1979

People in DH&S: Phil Sandmaier

Anonymous

Catherine Ursillo

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

Part of the Accounting Commons, and the Taxation Commons

Recommended Citation

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.
Phil Sandmaier

When the page is turned to the firm's new fiscal year this coming June and a fresh class of partners and managers take on the new responsibilities that their promotion implies, the record will show one retirement of more than passing interest to hundreds of people in Deloitte Haskins & Sells. Phil Sandmaier, now the partner who supervises the U.S. operations of the firm, will be taking early retirement at age 60 and saying farewell to the daily routine.

It is not simply his present supervisory position that has made him so widely known from one end of the firm to the other. Nor is it just the fact that he has served in seven offices of the firm (Executive Office twice) that has brought him into contact with so many of us, although his travels have certainly helped. Nor is it even the fact that he is one of the most interesting, most natural public speakers among the firm partners, with a rare gift for mimicry as he acts out his anecdotes with humor that often brings down the house with laughter. It is more the kind of person he is that makes him memorable.

Phil has always gone more than halfway with everyone to make friends, to inspire confidence and to motivate others to their best professional performance. Through the years, many younger people in the firm have come away from a meeting or discussion with Phil determined to work their heads off because they like the man. Some might say that it's a neat trick if you can do it. Those who know Phil realize it is no trick. It's just the way he is.

In a large organization of professionals with similar basic training, there is the tendency at times to assume that any of a number of candidates can carry out a given job (or "fill a slot") with equal chances of success. Under this assumption, the emphasis is on working hard and applying one's intelligence to a situation in an impersonal, systematic way. But what this view leaves out of consideration is that human beings are as different in their makeup as snowflakes are in design, and the executive who ignores individuality cannot be a successful manager of people. He may crack his whip louder than a Simon Legree or roar commands like a Captain Bligh. But he will be oblivious to Phil Sandmaier's basic rule: "I always try to look at things from the other fellow's viewpoint."

It is as a humanist, a person who cares about the motivations of other people, that Phil has made his special mark in our firm. His expert touch as a manager and leader who gets things done was developed over a good many years. A look at his record may be instructive to those with the desire to follow, if they can, in his footsteps.

Philip J. Sandmaier, Jr. was born in Buffalo, New York in 1919. His early childhood and youth were spent there and in Youngstown, Ohio, where his father worked for Republic Steel Corporation. Some of Phil's early memories, as he looks back on those days, bring back his father's thoughtful counsel to him in looking ahead toward a working career. The senior Sandmaier had started out in a steel mill at age 13 as a helper tending an open-hearth furnace. By applying himself to learning more about the job of steelmaking than most others around him cared to know, he worked his way up through the supervisory ranks and into the front office. Phil recalls his father's discussing various occupations, including that of metallurgist, which occurred naturally to a young man growing up in a steel town. But in the bleak 1930s as the time for college approached, Phil was particularly impressed by his father's saying that although he knew of a good many engineers and metallurgists out of work during the Great Depression, he had never known of an unemployed accountant. So Phil decided on accounting and entered the College of Commerce of the University of Notre Dame in the fall of 1936.

Four years later, in June 1940, he graduated with a number of distinctions. He had the leading academic record in the College of Commerce, and was only the third student with an overall average of 95 or above since the college was founded in 1920. He was valedictorian of his class. And what was more fortunate for him and for the firm, he was one of two Notre Dame students recruited by Haskins & Sells that year. In those days campus recruiting was just barely starting, and our firm, General Electric and Burroughs were the only employers who visited the campus the spring that Phil graduated.

The scene shifts to the report department of the New York practice office, where Phil was introduced to the fine art of comparing and proving in the fall of 1940. By this time the Selective Service Act had become law, and a few weeks later Phil found himself holding "a very low number" in the draft lottery. So it was a race with time to see how much he could learn, how much experience he could absorb, before he was called.

"We all had a chance to see how a good audit report should be written, and we learned to work under pressure," Phil says, looking back on those report-department training days. "And I'll never forget the impression it made on me when a partner or a manager extended himself to thank one of us beginners for our work, or to pay a compliment for a job well done. I especially remember William Bell's coming around from one desk to another one evening to thank each of us when we were working under great..."
time pressure on a client's report to the SEC. And there was Frank Donohue, who was a manager then, and later partner in charge of the New York office, who was very kind in complimenting me for catching an incorrect figure in a report.

"I learned from this experience the great value of saying it now. That lesson stayed with me from those first months with the firm. When a person does you a favor, or does something that deserves a compliment or thanks, say so at the time — not later. And do it in writing. I use a memo pad and send notes of thanks and compliments to people while my mind is on it, and it is fresh in their minds. Sometimes receiving a note like that can be worth as much as your paycheck. It is something you can take home and show to your family."

When his number came up in June 1941, Phil went into the U.S. Army at Fort Benjamin Harrison, Indiana, got into the finance department of the post and had become a staff sergeant by the time he was shipped to Camp Atterbury. Here he became a chief warrant officer in the 83d (Ohio) Division headquarters. He went with the 83d to France in 1944, then to Germany, and his outfit had crossed the River Elbe on its way to Berlin in April 1945 when Phil was commissioned as a second lieutenant and dispatched to England to take charge of a hospital finance unit. After several months of transferring, waiting and uncertainty, the war ended and Phil found himself back in the United States in September, discharged from the army and planning to return to the firm.

Something new and important had happened in his life by this time. He had met Antoinette (Toni) Pfeiffer on a blind double date during his Fort Harrison days. Now, after three years of almost daily correspondence with Toni while he was in the army, he was going to get married. Understandably, he was concerned about what salary he would be paid, because he knew that two positively could not live cheaper than one, despite the old adage.

Phil was still in uniform when he appeared at the New York office, and because he was the first returning veteran he was quite a novelty. He asked to be assigned to the Cleveland office, which was close to his parents' home and within reach of Toni's family in Indianapolis, and was assured that could be arranged. But when he asked about salary, he was told firmly that only Mr. Edmund Clarke, the PIC in Cleveland, could tell him what he would be paid. Phil protested that he could not go all the way to Cleveland without having some assurance as to his salary, especially because he was about to be married. A few minutes later he was shown into the presence of Arthur Foye, then the acting managing partner of the firm, who had heard of the return of this young man from the war and asked to see him. Phil, who had been absent for nearly four and a half years, scarcely knew who Mr. Foye was.

"Mr. Foye spent an hour and a half with me," Phil recalls now, "and he showed himself to be one of the kindest and most thoughtful of men. We talked about any number of things. He assured me that my pay would be just what it would have been if I had stayed with the firm steadily since 1941. So from the $130 a month I had been getting then my pay would be raised to $250 a month. I thought that was great!" When talking about his principles of dealing with others, especially with subordinates, Phil frequently refers to Arthur Foye, whose thoughtfulness toward him more than thirty years ago made a lasting impression.

The life of an auditor began in earnest for Phil that first season in Cleveland, where Ed Clarke and Elmer Beamer, then a manager, had been terribly short-handed during the war. "I had learned how to write an audit report from my time in the New York report
department,” Phil says, thinking back on it, "so they were glad to get someone on the staff who could help them. As soon as I got to Cleveland, Clarkie sent me out with one other man to do the audit of a Chrysler-Plymouth dealership. After lunchtime on the first day the other man was called off the job, so there I was alone, and in charge! In those first months after the war they practically drafted me as an in-charge accountant. Partly it was because I had been in the New York office, for which I gained their respect, and partly it was because Arthur Foye had called Clarkie about me.

"In those days I was often on jobs with only the previous year's working papers, a trial balance and the Bell and Johns classic textbook on auditing to guide and console me! Sometimes during those first couple of years I was way over my head, but I got the hang of it. Then in the summer of 1947 Clarkie called me in and told me I had to pass the CPA examination in November, because he planned to promote me to manager in June of 1948. I went to work, and I passed. So I became a manager after only two and a half years' experience in the Cleveland practice office."

Phil transferred to the Newark office in 1952, became a partner in 1954, and in 1958 transferred again, across the Hudson River to Executive Office. There for the next four years he assisted John Queenan, then the firm's managing partner, as aide-de-camp. It was in this period that Mr. Queenan must have recognized Phil's special talents for dealing with people. ("Handling people" is not quite the right term in Phil's case, because it suggests imposing one's will on others, rather than working constructively with them.) In any event, Phil was seen as a man with the capacity to lead others, the prime requisite of a partner in charge of a practice office. In 1962 he was asked to take charge of the San Diego office, an assignment, he was told, that would last for two or three years.

So after ten years in the East, Phil and Toni moved again, this time with four children ranging in age from sixteen to eight. They settled down in sunny San Diego, where the family fell in with the Southern California way of life. Phil must have done several things right as an office head, because he was in only his second year as a PIC on the Coast when he was asked to help the firm out in directing another office. This time the request was for him to spend half his time in the Houston office, commuting from San Diego. His task would be to represent EO in smoothing out the operations of an office that had more than doubled in size with a recent merger. What was required was a firm decision maker who could direct the process of bringing together a divided house and do it with tact and understanding of the sensitivities of all parties. For five months in late 1963 and into 1964 Phil spent..."
family rather than he cares to remember, as he shuttled between San Diego, where he was grooming his successors, and Houston, where he was carrying out a reorganization.

By this time it was clear that Phil was the kind of talented specialist that every large organization needs at certain times — the self-confident, effective trouble shooter. It was therefore logical that he was asked later in 1964 to answer another call, this time to become partner in charge in Philadelphia, an office then eight times the size of San Diego. The problems in Philadelphia were similar to those in Houston — growing from the disparities in working methods and personalities that are sometimes the result of a merger. To Phil the Philadelphia assignment represented a big challenge, the kind he was ready for. But to his family it meant saying goodbye to mild winters, the blue skies and waters of the Pacific Coast and the beach life they had come to love. There was a minirevolt around the Sandmaier dinner table that lasted just long enough to mention — then it was pack up and move back East to another house, this one in Radnor, Pennsylvania, a suburb west of Philadelphia. Toni by this time had earned the title of All-American Good Sport among transferring wives of the firm for the number of times she had reestablished a home for the family.

As leader of the Philadelphia office for the next five years, Phil developed his ability as a motivator of people to its maximum. "You often run into resistance when you make changes," he says, "so you have to put yourself in the other man's position, or on the other side of the table, and see how he views it. I found this when I tried all kinds of procedures, such as interim billing, which was a new idea to some of the Philadelphia people. They were actually afraid to send interim bills to some clients. I insisted that they do it; and when they hesitated I said the responsibility would be on me. Then, when the client willingly paid the interim bill, they realized that this was a perfectly reasonable and acceptable practice from the client's viewpoint.

One of Phil's management techniques in his Philadelphia years was to set targets for each person in management, and to follow them up. "It is no use setting targets if you don't follow them up," he says. "You should set the targets for each person after consulting him, and each of these should be a manageable part of the big picture. For instance, when I first came to Philadelphia I told the management group that I wanted a constructive-services letter on every audit engagement, or else a memo from the partner telling me why he had not written the letter. Then later I sent around a report showing how many constructive-services letters had been sent by each person. They really felt it when they saw their performance compared to others on a report."

Tough, demanding — the words seem harsh as descriptions of Phil Sandmaier as a practice-office head. Certainly he was oriented toward getting results, and he got them. Philadelphia moved from very low to very high in the firm rankings of performance during his time in that office. Yet Phil could never ride over others to achieve results. He saw to it that insofar as possible staff members were helped to attend training classes in preparation for the CPA examinations. He wanted them to strike a human balance between their obligations to their families and to the job, and he made this plain to his management group. You cannot expect a staff member to perform at his best if he is worried about a crisis at home, he would often say.

For the past ten years Phil has served in two capacities in Executive Office. From 1969 to 1974 he was partner in charge of EO administration and the financial management of the firm. Then five years ago he succeeded John Schumann in the supervision of the firm's domestic practice. In this responsibility, which has taken him to most of our 100-plus offices at one time or another, he finds the most demanding challenge in the selection of partners to take charge of practice offices.

"To be an effective PIC you have to start with an empathy for people," he says. "You should be basically a happy person if you are going to make the people who work under you happy. A good office leader must have an ability to communicate, and to let people know that their ideas are listened to. If he can succeed in this, he can get all kinds of cooperation and good work from his associates."

Although he is as busy as anyone in EO, Phil is never breathless, nor does he give the impression of being a driven man. He has always had time to take his vacations just as he can always spare a moment to help other people, or just lend them a sympathetic ear. Now that Donna, Marian, Bob and young Phil are grown and on their own, he and Toni have had time to see a bit of the world. They expect to travel some more when the spirit moves them, once Phil changes from active to retired status. Or they can relax, read and spend more time together. Phil says that he is inclined to devote some of his energies to community activities in the area around Princeton, New Jersey, where Toni believes that she has furnished her last home.

"And I may become one of the great stamp collectors," Phil says, only half kidding. "I got sidetracked about forty years ago, and I would really like to get back into serious work on my U.S. collection." Those who know him suspect that Phil will not find time hanging heavy on his hands, because his interests are broad and his hands and heart are willing.

Leo Durocher, the fiery, competitive National League infielder and later a tough team manager, once said cynically that in hard competition, "nice guys finish last!" When he said that he reckoned without Phil Sandmaier and others like him. In Phil's case, Leo Durocher was dead wrong.