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## Chicago: An Office Profile

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*Puts and calls.* Michael L. Weiser, vice president of the Chicago Board Options Exchange, points out the action to senior George Weinbaum as traders and messengers watch closely for price changes. Russ Wende (l., bow tie) is audit partner on the engagement.



On a day when the breeze blows in fresh off Lake Michigan and the haze has lifted, you can see Chicago-land stretching out for miles in three directions from the seventy-fifth floor of the Standard Oil Building. Impressive, even inspiring to a visitor, the view from the windows of the Chicago office of Haskins & Sells is a daily reminder of the opportunities offered by the nation's second city. More than sixty years ago Carl Sandburg, in his oft-quoted poem "Chicago," called it "City of the Big Shoulders." If anything, the shoulders have grown even broader in the intervening years.

Jerry Kolb is in his second year as partner in charge of the H&S office, having succeeded Charles G. Steele in June 1976 when Charlie transferred to Executive Office after three years at the Chicago helm. The four and a half years of their combined leadership have seen rapid development and preparation for the inevitable changes that confront all national public accounting firms in the years just ahead. Jerry and his colleagues are building on a solid foundation, for our Chicago office dates back to 1900 and its growth has paralleled that of the Firm.

One indication is the move to the present building, a beautiful marble-cased structure designed by the renowned architect Edward Durell Stone. In a city recognized as a world leader in architecture, particularly in skyscraper design, the Standard Oil Building stands out as a gem. The park-like plaza at its base with a curtain waterfall, reflecting pool and sounding sculpture that sings in the wind, combined with the decor in the entrance and shopping area on the lower floors, testify to the genius of the designer.

Planned for many months, the move was made in one week in December in smooth stages. "Luckily, we didn't have a snowfall!" says Don Jones, administrative assistant to the PIC, when

thinking back on it — "and not a single piece of office furniture or equipment went astray." About 80 percent of the office is on the seventy-fifth floor, the tax department and some expansion space being one floor below and connected by an interior stairway. "We have a little extra room," says Don, "but not much. However, we do have expansion options at five-year intervals on additional space on the seventy-fourth floor, so we are not boxed in."

Jerry Kolb talks with quiet confidence about the Chicago practice: "I like to emphasize the growth of the office over the past four years or more, since Charlie Steele came here. These have been years of significant growth, and we are proud of them. There has been an increase in this period of just about 50 percent in service hours in this office, and that is the true way to measure growth.

"We think that Greater Chicago and the State of Illinois will continue to be very strong areas economically in the years ahead, and we expect to get more than our share of the professional work that is here. This part of the country is in a growth situation for our professional services."

Another look around from the office windows gives dramatic support to Jerry's optimism — buildings towering into the sky (Chicago has three of the five tallest office buildings in the world, of which the Standard Oil Building is one, and all are recently built); railroad lines fanning out across the rich farmland to factories, hundreds of cities and both oceans; loaded trucks, jammed hotels, trading exchanges, financial institutions — everything that marks a vibrant center of business. From the viewpoint both of activity and of geography, Chicago and Illinois are at the center of North America's economic life.

With a century of history as a great business center, Chicago has for many years grown its own management tal-

# CHICAGO

**"City of the Big Shoulders"**

ent. There are many fine schools with strong business and accounting programs, and H&S recruits at all the best schools in and near the city, plus those within the wider Chicago sphere of influence. Among them are Notre Dame, the University of Michigan, the University of Illinois at Champaign-Urbana, Northwestern University and the University of Chicago. Recruiting competition is keen in this part of the Midwest, and H&S Chicago takes very seriously its responsibility of finding the right forty-five to fifty students it plans to hire in the 1977-78 season among the hundreds who are interviewed. In a very short time this group must provide the office with senior accountants to take charge of audit jobs, and soon thereafter, many of them must be ready to become managers.

"Our primary emphasis is on quality, both at the undergraduate and graduate levels," said Jack McGrath, director of personnel. "Perhaps because so many of the best students are taking advanced degrees, we find that almost 50 percent of the candidates we interview hold graduate degrees. And we have a number of MBAs who did their undergraduate work in departments other than accounting — in English and psychology, for example.

Once on board as members of the Chicago office crew, new recruits are offered a great deal of class training in the office along with their introduction to practice work. They meet in groups for a week at a time, with classes totaling two or three weeks the first summer. In addition, all professional personnel including partners come together for a two-day course in July and a one-day course in December, devoted to a technical update on FASB pronouncements and other recent material. These top-to-bottom sessions offer an opportunity for management people to become better acquainted with new staff members, which is not easy during the ordinary course of work that is spread out all



In the office of International Harvester Company president Brooks McCormick (center), client and auditor discuss the prospects for the current year. (l. to r.) Keith R. Potter, executive vice president; Jerry Kolb, Chicago PIC; Brooks McCormick; Rey Hoffmann, audit partner; Bill Taylor, tax partner; and Jim Zaloudek, audit partner.



*It comes out there.* Darwin E. Smith, chairman and chief executive officer of Kimberly-Clark Corporation, explains the flow of paper products through machinery in the client's Neenah, Wisconsin plant. Paying close attention are (l. to r.) Jerry Kolb, Chicago PIC; Richard H. Sonnentag, controller; manager Greg Jones; and partner Dan Ciecko.



over Greater Chicago and into several neighboring states. From June through September the office training room is booked solid. According to Armin Tufer, partner responsible for continuing education, the office provides about 14,000 man-hours of training a year.

The Chicago office encourages its new accountants to attend special review courses for the CPA examination offered by many of the schools and colleges located in and around the city. For many years PIC Jerry Kolb taught in the CPA Review Course at De Paul University, an exercise which he viewed, along with other teachers in the Firm, as "a way to keep on top of the latest pronouncements and developments." Success at the CPA examination in Chicago is recognized by a cash bonus, paid by the office. Incidentally, both PIC Jerry Kolb and Charlie Steele, his predecessor, were awarded the AICPA gold medal for having achieved the highest grades in the country when they sat for the examination. Probably no other office in any firm anywhere can point to such a distinction.

The Chicago office is fourth largest in the Firm, after New York, Los Angeles and San Francisco. As of June 1 of this year it included 18 partners and MAS directors; 28 managers; 13 MAS consultants; 126 professional staff members; and 42 in the office staff. Whether these numbers comprise a large office depends on one's viewpoint. But the nature of the work, the frequency of training sessions, the counseling and evaluation system, the functional way the people and the work of the office are divided, and the social activities of the office — all make it possible for accountants to become acquainted with one another reasonably soon.

Over the years the Chicago office has been alma mater to a good many partners who have gone out to serve in



Photo left: *Sayonara Shoji.* In office reception area Irene Migdalek (r.), secretary to the partner in charge, and receptionist Peggy Powers admire the Japanese doll presented to the office by Shoji Takahashi and his wife when they returned to Tokyo. Shoji, a senior accountant, served in Chicago from 1975 to 1977 under the Firm's international exchange program.

Facing page, top photo: *Record-year smiles at Household Finance Corporation.* Client chairman G.R. Ellis (center) reviews highlights of 1976 operations of the diversified organization that is active in consumer finance, merchandising, manufacturing, and rental and leasing. With him are (l. to r.) partners Gaylen Larson and Jerry Kolb, Paul Anglin, tax partner; John W. Ostrem, group vice president—financial controls and controller; and Donald C. Clark, HFC president.

Facing page, bottom photo: In display hall of Deere & Company in Moline, client chairman William A. Hewitt (l.) talks of the worldwide need for agricultural equipment with (l. to r.) Jerry Kolb, Chicago PIC; Deere president Ellwood F. Curtis; and Armin Tufer, audit partner. The display hall is open to the public and offers a sharp contrast between powerful, modern machinery and the rustic tools of a century past.



other practice offices and in Executive Office. To list them all would be impossible. But as an indication of Chicago's role as a training office (or "exporting" office) one might consider these active or recently retired partners: John W. Queenan, managing partner of the Firm 1956-1970; Edward W. Carmody, Cincinnati; Will Harris, Omaha; Harold J. Corwin, Denver; T. Milton Kupfer, New York; Daniel M. Wynn, Paris; Richard H. Grosse, Pittsburgh; Bob Fuchs, Rochester; Homer E. Sayad, Saint Louis; Thomas J. Graves, San Francisco; and Lyle M. Dahlenburg, E. Robert Billings, Delford W. Edens and Gordon L. Murray, Executive Office.

Four partners share the responsibilities of supervising the professional services of the Chicago office: Jerry Kolb for audit work; Bob Skeehan, tax; Lowell Pethley, MAS (see *H&S Reports*, Spring 1977, p. 24); and Dan Ciecko, small and growing business

services. At present the approximate percentage breakdown among these categories by service hours is audit 75 percent, tax 8 percent, MAS 12 percent and small business 5 percent. There is growth in all four and, as the entire management group in Chicago agrees, plenty of room for future growth in all aspects of the practice.

Two years ago the office set up a committee on practice development, making formal what had been carried on informally for some time. The committee consists of partners Gaylen Larson, Lowell Pethley, Bill Taylor and Dan Ciecko, and manager Dave Wallace. To the planning by this committee and the implementation of its program by the office as a whole can be traced much of Chicago's success in recent months in building a larger practice in all areas. A notable effort has been the teamwork of Gaylen Larson and Dave Wallace in serving Illinois bank clients. By taking the initiative and building on



*Always learning.* Senior accountant John Sims (r) leads discussion in a week's training session held in the summer for staff accountants who have been with the Firm for a year. They'll be back later for another full week.







the reputation gained by excellent service to smaller banks, they have added seventeen banks to the audit client list within the past year.

Dan Ciecko, while keeping some of his large-audit-client work such as that for the Kimberly-Clark Corporation, also heads an eleven-member team that provides comprehensive business services for small clients. Dan has two managers, Ira Edelson and Joe Stojak, working with him in this area, six professional staff members and two para-professionals.

How successful has the team been? "We have increased 50 percent in small and growing business service hours since last year," Dan says. "The big challenge is to get the really good people that we need to serve these clients. When we need to, we call on two tax managers to help us. Our group sets its own schedule, and we do our own planning. It is fascinating work for the right people, the kind who enjoy helping others."

As if he did not have sufficient responsibilities to keep him busy in Chicago, PIC Jerry Kolb has five affiliated offices to supervise from Chicago. Those in Indianapolis, Fort Wayne and Des Moines have been H&S affiliated offices for some years. In December 1976 the Chicago office merged its Springfield practice (largely for the State of Illinois) with that of Turnbull and Schussele, an established Springfield firm dating back to 1933. Early in 1977, Bill DeMent transferred there from Chicago to head an office of about twenty professionals. A few weeks later an affiliated office headed by John Wosoba was opened in Davenport, Iowa, with seven professional personnel. This gives the Firm a permanent foothold in the heavily industrialized Quad-cities area consisting of Davenport and Bettendorf, Iowa, and Rock Island and Moline, Illinois. Establishment of the two new affiliated

*View from the oats pit. Looking out over a sea of traders and runners on the floor of the Chicago Board of Trade, two men from H&S are given a guided tour to futures trading in soybeans, corn, wheat and oats, among other commodities. They are senior Paul Sugden and manager Bob Doak, in center at top of steps, wearing dark suits with white visitor badges.*

offices helps reduce overnight travel from Chicago, which used to be heavy in days gone by.

In addition to producing its share of partners and office heads for the Firm, the Chicago office has also produced mayors for suburban towns — three of them, in fact. Bob Dickey, audit partner, has recently completed a term as mayor of Hinsdale, Illinois; Bob Fuchs, now in the Rochester office, served two terms as mayor of Cary, Illinois; and Will Harris, now Omaha PIC, was mayor of Palatine, Illinois in the 1960s. And while everyone in the office who is in a position to take part in public-service activities is encouraged to do so, Vito Petruzzelli, MAS director, has given far more than average devotion to his chosen activity — the Catholic schools. Climaxing four years of service as Chairman of the Archdiocesan School Board, Vito was one of five people in the United States named in 1977 to the honor roll of the National Association of Boards of Education. His certificate reads: “Special commendation for outstanding service to Catholic educational policy-making.”

Dick Fremgen, supervisory partner for professional personnel in the Chicago office, also keeps one eye on social activities. He reports that the office softball team reached the accountants league playoffs for the first time in 1976. In the winter the basketball team offers recreation for those with the energy to play. In late summer the professional staff is invited to the annual golf-tennis outing, and the report is that tennis is growing in popularity (with no reference to the fact that tennis, not golf, is Jerry Kolb's game!). A convivial dinner follows.

For more than twenty years the office dinner-dance has been an April event, celebrating the end of the busy season in audit and tax work. The site is Jacques East, an enjoyable nightspot that is owned by Canteen Corporation, a client. Dick Fremgen admits that re-

cently, with the introduction of a rock group in one room while “old folks’ music” is played in a second, the trend has been steadily toward the rock. And a family picnic, held in a public park in Chicago’s western suburbs, has given a chance to children of all ages to “see what that guy Daddy talks about looks like.”

Filling the long gap between big affairs, and in the TGIF spirit that hits all of us on occasion, there has begun an informal “happy hour” at 5:00 P.M. on Fridays, giving the partners a chance to become better acquainted with members of the staff. And last March, as the busy season was winding down, staff accountant Karen Dull with the support of manager Rich Russell and partner Dan Ciecko, enthusiastic family skiers, organized a busload of H&S skiers (rating from experts through hot-dogs and pratfallers to pre-novices) and drove to Powderhorn Mountain in northern Wisconsin for two days of snow sport. For office camaraderie, such a trip couldn't be beat.

Everyone in the office is kept up to date through a periodic letter distributed to all personnel, announcing transfers, changes in duties, new clients and how they were obtained, new staff members with a brief biographical sketch, and other items of general interest. The newsletter is symbolic of the spirit that runs through the entire office. Everyone is kept informed, and promptly, of matters of general concern. From the partner in charge on down, there is a sense of teamwork, of everyone playing his or her part in moving the work of the office forward. With such a spirit it should not be long before Don Jones may be calling the building management to talk about more space. Whether you are on the seventy-fifth floor or the seventy-fourth, your outlook on the busy metropolis of the mid-continent is the same — it is all out there at your feet. ○



At Canteen Corporation display room, partner Dick Fremgen (r) is amused by the display of a variety of coin-operated devices. His guides are (l. to r.) N.A. Dinielli, vice president and controller, and Howard C. Miller, president.



## Other Representative Chicago Office Clients

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### **Admiral Corporation**

*The electronics and home-appliance manufacturing subsidiary of Rockwell International Corporation*

### **The Art Institute of Chicago**

*Internationally renowned art museum that also sponsors a school of art and a theater*

### **Bunker Ramo Corporation**

*High-technology electronics concern*

### **Dial Financial Corporation**

*Consumer-finance company*

### **Illini Beef Packers, Inc.**

*Meat packer*

### **Illinois Grain Corporation**

*Grain-marketing cooperative*

### **Interstate Power Company**

*Electric and gas utility*

### **Keebler Company**

*Commercial bakery*

### **Maduff & Sons, Inc.**

*Commodities brokerage house*

### **Northwestern University**

*The only private university in the Big Ten Conference*

### **A. E. Staley Manufacturing Company**

*Processor of soybeans and corn*

### **Vapor Corporation**

*Manufacturer of equipment and systems used for transportation and oil and gas industries*

### **The Wurlitzer Company**

*Manufacturer of pianos and electronic organs*