



# A Culture of Growth

An Interview with Alan D. Whitman,  
Chairman and Chief Executive Officer, Baker Tilly



Alan D. Whitman

**EDITORS' NOTE** Alan Whitman is the Chairman and Chief Executive Officer of Baker Tilly Virchow Krause, LLP. He leads the firm's strategy, operations and philanthropy designed to build Baker Tilly's position of leadership within the profession. Prior to being appointed CEO-elect in 2014, Alan held various leadership roles with increasing responsibilities on a national scale at Baker Tilly and spent 15 years with a national CPA firm where he led the Detroit middle-market tax practice. Reflecting his global vision, Alan founded Baker Tilly's international services platform and continues to chair the firm's International Steering Committee. Alan serves on the boards of directors of several civic and community organizations. He is a member of the American Institute of Certified Public Accountants (AICPA) and the Michigan Association of Certified Public Accountants (MICPA). As the chairman of the AICPA Political Action Committee (PAC), Alan is committed to making the voice of the profession heard on Capitol Hill.

**FIRM BRIEF** Baker Tilly Virchow Krause, LLP ([bakertilly.com](http://bakertilly.com)) is a nationally recognized, full-service accounting and advisory firm whose specialized professionals connect with clients and their businesses through refreshing candor and clear industry insight. With approximately 2,700 employees across the United States, Baker Tilly is ranked as one of the 15 largest accounting and advisory firms in the country. Headquartered in Chicago, Baker Tilly is an independent member of Baker Tilly International, a worldwide network of independent accounting and business advisory firms in 147 countries, with 30,000 professionals.

## How do you define culture and how is it kept front and center at Baker Tilly?

Culture is the foundation of who we are and from that comes all we do. Even though it is something one can't touch, culture can definitely be felt. Without question, a strong culture propels an organization. A weak culture holds everyone back.

Culture is so important to us that it is one of the first things we consider when exploring potential mergers. And culture is that "thing" we lean on when considering a new hire.

There are many factors that go into shaping culture. For us it all starts with our core values. These constitute what we believe and what we expect from each other. They guide our decisions. They inspire our actions. And they gauge how we do business. They're shorthand for what we stand for – and what we stand against.

Our core values – collaboration, integrity, passion and stewardship – are fundamental and timeless. We keep these at the forefront in creative ways – desktop displays and other visual reminders throughout our offices, for example. But the best way is through our team members' own experiences and personal expression. As a firm we can profess what makes Baker Tilly special but it's much more powerful and authentic to hear it from our team members – from their heart in their own words. We incorporate our core values into our everyday lexicon and actions. That's how we bring it to life. That's how we make it stick.

Growth also infuses our culture. We pursue growth to create opportunity for our people, our clients, our firm and our profession. This is a bold and clear statement that establishes growth as a critical ingredient of our culture. A culture of growth – not just growth itself – is more of a mindset that is shared by everyone in our firm, client-facing roles and support roles.

Growth is *embedded* in our overall strategy. We grow to get better – not just bigger. And we grow to make a difference – not just make a profit. For our team members, growth provides a challenging and rewarding career centered on lifelong learning. For our clients, growth brings greater solutions that enable their businesses to thrive.

And so we live our core values to shape our culture and we foster a culture of growth to bring our values to life. We work on this every day.

## When you're hiring talent, does cultural fit hold as much weight as education?

We place a lot of value on experience and education – and consider cultural fit a two-way street. We need to be a good fit for a candidate just as much as the candidate needs to be a good fit for us. Having a shared set of values are table stakes.

Knowledge and skills are important. Business acumen is essential. Yet there is something that goes beyond all of that. One has to love what one does. Passion is something that can't be taught – and it beats experience alone every time. When one loves what one does, one tends to be more curious. One carries a confidence that helps one navigate the unknown. One is more willing to consider what's possible – not just what is certain. As leaders, we need to recognize what drives our people – what makes them tick, what they're passionate about – and then give them a platform to shine.

My predecessor saw this in me. He knew I had a passion for international business and so he gave me the responsibility of building our international practice. Neither of us knew how far it could go or if I would ultimately be successful. He took a chance with me – and I honored that trust by giving it my all. Today we are the largest member firm of Baker Tilly International, one of the largest accountancy and advisory networks in the world.

## Do you focus on metrics to make sure you attract and hire a diverse workforce?

It's a popular refrain that what gets measured gets managed. So, of course we track metrics to know that our efforts are working. However, we go beyond typical hiring and promotion rates. We look at things like participation on firm governance committees, visible leadership roles on special projects and access to executive leadership.

Our people strategy is centered on cultivating a diverse, engaging and inclusive culture where exceptional people thrive. These aren't just words. This is the directional North Star for fully realizing the talent of each and every team member throughout our firm. We place much greater emphasis on the "why" and "how" versus the metrics themselves.

We view both "diversity" and "inclusion" as equally important. Our approach is not a standalone program. Instead it is a lens through which we make *everything* better in our firm. Yes, diversity and inclusion informs our people strategy – and it also influences our four other strategies around specialization, valued business advisors, financial fitness and growth. In other words, it touches all aspects of our firm.

We have a national diversity and inclusion steering committee, which I chair. The purpose is to deepen our firm's understanding of diversity and inclusion in order to strengthen it. We do this through research, benchmark studies, internal focus groups, trend analysis and key metrics. And we do this with ongoing and open dialogue – honest dialogue – on the committee and throughout our firm. It's about putting principle into practice.

**How valuable is your focus on community when it comes to attracting talent and how ingrained is this in your firm?**

Being a part of our communities where we live and work is very ingrained in our firm. Making a difference in our communities does matter to us – especially for young professionals just starting out in their career.

Community involvement is an expression of our core value of stewardship – we invest for the future with the intention of leaving everything better. We are intentional in giving back – and we do this with a blend of firm-wide initiatives and individual efforts. This keeps our community involvement personal and local. It keeps us connected.

We encourage community involvement through our Helping Enrich Relationships through Outreach (H.E.R.O.) program that provides paid time off for volunteer community service. Additionally we bring the power of the firm together to make an even stronger impact in several different ways. One example is our annual Stewardship Day – a single day of service where team members across the firm come together to serve their communities. It makes a big difference – this year we supported 71 distinct nonprofits – and it gives our team members a meaningful shared experience.

Our community involvement isn't just planned. When hurricanes pummeled the Gulf Coast and Puerto Rico, our response was swift. Our firm donated \$50,000 to the American Red Cross to support their life-saving work – and then matched another \$50,000 raised by our team members in three days. We then assembled a dozen different teams across the firm with the goal of helping devastated communities recover. We have highly specialized experts on the ground working with businesses on the complexities of insurance and rebuilding efforts to mitigate the storm's financial impact. And we're helping government entities and not-for-profits get access to federal and state funding, including FEMA. The work is complex and demanding – and extremely rewarding.

**Is there a sweet spot for this firm when it comes to its client profile or company size?**

We cover a broad range of client profiles through our different practices and specialized services. Some of our teams play in very big arenas with global conglomerates and some play in close one-on-one relationships with individual investors and start-up companies. Each requires its own skill complement.

There is a misnomer in our profession that complexity is only associated with large revenue clients. We see complexity differently and are committed to strong client relationships that need and value expertise on different scales. We see this every day through our client work in tax, international, transactions, and forensic litigation and valuation services, to name a few.

In terms of a revenue size, I often say it's not *what* we are, it's *who* we are. Our strategy is designed to make us two things: relevant and sustainable. These go way beyond a targeted revenue number or a certain company size.

Relevant means having a seat at the table in our profession. It means being indispensable Valued Business Advisors for our clients. Relevant is seeing trends and understanding market forces and playing a role in shaping the future of our profession.

Sustainable means viable. It means balancing short-term and long-term goals and making smart investment decisions. Sustainable is building our future today – and leaving a legacy that we can all be proud of.

**How important is it for you to communicate the need for change and how do you make sure people are on board?**

Change is constant. Unfortunately the word “change” can have negative connotations. It suggests a loss of control. It can be threatening. It's something to resist. So I prefer to describe change as *progress* because that is exactly what is happening. It's a subtle but important nuance. Progress implies forward-motion, forward-thinking. Progress is something that is done with us, not to us.

When change comes at us from the outside, we are forced into a position of reaction, of putting out fires. But when change comes from within – when we embrace and acknowledge the progress we're making and when we look beyond our four walls at what's possible – we can anticipate, not just react. This allows us to embrace change and take hold of opportunity. This is where growth occurs – both personal growth and organizational growth.

We recognize that innovation is a hallmark of our firm's entrepreneurial spirit. One way we continue to cultivate that is with a movement called *Ideas in Action*. It is a mindset that encourages and embraces new ways of thinking from all team members. It's a way to drive change from within. *Ideas in Action* creates a workplace that fuels ideas and drives sustainable growth. Progress that happens *with us*, not to us.

**Is technology enabling better client relationships or does it take away some of the personal touch?**

Without question, emerging technologies are advancing at a rapid pace. This is changing the way work gets done in every industry, including ours. First and foremost, this has a major impact on our clients. Our obligation is to help our clients navigate this transformation for their benefit.

As for our profession, we are taking an active role in shaping its future. AI, robots, blockchain – all of these have the power to eliminate repetitive activities and shift our focus to better serving our clients. This elevates our role as Valued Business Advisors – exactly what we want to be.

I'm not letting technology run our business. Instead, I'm focused on running our business better *through* technology. This means seeing

the implications of technology even when they're not obvious. Take our learning and development strategy. One may think that technology advancements are improving our learning management system. Yes, they are. But technology is also influencing the non-technical aspects of learning.

The majority of our talent development is shifting to hands-on experience that focuses on project work, job rotations, coaching and even community involvement. It's the new generation of apprenticeship. A much smaller portion is formal training such as classroom and webinar learning. This transition is due to technology. As repetitive tasks get replaced, there will be even greater emphasis on critical thinking, communication and judgment. Business acumen is bolstered by technical expertise. As Valued Business Advisors, we're up to the challenge and we're leading the way.

**As CEO, how important is it to spend time with clients?**

It is very important and something I really enjoy doing. I make it a point to connect with clients and be with our team across the organization. I opted for something less formal than the usual town halls where a CEO crisscrosses the organization's footprint a few times a year. Instead I visit several markets every month. For starters, it's a chance for me to get to know better our incredibly talented men and women throughout the firm. Over coffee or lunch, we cover the topics that they want to discuss. We keep the setting small enough for conversation – and PowerPoint presentations aren't allowed. Market visits also keep me grounded with our clients – it's a great touch point that keeps our firm's focus on them and what's happening outside our four walls. I never want to lose the pulse of our clients. This high-touch, highly personal approach has been instrumental in helping to share – and shape – our vision for the organization. ●

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