Straight Thoughts, Straight Talk

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Editorial

As I write this editorial, summer is heating up and the 2014 World Cup is coming to a close. It looks like Germany has the hot hand, err foot! It seems like every four years, the media claims that soccer is here to stay and America has embraced it. The reality seems closer to soccer making a small dent each year in the American sports psyche. Little by little it is being part of the mainstream American sports. None the less, the media has tremendous goodwill towards soccer.

So, why all the talk about the World Cup? I know I am stretching it, but the goodwill the media shows soccer reminds me of the goodwill that still exists for Andersen. Both defy reason to some extent. I am amazed at the residual goodwill that still exists for our firm. I recently attended a professional services forum. The uniqueness of Andersen was mentioned several times by various participants. One of the participants who referenced the firm looked to be in his mid-thirties. That meant Andersen only existed for a brief time in his professional life.

The attributes that seem to come up when referencing Andersen were its entrepreneurial spirit, relentless focus on hiring the best and brightest, professionalism and focus on training. I would have to agree. These are four pretty solid attributes that I think

distinguished the firm. What attributes would you attribute to the firm? Send them to me at admin@andersenalumni.com. I will accumulate them and report back in a future issue.

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

Upgrading to the New Version of You
By Ed Maier, *Former Andersen Partner*

I wrote this newsletter article on my brand new Hewlett Packard PC with the latest version of Microsoft Windows software and a bunch of other new bells and whistles. Recently, someone asked me what version of the iPhone I have. When I said that it was an iPhone 4, they asked why I haven't upgraded to a more current version, or sampled one of the newer, faster competitor devices that are available in the marketplace. These started me to "a-thinkin'" (that's a Texas word – like "fixin'").

How many of us want to be at the forefront of technology? How many of us want to have the newest, latest version of whatever gadget or technology tool that can help us be more efficient or effective? Are you that type of person? Or do you feel you like I feel sometime—totally at the other end of the technology spectrum--waiting for technology to happen to me, rather my being out in front of it?

No matter where you are on the technology usage spectrum, I have a more important question for you. Where are you on the spectrum of developing yourself, and your own skills—not just the tools that can help you practice those skills. When was the last time you looked in the mirror and asked yourself "Am I the current version of what I need to be in order to be effective, or successful, or whatever I want?" Or, am I the 2.0 version in a 4.0 world?

I frequently ask clients these questions of clients and others I meet. Initially, I was surprised at the answers--so few people have any kind of plan for developing or enhancing their skills. But now, more often than not, I am very surprised if someone does have a plan for continuing their development other than the occasional workshops or seminars that they might be "encouraged' to attend by their employers.

In the first chapter of my life working at Arthur Andersen, my development was pretty much taken care of by the firm and the career path I chose within it. Thanks to the firm's incredibly strong commitment to training, far beyond even that of most organizations today, I never lacked for the opportunity to upgrade my skills – technical, professional or

personal. More importantly, it stimulated a thirst I have for continuing education. In the second chapter of my life since I retired from Arthur Andersen, I find myself doing a variety of different things. And I continue to seek opportunities to expand my knowledge to enhance my ability to do them.

I encourage you to do the same--whatever your experience level, whatever your functional responsibility, whatever your organization does or doesn't do about providing developmental support. A good place to start is to have a plan. You knew that was coming didn't you?

But this newsletter article is not about how to develop your own plan for your business or personal success and satisfaction. My presumption is that you have some idea in mind of what you would like to accomplish with your career and your life. If you don't have a plan, there are plenty of resources available to you to assist you in creating one (e.g., Google, Amazon, your library, etc.). If you save these prior newsletters in a folder somewhere, you can even find some ideas on planning in them.

Let's assume you have a plan, no matter how general or specific it is. For each stage of the plan, understand the major skills or competencies that you need to have to successfully complete that stage of the plan. Here is an example. At the time I was matriculating through my career in the audit side of public accounting, there were four principal professional levels – staff, senior, manager and partner. One's development path followed these levels:

- The primary focus at the staff level was to execute work steps related to the audit process. The majority of competencies at this level evolved around understanding accounting principles and audit issues and completing audit processes in accordance with professional standards. The majority of these were technical in nature.
- At the senior level, we were expected to have an appropriate grasp of the staff competencies and upgrade our knowledge for the more complex technical issues. In addition, we were introduced to the concept of planning and managing an audit engagement and the relevant administrative and human resource requirements related to doing so. Our training at this level continued to include technical competencies for the more complex issues and processes, but we were also introduced to such subjects as job management, time controls, supervising people, etc.
- Development of managers continued to build on these fundamental technical and administrative competencies. Over time we were also expected to develop competencies to manage multiple jobs, deal with a variety of client personnel, expand our industry knowledge, deliver proposals for work and build relationships—among many other things. So our training began to encompass competencies that were more demonstrative of interpersonal than technical skills.
- People serving as partners continued to be challenged to maintain and develop their competencies in the technical, administrative and relationship-building

areas, but were also expected to have competencies related to broader business skills such as strategy, economics, and global business practices.

My personal plan followed the organization plan and, no doubt, I benefitted from working in an environment that supported individual development.

Similar development stages exist in each of the functions of business organizations, whether you are in accounting, finance, engineering, information technology, sales, research, etc. In the early stages of your development, your primary focus is to learn the technical and process skills to support you in your growth. As you grow in the organization and face additional responsibilities, your development needs will broaden into the managerial and leadership categories. You will focus less on the technical requirements of performing your job and more on the relationship and communication skills.

So if this is important to you and you want to build your own personal upgrade plan, try these steps:

Identify – What do you need to succeed? What competencies are necessary for success in your chosen field? If you are not clear about which competencies are important, research the area using the tools available. Your organization's human resources department, colleagues, mentors and your boss can be helpful. In addition to learning what competencies are important, you will demonstrate to others that you have a commitment to your own development. Many businesses have their own people development and succession planning programs. I am often surprised to find that people are not familiar with the resources available to them inside their own organization. Seek out these resources and make use of them. If all else fails and you cannot find help inside your organization, head for the internet.

Evaluate -- How are you performing against the expected levels? What competencies do you need to get to the next level? As you complete this competency-identification exercise, evaluate your own competency levels and needs fairly. Large organizations generally have some form of competency identification, often through annual performance reviews. These can provide some insight into your strengths and weaknesses. As referenced earlier, use the human resource representatives in your organization to help you identify them. In addition, discuss your thoughts with your colleagues and your boss to get their input. In the example above, I worked for a large organization that had a strong commitment to the development of its people. Many companies, even the smaller ones, have a similar commitment. Take advantage of the opportunity to learn from what is already there. Again, if you have had periodic performance reviews, us them as a source for your areas of strength, weakness and potential development. Another source of information about your level of ability, is the people around you—colleagues, your boss, friends, family, etc. Ask them. Throughout your career it is important to be aware of the competencies you possess, the degree of competency you have, and the areas you need to improve. Every successful individual does this in some fashion. Develop your process and stick with it.

Plan – What steps do you need to take to achieve the appropriate level of competency required in your position? Or, what steps do you need to take to obtain the competencies required for the next level of responsibility in your organization? What is your timetable for accomplishing these objectives?

Understand the development program that exists inside your organization. Inquire of your boss, colleagues and human resources department about what is available in formal training programs. Also look into professional associations and other organizations that provide learning experiences that might fill your needs. Use all of this information to build your plan for self-development.

Execute – The final step in my process is the easiest one to explain and often the hardest one to do. Work your plan. Adjust it as necessary as requirements change for your organizational responsibilities or expectations, or as your own personal growth goals change. Be relentless in your desire to improve. Use others – colleagues, mentor, direct reports, friends, family – to help you along the way.

This process – identify, evaluate, plan and execute – is not linear, it is continuous. Ask for and listen to feedback as you go through the various stages and make adjustments accordingly.

One last thought on everything I have written in this piece is this. It is easier to do what I suggest if you work in an organization that is committed to and supports your development. But, even if the company commitment does not exist, do not be deterred from improving your skills. Without the support of a committed organization, it is more challenging. But it is something that you must do. And you might be surprised at the number of resources available to help you do it. For example, since I began working on my own several years ago, I have learned to make use of professional organizations and associations, business workshops and local universities to continue my own development. Do the research and you will find that each of these present a variety of alternatives to your self-development choices – face-to-face workshops, webinars, formal classes, etc.

Good luck with your next upgrade!

As always, feel free to write me at Ed@ThinkStraightTalkStraight.com with your thoughts, suggestions and questions. I welcome them.

LinkedIn Metrics and ROI: The 10 Numbers You Need to Track

By Wayne Breitbarth, Andersen Alumnus

How will I know I am making progress on LinkedIn?
If you are really honest with yourself, you have probably asked yourself this very legitimate question.

The ultimate answer should be If you're accomplishing the LinkedIn goals you've set, then you're making progress.
And the most common goals I hear are:

 generate customer leads
 find a job
 increase my brand
 improve my presence
 find donors or volunteers

Trust me, I hear success stories for each of these every week, but it sometimes takes time to see the progress.
So, while you are on that journey, what numbers should you track to see if you are making progress?

Here is a list of the ten most important LinkedIn metrics you may want to start tracking as you work to accomplish your overall goal(s).

Note: I am not going to address any LinkedIn company page metrics in this article. I will save that for another article.

1. # of connections. This is the big one. In general, the bigger your network, the better off you are. Many of the metrics listed below will improve just by growing this number.

2. # of connections in your targeted industries, companies, regions, etc. To monitor this, you'll need to use LinkedIn tags to categorize your connections. Seeing these numbers go up will mean good things, because you can send targeted messages to these important groups of people.

3. # of profile views. The raw number is important here, but more important is who are these folks and what action steps (connect, message, etc.) did you take with the good ones.

4. # of times you showed up in a search. This should increase not just from increasing the number of connections but having enough of your keywords in the right spots on your profile.

5. # of invitations to connect. If this number is increasing month over month, it usually means your activity level is increasing not only on LinkedIn itself but in your physical world as well.

6. # of people viewing your updates. If you haven't started using this section, you are missing the boat. Of course, you have to post status updates to get these metrics. It's a great way to see what type of updates are resonating with your audience and what time of the week might be your sweet spot for posting.

7. # of people "liking," sharing or commenting on your updates. Yes, the numbers are important here, but also consider reaching out to the people who share, "like" or comment on your updates. A simple thank you or sharing one of their insightful updates with your network would be noticed and appreciated, I'm sure.

8. # of endorsements for your top ten skills (keywords). I know you may be annoyed by the whole idea of endorsements (I'm with you), but LinkedIn loves these, and so I'm pretty sure that increasing your number of endorsements for the right skills is going to help you.

9. # of recommendations. Even though endorsements are all the buzz, recommendations are still extremely important for your overall social proof. Believe me, people do read these, especially if you're directing them to do so at some point in your conversation or relationship. Work hard at getting LinkedIn recommendations. It will be time well spent.

10. # of hits to a website from LinkedIn. This could be from any shareable link you may have placed in the following LinkedIn profile sections or features:

    Contact Info section website entries
    Publications
    Projects
    Profesional Gallery
    Group discussions started by you or answered by you
    Status updates shared by you or commented on by you

I suggest you set up a simple spreadsheet with any of these ten LinkedIn metrics you think are important to you. Decide how often you will update your spreadsheet, and then start tracking. I suggest you do it at least quarterly.
As you improve these ten numbers, I suspect you'll see tangible evidence of progress in reaching your LinkedIn goals. Good luck!

Wayne Breitbarth, an Andersen Alumnus, is a Social Media Trainer Speaker, Consultant and Author of "THE POWER FORMULA FOR LINKEDIN SUCCESS" He can be reached at wayne@powerformula.net

Reliance on Compliance
By John Blumberg, Andersen Alumnus

Sometimes you just have to hold things out there and wonder a bit ... asking a question or two while accepting there may not be an easy answer. Sometimes the question itself can create the possibility of a shift in momentum. That's the spirit of conversations on most any front porch. Or so it used to be. The engagement in the conversation is enough ... because the conversation gets you thinking. The thinking drives awareness. Awareness opens the possibility of seeing things you've missed. It holds the possibility of seeing things in ways that are new ... or so long forgotten ... they have the potential to become new again.

Sometimes the questions themselves can take-on a plethora of criticism before the conversation ever begins. It is especially true when you call into question the possible negative nature of a good thing! Like a reliance on compliance.

Could it be possible that the degree of regulation needed in an organization (as large as a nation or corporation ... or as small as an entrepreneurial adventure or a family) is in direct proportion to the depth, or lack of it, that the organization embraces and engages core values individually and collectively?

Setting regulations must be easier than inspiring core values.

Enforcement is more convenient. It can take less courage. It gives a follower, in a leadership position, something to do ... rather than trying to become the leader who others would truly be inspired to follow. Allow me to push just a bit further!

You can never regulate yourself to greatness. Regulations have proven necessary, in some form or fashion, in most any society. They come packaged in the form of laws, federal and private contracts alike. Any regulation adds complexity and steps to the process. Then again, regulations may create order, they may force a change of direction, or they may provide protection.

But regulations can also be the pain killer covering-up the greater problem at-hand.

While necessary, they are rarely wanted ... unless, of course, we are regulating someone else. We generally strive for regulations that have more of a direct impact on others rather than ourselves. That alone may be worth a self reflection!

But I think we would be hard pressed to find cases where regulations inspire anyone or anything to greatness.

Regulations create limitations and expectations ... but rarely motivation and inspiration. Almost without exception, regulations hold things back rather than propel things forward.

That changes a bit when it comes to self-regulation ... the regulation ignited by our own choice. Yet that, too, is often still created from a place of desired elimination. Regulations prevent what we are trying to avoid rather than what we are striving to achieve ... or longing to be.

We will likely never be fully void of the need for rules or regulations. This is more about ratio than riddance.

Every athletic event has rules and their own compliance officers called referees or umpires. But then again, no one likes when they make a call that can decide the game ... unless, of course, that call is in your own team's favor! Even in sports ... the rules, refs and umps are there because players, coaches and teams aren't wired and conditioned to call-out their own violations of the spirit of the game.

I'm not proposing the elimination of rules and regulations. I'm just raising some questions. Why do we put so much energy into regulations and so little effort into investigating, indicating and integrating core values?

It seems to me that when a country or a company spends billions of dollars on something ... like the creation and enforcement of regulations ... that it's fair to ask a few questions. It seems it's fair to wonder if we've completely missed an impactful and untapped resource that could not only save us billions but in fact inspire the creation of billions more. What is more inspiring ... elimination or creation? Regulations, by design, eliminate what we don't want.

Core values, by design, create who we truly want to be.

Again, I'm not advocating simply eliminating rules and regulations. We have tried that before with undesirable results. It's obvious they are currently needed. Rarely do you eliminate the need for something simply by trying to get rid of it. It can leave a dangerous void. It is far more profound to create something that ultimately makes whatever you want to eliminate no longer necessary. Ironically, by the way, trying to eliminate "that which eliminates" is a bit contradictory! It is far more about discovering a relational correlation.

It is precisely the relationship of core values and regulations.

The question really comes down to what are you relying-on? Is it a reliance on compliance ... or a reliance on core values? Don't you think it's a question worthy of a response? The surface level answer would be "both" ... the deeper reflection centers on the proportional amounts.

In an organization, that response doesn't begin with a first step. It begins with a leader.

John Blumberg is an Andersen Alumni and a full-time professional speaker and author who speaks with organizations who want to strengthen their core values and turn their people into better leaders. You can learn more about John at www.keynoteconcepts.com

How Coaches and Recruiters Can, Together, Protect Our Clients' Investment, "A Headhunter's Perspective on the Value Coaches Provide"

By J. James O'Malley, Former Andersen National Director of Experience Recruiting

Simply put, an executive search professional – or "headhunter" – is a hired gun whose job it is to find talented executives for firms outside of their organization. Companies pay well for these services (typically a third of the newly hired executive's first year total cash compensation) and it therefore stands to reason that they want to protect their investment.

However, keeping newly hired executives continues to be a challenge. Some 15 years ago, a study by the Center for Creative Leadership found that 40 percent of external hires failed in their new positions within 18 months. Today, data suggests that this number may be as high as a whopping 60-80 percent within 24 months. In fact, according to Challenger, Gray & Christmas, 2014 could outpace 2013 for executive turnover. A total of 1,246 chief executives departed American firms in 2013, according to Challenger, the highest number since 2008.

Such a failure is expensive both in personal terms and also in direct costs. In addition, companies also pay for lost productivity of others, negative PR and the decreased productivity of the next hire during the time it takes to get him/her up to speed. Most companies these days are obsessed with managing risk but, ironically, the biggest risk may be losing our own executives. Companies are simply not doing enough to ensure the success of their newly hired executive and consequently failing to protect the company's investment.

I could say that my job is done and close the file once my client hires the executive. But, in my opinion, that's not how the executive search industry ought to operate. We are changing people's lives and the relationship we build with the candidate during the hiring process obligates us to make sure that both the company and the newly hired executive are set up for success. We can't just sell the job and hope that things work out.

That's why we're huge advocates of coaching during the onboarding period to protect our clients' investments. In our experience placing hundreds of senior level executives in new

roles, professional coaches can have a tremendous impact on a company's ability to retain executives, particularly within the first 18 months. A study conducted last year by the Stanford Graduate School of Business and The Miles Group found that while nearly two-thirds of CEOs and half of all other senior executives do *not* receive coaching or leadership advice from outside consultants or coaches, 100% of those who received coaching said that they enjoyed it.
(Source:http://www.gsb.stanford.edu/cldr/research/surveys/coaching.html)

It's always easy to "talk the talk", but more challenging to "walk the walk". That's why, to demonstrate to our clients and to the new recruit our belief in the importance of on-boarding, we provide a dedicated on-boarding coach for newly hired executives - at our expense - for the first 90 days. We believe that this kick starts a desire and commitment to continued success by the client, newly hired executive and the recruiter. It is our hope that the client will see the value and convert this 90 day assignment to a full 12 month engagement with the coach to maximize results. This type of program shortens "startup" times for new executives, increases learning and accelerates action while improving productivity. But most of all, it's designed to make sure that our mutual client's investment is protected.

J. James O'Malley is Partner, Executive Search & Workforce Planning Practice Leader at talentRISE. Jim has over 25 years of experience in developing HR and talent acquisition solutions t or global consulting firms (including Huron Consulting Group and Arthur Andersen), to ensure that leadership talent aligns with changing business needs. Jim joined talentRISE in 2012 to address our clients' executive leadership challenges by leveraging his passions for strategic workforce planning/analytics, executive talent search and executive coaching. Jim's most recent role was as senior vice president in the human resource function of Fifth Third Bancorp where he was charged with building the infrastructure to support the organization's strategic workforce planning needs while attracting, retaining and recruiting a differentiated workforce at the executive level. Prior to joining Fifth Third, Jim served for five years as Managing Director and leader of the talent acquisition function for Huron Consulting Group, a global professional services consultancy. He can be reached at jimomalley@talentrise.com.

Continuous improvement is good. But it's no longer good enough.

By: Dean Fischer and Kevin McCarty, former Andersen Partner and Senior Manager respectively

Companies that rely on a "continuous improvement" or "incremental change" approach may be simply putting a bandage on the issue that will decide their future. To truly address business changes head on and emerge as a leader, today's enterprises must be willing to make a different kind of change—transformational change.

Swift, bold, transformational change

Most everyone is familiar with continuous improvement—the approach of improving products, services, and processes through small, incremental but constant changes. It stems from the principles of "kaizen"—translated from Kanji as "good change" and often credited to Dr. W. Edwards Deming—that guided rebuilding efforts in Japan after World War II.

Popularized through Six Sigma and Lean manufacturing, continuous improvement took hold in businesses of all types several decades ago as a means of honing efficiency, productivity, and competitiveness. It maintains a prominent place in all industries and facets of business today. And still serves a very important purpose.

But we have reached a point in the accelerating business lifecycle where continuous improvement is no longer "good enough" for making the changes required to remain competitive. In fact, we've seen more and more clients that are extremely good at continuous improvement struggle when it comes to making the swift, bold, transformational changes that their markets now demand.

Don't treat a hemorrhage with a bandage

Transformational change fundamentally shifts "business as usual"—removing and rethinking entire chains of processes, embracing innovation as a foundation for success, and setting a bold and compelling vision for the future. It's swift and sweeping rather than evolutionary—because for many organizations today, there simply isn't time to evolve.

Factors ranging from new regulation to economic uncertainty to industry consolidation are forcing even the highest-performing enterprises and industry leaders into situations of transformational change.

Consider the network television and cable industry. Many industry players large and small were slow to react as free streaming video became accessible and eventually commonplace. Some never saw it coming. Some are only now waking up to the realization that consumers may actually want to watch shows on their own time, and away from the traditional TV set. At the same time, streaming media companies such as Netflix and Hulu are expanding with their own original programming – driving many consumers to eschew traditional cable contracts for these subscription-based services.

This new set of competitors is becoming better equipped to meet new consumer expectations. As a result, network and cable giants are being forced to adapt fast or risk obsolescence.

There are many other examples in many other industries that are just as significant or more so—and they are still materializing.

Utilities have spent years "hiding from customers" (an exact quote from one industry executive); they didn't want customers to even think about them. Now, as smart grid technologies and infrastructure improvements are set in place, utilities need relationships with their customers in order to influence behavior and advance demand-side management programs. But guess what? They don't know who their customers are or how to interact with them. And customers don't really want to have to interact with their utility.

Healthcare is another example. Regulatory changes and the emerging business-to-consumer model are deeply affecting the way both providers and insurance/payer organizations operate. These organizations now must figure out how to interact one on one with consumers—and they need to do so in a hurry.

In the publishing and music distribution sectors, new channels and changing consumer preferences have changed the face of the industry in just a few short years.

And so on.

In truth, there is hardly an industry where there isn't some transformational change taking place. No one is immune. Everything is in play. Technology is a common instigator—for example the shift to mobile technology is forcing enterprises from financial services to entertainment to government to transform or miss the window of opportunity. But it's not the only one.

Consumers, too, are driving business transformation. Technological and service advancements have programmed them to expect immediate gratification—near instantaneous access to information, answers, services, and products. For example, there has been a dynamic shift in the hyper-competitive and ever changing retail landscape as the digital and physical are no longer separate and have the momentum to truly become one. Online giants are constantly investigating new, alternative methods to get products into the hands of customers in time-frames that are measured in hours as opposed to days. Just look to Google's recently expanded Shopping Express service, or Amazon's future plans for drone delivery if you need further proof that the industry is shifting to an eventual 'same day delivery' standard, again raising the bar for what consumers will consider the "new normal" down the road.

The fact is, if one business can't provide a consumer with what she needs and expects today, she'll look for another that can.

Approaching any of the situations above through incremental change could be like putting a bandage on a hemorrhage. A bolder, more aggressive treatment is needed.

It's time for a new lens.

About the Authors:

Dean Fischer, CEO and co-founder of West Monroe Partners, has overseen the firm's growth from a start-up consultancy with a handful of employees in 2002 to a full-service business and technology firm with 10 offices across North America and a complement of over 500 consultants.

Kevin McCarty is the president of West Monroe Partners, responsible for all office and shared services operations across the firm. He is a Board member, leads the firm's Executive Leadership and co-founded West Monroe Partners in 2002.

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