

A True Strategic Partner

An Interview with Joseph B. Ucuzoglu, Chief Executive Officer, Deloitte US

EDITORS' NOTE Joe Ucuzoglu speaks frequently on a broad range of current issues facing the business community, such as the evolving regulatory landscape and the role that businesses must play in leading society through the rapid pace of technology-driven change. Prior to being elected CEO, Ucuzoglu served as the leader of Deloitte's Audit & Assurance practice in the United States as well as the national managing partner for government, regulatory, and professional matters.



Joseph B. Ucuzoglu

Before rejoining Deloitte, Ucuzoglu served as Senior Advisor to the Chief Accountant at the Securities and Exchange Commission (SEC). He currently serves on the board of directors of the U.S. Chamber of Commerce, is a member of the Committee on Capital Markets Regulation, an independent research organization dedicated to enhancing the competitiveness of U.S. capital markets and ensuring stability of the U.S. financial system, and serves on the Governing Board of the Center for Audit Quality. He is also a member of the Fortune CEO Initiative, the Partnership for New York City, and the CEO Action for Diversity and Inclusion.

FIRM BRIEF Deloitte US (deloitte.com/us) provides industry-leading audit, consulting, tax and financial risk advisory services to many of the world's most admired brands, including nearly 90 percent of the Fortune 500. Deloitte works across more than 20 industry sectors to deliver innovative, measurable, and long-term results to help clients solve their most pressing challenges, reinforce public trust in capital markets, and lead the way towards a stronger economy and a healthy society.

Will you discuss your priorities for Deloitte as you assume the chief executive role?

I'm incredibly privileged to be taking this on. We are celebrating our 175th year anniversary. Deloitte existed far before any of us and will outlive all of us. I feel a deep sense of obligation and responsibility to be entrusted with leading this iconic institution. We have over 100,000 people as a part of our firm today. We are enjoying more success than at any other time in our history, and we have so much opportunity in front of us to continue to make it better, to continue driving greater impact, not

just for our clients, but for our people as well as for our communities, which is becoming increasingly important in the world that we live in. As we look at the market going out 5, 10, 15 years, the level of complexity in the business world and the pace of technology-driven change will only continue to accelerate, creating explosive growth in the demand for professional services.

There is no firm that is better equipped to help clients, governments, and society at large through this transformation. We are the largest professional services firm, we have the greatest breadth in terms of service capabilities, and we serve almost every one of the Fortune 500 and every large governmental entity. A big part of my job is to make it easier for our people to create integrated solutions that leverage all our capabilities, because when we bring the full power of the firm, there really is no problem or challenge our clients have that we're not equipped to help them solve.

How critical is innovation to the culture and values of Deloitte?

One of the most important parts of my job is to live our values and to be visible in speaking up for what we believe in. We have a deep commitment to a firm that is diverse, that is inclusive, that is grounded in making an impact in a positive way in our communities, and that is highly innovative. At the end of the day, people in the central office can come up with interesting ideas, but the real power of innovation is to tap into those 100,000 people and their great ideas, and for everyone to feel empowered to speak up, to look at the world through a different lens, to come up with ideas and to share them so that they can be scaled and taken to market. It comes down to the work that our professionals are doing in the field for their clients. This is where we're seeing the greatest benefits of a culture that promotes innovative thinking.

How is innovation impacting Deloitte's business?

Looking across the entire firm, innovation and the proliferation of advanced technology is fundamentally transforming every aspect of

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what we do. In our consultative businesses, we are helping clients navigate digital transformation, migrating to the cloud, leveraging blockchain, embedding artificial intelligence and cognitive into the way in which they operate. Technology has a pervasive impact.

It also has a pervasive impact across our accounting businesses. When we look at tax and audit, the access to large volumes of data, the ability to directly interface with our clients and directly import their data into our systems, leveraging the cloud to run advanced analytics, gives our people and our clients better information with which to make professional judgments. This is dramatically improving the quality and value of the work we do.

In the audit space, as the type of information that's moving financial markets expands far outside of the historical financial statements, companies, boards, and investors are looking for us to have a point of view on a much broader set of financial information. The large investments we have made in leading technology platforms will allow us to meet those demands, increasing our relevance and the value that we're able to deliver.

Is technology and big data going to change the look of the workforce of the future?

This really does get to the heart of the future of work, and there are so many facets to this. As we look out on the horizon, there's never been a more exciting time for a professional to join a firm like Deloitte. Given the way in which Deloitte is transforming, the ability to leverage technology to ultimately focus our professionals' time on more meaningful, more productive, more valuable work, is extremely exciting for our people.

Our professionals at the earliest stages of their career are able to find new uses for technology and to perform their work in a much more impactful way. It is also changing the type of skills and attributes we look for when recruiting into the firm. We need professionals from a diversity of backgrounds who are capable and comfortable operating in a world where the pace of technology changes will be accelerating.

How have the expectations of clients evolved?

We're collaborating with those companies we consult for and we're really evolving past the point of being a service provider

or a vendor to a true strategic partner. More and more, we are defining big issues and co-investing with our clients to help tackle them. We are putting skin in the game where ultimately our fees are linked to results and to the value that we're able to create for the client in the marketplace. A core part of our strategy is to move up the curve in terms of building privileged, strategic partnerships and evolving from a pure professional services organization to a business services partner with our clients we consult for.

Is the transformation taking place in the profession well understood?

It's our job to demonstrate why a career at Deloitte and why a career in professional services is the best platform upon which talent is able to drive change on issues of significant societal importance. I just spent time this morning with two of our professionals who recently joined the firm. One joined us out of Harvard Business School and one joined us out of Yale Business School. We spent a fair amount of time talking about how we make certain that our message is resonating with the best talent in the recruiting pool. It's critical that the exciting story we have and the unique things we are doing to help solve big challenges is making its way to the right ears and that the strength of our brand matches with the best talent that is looking at where they want to build a career.

How important is it for Deloitte's workforce to mirror the diversity of its clients?

We have a deep commitment to making certain that our workforce matches the clients we serve and the communities where we live, and there is far more that all of us as business leaders have to do in this regard. We are looking at a much larger, diverse set of talent pools in order to make certain that we're getting the right people to fuel our growth for the future. We are looking beyond traditional institutions where we've recruited and are working with community colleges and organizations at the high school and college level with a focus on developing talent in the underrepresented minority community.

We have a number of really promising collaborations that are starting to yield results in terms of significant numbers of individuals coming in from diverse backgrounds. I spend a fair amount of my time with these organizations

speaking to the students who are coming up through the educational system. I believe the future is very, very bright.

Will you highlight the emphasis Deloitte places on corporate responsibility and community engagement?

Our people want to be part of an organization that aligns with their values. Our people want to be making a difference not just for their clients, but for the communities in which they live. It is my job as a leader to make certain that we have a set of values that are aligned with our people's core values and that, in turn, we're giving them the avenue to participate in projects where they can see tangible evidence that their contributions are making a positive impact. That's a trend that also expands beyond just our firm. Society is placing a larger emphasis on the expectations of the corporate community, which is pushing companies to shift focus. We are very proud of our WorldClass initiative, where we're collaborating with businesses, governments, and educators around the world to create opportunities for those in underserved communities.

What is Deloitte advising its clients regarding the future of work?

All large organizations have to wrestle with change, but change brings about opportunity, and one of the things we do for companies is help drive change management. People always want to know, "how is it going to affect me?" We are trying to help our own people and our clients understand that technology is ultimately going to help drive more fulfilling career paths and give rise to more opportunities for our people and our clients going forward.

As you assume your new role, are you able to take moments to appreciate and celebrate the successes?

It's important that all of us have some perspective around just how fortunate we are to be entrusted with these positions and to recognize that even though in many cases when you are sitting in this chair, the issues that come up tend to relate to the problems that have to get dealt with, 99 percent of what's happening in our organizations is still going very well with phenomenal results.

I would say that the U.S. business community as a whole is performing exceptionally well, and we're all privileged to be a part of it. ●