The year 2010 was the year I moved into the world of retirees, after having spent thirty-eight demanding yet exhilarating years in the accounting profession at Sycip Gorres Velayo & Co. (SGV & Co.). Throughout my 38-year career in the Firm, I was trained in the professional and ethical standards of SGV & Co., still recognized over sixty-four years as the preeminent audit firm in the country since its inception in 1946. From the time I joined the firm as a junior auditor after graduation up to the time I was promoted to partner and was given key roles such as servicing partner, professional practice director, deputy managing partner and vice-chairman, I was the managing partner for five years and retired as chairman after holding this office for six years. My career also included two years as SGV scholar at Northwestern University’s Kellogg Graduate School of Business, two years’ consultancy work in New York City and eight years in Seoul, Korea.

Throughout these nearly four decades, I was honed in the strict discipline as an audit professional by our founder, Mr. Washington Z. SyCip (WS). I shall continue to remember and treasure the lessons I learned in business, many of which were influenced by the thinking, professionalism, and high ethical standards of Mr. SyCip.

Managing and Running an Organization

I learned that there are four attributes of successfully running and managing an organization such as SGV. The first is strategy, which for SGV involves market leadership by way of protecting the brand, providing excellent service, dominating the market, and developing essential relationships and networks. The next is structure, which should be aligned with, and provides the vehicle to achieve and realize,
the Strategy. This will define the relationships within the organization, the power structure and the leadership hierarchy, all designed to achieve operational excellence. The next important attribute is people who should be dedicated, skilled and trained, and properly motivated. Included here are the key aspects of recruiting and hiring the best, developing and training them by way of formal classroom or web-based learning, and on the job training and mentoring. It also involves identifying, developing, and nurturing the present and future leaders of the Firm, and implementing a strict and consistent policy of meritocracy. A key element here is developing the organization's culture and basic values that would define what the organization stands for. The fourth is execution, where the structure and people are brought together to achieve the Firm's strategies and plans and entails hands-on involvement, people empowerment for informed decisions, and performance monitoring, including successes and failures.

The 4 “C’s” of Leadership

WS exemplifies the essential elements of a good leader and I have used his leadership principles as my guide in the five years that I have headed the Firm as its chairman and managing partner. I refer to these as the four “C’s”. Foremost is competence which includes more than above-average technical knowledge as well as possessing the basic principles and concepts of organization, management, operations, strategy, problem solving, and execution. This includes the ability to look and plan into the future, assessing probabilities and consequences of actions, moves and plans. Next is character which exemplifies the attributes of hard work, perseverance, passion for excellence, and the determination to succeed. The third C is commitment. This pertains to devotion to the Firm, putting the Firm's interest before one's self, as well as unwavering loyalty and sense of stewardship. The last C is conscience which is the foundation for fairness, honesty, and integrity in thought, word, and deed. This includes concern not only for the partners and staff but to the community at large. Leaders in the workplace affirm their worth to the community by undertaking exemplary work ethics and values as well as cascading benefits to the community, especially to the deficient and inadequate sectors of our economy.
Beyond Technical Strength and Competence

By and large, SGV is universally regarded as a preeminent professional services organization, thanks to its corps of well-educated and well-informed audit and tax professionals. Over its sixty-four-year history, SGV is the prime example of the importance of technical knowledge and savvy. However, as Mr. SyCip espoused, although technical proficiency is mainly what our clients require of us, more and more we also assist clients to achieve operational excellence, identify opportunities, develop relationships, and grow the business. To successfully deliver our clients’ expectations, I required myself to continuously read and learn not only accounting and auditing books but also to develop a good network of friends, acquaintances and associates in varying milieus. As well, I kept myself aware and apprised of what is happening not only in the local business scene but also regionally and globally. Reading respected publications as The Economist, The Asian Wall Street Journal in addition to local business newspapers and magazines became daily fare. As well, I believe the competitive edge of SGV from competition is the well-rounded knowledge and appreciation of our partners and staff of the many facets of a successful business. One of the time-revered institutions we have in the Firm in practice since the 1950s is the benefit of a Firm-sponsored MBA scholarship program in choice graduate schools mainly in the Philippines and in the U.S. As a product of this program, I attribute a large part of my success to the MBA program that SGV opens to deserving men and women working in the various service lines of the Firm.

Bottom Line is Excellence

Mr. SyCip is a perfectionist and he demands nothing less from the partners. We, of course, oftentimes fall short considering that no other person could probably match the intelligence, experience, knowledge, and network, among others, of Mr. SyCip. The need to excel is very much in evidence in the Firm, from partners to staff, with practically everyone working very long hours for the most part of the year to meet very tight deadlines and commitments. When we meet with WS to discuss problems and issues, we always need to be very prepared and
knowledgeable of an engagement's various aspects as well as possible solutions and implications. Problems, whether client- or Firm- related, are never taken lightly and sometimes define the pace of one's career advancement in the Firm.

The Firm's Key Asset: People

As a service organization, our most important asset is not reflected in our financial balance sheets—these are the thousands of qualified men and women who have decided to build their careers at SGV. No organization, particularly a service organization like ours can survive without taking care of our best asset, our people. In addition to hands-on learning at the workplace, SGV provides continuous training in all levels, especially after the busy season when all our energies are focused on our clients' year-end audit and tax requirements. As well, our recognition policy links pay with performance. We find that a merit-based policy, enhanced by a challenging yet well-motivated and nurturing work environment, keep our people motivated and committed to delivering value to our clients.

David Balangue is a recently-retired Chairman and former Managing Partner of SyCip Gorres Velayo and Co. A past president of FINEX, Management Association of the Philippines and Philippine Institute of CPAs and a former trustee of the Philippine Business for Social Progress, he is presently a trustee of the Makati Business Club and Vice-Chairman of the Coalition Against Corruption and the Business for Integrity in our Nation.