

Mitch Gorochow

The Search for the Secret Sauce

Mitch Gorochow grew up around entrepreneurialism. His father owned his own small business in which he manufactured and installed blinds and shades. Mitch's father got great satisfaction from running the business; so much so that as he got older, he lived in fear of being forced to retire and move to Florida by Mitch's mother. "My mom says it was the happiest day of his life when she told him she wouldn't make him give up the business and move to Florida," laughs Mitch. "You could tell he was personally fulfilled with his work. He chose to work right up until he passed away."

Mitch's father never complained about the business. He loved what he did and seemed to always be at work. Despite his tireless efforts, however, the little family struggled to make ends meet. From an early age, Mitch wondered about this. His father was working so hard, and Mitch wondered why that wasn't translating to more financial success? "The business paid the bills but not much more than that," recalls Mitch. "Seeing how our family struggled to get by motivated me to make sure that I ultimately was able to combine having that sense of fulfillment with having financial success. That's what motivated me to become a student of business, a student of what separates a successful business from an unsuccessful one."

Throughout his career, Mitch did just that. He not only started his own business soon after graduating college, he built it from the ground up from a staff of two to a staff of 200. Ultimately, he sold his accounting firm to the prominent accounting and consulting firm McGladrey and became the Partner-in-charge of the Mid-Atlantic Region until his retirement in 2011. Like his father before him, though, Mitch isn't quite ready to hang it up. Instead, he still takes on consulting clients for McGladrey from time to time in order to share

the business expertise he's learned throughout his career.

As a consultant and an accountant, Mitch always saw himself as a counselor to businesses. He wasn't just someone who came in with spreadsheets and numbers, but someone who could take a bird's eye view of the business and provide real, time-tested advice to improve efficiency and increase revenues. "I've had the good fortune of being able to study business because of my career," nods Mitch. "In my role I basically become a counselor to various businesses and continue to get a better understanding of business. I'm fascinated by how a business operates and what the secret sauce is. I've read a lot, and I've examined a lot of experiences with a lot of companies. What motivates me is taking that knowledge that I've been able to ascertain over many years as a student of business and help others move their agenda forward. At the same time, I'm continuously learning by examining different businesses and observing what attributes contribute to a successful enterprise versus one that is ordinary. I'm motivated to continue to learn, to understand, and to provide counsel to organizations to help them reach their potential. I get to figure out the various factors that will be the key to unlock their success and help them succeed."

Mitch's efforts throughout his career have not only been professionally rewarding, he's also been able to inspire those around him. When he retired, his colleagues at McGladrey created a special gift for him. It was a beautifully framed plaque honoring his time there and was covered in quotes from 15-20 partners at the firm. The quotes all speak to his talent and mentorship, and Mitch considers the gift to be his prize possession today.

"As you move on to the next chapter of your life, I hope you do so knowing the profound



and lasting effect you've had on so many people and their careers, including myself," reads one particularly poignant message. Other messages read, "I'm grateful for the many opportunities you provided me and the trust you placed in me. You taught me and many others the business of our profession and showed us the skills required to be successful. You lived what you preached and asked of others, and in the process were our leader, mentor, teacher, taskmaster, partner and friend, all at the same time. I've come across few individuals in this world that possess the unique talent of being able to fill all those roles simultaneously, and you do an outstanding job at each of them. You're truly one of a few. A million thanks."

As a kid growing up in Yonkers, New York, young Mitch certainly never imagined the heights he'd reach in his profession. The family remained lower middle class throughout his childhood, something Mitch didn't always admit as he climbed the corporate ladder. "It's funny, but depending who was asking, I'd say I was born and raised in Westchester County," he laughs. "It has much more of an upscale tone to it! But truth be told, I was born and raised in Yonkers, just outside of the Bronx."

Though the family sometimes struggled, Mitch remembers his time in Yonkers positively. He reminisces about playing baseball in an old sandlot with the neighborhood kids, putting on plays, and shooting hoops whenever he could. He grew up close to Yankee Stadium, and he loved to jump on a bus to the subway and pay 75 cents to go see a double header. However, he would *not* be rooting for the Yankees. "I hated the Yankees because they always won!" exclaims Mitch. "They had Mantle and won every year. It just took the fun out of it. Who wants to root for someone who always wins? I rooted against the Yankees. Eventually the Mets came in, and I became a Mets fan because they were horrible! I liked that; rooting for the underdog is just more fun."

In school, Mitch got by with decent grades, but he recalls that he was never very motivated with his studies until college. In his free time, he'd often help out at his father's store. He swept the floor as a little kid and later would string the blinds by the time he was 11 or 12. At first, he loved getting to spend more time with his father and learning how to do the repetitive manual tasks. But as a teenager he became bored of the

work. However, the experience came full circle when, as an 18 and 19-year-old home from college, he again appreciated the opportunity to help out his father and help out the family.

Mitch's mother stayed home with the kids while they were young but returned to part-time work only after Mitch and his older sister were in school. She and Mitch's father were both very involved in the local synagogue and presided over several community organizations. They took their commitment to community seriously. Mitch remembers that they were constantly entertaining friends and getting together with folks from the neighborhood. One fun annual tradition was their insistence on dressing to the nines for the synagogue's yearly Halloween party. Then, when it was time to trick or treat, Mitch's father would change into a huge gorilla suit and accompany the kids from door to door. "He would scare the hell out of the other parents until they knew it was him," laughs Mitch. "Then they would give him a roll of toilet paper or something instead of candy. The funny thing is that I continued the tradition when my kids were little. I went around dressed up in the gorilla costume, and I got a real kick out of it!"

Another family tradition was a strict adherence to their 5:45 PM dinner time. Mitch remembers that his father, while never mean, was stern about this. Both his parents also taught him to respect his elders. And even as an adult, he never swore in front of his father.

It's clear that during his decades of success, Mitch never lost sight of his parents' legacy of honesty, hard work, and humility. "They taught me not to focus on my ego and not to be driven by that," observes Mitch. "Your ego shouldn't be what motivates your existence. They were humble people. They also taught me that it's important to acknowledge the contributions of others. Those are two attributes I'm really thankful for; they showed me, demonstrated to me that that was the right thing to do."

Still, that lesson took time to learn. Mitch recalls that he was motivated more by his ego while pursuing leadership opportunities at his high school. He was first elected Vice President of his class, then President, and initially, he was only interested in the recognition the titles brought. "I was a kid, so in that first leadership role, I'd say I wanted people to see me, I wanted to have influence," Mitch reflects. "But it exposed me to

the fact that being a leader is not as easy as it seems. I learned that there's more to it than just barking out orders and telling people what to do. People don't follow that type of leader for long. It was the beginning of an awakening. It took a lot of trial-and-error, a lot of reading, a lot of self-reflection on my part to develop leadership."

He also learned about leadership on the basketball court, where he spent most of his free time. In high school, he was still playing informal ball in the neighborhood while also playing on the school's team. He was never the star, but he learned how to lead. "I had limits in terms of my skills and my height," explains Mitch. "But I wasn't a bad ball player. I was the guy who tried to keep people motivated, who called for teamwork, and who tried to make the other players feel good."

After high school, Mitch attended the University of Maryland where he chose a math major because the logic came easily to him. While he had a major, he still didn't know what he wanted to do. He figured law school was a possibility but concluded his undergraduate years were a waste of time. And if he was going to waste his time, he might as well get a degree in accounting since it was logical like math and would give him a skill.

And eventually, he began to get serious about his undergraduate studies. The motivation? His girlfriend and future wife, Monica. "I wasn't a bad student before meeting her," muses Mitch. "I received mostly A minuses and B pluses. But she motivated me through her actions in terms of really taking on learning and dedicating myself to studying. My wife has incredibly high standards; she continues to show me the standard I should try to attain in whatever I do, because whatever she does, she always puts forth a supreme effort and always produces the best results regardless of whatever it may be." Monica went on to receive her Ph.D. in Psychology and even did post-doctorate work in the field.

As Mitch buckled down, he found mentors at Maryland, professors who pushed and challenged him and with whom he built close relationships. One business professor in particular became a confidante and sounding board for Mitch as he entered the working world. "A lot of times he'd just pontificate about his experiences, good and bad, in the business world, and that was really influential," remembers Mitch. "He really opened

my eyes to the impact leaders can have on an organization."

After graduation, Mitch quickly landed an interview with the accounting firm then called Ernst & Ernst, now Ernst & Young. Mitch still wasn't sure what he wanted to do. He considered going to law school, but the opportunity at Ernst & Ernst was better than he anticipated. He found another mentor who guided his business development during his two years there.

After two years, Mitch was due to begin law school, and he knew he couldn't balance both the rigorous schedule of Ernst & Ernst and the coursework of law school. He left his job to work at a small accounting firm. After one year he discovered that law school wasn't for him. He found his work at the small accounting firm to be transformational. "It was tremendously rewarding," beams Mitch. "I got to work directly with business owners and impact them. When I was able to deal directly with small and medium-sized business owners, that's when I started to think, 'I want to understand what those attributes are that contribute to success.' I loved it, and I was good at it. I was really good at helping clients, being an advisor, being a counselor, and being part of their team. I found my calling."

A year after that, at the young age of 26, Mitch and a partner founded their own accounting firm with a staff of two. Quickly, they were able to bring on two more hires, and over time the little business grew from 4, to 10, to 20, to 50 and beyond. At first, Mitch focused heavily on sales and developing the company's growth culture. He also offered high salaries and attracted the best people by overpaying them while the business ramped up. Lastly, Mitch was quick to see that the business would do better by focusing its services into certain industries and becoming industry experts rather than generalists. They soon acquired a reputation, particularly in the field of government contracting.

By the time the firm hit 80 people a decade later, Mitch had his sights set even higher. He decided to merge with another small firm to bring their staff up to 120 people. "It's interesting because your brand is somewhat defined—maybe not always rightfully so—by the critical mass you have," explains Mitch. "We recognized that if we wanted to be more impactful, if we wanted to play against the larger players and compete for larger, more profitable clients, we needed to have more of

a presence. So the motivation for the merger was to jump-start that.”

Another decade passed, and by the end of the 1990s, Mitch was looking to sell the business to a larger firm. And in 2000, he finalized the deal with McGladrey. “I truly did it for strategic purposes, not financial purposes,” stresses Mitch. “Our motivation here, again, was to continue to move upmarket and to have access to more national resources. It was very successful, it worked exactly as we expected. It took a while; we had to build the brand recognition in this region. McGladrey didn’t have recognition on the East Coast yet, they were more of a Midwestern firm at the time. But we were able to do that, and once the brand was defined, we really took off.”

As Partner-in-Charge of the Mid-Atlantic Region, where McGladrey had previously only had one office in the Carolinas, Mitch was able to continue running his old office and expand his leadership role. He also became a board member as well as an executive committee member of McGladrey. He took on a number of other national responsibilities and strengthened his influence at the firm over the next 11 years. Through it all, he maintained his emphasis on serving as a counselor.

“My hope is to have an impact on business leaders, that can then have an impact on their business,” explains Mitch. “The only way I can do that is to develop a real relationship with the business owner and that they in turn develop a trust in me knowing that my advice is valuable and can in fact be used to help them move the organization forward.”

It’s no surprise then, that Mitch considers his leadership style to be “servant leadership,” emphasizing the importance of valuing your team. “I think it’s really paramount in terms of the attitude you have as a leader,” elaborates Mitch. “Helping others to be lifted on your shoulders, taking pride in the accomplishments of your team, and being there to help them fulfill their potential. Those are the ways you effectively move an organization forward.”

And what about that secret sauce Mitch dedicated his career to discovering? Turns out,

there’s no one size fits all answer, but there are a lot of things that help. “There are components that I see as critical if that business is going to separate itself from the pack,” points out Mitch. “Things such as relentless focus on execution and making a plan and sticking with it. Too many companies go with the flavor of the month and don’t have the fortitude to focus as strongly as they should on execution. It’s also about building a collaborative environment where people are contributing, where the thoughts of others are valued, and where they are part of the team. Have a real strategy, figure out what you do best, and really focus on that. So these are a few key things, but there is no one secret sauce.”

To young people embarking on their professional career today, Mitch again speaks of leadership. “I want to make sure they know that leadership isn’t about the position you hold,” he asserts. “You can be a leader regardless of that, it’s nothing to do with the title. It’s how you act. How you collaborate with others. How you help others and how you put forth supreme effort. What I’ve found in my career is that people that do that, that act as leaders as they go about their day-to-day lives, eventually get the title and the rewards of being a leader come along with it.”

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