

Interview

Distinctive Client Service

An Interview with Edward E. Nusbaum,
Chief Executive Officer, Grant Thornton International



Edward E. Nusbaum

EDITORS' NOTE Prior to assuming his current post, Edward Nusbaum was CEO of Grant Thornton LLP. Nusbaum is also a member of Grant Thornton International's Board of Governors as well as an appointed member of Grant Thornton LLP's Partnership Board. He has previously served as Grant Thornton LLP's National Managing Partner of professional services as well as Managing Partner of the Philadelphia Office and National Director of assurance services based in New York. He was previously Chairman of Grant Thornton International's Audit Policy Committee and Chairman of Grant Thornton LLP's Strategic Initiatives Objectives Committee and Assurance Services Advisory Committee. He is a recipient of the Elijah Watts Sells Award. Nusbaum graduated Summa Cum Laude from The Ohio State University with a Bachelor of Science in business administration, and obtained a Master of Science in management from Purdue University.

COMPANY BRIEF With more than 30,000 partners and staff in over 100 countries, Grant Thornton International (www.gti.org) is one of the world's leading global accounting organizations, and provides personalized attention and service to public and private clients. Its member firms are not a worldwide partnership, as each member firm is a separate and distinct legal entity.

Were you surprised by the severity and speed of the global economic crisis, and where are we on the road to recovery?

We were surprised like everyone else. Nobody predicted the depth, the speed, or the roller coaster ride of this downturn in the economy. What made it so difficult for us was the inability to predict the outcome, which contributed to the downturn, because it put the brakes on all kinds of investment and spending, and that had a tremendous impact.

The good news for us is that everybody still needs accountants, and while we felt the downturn, we by no means collapsed – we were more flat than anything else. We had experienced some substantial growth, so we had to shift gears to deal with the downturn.

In terms of the recovery, we're seeing more in M&A activity, more in pent-up demand for IPOs – the stock offerings – but it's still way below where it has historically been. What we're not seeing is hiring. Businesses are still laying people off and being very conservative about making investments. We're seeing a little bit of pick up in some of the IT sectors, and in the purchasing of distressed properties. One of the advantages of such a deep downturn is that sometimes the prices become cheap and then people start buying. So there are clearly some signs of recovery, but it's slower than people would like.

Grant Thornton is very focused on research and case studies. How critical is that to the culture of the firm, and how important is that to the service you're able to provide?

It has been critical for us. A major component of our success is our desire to be out in front from a thought leadership standpoint. That relates to every aspect of our business, all of which we try to be out in front of, and to having a culture that embraces that leadership and the willingness to speak out on the issues. While our clients may not always agree with our position, they want to deal with people that are on the leading edge of every issue. So we embed that concept in our culture and it excites our people to know that they're with a firm that is out in front.

Grant Thornton has also been very focused on opportunities for women and on maintaining a diverse culture within the firm. How critical is it when you have such a diverse group of clients to have the firm mirror that diversity?

It's critical, and it starts on college campuses. Professors consistently rank Grant Thornton

number one in ethics and in work/life balance. We are committed to having a very ethical organization and one that values work/life balance, which is critical not just for women but for everyone in the organization. Historically in our profession, we had more male partners than female partners, but in the past eight years, we've quadrupled the number of female partners that we have at the firm. That's quite a statistic since, over that same time period, we only doubled our number of partners. So we are on the right path. We have dramatically increased our maternity leave programs; we also have paternity leave programs; and we've embraced flexible work arrangements, which requires some different attitudes, but we've managed to change those attitudes and change the approach. We're making huge progress. We ranked this year as one of the top 10 companies by *Working Mother* magazine.

How critical has the emphasis around corporate responsibility been, and have you given your people the opportunity to make those efforts?

We're very fortunate to have a successful firm, and we have to give back to society. It's part of the culture of who we are. We always talk about trying to be the best accounting and professional services firm, but we have to take that a step further and be the best firm for each community in which we're located. We do it because it's the right thing to do, but it's good for our business too, because it gets us more involved with our communities, and that helps us generate new business, and interact with new leaders in the business community. It also helps our retention, because nothing retains a person more than feeling like they're connected to the organization.

As you look a year out for the firm, what are the key priorities you're most focused on for the continued growth and success of the firm?

Our priorities will be to make sure on a global basis that we're continuing to elevate the reputation of Grant Thornton; continuing to win new accounts; continuing to provide distinctive client service to our existing accounts; continuing to attract, retain, and develop our people and ensuring they're making a difference every day; and making sure we have the global approaches and operations that work, and that are effective and efficient so that our firm is successful over the long-term. ●