**WHO SHOULD LEAVE THE BIG FOUR?**

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Greg Smith had an interesting essay Wednesday in *The New* *York Times*, “[Why I Am Leaving Goldman Sachs](http://www.nytimes.com/2012/03/14/opinion/why-i-am-leaving-goldman-sachs.html).” He said the firm used to think of providing service to the clients—what would work in their best interests. Now the firm merely thinks of making money, even to the detriment of clients. Now there’s a surprise coming from an investment banker!

But this letter also makes us wonder when somebody will write a similar letter as they exit one of the Big Four (not that the *NY Times* would publish it). After all, these large global accounting and auditing firms don’t serve their clients either. Why not? Quite simply because they have forgotten who their client really is, and now frequently substitute management for shareholders.

Further, Smith speaks to the lack of ethics. “Integrity? It is eroding.” We aren’t surprised. If one makes money a god, the idol must be worshipped whatever the sacrifice. And it’s no different with the Big Four. Just look at the last quarter century to be convinced that erosion is an understatement! When we were undergraduates we never would have imagined that an ethics course would be a requirement for licensing or that the government would create auditors for auditors. See [“Accountants Behaving Badly.”](http://blogs.smeal.psu.edu/grumpyoldaccountants/archives/332)

Another comment that caught our attention was Smith’s inability to “look students in the eye and tell them what a great place this was to work.” We wonder when Big Four recruiters and business school administrators and counselors will exercise similar intestinal fortitude. How can these parties continue to recommend the Big Four to unsuspecting students and their parents given the major ethical and professional lapses of the past and present? Why would any well intentioned academic institution send their newly minted product off to such tainted employers? Money and graduation statistics of course!

Then there are Smith’s comments on leadership. “The firm changed the way it thought about leadership.” You know how we feel about this point. We don’t believe the accounting profession has exercised any in a very long time. See [“Where Are the Accounting Profession’s Leaders?”](http://blogs.smeal.psu.edu/grumpyoldaccountants/archives/1)

So, out of the thousands of Big Four CPAs, does even one have the courage to take a stand similar to Greg Smith’s? We are waiting.

*This essay reflects the opinion of the authors and not necessarily the opinions of The Pennsylvania State University, The American College, or Villanova University.*