

1969

Facing the 70s

Michael N. Chetkovich

Follow this and additional works at: https://egrove.olemiss.edu/dl_hs

 Part of the [Accounting Commons](#), and the [Taxation Commons](#)

Recommended Citation

Haskins & Sells Selected Papers, 1969, p. 005-008

This Article is brought to you for free and open access by the Deloitte Collection at eGrove. It has been accepted for inclusion in Haskins and Sells Publications by an authorized administrator of eGrove. For more information, please contact egrove@olemiss.edu.

Facing the 70s

by MICHAEL N. CHETKOVICH
Partner, Executive Office

Published in H & S Reports — Winter 1970

AS HASKINS & SELLS rounds out its seventy-fifth year, the calendar reveals the 1970s stretching out ahead of us, unexplored, a bit mysterious, challenging certainly and even in some ways frightening. We peer into the future, and we see vaguely the shapes of things to come. Inevitably, there are some we could do just as well without, and there are others that offer boundless opportunities for good. To a large extent, the balance between the unfavorable and the favorable will be determined by our own strengths and attitudes—our ability to turn challenge into opportunity.

At such a point we must consider thoughtfully the unfolding picture and what it holds for all of us connected with H&S. Thinking and planning ahead are nothing new for most of us. But the rapidity of change in our environment demands that we think and plan ahead today on a scale to which we have not been accustomed in the past, even as we recognize that our plans are more susceptible to change than ever before. Only if we look at the future as clearly and objectively as possible may we expect to meet the challenges which lie ahead, to respond affirmatively to change and to progress as a vigorous and constructive enterprise.

For we live in a time that is without precedent, a time when change is taking place at an incredibly accelerating rate. One can have no confidence that past patterns necessarily provide guidelines for what will occur in the future. In the period just ahead we may easily find that some of the best trained, most productive people in our present-day society will be unable to keep up with the times, because their orientation is outmoded so swiftly.

In *Horizon* magazine a few years back, Alvin Toffler, who was an associate editor of *Fortune*, wrote an article called *The Future as a Way of Life*. In this article he coined the term "future shock" to express an idea similar to the "culture shock" which anthropologists have called the bewildering effect that immersion in a strange culture has on an unprepared visitor. Toffler describes future shock as "the dizzying disorientation brought on by the premature arrival of the future." He warns that unless intelligent steps are taken to combat this disease, many

people may find themselves increasingly disoriented and therefore progressively less competent to deal rationally with their environment.

We are experiencing this future shock, the result of the enormously accelerated rate of change which, in effect, superimposes a new culture on an existing one. And unlike an instance of culture shock, one cannot return to the culture he left behind. Change, of course, is not new; it is an old and continuing phenomenon. But what is new is the tremendous acceleration in the rate of change in today's world. Tomorrow is here, it seems, before we have closed the door on yesterday. The late Dr. Robert Oppenheimer put it pretty well when he said (and this, mind you, was in 1954—before the first Sputnik and before the incredible developments of the past decade):

“One thing that is new is the prevalence of newness, the changing scale of the scope of change itself, so that the world alters as we walk in it, so that the years of a man's life measure not some small growth or rearrangement or moderation of what was learned in childhood, but a great upheaval.”

In the lifetime of people living today we have seen the invention and development of the radio, automobile, airplane, television and spacecraft that have taken men to the moon. Yet what we have seen is nothing compared to what will come in a like period just ahead. The most dramatic developments of the recent past have been in the physical sciences and technology, and these developments have had a great impact on our way of life. But the developments now on the horizon in medicine and the life sciences, as well as in the entire social environment, will be even more startling and will have a much greater impact on how we live, and even on who and what we are. They will call for an intensive and rational re-examination of, and possibly radical changes in, some of our fundamental values, concepts and attitudes.

These thoughts may at first seem far removed from public accounting, but we all know that we cannot function outside our environment. Changes in our society outside the profession must have a great influence not only on our personal lives but also on the work that we will do and how we will do it. Nothing can remain static in an environment of such change.

All signs point to a rising need and demand for our services in auditing, taxation and management advisory services. With an expanding economy and a strong organization on which to build we have good

reason to look forward to a continuing and probably accelerating expansion of our practice. However, the rapidity and magnitude of change and the increasing complexity of our environment and of our field of endeavor, which accompany such change, will challenge the best we have to offer.

It is much easier to talk about the fact of change than it is to set forth the steps which should be taken by an organization or an individual to stay abreast of accelerating change. One must for our organization, or any other, is to attract the kind of bright, eager people who can best cope with change—who can identify it, anticipate it, adapt to it and use it. This is important for any industrial, commercial or professional entity, but to a “people” business it is crucial. We must make a special effort to recruit people who are imaginative and creative, and to keep them motivated. And in order to attract and to keep such people, we must convince them that ours is a flexible and not a rigid organization—one that is adaptable to change.

The acceleration of change and complexity is bound to affect the way our Firm operates. For one thing, there will be even greater opportunity for advancement, and for more rapid advancement, particularly for our most promising people. In such an environment we must consider more carefully our priorities for the use of a professional’s time—taking into consideration such things as the demands of his day-to-day duties, his attendance at meetings and seminars, his professional reading and his development in broader areas that extend beyond public accounting. Furthermore, we must provide a climate which will encourage suggestions from below. We are getting young people of inquiring mind, who are less prone to accept the old ways of doing things, and who feel fewer constraints when it comes to challenging accepted practices and to raising questions. We need their ideas and we must provide an atmosphere where that kind of thinking will bear fruit.

Looking ahead, I can see the need for increasing specialization within accounting, and this will lead to increasing teamwork within the Firm in serving our clients. In an age of specialization our profession seems bound to follow the same course that we have seen in medicine, law, engineering and others. The sheer mass of what one must know in order to do his work with excellence requires us to become more specialized, to develop special skills. By the same token the specialties in all profes-

sions become more closely related and interdependent, calling for a high degree of teamwork in serving the client properly. It is one of the virtues of a large organization like H&S that we have the resources to develop the specialist and help him grow to his full potential.

How big will Haskins & Sells become in the seventies? We have no specific growth formula or target, because we are not really so concerned with bigness as with strength and vitality. It is clear that we will get bigger; it is part of the environment and our place in it. Growth is in the cards—it is in the nature of the game, and I don't think there is any definable limit to how big we should be. The basic objective is to have a strong, vital firm, which means that the emphasis has to be on quality and on providing the right kind of atmosphere for the people coming into the practice, so that all of us in the Firm can function on a truly professional basis.

This matter of providing the right kind of atmosphere means that we must be ever more cognizant of those things which are so important to the individual—dignity, recognition, involvement, fulfillment. We recognize that increasing size and larger numbers tend to make good interpersonal relationships more difficult to achieve, but we also recognize that they become even more vital. Much of our best thinking and effort has to be directed to interpersonal relationships.

The environment in which we will be operating during the seventies will offer us new opportunities for service to our clients in lines where we may not have ventured so far. New options will be open to us, and we shall be making some decisions never made before in the public accounting field. Of course, they will have some relationship to decisions we have made in the past, but their magnitude will be far different and their impact will be far greater. Furthermore, the time we can allot to making decisions will be shorter. It will be an exciting decade for everyone who wants to apply himself to contributing ideas to the progress of this organization and to the society of which we are a part.

