the importance of dress for projecting a professional appearance.

The finding of several significant interactions is of interest to the profession. The results consistently indicate a marked preference for female CPAs by male clients and male CPAs by female clients. Male clients are more likely to hire female CPAs whereas female clients are more likely to hire male CPAs. Further, male clients perceive female CPAs as more professional, trustworthy, expert, knowledgeable, credible and honest. The reverse is true for female clients who rate the male CPAs higher on these factors. The results have important implications for the marketing strategy of accounting firms.

The Client Gender by CPA Dress interaction results also indicate that female clients preferred formally dressed CPAs, while male clients preferred casually dressed CPAs. These preferences held true for all five of the dependent variables (Likelihood of Hiring, Expertise, Professionalism, Credibility, and Reliability) in which significant interactions were found for the Client Gender and CPA Dress effects.

Of particular interest is the fact that male subjects indicate a greater likelihood of hiring the casually dressed CPA than the formally dressed CPA. The subjects (clients) in the study are small business owners, and the male subjects probably feel more comfortable with and less intimidated by casually dressed professionals. This does not suggest, however, that formal dress is not important to the partners of the CPA firm employing the CPA or executives of large corporations.

Limitations

There are several limitations inherent in the present study. First, the subjects had a choice with regard to participation. Therefore, there may be a possible self-selection bias. However, as mentioned earlier, the refusal rate was about ten percent of the eligible subjects. Users of the study may draw their own conclusions about the magnitude of the selection bias, though the small refusal rate suggests that it is not significant. Second, prior research has found that in experimental studies the subjects' responses are affected by several factors, such as the task, time pressure, form of required response, subject motivation, etc. (Biggs et al., 1985 and Wright, 1982). The generalizability of the results and implications of any experimental study to

subjects, tasks, or situations, other than those used in the experiment should be made with caution. To aid users in making such an assessment, Table 3 presents some demographic data on the subjects of this study.

Table 3
Demographic Data for Subjects

Measure	Frequency	Percentage
AGE (Years)		
30 or less	221	57.9
31 to 44	85	22.3
45 to 55	47	12.3
56 or more	29	7.6
RACE		
White	308	80.6
Hispanic	51	13.4
African American	18	4.7
Others	5	1.3
EDUCATION		
Some School	5	1.3
High School Graduate	42	11.0
Some College	212	55.5
College Graduate	96	25.1
Graduate Degree	26	6.8
Other	1	0.3

Conclusions

Perceptions held by clients of their CPAs may be influenced by many factors. The purpose of this research was to examine the impact of two factors on clients' perceptions of CPAs. The first of these two factors was gender. The study examined the impact of the gender of both the CPA and the client on the latter's perceptions of the CPA. The appearance of the CPA was the second factor examined. The results indicate that rating of friendliness is significantly affected by the subject gender and CPA gender. The rating of professionalism is significantly affected by the dress. Moreover, interactions of the three main effects are significant for several variables including the likelihood of hiring the CPA. These interactions suggest a cross gender preference for the hiring decision as well as several perceptions. Also the male clients show a preference for the casually dressed CPAs, while the female clients prefer the formally dressed CPAs. The results have important implications for the marketing strategy of accounting firms.

Suggestions for Future Research

Future research should address several of the issues found in this study. A closer examination of the interac-

tions of the independent variables utilized in the study might lead to interesting results. Research could also be performed on different accounting services such as tax and management advisory services. Additionally, different independent variables could be utilized in order to achieve significant main results. ■

Endnotes

1. The American Institute of Certified Public Accountants (AICPA) recognizes the fact that the value of the services provided by the public accounting profession is closely tied to the perceptions of the users of those services. Approval and adoption of both a Professional Code of Ethics (AICPA, 1988) and Generally Accepted Auditing Standards (GAAS) are among the actions taken by the members of the AICPA to safeguard the public's perception of the profession.
2. See for instance Fidell, 1970; Rosen and Jerdee, 1974; Muchinsky and Harris, 1977; and Olian, Schwab, and Haberfeld, 1988.
3. For instance, see Schreuder (1985), Berkowitz (1987), Cottle (1988), Rosch (1988), and Galin and Benoliel (1990).

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