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Happy
Holidays

What a year this has been. As time passes, we are all reminded of our legacies. For MPs this legacy is ever-present and ever-evolving. How do you pass on your knowledge, vision, goals and dedication to those stepping up to carry on the legacy you have worked so hard to create?

As you reflect on the year gone by, we are hopeful that many great thoughts and accomplishments come to mind. Our hope for you is that you stay true to the vision and goals set for continuous improvement.

As small business owners working in turbulent times, we are thankful for all the first-class clients we are able to work with and serve throughout the year. It's inspiring and energizing to know we work with some of the best firms and management the profession has to offer. For that, we are thankful and committed to raising the bar on our end.

In 2011, The Platt Group / INSIDE Public Accounting launched *The PRIME Symposium*. A first-class guest list, first-rate presenters and the unsurpassed energy of the leaders in attendance made it a success. For that, we are truly grateful.

As we reflect on 2011, there are ideas that have come to fruition, there are ideas on the horizon, and there are ideas waiting to be born. That, in itself, is inspiring and motivating.

We welcome your feedback, your thoughts and your vision of a profession that is world-class as we enter the new year. How can we help you be more successful? We salute our readers and their never-ending commitment to improving the profession. We wish you all much continued success now, and in the future. ■IPA

Sincerely, The Platt Group

The IPA Most Admired Peers Share Advice: Part One

Each year, firm leaders who participate in IPA's Annual Survey and Analysis of Firms identify one person in the profession whom they most admire. In 2011, six professionals were consistently highlighted by more than 400 respondents.

Three of these IPA Most Admired Peers – **Bob Hottman, David Katri** and **Gordon Viere** – spoke to IPA about how they manage their firms and how they envision the future of the profession.

Hottman is CEO of Denver-based Ehrhardt Keefe Steiner & Hottman (FY10 net revenue of \$54.6 million), Colorado's largest locally owned firm. Katri is president and CEO of Clark Nuber (FY10 net revenue of \$25.6 million) of Bellevue, Wash., an IPA Best of the Best firm, and Viere is the CEO of Minneapolis-based LarsonAllen (FY10 net revenue of \$227 million), which will become CliftonLarsonAllen Jan. 2 after merging with Milwaukee-based Clifton Gunderson, creating an IPA Top 10 firm.

When you look out at all the challenges and obstacles facing the profession, are you optimistic?

All three leaders are upbeat about the future, noting that when businesses have more needs, firms have the opportunity to meet those needs. "We truly believe we control the future," Hottman says.

Katri noted that locally owned, independent firms are in a good market position. He believes that creating a brand identity in a new area, when a large firm buys a small one, for example, is "a lot tougher than people realize." He added that if the capabilities of the firm are not local, "people see right through that and don't particularly like it."

Viere says that client needs are becoming more complex, yet they expect more for less. The challenge is for firms to provide high-quality services faster and cheaper than ever. "Those firms that can pull that off – the future's really bright."

"People make our business a lot more complicated than it needs to be," Hottman says. Attracting and keeping great talent also attracts great clients. In down times, when it could be easy to let that focus slip, it's even more important to make your firm an exceptional place to work. "It's not just a 'sometimes' thing," he says. Hottman aims to make EKS&H an

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employer of choice, and it recently was named one of the top 25 medium-size companies to work for in America. Clark Nuber and LarsonAllen have also won “Best Places to Work” accolades.

What have been the major elements of your philosophy of running your firm?

Attracting and keeping great talent attracts great clients, Hottman says. In down times, when it could be easy to let that focus slip, it’s even more important to make your firm an exceptional place to work. “It’s not just a ‘sometimes’ thing.”

Katri came to Clark Nuber in 2000 after spending 23 years in private industry with the electronics company Fluke Corp., where he rose to president and COO. His nontraditional background has led to a nontraditional idea of what a CPA firm should look like. He doesn’t believe the CEO should be the face of the organization. In fact, he considers himself more of an orchestra conductor. “I want the face of Clark Nuber to be the entire shareholder group and not the CEO, and we’ve been very successful doing that.” Katri says, “In the end, people are your brand. If you have great people it shows through on every front.”

Katri says that in the last 10 years the firm has heightened its commitment to attracting and retaining talent and that meant bringing in skilled human resources professionals to put a strong infrastructure in place. “We may have set a record in longevity of professional staff,” he tells IPA. While firms can be hard on directors of marketing, HR and IT, those professionals have been with Clark Nuber for at least 10 years.

LarsonAllen recruits employees with the promise to help them develop a career at the firm, or even in a different industry if it turns out accounting is not what they expected. “There’s nothing more satisfying than looking around and seeing people experience what they hoped to accomplish for themselves,” Viere says. Viere has followed valuable advice he received early in his career: hire people who are as good as or better than himself. Having the confidence to learn from others is a philosophy that is instilled within the culture of the firm, benefitting everyone.

What mindset would you like to see more or less of in the profession?

“I can’t read other peoples’ minds,” Hottman says, “but one thing I do know...we are in a great profession, and I think for most of us you think of why we’re here, and it’s to help people, whether it’s your staff or your clients.”

Katri says, “One of the things that has been interesting for me coming from the outside and not coming up through the various steps of the profession is to understand that individuals do not progress at the same rate.” Some employees mistakenly thought they weren’t successful just because they weren’t advancing lockstep along with others hired at the same time. Katri says he’s seen professionals initially lag, but then accelerate past the group.

Katri would like to see employees become more responsible for their own career. While the firm can provide the structure and the support, it's up to individuals to decide what they want. Young professionals should develop self-awareness and look to other professionals for examples of success, he says, rather than checking off boxes to march up the career ladder. "People who are self-aware have a form of confidence that surrounds them that makes it easy for others to see that they should be shareholders."

Viere says human beings are naturally resistant to change, but those in the accounting profession are even slower to change than most. "If you're forced to do it, you get better at it," he says, noting that the merger with Clifton Gunderson is a huge change that would create a lot of turmoil in most organizations, but at LarsonAllen, it's just another change to be managed. He added that he would like to see fewer "unproductive" regulations because "one-size-fits-all just doesn't work."

What's the biggest insight you've learned about yourself during your tenure as MP?

Hottman says, "During good times and bad times, you have to stick to the basics."

Katri recalls his old company, Fluke, as being very "people-oriented" with strong brand recognition despite its small size. During two or three recessions in the Northwest, the employees remained committed to the company, "and it was because of the tone from the top to treat people fairly." Katri brought those lessons to Clark Nuber. "What makes me tick is my whole goal in life is to make the place a better place than when I came."

Viere's insight is a more personal one. He says he had a "mortal fear" of public speaking when he was first coming up within the firm. He describes this fear as much more than the normal jitters. "I had great mentors who said it's easy to let the fear overcome you, and they encouraged me to keep doing it." Practice helped, he says. Other things he has learned is to adapt to change and to reserve initial judgments on people's capabilities, "Because people can surprise you as to how well they can perform."

Whom do you admire?

Hottman admires **Bob Bunting**, chair of the *International Services Group* of Seattle-based **Moss Adams**. "He does a good job of sticking with what's important in good times and bad."

Katri admires the members of the **Leading Edge Alliance** as well as **Stephen Mayer**, CEO of San Francisco-based **Burr Pilger Mayer**, the largest California-based accounting and consulting firm. Katri says Mayer has created a strong firm culture, and has set up an innovative Employee Stock Ownership Plan, or ESOP, which is unusual in the industry.

Viere admires **Ron Cohen**, a retired MP of **Crowe Horwath**, who served as Viere's mentor; **Bob Bunting**, who was the one who advised Viere to hire people better than himself; and AICPA President and CEO **Barry Melancon**, who Viere calls tireless, committed and very inspirational. ■ **IPA**

IPA Spotlight On...MaloneBailey: The 2011 Fastest-Growing 'Best Of The Best' Shares Strategy

At a time when many firms are struggling, Houston-based **MaloneBailey LLP** (net revenue of \$14.3 million) was able to grow by an enviable 43% in 2011. How did they do it? **John Malone**, founder and SEC practice leader of MaloneBailey, cites many factors, including the firm's longevity, history and pinpoint accurate marketing.

This year IPA named MaloneBailey a Best of the Best firm for its high scores on more than 50 operational and management criteria. It is the fastest-growing firm among this elite Best of the Best group.

The 30-year-old firm, with offices in Houston, New York and Shenzhen, China, dedicates about 70% of its practice to audits of small public companies, and it works hard to maintain its prominence in that niche. In fact, MaloneBailey boasts five SEC-qualified audit partners, and it audits more micro-caps than any other firm in the world.

It has the largest number of SEC clients of all non-national accounting firms, serving more than 100 small public companies. Due to the volume of public company audits it conducts, it is one of only 10 firms that require an annual inspection by the Public Company Accounting Oversight Board.

Malone says the firm combines a high-tech paperless system with professionals who are deeply experienced with the more rigorous PCAOB standards. The result is faster work and fewer mistakes. "This is exactly what is required for this niche," he says.

At his firm, partners are actively involved in the audits, solving problems for clients and providing in-depth service. MaloneBailey has become known for its excellent service and fair pricing, Malone says. "Our accountability is part of our success. We know we cannot succeed without a teamwork approach."

The paperless system also leads to better oversight of staff. They are more often found in MaloneBailey's three offices than they are on the road. Audit visits have gone from a few weeks to a few days due to the reliance on electronic financial records, Malone says.

The firm's marketing plan is sophisticated, using data mining to target companies. "We identify and reach out to decision-makers and we do it on a national level," Malone tells IPA. This methodical approach has given the firm a huge advantage. Marketing MaloneBailey is nothing like asking partners to join the local Rotary Club and attend networking events. Communication is mostly electronic, and the firm works to maintain those relationships without much face-to-face time.

"Our accountability is part of our success. We know we cannot succeed without a teamwork approach."

Competitive pricing is another key to success. MaloneBailey has cut fees by 30% over a three-year period, but staff layoffs have been avoided. “Smaller competitors can’t meet the same higher standards when they have fewer people,” he says. The firm has hired audit partners to meet the needs of its SEC audit clients while other firms have failed to do so.

The firm now promotes its “laser focus” on SEC auditing, but in 2001 Malone and Sterling L. Bailey Jr., whose practice merged with Malone’s in 1996, had only 13 SEC clients. They hired a third partner for this niche and began implementing efficiencies to provide high-quality audits quickly at a low cost, to meet client demands. Referrals from satisfied clients started the amazing growth MaloneBailey has enjoyed.

Success breeds more success. Malone describes firm professionals as highly motivated and “electrified” by the specialization that makes the firm unique. Young people are also excited about MaloneBailey, and the firm has had great results recruiting talent from the University of Texas at Austin, home of the country’s No. 1 graduate accounting program.

Malone believes the firm will grow in stature. “We’ll continue to be a boutique practice,” he says. “Bigger isn’t necessarily better.”



The PRIME Symposium...Question to John Malone: How do you see the world of public accounting changing?

Answer: “The profession will change a lot in the next few years. You think technology has changed a lot so far? Wait until you see the next few years. Audits are going to be virtual as companies will have online books and online support documents available to anyone anywhere with the right password, which means that your staff can be anywhere, anytime. Staff want that. Staff want the ability to choose their work hours. If they raise a family, they want to be able to work when the kids go to bed. Maybe that isn’t full-time available, but it should be part-time available. If you want an audit of a Fortune 1000 company, you don’t have to be a Big Four anymore to get it, because all their records are paperless. What you have to be able to do is convince them that your expertise around the country or around the world is sufficient. Our little \$14 million size isn’t quite big enough for one of those yet, but give us a couple of years, maybe we can come back to it.” ■IPA

Two IPA Best Of The Best Firms Recognized At The Inaugural PRIME Symposium

IPA is proud to recognize Fort Worth, Texas-based **Whitley Penn** (net revenue of \$32.1 million) and Houston-based **MaloneBailey** (net revenue of \$14.3 million) for their outstanding management performance, reflected in the 2011 IPA Annual Survey and Analysis of Firms.

IPA's annual Best of the Best recognition honors firms for their wise management and superior operational performance on more than 50 criteria. More than 400 firms participated in this year's IPA Annual Survey and Analysis of Firms.

For 18 years, IPA has named the Best of the Best firms – those firms that have turned in exceptional performance, regardless of outside factors. In any economy – up or down – clues for what to do, where to focus and how to practice can be found in the IPA Best of the Best.

The Platt Group and IPA presented Whitley Penn with the IPA Best of the Best “**Pyramid Award**” for overall outstanding performance at the inaugural PRIME Symposium in Indianapolis last month. Whitley Penn is the only firm to be named to the list for 10 consecutive years. MP **Larry Autrey** accepted the award.



Whitley Penn also scored the highest marks possible in the IPA Best of the Best category, coming in No. 1 of the 50 firms highlighted in the September 2011 issue of IPA. The firm was also named a top five Best of the Best in the Great Plains region.

Autrey was named an “IPA Most Admired Peer” by survey respondents this year. The firm debuted on the IPA 100 firms in 2010 and is currently ranked No. 88 in the nation, based on net revenues.

MaloneBailey's founding partner and SEC practice leader, **John Malone** accepted the IPA Best of the Best “**Fastest-Growing Award**” during *The* PRIME Symposium ceremony.



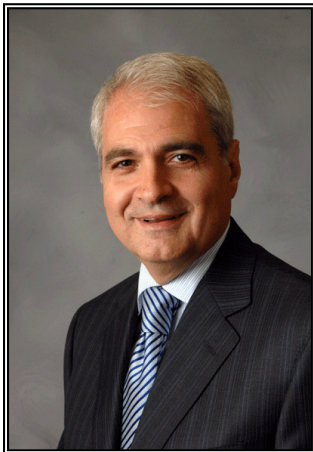
MaloneBailey's growth, 43%, is a testimony to the firm's commitment to stellar performance and firm specialization. Not only did the firm debut in 2011 as the Best of the Best Fastest-Growing firm in the nation, it also ranked No. 1 in the following IPA Fastest-Growing firms lists: 'Beyond the IPA

100' Fastest-Growing Firms, the All-Star Five Fastest-Growing Firms in the Great Plains region, and All-Star Five Fastest-Growing Firms by Net Revenue (\$10 million-\$15 million).

“The success of these firms is a tribute to their leadership. Their performance defies economic trends by recognizing the long-term goals that are needed in order to sustain growth through both prosperous times and down times,” says **Kelly Platt**, managing editor and publisher of IPA. “We salute both of these firms and recognize their overall management strategies as models that the profession can be quite proud of.” ■IPA

IPA Best Of The Best's Merger Launches A New IPA 100 Grassi & Co., Expands Presence In New York City

Jericho, New York-based **Grassi & Co.** (FY10 net revenue of \$24.7 million) expanded its presence in New York City by acquiring **Pustorino, Puglisi & Co.**, a \$9.5 million single-office firm, four partners and 35 staff. Grassi's current 12 Manhattan staff will relocate to PP&Co.'s Madison Avenue location, giving them a stronger presence in New York City.



Lou Grassi

Grassi MP **Lou Grassi** knows the firm well – it was the first firm he worked for out of college, 30 years ago. “I knew all the people who worked there,” he says, “and we’ve been referring business back and forth for years.”

Conversations between the two firms began in June of 2011 when Grassi called PP&Co. MP **Rocco Totino**. “We knew we wanted to expand into certain niches that PP&Co. serves, and we’ve had great respect for the firm for a long time,” he adds.

The merger provides Grassi with desirable niches, specifically financial services, not-for-profits and high-end fashion companies, which will also provide the firm with a greater international profile.

Currently the Manhattan marketplace represents about 15% of Grassi's business. “We wanted to bring it to at least 25%,” he says. “They [PP&Co.] have a very large financial services practice, and they have a roster of very well known international companies that they handle. In addition they complement our not-for-profit practices group, and they have a number of manufacturing clients, which complements our manufacturing and distribution group, our second largest group.”

Grassi & Co. has been named an IPA Best of the Best firm for six consecutive years, turning in a solid record of steady growth before and during the recession. The merger will place Grassi & Co. into the IPA 100 for the first time, with estimated revenues of \$39 million. ■IPA

Overheard At The PRIME Symposium



The Platt Group, publishers of INSIDE Public Accounting, thanks all the dedicated professionals who joined us in Indianapolis Nov. 15-16 for the first PRIME Symposium. Your enthusiasm, wisdom and inspirational energy led to a successful event, and we are sincerely grateful. Suggestions and comments from firm leaders, presenters and guests will help us put together an even better event next year.

Mark your calendars for 2012 – Nov. 8-9. Below is a sampling of insights shared by *The PRIME* guests.

“You need one throat to choke.” – IPA Most Recommended Consultant Sam Allred, on the need to have one person accountable for a task. Group accountability doesn’t work because there is always an excuse why the group couldn’t get together.

“If you can’t solve accountability issues at the partner level, you’re never going to solve it anywhere else.” – Sam Allred.

“We whack ‘em!” – An IPA 100 MP addressing the question of what to do with a rainmaker partner who doesn’t play by the rules that the firm sets for partner performance.

“We naturally drift toward being good managers. We don’t always drift toward being good leaders.” – Lisa Cines, on the ongoing challenge of addressing leadership development within firms.

“There is a point for some partners where the next \$50,000 or \$100,000 is no longer a motivator.” – Bob Bunting, on partner compensation and motivation.

“We have an overriding belief that one year doesn’t break a career. Nor does one year make a career either.” – Neal Spencer, MP of BKD, on the long-term view of paying partners what they are worth.

“It’s about what their legacy will be in the firm.” – Larry Autrey, MP of Whitley Penn, describing what has become a major motivator for some of the firm’s younger partners.

“You change your firm for the future by predicting and adapting before it happens.” – John Malone, MaloneBailey.

“We’re steady and consistent. In horrible times we do phenomenal. In good times we do well.” – Lou Grassi, MP of Grassi & Co., describing his firm’s focus on identifying and capitalizing on market opportunities.

“You don’t keep clients by being the lowest bidder. You keep clients by bringing value to the marketplace.” – Neal Spencer, lamenting the ugliness of the pricing wars.

“Be bold!” – John Malone on how to engage people in a vision and capture the imagination of the firm.

“YOWIII. (*Your Opinion, While Interesting, Is Irrelevant!*)” – IPA Most Recommended Consultant, Gale Crosley, on the tendency for firms to have an “inside-out” view of the market. You need to undergo a 180-degree shift – know what the marketplace is thinking and doing and how you can respond, not what you are thinking and doing and who is going to buy what you are selling.

“Make it optional.” – Sam Allred, on how to ensure greater partner participation in long-term planning. By making participation optional, partners understand that if they are involved it will advance their career opportunities, and if they are not, it will inhibit those opportunities.

“Everyone needs to be using the exact same ingredients for whatever you are making to come out the exact same way all the time.” – Lou Grassi on the importance of having a defined playbook on how the firm will operate.

“Up until this morning I would have said that once firms get to a certain size (12-15 partners) you should move to a closed system. But in the group I was just in only one firm had a closed compensation system and it was working well for everyone.” – Tim Michel, Michel Consulting.

“We have an open compensation system with 250 partners. Everyone says we must be nuts. But it’s all about trust.” – Neal Spencer.

“The interesting thing about organic growth is that the market doesn’t need to be going up, up up. Shifts in market cause changes in market conditions.” – Gale Crosley, refuting the myth that organic growth isn’t possible in bad times.

“Look at the business community in your marketplace. Nothing stays the same. You can create a differentiator, a value proposition and a vision at one point in time. But as the years go by, that HAS to change. If you stay ahead of the curve, you can regenerate and maintain the passion. The vision changes as the marketplace changes, your employees see that leadership, they know you’re going somewhere, and they want to be on that bus.” – John Malone on how to adapt to changing times and keep employees motivated.

“Seeing where the marketplace is going is so critical, that’s why it is vital you’re in the marketplace on a regular basis. It needs to be part of a routine.” – Lou Grassi on making sure firms stay in touch with what the current realities are by asking questions and talking to clients.

Some Of The Best Practices Shared At The PRIME Symposium

“Unmatched Client Service” Is A Way Of Life At BKD... Best of the Best MP Neal Spencer told *The PRIME* audience that BKD went to the Disney Institute seven years ago to learn about world-class client service. They formed a task force to codify what client service would look like and called it “The BKD Experience – Unmatched Client Service.” With those standards in place, they created a book – “one that doesn’t sit on the shelf,” said Spencer with pride – that has become a part of the culture of the firm. When new employees start, they read the book and take a test to ensure their understanding of the BKD Experience. If they don’t pass, they need to re-read the book and retake the test until they pass. The book is taught and key elements of it are incorporated into internal training. “It is a living and breathing document in our firm that keeps our people focused on client service,” said Spencer. He recalled a recent meeting with a staff person who was talking about an aspect of the book, pulled the book out during their conversation, and pages fell out of the leather-bound book because it had been used so much. “That told me they were buying in to what we were preaching.”

The “Seinfeld Breakfast” – Because No One Has A Monopoly On All The Great Ideas...

Best of the Best MP **Lou Grassi** told an audience of MPs and firm leaders at *The PRIME* Symposium about his system for staying in touch with staff, the market and opportunities for the firm. Twice a month, he invites 10 staff people to a breakfast he has dubbed “The Seinfeld Breakfast,” a breakfast about nothing. The purpose is to hear what they have to say about the firm, client engagements, market intelligence or ideas they have on how to capitalize on market opportunities. He indicates that the firm implements about 70% of the ideas that come out of those meetings. Why such a high percentage? “Implement as much as you can. Make people feel like true stakeholders. If you treat them like stakeholders, they will treat you the same way,” says Grassi. ■**IPA**

Top 10 Audit Committee Challenges For 2012

With continued market uncertainty, organizations will face 10 major business challenges that will influence their boards’ audit committee agendas for the year, according to **Protiviti**. The top business challenges and audit committee agenda items identified are based on Protiviti’s experience with a broad range of global organizations and their boards, which include financial institutions and companies outside the financial services industry.

Change – from new regulatory demands to industry restructuring – has dominated the landscape in recent years and has shaped the 2012 top challenges for the industry.

The top 10, most of which depend directly or indirectly on technological considerations, include:

1. Managing regulatory change.
2. Dealing with industry restructuring.
3. Managing the effects of globalization of financial markets.
4. Improving information for decision-making by focusing on data management and analytics.
5. Increasing the focus on enterprise risk management as risk profiles change and regulators demand more.
6. Managing the impact of technological innovation on the business model.
7. Managing increasingly complex privacy and information security issues.
8. Improving business performance to enhance and sustain competitiveness.
9. Achieving true customer loyalty.
10. Attracting, retaining and developing top talent. ■**IPA**

Five Merger Tips To Help Seal The Deal

Having completed five mergers/acquisitions during my tenure as MP of my firm, I have learned many lessons along the way and have the scars to prove it. There is no question that I was smarter on acquisition No. 5 than on No. 1. Regardless of whether you are a buyer or a seller, here are a few tips that will help you find and seal the right deal.

Average Billing Rate. As accountants, we all love to dig into the numbers on a prospective deal, as we well should. To save you some time, I have developed one litmus test that should be at the top of your list. It is average billing rate per hour, which is simply the billed revenue of the practice divided by the total charge hours.

The average billing rate can tell you a lot about a practice, including the level of billing rates, types/size of clients, level of efficiency in performing the work, etc. If a significant gap exists between the two firms, quickly find out why. My experience is that there usually are no quick fixes. If the difference is too great you need to take the advice of Alan Boress: “Next!”

Sacred Cows. In any combination of firms there is one guarantee and that is change. Typically, the seller is coming into a larger firm and should expect to adopt the buyer’s processes and software. It’s not a democracy and that needs to be understood very soon in the dialogue. Don’t try to take the best of both firms because then no one knows “how we do it.”

I have two suggestions that will help both sides get through the change. *First*, ask for a list from the seller, in writing, of the sacred cows – the things, processes and people that can’t be touched. It’s a good step for the seller to know whether they are ready for the change that is coming. It’s also a pretty clear message to the buyer on whether to expect problems ahead. If it is a long list, run!

Second, the seller needs to commit to learn the processes and systems of the buyer and the integration needs to happen very soon after the merger date. Good ideas and better processes should always be considered.

Create the Business Case Early. Maybe it should go without saying, but if you are entering into a merger there had better be strategic reasons behind it. How does it strengthen the two firms? What are the expectations? What do you want the combined firm to look like at the end of year one, year three, etc.? What goals are we going to commit to together? I’m not talking about a full-blown business plan. I am talking about getting buy-in before a letter of intent is signed. The conversation surrounding this is critical.

Always Trust Your Gut. Remember, as you’re looking at numbers, files, clients, systems and all the other important aspects of the other firm, the most important piece is right across the table – the fit of the people. You are in many ways getting married to new partners and your compatibility will mean long-term success or failure.

Partners of both firms should interact as much as possible. Do you enjoy being with them? If it doesn't feel right, or if there is something you can't put your finger on, spend more time to figure it out. Trust your gut.

Divorce Provisions. There are two opinions on whether to include divorce provisions in merger agreements. One line of thought is that you should make sure that you really want to get married before you do, and that a divorce provision makes it "acceptable" and perhaps too easy to get out of it. The other opinion is that if a divorce is going to happen it's not because a divorce agreement exists, and the agreement provides an orderly way to pull the merger apart. **IPA**

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JUST FOR FUN

When I Grow Up, I Want to be a Tax Accountant. This video on *YouTube* is a must-see. Go to www.youtube.com/watch?v=4v_alwa4V_Y

Two **Crowe Horwath** CPAs from Nashville, Tenn., were a part of a recent stunt on the *Ellen DeGeneres Show*. While visiting a client in Los Angeles, **Eric Elliott** and **David Garmer** took some time to take a Hollywood tour. What they didn't know was that their tour guide was Ellen DeGeneres. She was hidden in the front of the bus with the tour bus driver, and a hidden camera caught the entire experience on tape for the show. You may watch the video at: http://ellen.warnerbros.com/2011/11/ellen_gives_a_starline_tour_1117.php ■IPA

ASSOCIATION BULLETIN

The **AICPA's** annual report for the fiscal year Aug. 1, 2010, through July 31, 2011, including financial statements, has been posted on the Web. "*Change. Vision. Opportunity.*" describes how the AICPA is embracing change and positioning members for future success. The report discusses the year's important initiatives, including efforts to establish an independent board for private company financial reporting, legislative and regulatory successes, creation of the Chartered Global Management Accountant and the CPA Horizons 2025 project. Download the annual report at www.aicpa.org/About/AnnualReports or view the digital book version at www.nxtbook.com/nxtbooks/aicpa/annualreport1011

CCH Director of Strategic Relationships **David Bergstein** has been selected as the 2011 recipient of the "*On the Edge*" *Innovation Award*. The annual award recognizes industry leaders for their vision and significant contributions to the profession and is sponsored by **Leading Edge Alliance** (LEA). The award, presented as part of LEA's 2011 Global Conference in New Orleans, recognized Bergstein for his industry leadership and forward thinking, as well as his impact on the profession and commitment to strengthening ties between LEA and CCH.

Maryland's young CPAs have created a vision of the profession's future. A whitepaper from the **Maryland Association of CPAs'** 2011 Leadership Academy is titled, "What Got You Here Won't Get You There." Access it at www.macpa.org/content/public/whitepaper.docx ■IPA

FIRMS IN THE NEWS

New York- based **KPMG LLP** announced that *IDG's Computerworld* has selected it as one of the top *Green IT Organizations* for 2011. KPMG ranks No. 2 on Computerworld's list for implementing smart, efficient strategies to achieve "green IT" by working to reduce energy consumption in IT equipment, and using technology to conserve energy and lower carbon emissions. KPMG's green IT initiatives are part of the firm's U.S. "Living Green" program, which was launched in 2008 to support the firm's commitment to reduce the amount of waste it generates, the volume of natural resources it consumes, and its overall carbon footprint. KPMG recently announced it achieved a 22% carbon reduction over three years from its 2007 baseline target as part of its plan to improve the environmental performance of its business, based on the

results of an analysis by KPMG's Climate Change & Sustainability practice. The firm reduced its paper consumption by 33%, decreased its emissions from electricity by 16%, reduced its non-recycled waste by 51%, air travel by 26% and office energy usage by 7%. To learn more about KPMG's Living Green initiative, visit www.kpmg.com/US/en/WhoWeAre/CSR/LivingGreen/Pages/default.aspx ■IPA

STRATEGIC MOVES

Enterprise, Ala.-based **Carr, Riggs & Ingram** (FY10 net revenue of \$85.9 million) acquired **Hoyman Dobson CPAs** of Melbourne, Fla. "Hoyman Dobson's professionals are a technical and cultural fit with CRI, and this merger is mutually beneficial," says **William Carr**, chairman and MP of CRI. CRI has offices in Alabama, Florida, Georgia, Kentucky, Louisiana, Mississippi, Tennessee and Texas.

Cleveland-based **CBIZ** (FY10 revenues of \$590.6 million) acquired **Gresham Smith** of St. Louis on Nov. 4. GS partners **David Gresham** and **Michelle Smith** and 12 staff joined the CBIZ office in St. Louis.

Kettering, Ohio-based **Flagel, Huber, Flagel & Co.** will acquire **Dohner, Louis & Stephens Inc.** Jan. 1 and operate under the Flagel name. The combined firm will have 60 employees, including 13 partners, says **Randy Kuvin**, Flagel's MP.

New York-based **Friedman LLP** (FY10 revenues of \$64.2 million) acquired **Saccomanno Valuation Group**. **Michael Saccomanno** joined Friedman as a partner in the firm's forensic accounting, litigation support and valuation group, in the Marlton, N.J., office.

Chicago-based **Grant Thornton** (FY10 net revenue of \$1.1 billion) acquired Westborough, Mass.-based **CCR LLP** (FY10 net revenue of \$29 million) on Dec. 1. The acquisition expands GT's presence in New England, doubling the size of the practice and expanding the firm's current Boston office. "Acquiring the practices of a large, full-service firm like CCR better enables us to serve clients throughout New England, broadens and deepens our talent base, and strengthens our foundation for growth," says **Stephen Chipman**, GT's CEO. Larger firms acquiring smaller competitors have increased in Connecticut over the past few years. In October, New York-based **J.H. Cohn** announced that it was acquiring **Kostin, Ruffkess & Co.** in Farmington, Conn., and earlier this year, West Hartford, Conn.-based **BlumShapiro** acquired **Needel, Welch & Stone** of Rockland, Mass.

Houston-based **McConnell & Jones** acquired **Adamson, Hood & Co.**, Houston. **Rick Adamson** and **Dee Ann Creach** joined M&J as partners in October.

Calgary, Alberta-based **MNP** will acquire **Williams McGuire AML Inc.**, Canada's largest dedicated anti-money laundering (AML) firm effective Jan. 1. The firm will join MNP's Investigative & Forensic Services practice, where MP **Matthew McGuire** will become the national leader of MNP's AML Services line. "We are very excited about Matthew and his team joining MNP. Although we had a strong AML practice already in place, we were looking to enhance this service offering and bolster our national presence and couldn't have found a better fit," says MNP CEO **Daryl Ritchie**. "This merger gives MNP unparalleled AML expertise, with experience in criminal money laundering investigations, financial regulatory bodies, and business processes and internal controls."

Moss, Krusick & Assoc., (FY10 net revenue of \$2.3 million) of Winter Park, Fla., acquired **Dexter & Assoc.** of Orlando, Fla. **James Dexter** will become partner at MK. “The merger furthers MK’s reputation as one of the up-and-coming, growing firms in the Orlando marketplace,” says MK’s MP **Ed Moss**. MK was recently recognized as one of the top five fastest-growing firms, under \$3 million, by IPA. ■IPA

PEOPLE IN THE NEWS

Abeles and Hoffman, St. Louis, admitted **Eli Abeles** to partner. Abeles will be a partner in the firm’s auditing and consulting services group.

McLean, Va.-based **Argy, Wiltse & Robinson** (FY10 net revenue of \$50 million) admitted **Kevin Jones** to principal in the business tax advisory services group. Most recently, Jones was the director of tax for Bethesda, Md.-based **Watkins Meegan**. Jones is a member of the editorial advisory board of *The Tax Adviser*.

Oak Brook, Ill.-based **Crowe Horwath** (FY11 net revenue of \$498.4 million) named **Brian Sanderson** MP of its health care services group, in the firm’s headquarters office. In his role as MP, Sanderson will be responsible for organizing and developing Crowe’s services within the health care environment.

New York-based **EisnerAmper LLP** (FY11 revenues of \$254.6 million) admitted **Robert Hilbert** to partner in the firm’s professional practices group.

New York-based **Ernst & Young’s** (FY10 gross revenue of \$7.1 billion) chairman and chief executive **James Turley** announced that he will retire in June 2013. A replacement will be named by April 2012. Turley headed the firm during some of its stormiest times; beginning as chairman just before the Enron and Worldcom scandals sparked congressional hearings on the profession and led to tough oversight under a new watchdog.

Jericho, N.Y.-based **Grassi & Co.** (FY10 net revenue of \$24.7 million) admitted **Phillip Laycock**, formerly of Chicago-based **Blackman Kallick**, to partner in the firm’s audit practice.

Pannell Kerr Forster of Texas, (FY10 net revenue of \$19.4 million) Houston, admitted **Rafael Carsalade**, **Alison Muecke** and **Mark Scimemi** to tax director.

New Philadelphia, Ohio-based **Rea & Associates** (FY10 net revenue of \$29 million) admitted the following to partner: **Chris Ricker**, Lima, Ohio, **Kyle Stemple**, New Philadelphia, Ohio, and **Chad Welty**, Medina, Ohio.

Bethesda, Md.-based **Reznick Group** (FY11 net revenue of \$202.5 million) admitted the following to principal: **Adam Kleeman**, audit, accounting and consulting services, and **Lucas Matesa**, audit and accounting advisory services, in the firm’s Baltimore office; **Marshall Phillips**, real estate consulting and **Joseph Wallace**, tax, in the firm’s Charlotte, N.C.; office and **Rick Suid**, audit and business advisory services, in the firm’s Atlanta office. ■IPA