



ANDERSEN  
ALUMNI™

## Straight Thoughts, Straight Talk

*"Serving Andersen Alumni Worldwide"*

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## Editorial

There is an undeniable link between culture, strategy and a company's results. A strong and aligned culture has been proven to supercharge a company's competitive advantage and in turn increase sales, customer satisfaction, profits and reducing employee turnover.

At the same time, a poor or misaligned culture can be catastrophic for a company. Many of the recent corporate disasters can be traced back to its culture which enabled, perhaps even supercharged, the very act or acts that brought about devastating results for the company, its customers, its employees and owners.

As Andersen alumni, we know this all too well. A strong culture is the very glue that holds this alumni association together, almost 16 years after the demise of our firm. That culture catapulted the firm to the pinnacle of the professional service industry. The ingrained culture to serve our clients was the cornerstone of the firm. However, we know that a misapplication of this very culture can be catastrophic.

I have been blessed to work for a number of companies that viewed culture as one of their most valuable assets. In addition, when my own values aligned with the companies' values and culture, this truly provided the optimum work environment for me both personally and professionally.

The National Association of Corporate Directors (NACD) recently published a series of articles on "Reconstructing the Board's Role in Culture". The NACD established a blue-ribbon commission to explore this topic. I encourage you to read these studies. It is applicable as a board member and as a member of management. Every company has a culture. The question is: is it the one I want or the one I have?

As always, we need your help to further strengthen and maintain our Andersen Alumni network. Please leverage our Social Media Presence and LIKE our Facebook page and JOIN our LinkedIn network, and lastly you can FOLLOW us on LinkedIn as well.

Sincerely,  
Kirk Hancock  
Editor

## Alumni Call to Action

Andersen Alumni Association is pleased to announce our partnership with PCI for the publication of our 4<sup>th</sup> Edition Quadrennial Directory in 2018. By now you should have a received a Three by Five Postcard mailer from Andersen Alumni and it will say

**IMPORTANT ALUMNI VERIFICATION NOW DUE**  
**Please Call 1-888-373-1268 Today**

If you need more information please email [admin@andersenalumni.com](mailto:admin@andersenalumni.com)

## Alumni Sponsors Wanted

Andersen Alumni Association is proud not to charge annual alumni dues and relies rather on strategic sponsorship to fund operations. Given advances in technology and alumni mobility Andersen Alumni Association is seeking a few addition qualified sponsors for 2018. If you think your company may benefit from a strategic partnership with the Association please email [Admin@andersenalumni.com](mailto:Admin@andersenalumni.com) for more information.

# The Building Blocks of One Firm

By **Leonardo Mesquita**, *Regional Managing Partner for Latin America and Managing Partner at Andersen Tax in Brazil*, **Paolo Mondia**, *Co-Managing Partner for the European Region and Managing Partner for Andersen Tax in Lugano*, **Andrea De Vecchi**, *Co-Managing Partner for the European Region and Managing Partner for Andersen Tax & Legal in Italy*, and **Daniel G. DePaoli**, *Regional Managing Partner for the U.S., Canada and Israel and Country Managing Director of Andersen Tax LLC (Arthur Andersen, LLP (1990-2002, Hartford, CT 1990-1995 and NYC, NY 1995-2002))*

In the [July edition of Andersen Alumni Newsletter](#), Andersen Global Chairman and Andersen Tax LLC CEO Mark Vorsatz described how we are building one firm for the future. He commented that “our global partners have come together in an unbelievable way” and that we continue to build out our platform around the world. Three months later, as our expansion and integration plans continue to progress, we can only echo the same sentiments but through our own lenses and experiences.

As you may have seen, in the last few months we have announced a [Senior Advisory Council](#), [Advisory Council](#), and [Global Board](#). In addition, the four of us have assumed roles as regional leaders for [Europe](#), [Latin America](#), and the [U.S., Canada & Israel](#). As regional leaders, we have already begun the important process of developing the usual strategies, plans, and metrics for our businesses. But, more importantly, we are seeing our culture develop in a very organic and complementary way.

## **Latin America - Leonardo Mesquita**, *Regional Managing Partner for Latin America*

I am pleased to be the Latin American regional leader for Andersen Global, but more than anything, however, it brings along an enormous responsibility. A responsibility that is as embedded in our minds as it is in our motto: a name from the past, a firm for the future! Add that motto to the return of the “double door,” which is also recognized worldwide as a symbol of excellence.

As we come together to create one firm, I look forward to working with Paolo, Andrea, Dan, and our other leaders to determine what is needed to pursue and achieve the company's goals. I believe it is important to share information and that everyone is given a voice, which demonstrates our core value of transparency.

We, Latinos, are very passionate about what we do and about the things in which we get involved. This passion, one may assume, may let emotions prevail in our decision-making, but it is part of our success. I am excited to play a role in building an organization in which we all will have the greatest pride.

## **Europe - Paolo Mondia and Andrea De Vecchi**, *Co-Managing Partners for the European Region*

The success of the Andersen name is directly connected to our ability to provide best-in-class services. Professionalism, technical knowledge, experience, culture, creativity, and

teamwork are fundamental values for each of us. We are proud to have been appointed Co-Regional Managers for Europe and, after three years in the organization, we see the dream come through and take substance.

Our worldwide team of highly qualified professionals share enthusiasm and common knowledge while serving our clients seamlessly both locally and globally. We look forward to working with Leonardo and Dan to grow our firm in the frame of our core values: best-in-class and seamless client service, independence, transparency and teamwork.

**United States, Canada and Israel - *Daniel G. DePaoli, Regional Managing Partner for the U.S., Canada and Israel***

One of the amazing things to observe as we started this global expansion is not just the interaction between the partners in the U.S. and the firms joining outside the U.S., but the interaction and chemistry they are building between themselves. This comes with familiarity and trust, and as the Andersen name is rolled out internationally, the ability to view people globally the same way you would anywhere else is due to our common values: stewardship, transparency, best-in-class, seamless, and independence. All the new firms that have joined our growing organization share this culture – and, most importantly, they do so in actions rather than simply words. We like to say that Andersen is a verb, and we strive to be an organization that doesn't just talk about culture but embraces, promotes and protects it. It has been incredible to see the way the chemistry between the firms has developed, and the Andersen name is clearly a key driver for our progress. However, for us it starts and ends with culture.

The creation of the Regional Leader positions is a significant stepping stone in the growth of our international firm. As we work together to create one firm, there are two things related to this concept: one is teamwork and the other is a consistent approach to client service and relationships. We need to approach the client together not as “my” client but as “our” client. Bringing the power of the small team to clients and also having the power of the big firm behind us is very powerful. Clients recognize and appreciate this unique service model. This seamless service offering is especially true when discussing our “double doors,” because no matter where in the world our clients go, they receive the same service. Similarly, when stepping into another Andersen Global office, I always feel at home, which demonstrates the “one firm” that we are creating. As a Regional Leader, it is my goal to support the global organization and help us try to stay “small” while maintaining our culture as we continue to expand.

### **Closing**

Each of us is certain that with the help of the other leaders and collaborators of our respective regions around the world, we will create one firm for the future. In addition to all the plans and specific strategies to support the regions as they expand, it is the people and the culture that make us who we are. These councils, appointments and integration efforts are the building blocks for something amazing.

# How to Create Value in Today's Professional Services Marketplace

*An Interview of Nichole Jordan, Andersen Alumnus and now National Managing Partner Markets, Clients, and Industry at Grant Thornton LLP US by Jesse Rothstein, Enterprise Account Executive LinkedIn*

I'm here in Dallas with [Nichole Jordan](#), National Managing Partner of Markets, Clients & Industry at [Grant Thornton LLP](#). Today we're talking about the professional services industry, how Nichole got into her current role at Grant Thornton and future trends that she is seeing across the accounting, audit, tax and consulting fields.

Jesse: Nichole, great to see you again – thanks for making the time to connect with me while I'm in town.

Nichole: Jesse, thank you. Great to see you as well. Welcome to Dallas.

Jesse: Wonderful to be here. Please tell me a bit more about your role at Grant Thornton.

Nichole: Sure. I am privileged to work with the team that oversees the design and execution of our firm's growth strategy. This strategy is centered on bringing value to clients and building lifelong relationships. To achieve this, we prioritize investments in our own people. That means helping them build the skills and industry expertise they need to enable strategic conversations and cultivate lifelong relationships that inspire the deepest levels of client loyalty. For me, that could mean helping a client who needs to resolve a challenging regulatory issue or collaborating with a team to develop customer feedback loops that enable them to streamline their processes and focus on customer priorities real time.

**“UNDERSTANDING  
DATA AND NUMBERS  
gives you the unique  
ability to have substantive  
conversations that get to  
the heart of the issue.”**



Jesse: How did you get into the accounting industry?

Nichole: I've always enjoyed the precision of numbers and data. My father was actually a math teacher -- I remember helping him grade papers when I was a little girl. Then as I got older, I started to understand how we can use numbers to solve problems, especially in public accounting where success is so often the result of conversation and collaboration. It's funny now. I got into accounting because of math. It's quantitative, really black and white, you know? But what I've grown to love even more is the teamwork. Understanding data and numbers gives you the unique ability to have those substantive conversations that get to the heart of the issue. We can exchange ideas with our clients based on what the data tells us: "I understand what you are trying to solve for. I respect your goals, and our team can help you get there."

Jesse: How has professional services evolved since you first started?

Nichole: There's just so much more data out there now. Not only are we and our clients able to monitor progress and make necessary changes as the market moves in real time, but we are in an age of transparency and everyone can monitor and capitalize on transactions and best practices in ways they never could in the past. At Grant Thornton, we try to sift through the noise to find what is most relevant for our clients. And it's not a transactional kind of conversation. It's one that is ongoing over a long period of time. Our clients feel empowered to constantly circle back with us and evaluate how they're doing against best practices and their peer groups, as well as in how the market is changing.

Jesse: What trends are you seeing in the market today?

Nichole: In the past, building relationships with clients was really all about face-to-face interactions -- the kind you cultivated from meeting in person at a client's office or working just down the hallway. Today, we also leverage our virtual networking environment to connect, understand and monitor the interests of our clients through online sources. We are continually pushing ourselves to raise our game — anticipate, not simply react to, customer needs. We can walk in, even in those initial hellos, already knowing enough about that person to engage in meaningful conversation and begin focusing on their priorities. Because customers are more sophisticated today, it's so important now to think bigger and differently about what our clients are interested in and be able to pivot immediately when those interests change.





## “How will your industry be different in the next 10 years?”

Jesse: How will your industry be different in the next 10-15 years?

Nichole: I believe our work in the future will become more automated and centralized into lower-cost centers. Machine learning will complement our human workforce and free up accounting and professional services specialists to focus less on day-to-day data crunching and more on innovation and advice in their respective fields; which, in turn will likely sprout a whole new range of services and value for our clients, as well as opportunities for our people.

Jesse: Nichole, thanks again for the time today.

Nichole: Thanks Jesse – so pleased to catch up with you.

# What Should I Do?

By Ed Maier, *Former Andersen Partner*

Every quarter as I ponder what I should write to you about as a part of our newsletter, I try to think of something that is worth your few minutes of reading time. I had a few things on my mind and was trying to narrow it down when something happened. Something out of my control. Something out of your control. Something that made history and has had a profound impact on all of us – Sunday, October 1, 2017, 10:08pm, Las Vegas, Nevada. It no longer mattered what I wanted to write. It was about what I needed to write.

Like so many others, when I first began hearing the initial news reports, questions bounced around my mind like a ping pong ball. Was this a planned terror attack, or was it a random act of violence? Do I know anyone who is currently visiting Las Vegas who might have been at risk? Then, as I followed the news reports, I began to form my initial, perhaps unfounded judgments, as all the facts were not yet available.

Next, I started asking myself: How I would react in similar circumstances? Would I duck for cover? Run from the scene? Would I try to protect others, both those that are familiar or those that were strangers? Would I think or would I just react? Would fear take over? Would I have some smidgen of intelligent response to preserve my safety? I sure don't know the answer to these questions but you can bet they, and many others like them, have consumed my thoughts over the last few days.

Now, as time continues to inevitably move on, I have begun asking myself “What should I do?” I know I am not alone in this type of questioning. Many of us find ourselves sharing similar thoughts when tragedy strikes.

I struggle with the answer to this question because at this stage of my life, I know I am not going to become a law enforcement officer or get involved to great depths in the political scene. I am not going to scream or shout for more or less gun control, or more or less monitoring of suspicious persons—whether it be because of how they appear physically or mentally. I will leave that up to the experts.

But, I will react to this tragedy. We all will. In our own way, we will all answer the question “What should I do?” Although my reaction may be more subtle than others it will require a change in my behavior.

One of my personal hobbies is to read more about what is going on in the world. I consume more information about geopolitics from different sources that I ever have done in my past. It is something I find interesting and it challenges me to think about some pretty large issues. As events such as these have occurred around the world, I have become more aware of the environment around me. Security experts would refer to this as improving my situational awareness. While I don't believe any of us should alter our



lifestyle in response to events like these I do think we should be more aware of our surroundings. Here are a few thoughts for you to consider:

- As you move around in the public environment, spend less time looking at your handheld devices and more time paying attention. Take some time to observe your surroundings and be aware when things might look a little different than they should. I am not suggesting you live in a state of paranoia, but be aware of where you are and what is going on around you. And, on the rare occasion when you sense that something is amiss, do something about it. Contact a nearby security official or other appropriate authority and inform them what you have seen. You might even use your handheld device to take an appropriate picture.

On a very limited number of occasions in the past, I have done what I suggest above by contacting building security personnel, a local enforcement officer and, in one case, a federal law enforcement officer. In all cases, nothing negative happened—no harmful event occurred. But I felt it was appropriate to act as I did and my comments were welcomed by all the individuals I addressed and they expressed their appreciation for my doing so. Consequently, I felt better. Like I had made a small contribution to public safety.

I am not suggesting we all act like we are in a 1984-ish, Orwellian environment. But I do think we owe it to ourselves, our loved ones and others around us to up our awareness game a little especially given the distracted world in which we live.

- Many of you work in large office or other building and service environments. In many instances, these are somewhat protected by the use of security cards or other types of electronic controls for access and egress. But, that doesn't mean we can assume that everyone who is in our place of business, the entertainment venue we are attending, even our local community activities – including churches – belongs there. Once again, don't be paranoid, but be alert. If someone or something looks out of place in the building, on the subway platform, in the train station or the airport, don't be afraid to point it out to appropriate personnel.
- When you are in a public place, be aware of entrances and exits that you might need in any type of emergency. Pay attention to your physical surroundings and note areas of concealment and areas of cover. Recognize that an area of concealment, such as a wallboard panel in a shopping center will not provide sufficient cover, as would a vehicle, a brick wall or concrete abutment.
- Ensure that your loved ones are familiar with basic security procedures and practices. Local schools, fire and police departments provide information about them and you should be well-acquainted with them. Have conversations about these types of issues and protections from time to time. It is important that everyone's level of awareness is somewhat higher today than in the past. We must keep those close to us informed in an appropriate fashion. Think about how often we participate in office building fire drills – and really don't listen to the instructions being given. We just want to get back to our cubicles. Or, answer

this—when was the last time you paid attention to the security announcements that flight attendants make on the airline? It’s only a few additional minutes of our time to pay more attention to these messages.

Many friends and family members often harken back to the “good old days” when discussing some of these matters.

- “When we were kids we would play all day in the summertime. Mom or dad would only be concerned that we were home for dinner.”
- “We could ride our bikes all over the city or the countryside, past local businesses or local farms, neighbors would wave and say ‘Hi’”.
- “We used to hang out at the mall regularly and we never thought about any harm coming to us.”

Why can’t it be like it was back then? Why do we have to worry about these things? We were never that concerned about where the kids were playing. We never had to pass through screening machines or walk by security guards to travel or to just get into the office or hospital.

But, it’s a different world. We need to understand that and up our games with respect to our own personal security. And remember, increasing our awareness does not mean we stop doing the things we enjoy or make major alterations to our lifestyle. It simply means we should be more situationally aware.

I hope that this article does not sound too much like the little boy who cried “Wolf”. None of us know how we would react in one of these tragic situations. But I hope it encourages you to think about your own level of awareness and personal security and helps you adapt as you feel necessary.

As always, I am interested in your thoughts. With respect to more details about this particular subject, if you are interested, I have a couple of newsletters that you might consider. Feel free to write me at [ed@thinkstraighttalkstraight.com](mailto:ed@thinkstraighttalkstraight.com).

# How I discovered that I was the Second Human Capital is the CEO's # 1 Business Challenge

By **Dwayne Jorgenson**, CIA, CFE, Andersen Alumnus, Senior Advisor to Human Investment Advisory, Inc., Director of Standards Process Controls for the In-Memory Apps Institute Standards Organization, and an expert in Corporate Governance and Internal Audit Services and **Jim Villwock**, Founder and CEO, Human Investment Advisory, Inc. and the Director of Standards for the In-Memory Apps Institute Standards Organization.,

According to a recent study by The Conference Board, the #1 Challenge of CEOs worldwide is Human Capital "HC". Every CEO that I meet, I ask, "How is Human Resources "HR" working out for you?" While I am sure there are many exceptions, so far we have yet to find any ecstatic replies. Clearly, there is a business gap but also an opportunity. Closing that gap may be your #1 Business Opportunity.

Companies who look at HR/HC through a traditional lens will not likely see major business changes. The opportunity is in new paradigms, strategies, and processes at the CEO and Board level, which are business based rather than HR based. Once the opportunity has been defined, then teaming with HR to align with your business requirements can support true companywide business transformation.

The key issues, as cited by [The Conference Board Survey](#) of 943 CEOs, presidents, and chairmen are:

1. High quality sustainable growth with increased employee engagement and workforce up-scaling
2. Developing a strong culture around innovation, engagement and accountability
3. Strategies to raise productivity and become/remain a high-performing organization

So, how can a CEO and their team transform the company to address those issues?

After all, according to Gallup, in the average company:

- 70% of the people hate their jobs
- 70% of people hate their managers
- 70% of the people are not engaged – and of that a significant percentage are actively harming the company

*Despite all the money and time previously invested by companies, these statistics haven't materially changed in over 20 years.*

So, what is your company doing differently to make a difference?

At least for the CEO's measured in the Conference Board Survey, everyone seems to agree on what is needed. The words are agreed upon, but the road map to making it happen is often missing.

There are significant gaps between what CEOs want and need to drive their business in today's highly competitive, fast paced, and disruptive world. Beyond technical gaps, the largest gap appears to be between the CEO and their People.

So, what are the *key drivers* for what CEOs say are their key issues?

1. What drives employee engagement and workforce up-scaling?
2. How do you develop a strong culture around innovation, engagement and accountability?
3. What are the strategies to raise productivity and become/remain a high-performing organization?

The answer does not start with your People or your HR organization. People follow leaders. HR is a support organization that implements the direction that it is given...or, lacking guidance, HC simply imitates what everyone else is doing or makes it up.

The answer is in you, the CEO, defining your unique business strategy and plan so others can understand it, align with it, and engage with it. The next step is also in you. After you define your business, the next step is to define the culture, values, and many other definitions that allow employees to follow and for HC to support.

Once these questions are answered for your business, only then can consistent paradigms, processes, metrics, and governance be implemented to support your definitions. Once that happens, your goals of alignment, engagement, agility, innovation, accountability, productivity, and high performance can be pursued. The result is usually increased revenue, profit, growth, and market share for your business.

Does every employee understand your business? Do they know what is required from them to drive your company's success? Have you, the CEO, defined your business and how your people model needs to be implemented to support your unique business? Do you have metrics, controls, and active governance to ensure companywide compliance with your definitions?

Whereas the above provides the guidance that is incorporated into a proper "Tone at the Top" approach, we also want to encourage you as the CEO to sit with your executive

team and discuss the points presented above. Leadership is always better when the opportunity for input is available, which then drives a consensus-based approach to the organization.

If you would like more information on Human Investment, [Click Here](#)

## The Eruption of Disruption

By **John Blumberg**, *Andersen Alumnus and author of Return On Integrity*

([www.BlumbergROI.com](http://www.BlumbergROI.com))

Have you ever experienced that phenomenon when something new enters your life and you subsequently notice it everywhere? Like when you purchase a new car and you see your same make, model and color at most every red light! After graduation from college, I immediately started my career at Arthur Andersen. Just four weeks following my start date, I purchased a mustard yellow Volvo. And immediately, I began to see Volvos everywhere. Admittedly, not many were mustard yellow and there were good reasons for that!

Today, I don't see too many Volvos. Maybe there are fewer. More likely, because I don't currently drive one. I see a Nissan Altima at most every turn and in every parking lot. There are especially a lot of silver ones ... just like the one I drive! I loved my Volvo. And I would say I like my Altima proven by the fact it is my second one. Today, I might see one Altima right after another because I drive one.

**Or because they are literally everywhere.**

That happens too. You might have noticed this. You hear a phrase for the first time and then you hear it again and again ... and again! It used to be a phrase ... like "Are you kidding me?" ... or a word like "Exactly!" ... or going way back, do I dare say "cool" or "groovy!" The casual phrase I have noticed lately ... "it was a shit show." I heard it first in the early spring, then I heard it again two weeks later, then again one week later and now it feels like daily. Have you? Oh, you will now!

Consultants are notorious at adopting such trendy terminology. Initially kindled in one conversation, this jargon spreads like wild-fire among them. It could be a subconscious habit, a need to sound "cutting-edge" with clients ... or possibly just an abbreviated approach to more efficient conversation. Every now and then it goes beyond just terminology and evolves into a buzz concept that either names current reality or begins to create it ... or both. Disruption is one of those concepts that is both.

## **Welcome to the eruption of disruption!**

Disruption is everywhere. Both the terminology and the reality. There was a time when change evolved quite slowly. I'm sure the turtle-pace of change didn't seem as such at the time. These historical changes typically reflected a modified version of the old ... a new model of what already existed. Disruption isn't change. Disruption erases the old with something completely new. Sometimes disruption is about doing things in new ways ... yet, real disruption is about seeing things in completely different ways. The "new way of doing" is merely the by-product of this disrupted insight.

Amid disruption, a "refresh" of most anything brings little value. This refresh feels like progress while nurturing the behaviors for falling further behind. A long-overused cliché of "rearranging the chairs on the Titanic" captures this.

With all the best intentions, this is precisely what most leaders (or more likely ... and unfortunately ... their designee) engage-in to address the culture of their organizations. This change creates new models of the old ... packaged in shiny initiatives of updated employee events, repackaged benefit programs, trendy clothing codes and restyled mission, vision, and values statements stenciled on freshly painted walls.

Amid seismic disruptions erupting in most every industry, organizations don't need to change their culture.

## **We need to disrupt how we see culture.**

That disruption can only begin when we are willing to host a parade of elephants through some brutally honest conversations in both executive suites and boardrooms ... as well as in the cramped quarters of budding entrepreneurs. It involves looking out, looking around, and most importantly looking individually within. Disruption is always delightfully uncomfortable and sometimes acutely painful. If it's not, you can be sure you are refreshing an old culture and not in the midst of a culture disruption!

The perception of culture is temporarily changed with a forced set of new behaviors. The reality of culture is forever disrupted when we are willing to dig much deeper than we ever thought possible ... to see meaningful personal and organizational values that we never knew existed. These values are unshaken by the most profound disruptions and quite often fuel them. They also fuel a meaningful disruption in how we see culture to begin with.

## **The exponential speed of future disruptions won't require it. They will demand it!**

John G. Blumberg is an Andersen Alumni, a national speaker and author of several books including his just released book, *Return On Integrity: The New Definition of ROI and Why Leaders Need to Know It*. It is available on Amazon and at major bookstores. You can connect with John at <http://www.blumbergroi.com/connect>



# How to Get the Right People to Look at Your LinkedIn Profile

By **Wayne Breitbarth**, *Andersen Alumnus and CEO-Power Formula LLC (Author of "The Power Formula for LinkedIn Success: Kick-Start Your Business, Brand and Job Search")*

During one-on-one LinkedIn consultations and also the Q&A time at my presentations, people are consistently interested in learning how they can get the **right** people to look at their profile.



First, it's important to identify what the "right" people would look like—in other words, determine who you actually want to meet.

If you're just not sure who the "right" people are, check out my article [\*Is Your LinkedIn Network Made Up of the Right People?\*](#)

## Simple steps to get more profile views by the "right" people

Sometimes people just need a little nudge—*if you look at me, I'll look at you*. So begin by using any of the LinkedIn people searching tools to search for the **right** people. The two I think shine above the rest are [Advanced People Searching](#) and [University Pages/Alumni](#).

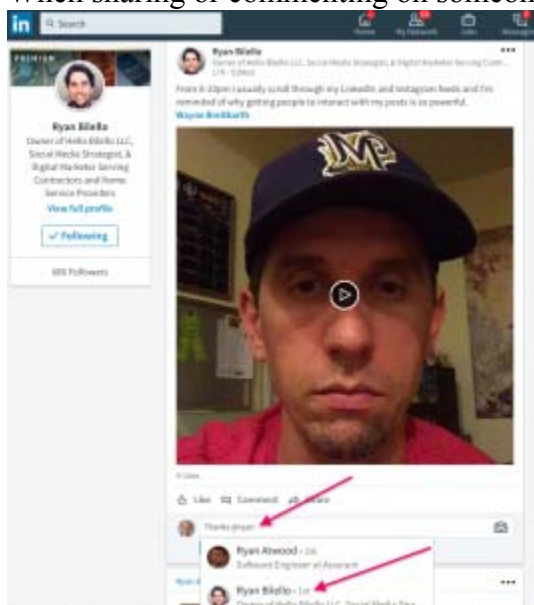
Begin your search by entering the keywords you think the "right" people would include in their profile. Then browse through the profiles shown in the search results. When you see someone who looks interesting, click on the person's name to view their profile. That simple step alone may encourage some of these people to look at your profile.

Once on the profile, there are a number of steps you can take. Some of these steps may not feel right to you at this point, but, trust me, they all increase the chances that this person will look at your profile.



Review the person's *Articles & Activity* by clicking either *See more articles* or *See all activity*. "Like," share or comment on any of the articles or updates you think people in your network would find helpful.

When sharing or commenting on someone's article or activity, consider using the *@mention* feature by typing "@" followed by the person's name. For example, if I'm commenting on Ryan Bilello's post, I'd type something like *Great video @ryanbilello*. When Ryan's name shows up in the drop-down choices, I'd click that entry.



This triggers LinkedIn to send a notification to Ryan, telling him that he was mentioned in my update or share. The notification goes to the person's email Inbox in addition to their LinkedIn *Notifications* tab.

If you are personally aware of the person's skills, you may want to endorse them for one or more of their skills.

Send the person a customized invitation to connect. If your request to connect is accepted, follow up with a thank-you note, opening the door to a possible next step (meeting, phone call, etc.)

If the person doesn't connect with you right away, check your *Who's Viewed Your Profile* listing periodically to see if they view your profile sometime down the road. If you see that they've taken a look at your profile, consider reaching out to them with a new LinkedIn connection request, phone call, email, etc.

If you routinely take these steps, your profile will consistently be viewed by the right people. And more profile views by the right people will generate more traditional interactions (phone calls, emails, meetings, etc.) with the right people. Of course, this will result in improved ROI for your time spent on LinkedIn.

## SPECIAL OFFER

For more simple strategies to improve your LinkedIn ROI, along with a detailed critique of your profile, be sure to take advantage of my limited time offer: a [one-hour, one-on-one phone consultation](#) for just \$175 (50% off my regular fee).

I will share my computer screen with you during the call and send you a marked up copy of your profile prior to the call.

There are limited spots available, so don't delay. Book your session today by clicking [here](#).

# THE EQUIFAX FIASCO AND THE COST OF REACTIONARY CYBERSECURITY POLICIES

By Traci Easton, *Friend of the Andersen Alumni*

Although the 'official' root cause for the hack hasn't been published yet, there is a lot of chatter about the reasons for the breach. The current contender suggests that the likely cause for the breach is a previously known exploit of Apache Struts, a popular open source framework to develop Java web applications. This is a framework used by many large companies, the difference being, most have a proactive cybersecurity group with policies and procedures in place to protect against such breaches, hopefully that is not wishful thinking. According to IBM approximately 99% of all breaches occur due to the exploitation of known vulnerabilities that have not yet been patched.

Now Equifax faces the daunting task of rebuilding what is very battered image & get ready for onslaught of lawsuits, thus far 100 + and counting, by organizations, banks & mortgage lenders (and individuals).

### **So, what happened?**

Specifically, this previously known vulnerability appears to be one where remote hackers can execute remote commands through an HTTP header, Remote Code Execution. Not only was this increasingly common tactic to damper the efforts of the malicious to attack the applications that hold deeply sensitive data not in place, but it appears that the system had not been patched, a patch that potentially could have thwarted this attack in the first place. Normal security patch management practices were ignored. Patch management is the most basic of task required to protect your environment from known security vulnerabilities. There are great products and services available to identify and patch requisite systems and achieve compliance. This is by far the less expensive option when

compared to what Equifax is up against. Truly an ounce of prevention is worth a pound in cure.

Now understandably, the full detail and the circumstances of this breach is not out yet, but the keepers of our data, whether it be banks, hospitals or any other institution that we entrust with our data have an obligation to maintain such data to the best of their ability such that trust is retained. Adding fuel to fire, the response was less than impressive, what with the [shady sounding website www.equifaxsecurity2017.com](http://www.equifaxsecurity2017.com) that was hastily put together to enable consumers to check if they were compromised or to the response (or *non*-response) the automated system came back with.

Simply put, there has been a breakdown of the system at Equifax, [top](#) to bottom, trust has been lost and that has consequences. Maybe it's time to evaluate your relationships, especially one's that could make or break the trust consumers place in you.

If you are trying to mitigate your vulnerabilities you may want to consider the following three things:

- 1) Vulnerability Management Program Gap Assessment: A top-down review of your vulnerability management program from documentation to execution. Review your organization's Vulnerability Management Program documentation, interview personnel to evaluate processes, and perform internal and external network vulnerability and penetration testing activities to evaluate the effectiveness of the program
- 2) External Network Vulnerability and Penetration Testing: Allows a trusted third party to engage client infrastructure in a similar fashion as an adversary. Attacking known vulnerabilities to gain access may then lead to lateral movement within the organization. End-Goals for penetration testing is defined by the client.
- 3) External Application Security Testing: Trusted third party testing specifically focused on externally facing web applications. Automated and manual vulnerability and penetration testing performed on applications to ensure secure coding practices and web server configurations are utilized.

It's these solutions that help mitigate your risk against threats that are coming. If you need a partner you can trust. Solutions II, founded in 1992, operates under a policy of Quality, Passion and Integrity. It is with those guidelines that our solutions have been crafted to assist our clients achieve their business objectives. Evaluate us @ [www.solutions-ii.com](http://www.solutions-ii.com) We can help you address all your security needs, from assessments, remediation to compliance. For all this and more, please visit our website and download our [services catalog](#).

# Andersen Reunion – Boston, MA

When: Thursday, October 26 from 5:30 PM to 8:00 PM

Where: RSM Office  
80 City Square Boston, MA 02129

[RSVP](#)

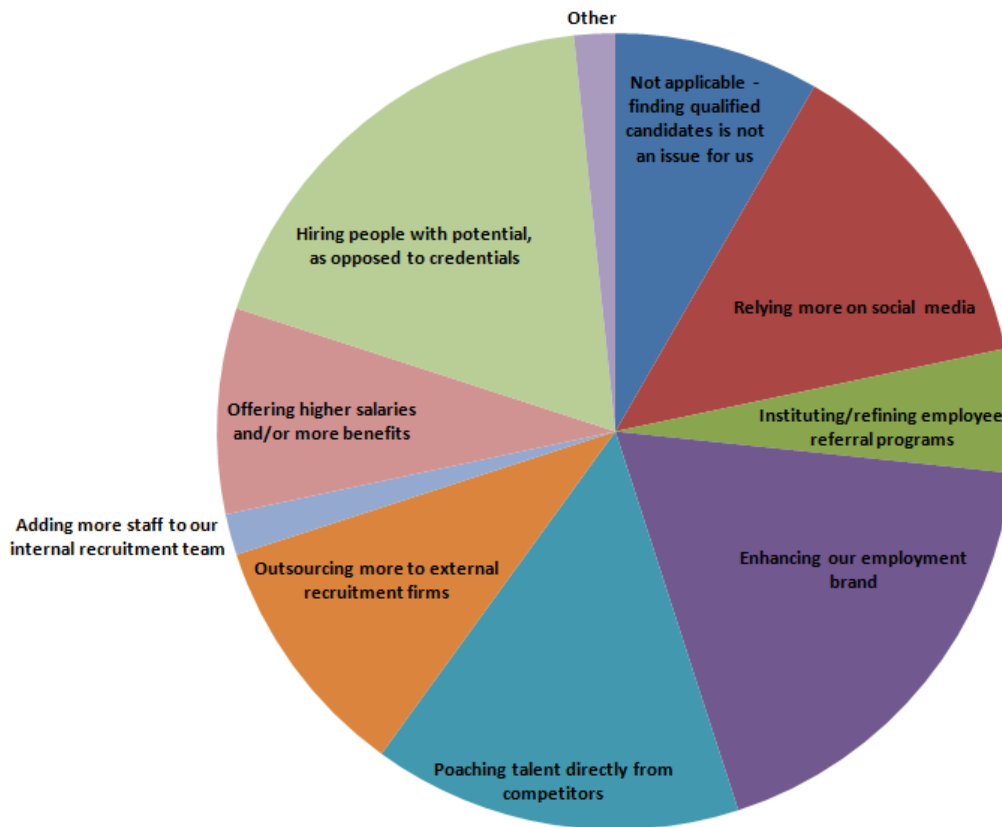
## Potential, Not Credentials...Poll on Hiring Trends Illustrates New Trend

**By J. James O'Malley**, *Former Andersen National Director of Experience Recruiting, Jim joined TalentRISE as a partner in 2012 to focus on clients' executive leadership challenges by leveraging his passions for executive search, on-demand recruiting, workforce planning and analytics and executive coaching.* [jimomalley@talentrise.com](mailto:jimomalley@talentrise.com)

In the July issue of this newsletter [[link here to the previous article](#)], I addressed the challenges of hiring experienced talent. I argued that, if you want to grow your firm, relying on internal talent in today's labor market is not a viable strategy. Within virtually every sector of professional services, demand outstrips supply, making hiring from the outside an imperative, not a choice. Hiring from your competition, however, is also fraught with challenges. Consider, for instance, that individuals willing to make lateral moves often (but not always) represent less-than-stellar talent.

Another - in my view - more viable strategy is for firms to revamp their foundational approach to hire based on potential vs. experience. This means hiring executives from outside of the usual "Lateral Hiring" channels" who exhibit potential. The concept is catching on: at TalentRISE, we are wrapping up a second poll on the recruitment challenges faced by organizations today. When asked, "What are you doing to become more effective in finding qualified candidates to fill open positions?", "hiring people with potential, as opposed to credentials", was selected by 18.5% of respondents. Tied for first place, "Enhancing our employment brand", was also cited by 18.5% of respondents while "poaching talent directly from competitors", is currently selected by 15% of poll participants. See the chart below.

What are you doing to become more effective in finding qualified candidates to fill open positions? (Click all that apply)



This signals three growing trends among businesses that, faced with a decreasing supply of qualified talent, are:

Re-thinking their hiring criteria

Focusing more on selling themselves to candidates

Becoming more aggressive in attempts to lure talent from others within their industry

As far as prioritizing potential over experience, businesses aren't necessarily lowering the bar on the caliber of talent that they hire; they are just re-balancing the scales. Hiring for potential, as opposed to career experience and other credentials, does however require a more thorough and thoughtful approach to the entire recruitment process. First, you need to define the characteristics of "high potential" which means doing an analysis, specific to a particular job, to describe the skills, knowledge and behaviors critical to success in that specific role. There are certainly other considerations to take into account during the sourcing process, such as cultural fit and the ability to take initiative and deliver results (for an excellent summary discussion of how to define "high potential, go here). Careful assessments using front end assessment tools and technology are also key, as is



onboarding and assimilation coaching for the first 90 days, particularly for the more senior level experienced hires.

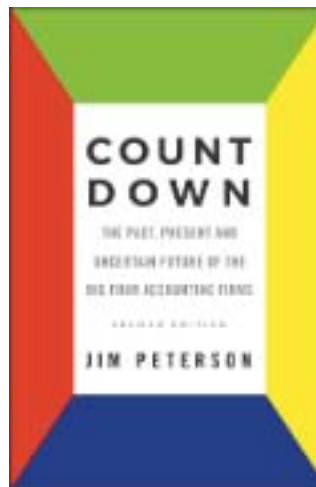
Ironically, most professional services firms get the concept of hiring for potential - in fact, they perfected it in their campus recruiting programs. Taking a calculated risk and extending the concept to experienced hires will be a game changer for the firms who can implement and execute this strategy. When “done right”, hiring for potential will also help your firm “import” new perspectives, gain momentum as an innovator, and possibly even expand your customer base. No wonder the trend, as shown by our survey, is gathering momentum.

## **Alumnus Book Release “Count Down: The Past, Present and Uncertain Future of the Big Four Accounting Firms”**

*Emerald Books – second edition – July 2017 (its page on [Amazon](#))*

**BY Jim Peterson, Counsel, Arthur Andersen Worldwide (1982 – 2001)**

It is a pleasure to share here the publication by Emerald Books of the second edition of “Count Down: The Past, Present and Uncertain Future of The Big Four Accounting Firms.”



### **Synopsis**

The post-Enron disintegration of Arthur Andersen in 2002 reduced to the surviving Big Four the number of international accounting firms that audit nearly all of the world’s largest public companies -- Deloitte, EY, KPMG and PwC.

Despite their strengths -- market dominance, double-digit annual growth in non-audit services and continued global revenue expansion – there are serious threats to both the viability of the Big Four and their business model:

- Widespread dissatisfaction with the standard form and language of their core product -- the traditional “pass-fail” auditor’s report.
- The persistent “expectations gap” between their perceived performance quality and the stated desires of information users.
- Difficult relations with regulators and oversight agencies.
- And especially, the questionable ability of the Big Four and their partners to survive a “black swan” financial shock – a litigation judgment or law enforcement sanction on the scale that destroyed Arthur Andersen.

“Count Down” looks at the complex challenges facing the Big Four, questions the feasibility and achievability of the various proffered “solutions,” and proposes an evolved model for Big Audit that would be both sustainable for the large firms and fit to serve the capital markets of the 21<sup>st</sup> century.

### **Duane Kullberg’s Support**

Duane Kullberg was managing partner and chief executive of the Firm in 1982 when I accepted our management’s invitation to join the nucleus of four lawyers that comprised the original in-house legal group. He generously puts his view this way:

“This book lifts the lid on the story behind the financial statements of the world’s major companies. If you want to understand the system that is allegedly validating the reported data - and why the system is a clone of the Maginot Line - expensive, obsolete and irrelevant - read on. Weak as the present system is, there is a solution. It will take a major change in regulatory attitude and a fresh approach, unfettered by history. The section on the imaginative use of Big Data is worth study by itself.”

### **This Second Edition**

In December 2015, Emerald aimed the first edition at its core academic and scholarly market – thus low volume and at a cover price-point that was understandably resisted in the broad reader market. This trade edition is now revised and extended, and priced – in both softcover and e-reader versions -- for readers in accounting and the other professions, corporate management and governance, finance and investing.

The new “Count Down” brings into its updated narrative recent developments affecting the Big Four and the fragility and threats facing their business model - for a free view, see the link on Amazon, “[LookInside](#).”

Included are developments since the first edition, affecting the Big Four and the fragility and threats facing their business model. Brought into this updated narrative are:

The Big Four's growth to collective global 2016 revenue of \$ 128 billion, and the structural implications of the continued growth disparities between their Audit and Advisory practices.

The imposition and implications of mandatory auditor rotation under legislation and regulation in the European Union; and in the US, the PCAOB's requirement to name lead partners on public company audits.

New examples of corporate financial malfeasance, regulatory and law enforcement proceedings and potentially disruptive auditor litigation, involving each of the Big Four and their large global clients – of which a partial sample here:

- Deloitte's Brazil firm in December 2016 incurred an eight million dollar penalty, the largest ever imposed by the PCAOB, and practice bars and other sanctions against twelve partners and employees, over confessed alteration of documents, false testimony and lack of cooperation with the PCAOB's inspections and investigations.
- EY in September 2016 was the target of two SEC enforcement actions, involving censures, fee disgorgements, fines and practice bars against its personnel, over charges of loss of independence based on "close personal relationships" between engagement partners and client personnel -- in one case a romantic relationship and in the other, significant expenses paid for travel, entertainment, sporting events tickets and family vacations for the client CFO and his family.
- KPMG in April 2017 fired five partners and an employee, including its Vice Chair of Audit and its head of Audit Quality and Professional Practice, over its receipt and handling of advance inspection information leaked by an employee of the PCAOB.
- PwC's delivery of the wrong "best picture" envelope, and the resulting tumultuous ending to the February 2017 broadcast of the Academy Awards, evoked outbursts of public ridicule -- although the significance of the debacle was pale compared with the potentially fatal financial impact of two multi-billion dollar lawsuits, relating to its audits of Colonial Bank and MF Global, where jury trials in process in August 2016 and March 2017, respectively, were discontinued in favor of settlements for confidential amounts.

This new edition also expands in scope and detail on the required re-engineering by which – with the necessary but unlikely mutual cooperation among financial statement issuers and users, the accounting profession, legislators, regulators and agencies of law enforcement – a sustainable structure for financial reporting and assurance might emerge -- that is, a Big Audit model truly fit to serve today's global capital markets.

As we have lived together through the aftermath and consequences of the Firm's collapse in 2002, and the unlearned lessons that leave the current Big Audit model in its fragile state, the issues here have direct meaning and impact for all of us -- not only those still active in the Big Four and the smaller but no less affected firms, but also those working

in or serving as directors for public companies and their clients and investors who rely on robust audited financial statements, and – last but not least -- for all who hold the securities of public companies in their savings and retirement funds, Keoghs and IRAs and pension funds.

It was my privilege to provide legal counsel to the Firm and its personnel for 29 years, both outside and in-house – dealing with some our most grave and troubling litigation, disputes and practice quality issues. I sought always to address those difficult and challenging subjects under our shared principle of “think straight, talk straight.”

In that spirit, I hope you find “Count Down” to tell a worthy story. Comments are invited and welcome -- importantly on Amazon — more especially, by way of sharing with friends and colleagues, clients or otherwise. As for any disagreements or criticisms -- feel free to write me directly at [jrpllc@mac.com](mailto:jrpllc@mac.com).

## **ALUMNI BENEFITS:**

### MedjetAssist

Medjet provides reduced annual rates for its Air Medical Transfer membership program on a voluntary purchase basis to North American members affiliated with ***Andersen Alumni Association***. Medjet provides single point coordination for the safety and protection of organizational clients and individuals/families as they travel for personal or business reasons - domestically and abroad. Zero cost beyond the membership fee for services coordinated by Medjet in medically transporting a member back to a home country hospital of their choice in time of need.

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Reduced Medjet annual membership rates for persons from North America under age 75 start at \$250. Multi-year and short-term rates are also available. Rules and Regulations available online and provided with Member ID cards.

# **Social Media: Association's LinkedIn Group (Join) and Company (Follow) and Facebook Fan Page (Like)**

Social Media is a great way for us to stay connected. To request the Association Status be added to your Linked in Profile click on the following URL to JOIN:

<http://www.linkedin.com/e/gis/38306/6E0CB25BC94E>

Additionally you can "FOLLOW" the Association by clicking on the following URL:

[http://www.linkedin.com/company/andersen-alumni-association?trk=tabs\\_biz\\_home](http://www.linkedin.com/company/andersen-alumni-association?trk=tabs_biz_home)

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