

Richard Higginson

interviews

Alan Walton



Alan, that was a most enjoyable round of golf. What was your favourite shot?

The big drive on the par five 18th. The least favourite was the one that followed. I took a 5 iron when I should have chosen a 4 iron, and landed in the water just short of the green!

Could you give us a brief resumé of your career?

Sure. I left school with the offer of a place from Durham University, but declined it and went to work in the civil service. I was there for four to five years before getting on to a scheme to train as a chartered accountant. I joined a firm called Touche Ross and stayed there for 31 years. The firm went through a series of mergers – for a time it was Deloitte & Touche, and now it's just Deloitte. I became a partner in 1989 and retired in 2011. I'll come on to why I left later. That might not sound a particularly interesting career, but it has been – I would call it fabulous. People don't realise the big accountancy firms are really multi-disciplinary professional service firms with the opportunity to specialise in so many different things, and as big as any major corporation. For example Deloitte was a major sponsor of the Olympics and today takes its corporate and social responsibilities very seriously.

Are there any particular highlights that stand out from your time working for Deloitte?

An interesting question and there were many highlights. For example, we advised the Government on how to prevent multiple fraudulent applications in the popular share issues: British Gas, Electricity and BT. No-one had ever done that before.

Certainly a highlight was when we won the job to advise the then Labour Government on the sale of the Millennium Dome. The whole thing was very interesting. The Millennium Dome was supposed to be a one-year venture to house the Millennium Experience, and then pulled down for development. Tony Blair then decided it was an iconic structure that should be retained, and we were engaged to help the Government run a competition for an innovative use. I was very impressed in this process by John Prescott – contrary to his image, he's actually a very shrewd person and handled himself exceptionally well in a difficult political situation. As a result I admired him throwing *that* punch and his appearance in the final episode of Gavin & Stacey! ▶▶

Alan Walton worked as an accountant for 32 years, 22 of them as a partner with Deloitte. Richard caught up with him after a game of golf at Brocket Hall, close to Alan's home in Knebworth in Hertfordshire.

▶▶ I was involved with the Royal Bank of Scotland and thoroughly enjoyed the experience; it took me to China among other places. I knew Fred Goodwin back in his days of his partnership at Deloitte, so unlike many, I realise what he actually achieved in his career.

Getting a Christian fellowship going at Deloitte and being part of it for such a long time was also tremendously satisfying. More of that in a moment.

The big accountancy firms are sometimes accused of being in collusion with their major corporate clients, particularly over the issue of tax avoidance. How do you respond to that criticism?

I think that's part of a wider question of being in collusion with clients generally. Yes, this can happen, but the press do tend to exaggerate for a good story. Arthur Andersen suffered because of its relationship with a major client, Enron, and the firm was broken up. The big accountancy firms have their franchise, their reputation and their professional code of ethics which for the most part lifts them above that sort of thing. It is corporate international tax departments who take the lead in finding ways of legitimately reducing their tax obligation globally. But it's true they do go to the Big Four accountancy firms for advice because we have the expertise.

Google, Starbucks etc are paying tax, but not as much in the UK as the Government would like. They are of course making a valuable contribution by employing people, paying rents and engaging with suppliers, and their employees pay tax. The mistake these companies have made is that they haven't understood their exposure when politicians need to find scapegoats.

At Deloitte we had a robust set of internal rules about any advice given. As a result the firm had a very good litigation record.

What other ethical issues did you find most problematic during your career in accountancy?

Corporate entertaining is an interesting one, especially since the passing of the new Bribery Act. Like Mary, I have often 'pondered these things'. Where is the dividing line between bribing and entertaining on a lavish scale, taking clients to Wimbledon, the Grand Prix and so on? Is it OK to entertain after a contract has been awarded as a 'thank you' or is it legitimate before the deal has been done? Certainly the Act has tightened things up.

The accountancy profession takes ethics extremely seriously. Companies try hard to ensure actions fit within the professional ethical code. It's then down to a case of individuals exercising judgment within particular circumstances. Deloitte was good at providing support for staff. The training becomes more important as you take on unlimited liability as a partner. The selection process for becoming a partner is extremely thorough. In fact you have to go something comparable to the Bishop's Advisory Panel for Church of England selection for ordination – three days of searching interviews, group exercises and so on – remarkably similar except perhaps for the spiritual dimension.

How did your Christian faith help or guide you when the pressure was fierce?

As I've explained, the company infrastructure was crucial in those situations. But being part of a close-knit Christian community in Deloitte was also ▶▶

▶▶ significant. We met and prayed regularly. There was a group of 5 or 6 of leaders of the fellowship, who worked together for a long time. We prayed for people in tough circumstances and saw answers to prayer for particular individuals. Our fellowship also met every couple of months for worship at St Bride's Fleet Street. Another highlight for me was leading worship there. Christians from KPMG, Goldman Sachs and others in Fleet Street came as well.

Were there any issues on which you took a 'stand' as a Christian?

An area that comes to mind was challenging the 'long hours' culture of which I was part. I was responsible for a team of 20, and I made it clear that I did not expect them to kill themselves with weekend working. This is a particular challenge in M & A (Mergers & Acquisitions), an area in which I worked for many years. M & A is often orchestrated by the big investment banks, who pay little respect to the lives of the individuals involved. Several times I challenged the timing and expectations when experience showed they were unreasonable. I tried to represent our team's welfare, and hope that they felt supported. My own rule of thumb was no longer than a 12-hour working day, and people shouldn't have to work at week-ends. There was one job with a private equity firm which caused me to be removed from the team, partly because I said we weren't prepared to work over a particular week-end, as it simply wasn't necessary.

Did I take that stand as a Christian? It was a factor, but compassion and professionalism also came into it. These different things merge together and it's hard to disentangle them. I felt my staff would work better if they had time for rest and recreation. We always got the job done.

My peers in Deloitte felt I was slightly mad, but respected my views on this. However, one reason why I retired relatively early – at the age of 54 – was because I felt the pressure to work long hours was becoming greater, and the marketplace wasn't so much fun. I had always promised myself that when I stopped enjoying my work I would stop, so I did. I had decided I wanted to do a course in Theology and so I think God had a say in the timing of this too! I also wanted to spend more time with my wife, and this was incompatible with staying in full-time work. She wouldn't agree I have changed this yet!

You mention the team you developed. How did you deal with difficult or maverick personalities in your team?

I mentored them. I tried to spend more time with them, particularly the under-performers. I would often defend staff who were considered failures, either helping to develop them or finding them a different niche, doing work to which they were better suited.

It's very satisfying to create a team who are content, loyal, enjoy their work and are happy to learn from someone else's experience and wisdom. One of the dangers of firms encouraging people to retire early is that they cut off the wisdom that people aged 55 and above have to offer. I think my firm is just realising this.

Business needs to be fun. I actually started a putting competition in my office – every day we would stop work for a few minutes to play our game: the loser had to eat a piece of cake, and then buy the next one. It sounds good, until you lose more than once. My team bought me a new putter as a retirement present! ▶▶

▶▶ **What advice would you give to young Christians embarking on a career in business today?**

I would say it's very important to be linked in to a church. You shouldn't shirk on Sunday worship; you need be a member of an active Christian community. But Sundays only doesn't do it – try and find other Christians in your firm. This is important because it will root you, give you a firm foundation, and help you with discernment about prioritising and making better decisions. Don't give up on the daily routines of Bible study and prayer, even though you're very busy. As a Christian it's important to be as good as you can at your job – this is what earns credibility. You owe loyalty to your employer as well as to your family, your church and your Lord. And be generous with the money you earn – my experience was that by working hard, earning a lot and being faithful in paying a tithe, I've been able to help lots of needy people and causes.

You invited me once to come and speak to a joint meeting of your company Christian fellowship with other faith groups. Can you tell us more about that initiative?

Yes, the diversity movement in the workplace encouraged that. The Christian group took advantage, and other faith groups followed. We found we could have constructive discussions on issues of shared interest. Diversity also embraces lifestyle groups and ethnic groups. Women in the workplace remains a massive issue – how do they develop a professional career and combine that with bringing up children? The debate you spoke at (quite brilliantly by the way!) was about whether it was a good thing to make profits in the context of faith.

The diversity issue has become big for Christians with regard to things like wearing a cross, but in my view it is

possible to get those issues out of proportion. How you behave is more important than what you wear.

How are you spending your time now? Do you feel you are putting your business experience to good use in other ways?

I'm not playing enough golf - only once a week!

I have actually been studying theology, doing a BA in Kingdom Theology at WTC (Westminster Theological Centre). I've done modules in Old Testament, New Testament, doctrine, spirituality and management. Next year I'll be taking a break from that for a year, but I will be working part-time for WTC as an interim Finance Director to help them through a period of challenge, change and growth. There's another project where I'm going to be using my business experience and skills for a Christian commercial organisation. If it works it will be brilliant!

Retiring early has enabled me to be more involved in the life of my local church, St Peter's Stevenage. Kim and I host a home group which is now 16 strong, and where have been two major healings recently. I've written a pantomime about the Nativity which will be performed this Christmas. This is part of our outreach to the local community. In fact, imaginative writing is an area that a friend has encouraged me to develop.

I'm glad of the opportunity to spend more time with Kim. We also have three adult children currently living at home. It's great to see more of them. Despite the stand I tried to take over long hours, I realise that for much of my working career I was a largely absent father. Life is still very full but I'm now able to spread my time and energies in a different way.

Thank you Alan. It's been a pleasure to talk with you. ■

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