

# Making the change

How Butch Gelnovatch uses trust to make difficult decisions easier to digest at Berenfeld, Spritzer, Shechter & Sheer **By Mark Scott**

**S**ometimes, bold steps are needed to move a company forward. Last summer, Butch Gelnovatch, managing partner at Berenfeld, Spritzer, Shechter & Sheer, decided it was time to sell off the firm's condominium practice, a branch of service the accounting firm had been involved with for many years. The tricky part of making such a move was that this practice was handled by Marc A. Berenfeld, a partner whose name just happened to come first in the title of the firm.

"It was a third of his practice," Gelnovatch says. "It was \$300,000 worth of business. He trusted me enough to do that." By November, Berenfeld's work had been replaced.

Trust has played a key role in growing the 2006 revenue of the 160-employee firm to \$18 million, up 51 percent from the previous year.

*Smart Business* spoke with Gelnovatch about how trust makes potentially difficult decisions easier to digest.

**Q: How do you create a vision for the future?**

You can't know where you're going if you have no idea where you want to end up.

We narrowed it down to the areas that we were in and did well at, and the areas that a firm our size should be in that we were not in. We put together a plan on how to promote the areas (in which) we had a really deep expertise, and then we went out hunting for the right people to fill the gaps that we knew we had.

Our focus wasn't on growth; our focus was on being a highly sought-after accounting firm. We picked five areas that we just went out to people and started talking about instead of talking about a whole list of services.

Unless we had laid it all out, we were just sort of out there in the marketplace and not really projecting a focused approach. The secret to the success is planning and focusing on the areas that you know are going to

have a marketplace, but also that you know that you have an expertise.

**Q: How do you find employees to fit the mold?**

We have one recruiter on site, but then we have a group of recruiters that are professional that work with us. The last piece is getting your people out there, all your partners and principals and managers, and

they turn you off. They are nonproductive for at least that day and probably all week.

You need to take that under consideration and say, 'Look, we do have an issue, but let's not drill this person into the ground so they are ineffective to take care of the problem. Let's get them moving in the right direction.'

**Q: What is the key to assessing employee performance?**

If the people didn't fit in the area we brought them in for, we try to find a place for them to fit somewhere else. If we can't do that, then we try to find them someplace else to work. The truth of the matter is, if you don't buy in, if you're not a team player, it's just not a good fit for you.

Human nature is to try and reform everybody. We determined that we spent more time trying to reform people that were marginal than we did pampering the people who are your stars. So you end up losing stars because they didn't get attention.

We try to make an assessment very early whether they are going to fit or not. We do extensive amounts of training. We're trying to work toward having teams of people to help other people out.

If five people come up to you because they worked with five different people, and they say that person is just not cutting it, you can be pretty sure that person is not cutting it and probably never will.

**Q: How do you build trust as a leader?**

You have to get these people to work for you and work as one. Sit down with everybody and gather their input and their thoughts. Be collaborative. After the first couple times, they will always come in and give you their opinion.

A lot of times, they are right. That's the scary part about someone who doesn't have that type of relationship. You're making these decisions in a vacuum on what you think and the limited amount of information that you have.

**HOW TO REACH:** Berenfeld, Spritzer, Shechter & Sheer, [www.bsss-cpa.com](http://www.bsss-cpa.com)



go connecting with people that they know from professional organizations.

We've been tremendously successful. Good people bring good people with them. If you hire senior-level people and they are good people, other people follow.

**Q: How do you deal with mistakes?**

When I first started working, I was very impatient and probably not as empathetic as I should be to people who didn't do a good job or didn't do well. But the minute you start getting all over people and yelling,