



Punit Renjen

EDITORS' NOTE Punit Renjen has held a number of leadership roles before becoming Deloitte LLP Chairman of the Board, including most recently as Chairman and CEO of Deloitte Consulting LLP. Renjen has 27 years of experience with Deloitte. He was named an honoree to the 2012 and 2013 National Association of Corporate Directors (NACD) "Directorship 100" and was named a "Top 25 Consultant" by Consulting magazine in 2007. Renjen was born and raised in India, and moved to the U.S. after winning a Rotary Foundation Scholarship to Willamette University, where he earned a degree in management. He now serves on the board of trustees of Willamette University.

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Are we undergoing a true recovery in the global economy?

The CEOs we interact with convey a relatively strong optimism, hoping profits and business investments continue to grow.

We expect the U.S. to be one of the best performing large developed economies, though very moderately. The Eurozone is facing a long period of slow growth, which can't help but impact global businesses.

The BRICs will continue to grow but probably not at the double-digit rates of the past two decades.

The political tensions, particularly with the Ukraine and the Middle East, are of serious concern, and this has been reflected in the markets.

Strategy and Execution

An Interview with Punit Renjen, Chairman of the Board, Deloitte LLP

Do we now need to look at unemployment rates in the U.S. differently?

Deloitte will hire between 16,000 and 18,000 professionals this year in the U.S., and look at around 500,000 resumes. So we have continued to hire.

Even with the employment numbers at pre-recession levels, progress has been slow and labor participation continues to decline. We need to focus on the broader picture instead of the monthly jobs reports. Businesses don't have the confidence to open the spigot and employees are stuck in jobs they might not find fulfilling.

Our 2014 "Core Beliefs & Culture" survey reveals that organizations with a strong sense of purpose – described as having a focus on making a positive impact on customers, employees, and society in general – are more confident in growth prospects, are more likely to invest in initiatives that lead to long-term growth, and have more fully engaged employees.

Is it challenging to avoid losing the company culture when you're at such size and scale?

In our U.S. practice, we have 60,000 practitioners; globally, more than 200,000.

The Deloitte name signifies a level of quality and consistency across the globe, and it reinforces for me the need to have a set of core beliefs that is consistent across our network. If you are associated with our grand firm, you must subscribe to and live a common set of beliefs.

So maintaining that cultural norm is incredibly important, not only from the standpoint of delivering consistency for our clients but also maintaining the level of integrity, quality, and client impact, and the relationships we have with each other.

If you desire to be an exceptional firm over time, you must have a belief system that is clearly articulated, propagated, embedded and, most importantly, lived.

We're distinct in that we have invested \$300 million in creating a physical facility called Deloitte University. It's a unique way to reinforce a set of cultural norms that make us special.

What makes an individual firm in this space stand out?

We're not necessarily focused on the bottom-line result – that is an outcome. There is a unique difference between how we look at our firm and the way we operate our firm versus many others.

First, we don't compare ourselves to anybody else for validation or definition. We are respectful of firms in our profession, but we regard ourselves as leaders of the profession, and we're unique and special.

Second, our primary purpose in life is to serve our clients with integrity and distinction. Every interaction with a client should lead to a tangible, attributable impact.

Third, we believe that we hire the best individuals, and through mentorship and apprenticeship, we help them to thrive. We have a notion that if you're lucky enough to be part of our firm, you're a colleague for life.

Fourth is the relationship with the community we live and work in.

We've taken these beliefs and embedded them in how we evaluate ourselves.

How did the focus on leadership and culture come about for you?

I focused on studies around what it takes not just to be exceptional but to be exceptional over time.

My two conclusions were that you have to clearly define strategy and execute that well, so you need to know where you're going and how you're going to get there. Second, exceptional firms – especially ones that sustain success – know exactly who they are, and they also live by that credo or purpose, which doesn't change – it transcends leaders and influences the strategy. The annual survey I commissioned on creating this environment has helped to demonstrate that purpose is a business imperative.

Is there a full appreciation of the importance of your work in terms of maintaining quality, consistent governance?

Focusing on a higher purpose for an organization is incredibly motivating, and it's particularly motivating for the people that we are trying to attract. They want to work for an organization that is focused on creating an impact beyond bottom-line results.

When I finish and look back, there will be two things that define me: what I do for this grand firm and what my son thinks of me when he becomes a man. This is my life's work.

Is it critical that you maintain strong relationships with Deloitte alumni?

Absolutely. It's where the notion of colleagues for life comes about. It's the right thing for us to do; it's also the right business thing for us to do.

For us to sustain success, it is important that we have an alumni program that is enriching for former employees and that keeps them connected with the firm.

We want to make sure that we provide perspective and assistance as appropriate to these individuals that have gone through what is truly a special experience. ●