

THE LIST

ADDING IT UP

Massachusetts accounting sector's strength hinges, in part, on broader economy's prolonged weakness

Job security is always relative, depending on one's industry and the state of the economy. Yet few sectors have seen anything close to stability during the years-long malaise that's persisted over much of the labor market since the recession officially ended in 2009.

Except for the accounting industry.

It could be said that no sector has benefited more than the accounting business when it comes to the economic uncertainty and steady stream of rule changes and regulations that have flowed from Washington, D.C., and state capitals since the downturn struck. It's been a head-spinning flurry of events affecting everything from health care to taxes to retirement planning to capital expenses. And at the center of it all are the men and women of the accounting industry.

The steady demand for their services is reflected in this year's BBJ list of the largest accounting firms in Massachusetts. As of Jan. 1, the state's top 25 firms employed 9,472 people, a 6 percent increase over the 8,962 workers on record at the 25-largest accounting firms roughly a year earlier.

The sector's vibrance also is reflected in the amount of dealmaking that's occurred among competing firms during the past 12 months. In a handful of cases, M&A and organic growth helped them leap frog other competitors in the BBJ's annual rankings.

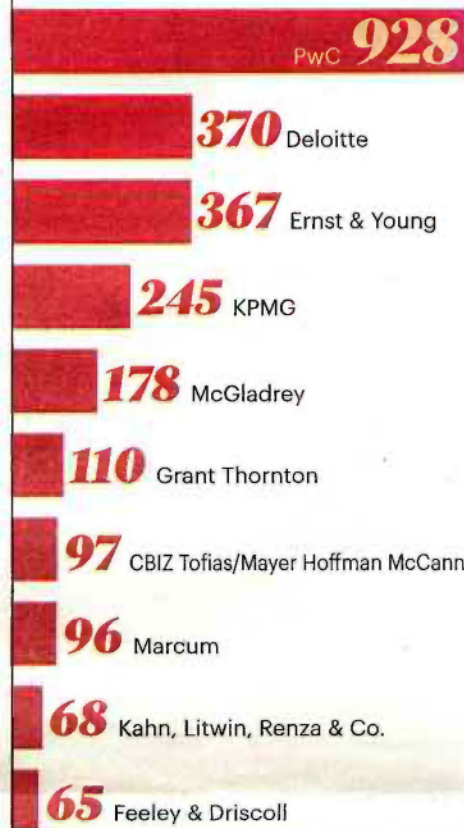
Marcum jumped to No. 8 on this year's BBJ list, up from No. 12 in 2013, on the heels of its recent merger with Braver PC. Likewise, CliftonLarsonAllen rose to No. 11 from No. 20 last year, thanks in part to its recent acquisitions of Sullivan, Rogers & Co. and Bankers Advisory Inc.

And BlumShapiro, having recently merged its operations with that of Friedman, Suvalle & Salomon, rose to No. 24 from No. 38.

According to the Bureau of Labor Statistics, the Bay State's accounting sector employed around 34,400 accountants and auditors as of mid 2012, the latest data available. At the time, that number represented around 1 percent of the state's entire workforce.

That same group of workers earned on average of about \$75,800 in annual pay — a third more than the state's average salary of \$55,600 per worker.

THE MOST CPAS IN MASSACHUSETTS



THE U.S. ACCOUNTING SECTOR, BY THE NUMBERS

\$88.3 billion

Total revenue in 2013

5.3 percent

Revenue growth in 2013

\$12.3 billion

Total profit in 2013

\$32.9 billion

Total wages paid in 2013

106,783

Total businesses as of 2013

SOURCE: IBIS World Accounting Services Report, November 2013