

John Langan

Learning and Leading by Example

Astonished, the woman stared at him for a moment.

"You actually read this stuff?" she queried.

John Langan nodded the affirmative. Working an entry-level job at the prominent accounting firm Arthur Andersen, John was not particularly challenged in his position. "I put on a suit and make copies," he had told his family when they inquired about the experience. He soon discovered, however, that though the job entailed largely menial tasks, he could learn much from reading the papers that passed through his hands, trying to understand the more detailed inner-workings of the enterprise. Now, after approaching the senior in charge to ask about the documents, the surprise at his initiative shone on her face. Of course, after the initial shock wore off, she was happy to detail the context for him.

Not only did John seize the opportunity as a chance to learn more about the business, but he also often observed his colleagues and managers to learn more about successful habits and practices. "I would watch how they managed their time and interfaced with the clients," he remembers. "I would watch people who were good at what they did as they moved up the rungs, and I would watch those who were bad at what they did so I could learn what not to do." Now the Principal in Charge of the Washington, DC office of LarsonAllen LLP and of the company's Nonprofit and Government Services Group as well, he still recalls the lessons he learned through this careful observation and weaves such considerations into his own leadership style as he in turn strives to lead by example.

LarsonAllen is a public accounting firm established and headquartered in Minneapolis but currently boasting a strong national presence with offices in twelve states. It draws approximately \$230 million in revenue a year, which can be

subdivided into the various industries of healthcare, nonprofit and government, manufacturing, construction, financial institutions, and auto dealers. With eighty-five percent of their business concentrated in compliance expected service, they hope to strengthen their consultative opportunities in the future. The current state of the economy has also helped to shape their focus, challenging them to streamline efficiency through their Enterprise Excellence Initiative. Based on the Toyota Lean Model, the initiative focuses on eliminating waste and increasing value through process through modifications on how accounting services, tax returns, and audits are delivered.

Prior to his arrival at LarsonAllen in 2006, John had worked at Arthur Andersen as an auditor for three and a half years. Working in the commercial group at the company's DC office afforded him an eclectic collection of clients that included accounts with Mars, Inc. and Marriot International, Inc. With experiencing spanning the spectrum from a large private company to the transparency and openness of a large public company, augmented with several nonprofit, governmental, and government contracting jobs, he considers his time there as an incredible education for someone just emerging from school. It was also here that he first met Cindy Parks, another auditor who caught his eye and captured his heart.

The company did not permit spouses to work at the same location, so upon his engagement to Cindy, John resigned his post and set about determining his next step. "I felt I could start my own initiative and do well and be more fulfilled," John explains. He entertained a brief stint as a controller but knew after four short months that the highly technical nature of the position did not suit him. Self-identifying with the creative and human aspects of his industry over its quantitative



nature, he readily admits that the technical side of the business has never been his passion.

"My passion is in the relationships," he explains. "It's in building a business and bringing skills like communication and time management to the table." His future success stemmed in large part from this intuitive and honest understanding of his strengths and weaknesses, which allows him to embrace his fortes instead of attempting to force himself into a shape that just doesn't fit. His flair and verve instead shine through his people skills, allowing him to forge strong connections and engender trust in others. "Public accounting is the language of business, and we are the translators for our clients," he explains.

With this understanding in mind, he launched Langan Associates, PC, in 1988, which would develop a skilled specialization in nonprofit outsourcing long before the term "outsourcing" was even used. Observing how the nonprofit world was growing ever more complex and required competence in closing books, reporting, and auditing, he found his niche readily identifiable. "The disconnect between the level of competency in the financial management systems of nonprofits and the audit firms that came in to review the work was undeniable," he recalls. "Outsourcing was a natural fit and solution." Langan Associates thus built on its base competency in outsourcing by adding an audit and tax department in 1994, as the demand for those services had increased for local and regional firms when the Big 4 walked away from all but the largest national nonprofits. Overall, this platform was used to grow a \$7 million revenue base over an eighteen-year period that included audit, tax and outsourcing service lines.

Despite its ranking in the top thirty of local DC outsourcing firms, the road was not always easy for Langan Associates. Competing for talent against firms that were three times their size presented considerable obstacles that were compounded by their nonprofit niche. "Working in a specific vertical like nonprofits does not make sense for everyone," John concedes, "though it is a very fulfilling client base. So the ability to attract, retain, and develop talent was always our number one issue."

This challenge was countered by the company's introspective edge, which left them ever open to new and innovative opportunities to expand their processes. After doing an internal

strategic plan to crystallize the firm's next ten years, it became clear that, in terms of the opportunities enmeshed in their market niche, they were only scratching the surface. In an attempt to mine their prospects, they put together a firm profile in 2005 and met with other firms in the area to develop strategic alliances. LarsonAllen, which was little known on the East coast at the time, was one such firm, boasting strong potential because of its parallel specialization in the nonprofit industry. John appreciated that the firm's employees felt that they had influence over the destiny and direction of the enterprise, lending them a sense of empowerment and commitment. Langan Associates operated with the mindset that outsourcing was a year-round business, demonstrating to LarsonAllen that that they couldn't serve outsourcing with the same talent base reserved for audits.

While most entrepreneurs would say that pursuing their own business posed a considerable risk, John felt otherwise. With his CPA license, he was simply an individual out offering a professional service. However, he knew early on that he wanted to build a legitimate and scalable business rather than pursue a solo and boutique-style practice. "The risk, then, comes over the years as you grow and take on employees, office space, and management," he explains. One risk was in turn followed by another, in which John transitioned over to LarsonAllen.

Fortunately, this risk was met with the most desirable of outcomes—reward. While other industries have suffered with the recent economic downturn, LarsonAllen was among the few national firms with any internal non-acquisition growth. "When times get tight, people can't afford to maintain a status quo in which they aren't getting timely and accurate information with which to make good decisions. The margins are too skinny; they can't accept anything less than knowing exactly where they stand and where they're going from a financial standpoint," he describes.

John credits Susan Stevens, the former Principal in Charge, for her vision, which cultivated LarsonAllen's Nonprofit & Government Group into the firm's second largest industry group and effectively drove home how important and profitable the practice could be. While determining her replacement, she looked to John for both his inherent skill and his prior experience

building a business of his own. Known throughout the company as a consensus builder among its leadership, John communicated the vision of the organization effectively and worked well with others.

John's ability to connect people perhaps stem from his childhood, when he grew up as the youngest of four brothers and a sister. He was somewhat of a late bloomer, with his progress and focus stunted by low self-esteem. His brother, Rick, became a tax lawyer and was always very supportive of him, encouraging him to apply himself and achieve his potential before it was too late. After high school, he attended college at the College of Boca Raton—Now Lynn University, where Mr. Langan serves on the Board of Trustees—for two years and decided to take Rick's advice. After making the Dean's List upon graduating with nineteen A's and a C, he describes himself as a big fish in a small pond, finally willing to apply himself and do his part in achieving success. This newfound motivation landed him a scholarship to attend Florida Atlantic University, where he was drawn to accounting for its promise of flexible and professional prospects upon graduation. Though math was not his passion, Rick explained to him that he had the human skills necessary for the career and could still learn the language and use a calculator. "I liked the idea that it was the foundation of a business career," he recalls. "I was passionate about building a business, so it was a discipline I really needed to know in order to thrive and survive."

Of the challenging job market of today's young entrepreneurs, John advises an expansive and well-rounded repertoire of skills to remain competitive. "You've got to be everything—technically competent, good at interpersonal relationships, with strong written and oral communication skills and a constant drive to deliver your services more efficiently," he urges.

He also details the fundamental importance of building a strong foundation in which you develop your core skills and perform an honest self-assessment to determine your ideal work path and work environments. "If you're honest with yourself about what you're good at and what you need to work on, you can thrive in an array of environments." John's advice stems not only from his own success, but also from applying his learn-by-example mentality to his own father. Amidst serving in World War II as well as raising and educating six children through professional programs, he maintained a lucrative career as a businessman and remained largely debt-free. The obstacles along our path may seem considerable, but John reminds us of the tremendous support we can derive from others, either through direct collaboration or through the indirect lessons we can learn from simply observing them. "Nobody does it on their own," he stresses. "Look for help, because it's there."

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— By **Gordon J. Bernhardt, CPA, PFS, CFP®, AIF®**

About Gordon J. Bernhardt

President and founder of Bernhardt Wealth Management and author of Profiles in Success: Inspiration from Executive Leaders in the Washington D.C. Area, Gordon provides financial planning and wealth management services to affluent individuals, families and business-owners throughout the Washington, DC area. Since establishing his firm in 1994, he and his team have been focused on providing high-quality service and independent financial advice to help clients make informed decisions about their money. For more information, visit www.BernhardtWealth.com and [Gordon's Blog](#).

