

1965

Rewards of constructive services

Philip J. Sandmaier

Roy Stevens

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

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

Recommended Citation

H&S Reports, Vol. 02, (1965 spring), p. 02-03

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.

**THE REWARDS
OF CONSTRUCTIVE
SERVICES**



Philip J. Sandmaier, Jr.,
partner-in-charge
of the
Philadelphia Office.

The other evening as I was reading in our living room, my young son laid his hand lightly on my arm. "Dad," he said, thrusting a Peanuts cartoon book between my eyes and my book, "I like these two the best of all: 'Happiness is a peanut butter and jelly sandwich' and 'Happiness is sleeping in your own bed.'" I could not quarrel much with his first selection, even though my maturer taste has now turned to steak. As to his comment about sleeping, I would not change one word.

That set me thinking. I let my mind's eye wander. There was Peanuts, wearing his familiar baseball cap, but with the letters CPA emblazoned on the peak. He was speaking to a group of his chums. "Happiness," he said, "is performing constructive services for your clients." A bit chagrined, I shook my head sharply to clear away that image. "Look," I said to myself, "you know very well that even if they publish fifty-two volumes of Peanuts, there never will be a cartoon showing him as a CPA."

But I could not shake the other thought: What makes a true professional happier than to see his client benefiting from a constructive suggestion he has made? And certainly a client whose CPA has helped improve the organization, reduce expenses, or otherwise better profit-making capability is happy in the knowledge that he chose well when he selected his professional accounting consultant. From personal experience as head of an office I can speak of the satisfaction and pleasure I feel when I learn of constructive services we have rendered—when we as a firm have achieved our aim of assisting our client to the utmost. (Beyond that, I know that the individual performing such service progresses faster, becomes a more capable auditor, and increases his value to the Firm.)

I had a revealing experience several weeks ago. Over a period of five days, I visited three companies, varying in size, where the officials had decided to change auditors and were discussing the prospective engagement of our Firm. Why were the companies changing audi-

tors? The answers were surprisingly similar.

The administrative vice president of the largest company sensed that the present auditors had no feel for the business and were concerned with things which, he thought, related only to audit objectives. He had not observed any interest in the broader problems of running the business that he lived with day in and day out, such as improving the organization and its products, increasing volume, reducing costs.

The president of the medium-sized company put it another way: "I want auditors who are as concerned about our business and making it go, as I am. As for our present auditors, I receive their report, but they don't even come around to see me."

The chief executive of the third company said he had been severely disappointed because his outside accountants had expressed no interest whatsoever in a problem of inventory control that he and the treasurer had been struggling with, and after reflection he had decided to engage auditors who would show such interest.

These incidents brought to mind a portion of a letter Mr. Queenan had written to us several years ago:

"A client is entitled to more than a routine audit and a stereotyped report. As a matter of fact, if he does not receive constructive service and advice—something he will recognize of value to him—he will not long be our client."

This observation in no way detracts from the basic objective of the auditor's examination: to be able to express an opinion on the financial statements. What it means to me is that the heads-up kind of work that is needed to do a good audit is the same thing that produces constructive services. Our client rightfully expects us to sort out and analyze the great array of knowledge we have gained about his business and to pass on to him those things we think will be helpful. The benefits cannot be overestimated.

PHILIP J. SANDMAIER, JR.