

Training Top CPA Leaders



Virginia Society of
Certified Public
Accountants

Learning With the VSCPA's Top Members

The VSCPA Leaders' Summit, the Society's annual leadership conference for volunteers, returned to Richmond this year, with 154 attendees gathering at the Omni Hotel on May 10–11. This year's slate of speakers was as strong as any we've ever had, from leaders in the profession discussing disruption to entrepreneurs detailing innovation and work-life balance. Read on for recaps of the great content attendees saw, and get more insight from our experts through the new VSCPA Leading Forward podcast at vscpa.com/LeadingForward.

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Improve Your Life by Being Intentional About Relationships

There are many benefits to being happy, but one of the big ones from our perspective is that happy people are better at their jobs. As you can see from his resume, Shawn Boyer knows that as well as anyone.

The two biggest entries in Boyer's work history are two Richmond-area companies he founded. The first, Snagajob, was aimed at helping people find the right job to maximize their potential. His current project, goHappy, is a messaging app that's billed as "the simplest way to get together in real life."

Given that focus, it's ironic, perhaps, that Boyer spent the early part of his entrepreneurial career falling well short of the standard his companies set. In the early days of Snagajob, with money from friends and family on the line, he pushed his work-life balance far into the work end of the spectrum, and the experience influenced the rest of his career.

"All I did was work. I didn't pay any attention to any other relationships at all," he said. "Otherwise, all I did was exercise. My life was out of whack.

"I didn't go to my best friend's mom's wedding because I was too busy. My buddy from college didn't invite me to his wedding because I never returned any of his calls. I was a bad friend."

In With the New

In addition to the enlightening sessions detailed here, the VSCPA also installed its new leadership and announced its 2018 award winners. Click the links for more information on:

- 2018–2019 VSCPA Board of Directors Chair Richard Groover, CPA
- 2018–2019 VSCPA Educational Foundation Board of Directors Chair Randy Spurrier, CPA
- 2018 Outstanding Member of the Year Harry Dickinson, CPA
- 2018 Top 5 Members Under 35 Tommy Blackburn, CPA; Carman Faison, CPA; Kellie Fedkenheuer, CPA; Brandon Pope, CPA; and Jonny Rosch, CPA
- The VSCPA's newest Life members

What Boyer needed at that point was a shift in priorities. As he noted at Leaders' Summit, half of a person's happiness is hard-wired into them, with 10 percent determined by circumstances. That leaves a full 40 percent that's within one's control.

The best predictor of success controlling that 40 percent is the quality of relationships with family ►

and friends. The danger in that is that it's difficult to see the direct correlation between those relationships and overall quality of life.

"There's no immediate impact, or at least there's no immediate felt impact," Boyer said. "If we are ignoring those relationships and being intentional about them and investing in them, there is an impact. We just don't see it as being immediate."

That starts with being intentional about the relationships that are most important to us. Planning is a part of it, as is creating a personal mission statement that reflects a person's true priorities. But the most important part of that intentionality is identifying and nurturing the most important relationships in one's life.

"The most important piece is the who," Boyer said. "You start thinking about the areas of life that are most important to you, and relationships are right up at the top."

Creating that happiness makes for myriad benefits in multiple areas of life. Happy people:

- Demonstrate more ingenuity in their thinking
- Are more productive in their jobs
- Are better leaders and negotiators
- Earn more money
- Are more resilient
- Are physically healthier
- Live longer

But it's more important than that.



Shawn Boyer, founder of Snagajob and goHappy, drew on his own experiences to educate Leaders' Summit attendees about the importance of relationships.

Fulfilling relationships actually protect our bodies and brains. Boyer cites an article from the Boston Globe that's actually one of the paper's most popular in recent years, titled "The biggest threat facing middle-age men isn't smoking or obesity. It's loneliness." In it, reporter Billy Baker writes:

"But when everything adds up, there is no real "friend time" left. Yes, I have friends at work and at the gym, but those are accidents of proximity. I rarely see those people anywhere outside those environments, because when everything adds up, I have left almost no time for friends. I have structured myself into being a loser."

Baker cites numerous research studies that show that people who are more socially isolated are more likely to die during a given period than their more connected neighbors, even after correcting for factors such as age, gender and lifestyle choices. In other words, the way we live our lives is literally killing us.

The solution, Boyer says, is in scheduling. You don't need a full

golf trip or spa getaway to spend time with the people who are important to you (although you should schedule those, too). All it takes is a half-hour lunch during the week – but you have to make that happen and be intentional.

"If something was important at work, we would get it on our calendar to make sure we were investing in it and giving us the best chance at the outcome we wanted," Boyer said. "With relationships, what are we doing to be intentional about that? When am I going to go do it?"

"A lot of things we think are going to take up time to the benefit of work won't. You're going to have lunch anyway. Why not be intentional about having lunch with that friend? Why not take that extra half hour to have lunch with your kids? You can make up for it later. There's so many things you can do that don't even have a negative tradeoff on the work front."

And digital interactions, while helpful, don't cut it. In fact, interacting on mobile devices during times of important in-person interactions can undercut those ►

more important experiences.

"The impact that the other person feels is significantly increased by a phone on the table even if you don't pick it up," Boyer said. "There's the feeling that what's going to happen on the phone is more important than what's happening in front of them."

Near the end of his session, Boyer referred to "Five Regrets of the Dying," a famous essay by Bronnie Ware, a palliative-care nurse. But his presentation was shot through with those regrets from the beginning, and they helped inform the advice he gave on living a life of intention. Those regrets were:

- I wish I'd had the courage to live a life true to myself, not the life others expected of me.
- I wish I hadn't worked so hard.
- I wish I'd had the courage to express my feelings.
- I wish I had stayed in touch with my friends.
- I wish that I had let myself be happier.

"If you don't prioritize your own life, somebody else will for you," Boyer said. ■

Extraordinary Times, Extraordinary Opportunities

Self-driving cars. The New England Patriots. Women's clothing. We're not talking about a tabloid-friendly Super Bowl celebration, but sources of inspiration for forward-thinking CPAs.

Bill Reeb, CPA, CEO of the Succession Institute and vice chair of the American Institute of CPAs (AICPA), spoke on those topics in his Leaders' Summit session, "Accounting in Extraordinary Times." His lessons from those disparate topics add up to the conclusion, echoed in the VSCPA2025 report released last year, that the disruption currently affecting the accounting industry is a tremendous opportunity for CPAs to make themselves more vital than ever.

"'Trusted Advisor' has been the line for a while. Whether you're in public or business and industry, our job is to advise our clients and chart a course for them," he said. "We've been getting so caught up in compliance work, getting the tax return prepared so we can move on to the next one, that we can't live up

to the mantra we use."

The usual metaphor for people not recognizing change is the frog in a pot of boiling water. Reeb used a more pleasant comparison — a puppy that grows rapidly, unnoticed by the owners who feed it and take care of it every day. In a similar fashion, incremental, technology-driven change has been creeping up on practitioners who don't recognize the threats and opportunities until much later than most.

Reeb cited the oft-heard prediction that 40 percent of basic accounting work will be automated or eliminated by 2020. That's a threat to many accountants, sure. But it's also an opportunity to shift into more mean-



Bill Reeb

ingful, advisory work that cements CPAs as business experts for their clients. As he put it, "These changes are going to force us to go exactly where we should be going."

He said: "Think about sitting down with your management team or your client and saying, 'Here's some analysis that the data

has given us. Here are some anomalies it found. Let's talk.' That's what data analytics does for us. It does work that we don't ever have time to do and sets it in front of us so that we can have the conversations we should be having every day anyway."

That's where the Patriots come in. While all-world quarterback Tom Brady has undoubtedly been a key to their 21st-century run of dominance, they also rely on less heralded players stepping in for injured teammates and suborning their egos for the good of the team.

"What I like best about [Patriots coach Bill Belichick] is that he tells people every day: 'Do your job. Stop trying to do everybody else's job. Don't try to be the utility player,'" Reeb said. "When one of their players go down, they're okay, because they say, 'Your job is to be a linebacker. Be a linebacker.' Then when they go down, you plug in somebody else to go and be a linebacker.

"We have gotten sloppy, as a profession, because we don't do our job. We do things that are beneath us because they're simple, and we're not doing what we should be doing for our employers and our clients." ►

That will ideally take the form of a dialogue between CPA and client. Reeb likens the role of the CPA to that of a doctor, and accordingly, the CPAs with the best bedside manner will be positioned to reap the benefits of disruption.

"I can tell a big difference between someone who will talk to me and someone who won't," he said.

"That dialogue is what allows me to have trust in that doctor. If a doctor says 'Do what I tell you,' that's the last time I see that doctor. We're no different from any other profession."

That means CPAs will have to listen to clients, be attuned to what they need and be willing to go out on a limb and answer the tough questions.

"If it was easy to be right, every one of us would be rich," Reeb said.

"You're wrong most of the time. That's the space we belong in."

The rise of artificial intelligence has played, and will continue to play, a major role in the transformation of the CPA profession. Other changes will be driven by events as minor as a practitioner recognizing an opportunity, like when Reeb opened a women's professional clothing store in 1979 based on an offhand comment that his wife couldn't find work clothes.

Those kinds of opportunities will define the profession moving forward. Time and mental energy freed up by technological advances — including those self-driving Teslas that have the potential to turn a lengthy commute into an off-site workspace — will benefit those who find other ways to deliver value.

"We have to keep an open mind to say 'How is this different and

how can I do a better job doing my job?'" Reeb said. "Somebody before us had the courage to change. We have to do the same so those who come after us have the same vibrant profession." ■

Enabling the Process of Innovation

We often view innovation as the end product of work processes — the iPhone, the driverless car, etc. But it's instructive to take a larger, more holistic look at innovation as the process by which those advances were created.

That was the thrust of Mark Sedgley's session at Leaders' Summit. Sedgley, the CEO of MemberClicks, an Atlanta-based membership management software company, says that anyone can be innovative given the proper tools and perspective.

"The really important part of innovation is going into it without any preconceived notions," he said. "You don't have to be Albert Einstein or Steve Jobs to be innovative. It's really helpful if you are — you've got a leg up — but the really cool thing about the process of innovation is that you don't have to be those guys."

The keys to innovation, Sedgley says, are collaboration and autonomy. It's important to bring diverse perspectives to the process. And it's just as important to keep up communication between different departments to make sure they're working in concert.

That's why transparency across an organization is so important to the innovation process, and why it's

crucial to have clear standards in place. Employees who know what they need to be doing, but have the power to do it in their own way, will arrive at innovative solutions on their own.

"If you're really transparent with somebody, it's really easy to trust them and it's easy for them to trust you," Sedgley said. "And trust makes it easy to collaborate and for them to be autonomous."

"Netflix is a very free organization, but it's very results-driven. None of its perks matter if you don't deliver, because you're gone. And that's

because it's a very autonomous organization."

That value should go beyond freedom and transparency into an organizational culture of forgiveness. As Sedgley pointed out, Steve Jobs and Apple went through countless iterations before hitting on culture-changing

ideas like the iPhone and iPad. The key was that Apple's engineers and designers weren't afraid to put work into an idea that might not pan out.

"In order to embrace a culture of innovation, you have to embrace a culture of failure," he said. "And you can't embrace a culture of failure unless you have a culture of forgiveness."

"The idea of forgiveness feels like it should be understood, but it's hardly ever talked about within companies. The whole idea of forgiveness is that you've messed up and you need forgiveness. Once you're an organization that embraces mistakes and failures, you'll embrace forgiveness, but you have to do ►



Mark Sedgley

the forgiveness part first. If you don't, nobody will be willing to take risks and the innovation dies."

The software industry is a good place to look for innovative processes because of an industry-wide shift in priorities. Previously, companies would code out an entire product before shipping. Today, the compressed business cycle has led to techniques such as Kanban and the rise of the minimum viable product, allowing for changes after release in response to real customer feedback.

The shift to that method was made possible, in part, by technological advances. But it also took a change in thinking from company executives who realized they could do things better than they were. Sedgley described the process of innovation as follows:

- Describe the job to be done — what is it you want to change?
- Discover the facts — what, who, how, where
- Develop ideas and processes
- Experiment with what you've developed
- Implement what worked

The key, though, is to go through that process with an open mind.

"When you view things through constraints, you get the same kind of mediocre result," Sedgley said. "You won't use the parts of your brain that you need. When you go in with no rules, you get ideas that you can curate down into something useful."

So companies must continue to stress transparency and openness while breaking down decisions between teams. Keeping organizational goals front of mind ensures everyone is on the same page as much as possible.

"People lose sight of what the goal is," Sedgley said. "You started with a principal goal, but silos start to form, and unless you have autonomy, everyone's version of the goal bifurcates. Then you get individual goals that are loosely related to the initial goal. That's a bad thing to happen in an organization and it needs to course correct fast."

He added: "Partial answers to the right questions are always better than complete answers to the wrong ones." ■



Nancy Bagranoff, CPA (second from right) speaks up during the Future of the Profession Panel while (from left) VSCPA President & CEO Stephanie Peters, CAE, Dan Hudgens, CPA, and Roy Goodman (right) listen.

They Said It: Experts Weigh in on the Future of the Profession

On Thursday afternoon, VSCPA President & CEO Stephanie Peters, CAE, welcomed three accomplished professionals with diverse backgrounds for a discussion on the CPA profession of the future. Participants were:

- VSCPA member Nancy Bagranoff, CPA, dean of the University of Richmond's Robins School of Business
- Roy Goodman, CFO of the Luck Companies in Richmond
- VSCPA member Dan Hudgens, CPA, partner at Deloitte in Richmond

With public accounting, corporate finance and academia represented, the panel led to insightful commentary on where the CPA profession is headed in the future. Here's what our panelists had to say:

On the traits they look for in a new hire

We look for leadership traits, business acumen so they can understand the business, and skills like data mining and methodology. The skills we need are quite different. — Roy Goodman

We want people who are tech-savvy and we need them to understand what's going on in the world. — Dan Hudgens

On the effects of technology

The trend is change. Just the word "change." ►

Really unparalleled, unprecedented change. Around 2000, it felt like the ground had shifted, then it all came back around them to understand what's going on in the world. — Nancy Bagranoff

We used to go to IT and do a major project every four or five years. Now we're automating a process every four or five months. We're having to hire extra staff. — Roy Goodman

It started with artificial intelligence, and one of the biggest applications of that is where there are lots of lengthy contracts and documents to be read. In the past,

those had to be read by humans. — Dan Hudgens

We can't continue to do what we've always done. That's clear to me. And that can be hard in a university where you have tenured faculty who like to do what they've always done. I actually love change. You really have to move along. — Nancy Bagranoff

If you have an audit background, you think about an audit from risk assessment to testing procedures to analytics. We're using analytics throughout all phases of an audit. For risk assessment, we're looking at the total population of the

account balance. We're looking for relationships and plotting them on a graph. — Dan Hudgens

On training tomorrow's top CPAs

I think about how I learn and it's interesting. I just got an app called DuoLingo on my phone to try to speak French. DuoLingo is microlearning. I get up and spend five minutes. The app will talk to me and have me translate, it will ask me to repeat phrases, and it's repetition, repetition, repetition. I learned a lot from teaching myself. — Nancy Bagranoff ■

Spotted at #VSCPASummit18



Gary Thomson, CPA, of Dixon Hughes Goodman in Richmond, and Laura Tate-Smith, CPA, of Minnieland Academy in Woodbridge, listen in on a Leaders' Summit session.



Beth Berk, CPA, a recruiter from Bethesda, Md., weighs in during a question-and-answer period during Leaders' Summit.



Outgoing VSCPA Board of Directors Chair Staci Henshaw, CPA, poses with her successor, Richard Groover, CPA.



Presenter Gabrielle Bosché records an episode of the VSCPA's new podcast, VSCPA Leading Forward, available June 1 at vscpa.com/LeadingForward.

Socially Speaking: #VSCPASummit18

Do you have the necessary skill set? #VSCPASummit18 — **@aeg1975** (Ali Gunbeyi, CPA)

Great idea #VSCPASummit18 to use drones for physical inventory counts. Sure beats standing in a hot warehouse for days! — **@JLDernar** (Jaime Lynn Dernar, CPA)

Congratulations to Staci Henshaw for your awesome service this past year as # VSCPA board chair. #VSCPASummit18 — **@HenryDavisCPA**

Attending the VSCPA Leaders Summit. So good to see friends, other leaders and volunteers, and

new faces #VSCPASummit18 — **@Colette_Wilson**

Attending the VSCPA Leaders Summit and looking forward to the CPA Honors & Awards event this evening. #VSCPASummit18 — **@MitchellWiggins**

Terrific end to the #VSCPASummit18 ... embrace the technology! @MaureenDingus as facilitator for @vscpa @StephPeters @TinaLBates — **@CherylHyder**

CPAs touring RVA breweries. Good times! @ThreeNotchdBeer @theveilbrewing #VSCPASummit18 — **@StephPeters**

What an inspiring day discussing innovation and the future of the profession at the Virginia Society of CPAs Leaders Summit. #vscpa-summit18 — **@GalassoLearning** (Melisa Galasso, CPA)

ODU accounting prof. @Randall-Spurrier is the new chair of the VSCPA Educational Foundation #VSCPASummit18 @VSCPANews — **@vp Paige** (Vivian Paige, CPA)

Attending the Annual Meeting for the @VSCPANews. Lot of material, but happy to be here. #VSCPA-Summit18 — **@BetaSolCPA**

The logo for VSCPA2025 is displayed in large, bold, yellow capital letters. It is centered on a dark gray background that features a subtle pattern of radiating lines, creating a sunburst or starburst effect behind the text.

In addition to all the great material above, VSCPA President & CEO Stephanie Peters, CAE, also presented an update on VSCPA initiatives, including the VSCPA2025 strategic framework at one year. Click the image above to watch a video update on what we're doing to fulfill the 2025 promise and visit vscpa.com/2025 to learn how you can get involved. Thanks for all you do for the VSCPA, and we hope to see you at next year's Leaders' Summit!