CPA Practice **Advisor**

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One of the topics in this issue is *innovation*, and one thing I have learned about innovation is that it is easier and more successful when you are embracing change. Either you are affected by change or you can effect change. Every day, we have a choice, and my suggestion is to be the person effecting change.

When you are the person effecting change, you set the rules on what will change and how. You don't wait for the world to tell you what's next; you find out and lead the way. You get to pick what mountains to climb, what shortcuts to take, and enjoy the vistas before anyone else is there. It is hard work, but you, your team and your customers get the benefits before anyone else. Whether it is efficiency gains, improved accuracy or cost benefits, innovation provides a huge competitive advantage.

I know accountants that use innovation to increase their revenues and profits significantly over national averages. Sometimes, they are leveraging technology innovations from startups; sometimes they are redefining what "accountants" do and sometimes they create new solutions within their firm that take them two steps ahead of the competition.

Unfortunately, innovation is harder than you think. My folks started five businesses over the past 50 years. And several years ago, after starting my second business, my mom said something very interesting: "If you knew how hard it would be, you never would have done it." When you are in the middle of innovating, I think this statement rings true. But the corollary is that there is "no better high than successfully innovating." Once you are able to reap the rewards of the innovation, you forget all the pain and challenges and go on to your next one. This is because once you have effected change, you become addicted (if you're anything like I am). Change is fun, it is where we learn the most and feel the most alive. Embracing

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they would have said faster horses." The other benefit of innovating things that you are passionate about is that you won't mind the hard work as much.

Why is it harder? It's simple. Visionaries/innovators see the future clearly with their solution in place. We do not see all the edge cases, problems and challenges in creating the solution. We only see the benefit. Being passionate about your innovation will help you remain focused when it is easy to be distracted. Staying focused is one of the hardest things about innovating. Since it takes longer and is harder than expected, there are many distractions that require a certain "devotion" to your cause in order to make it happen.

Second, **there are no stupid questions**. The first time I heard this was in kindergarten, but I don't think I really understood it until I was well into my thirties. In kindergarten, I thought this was about making sure everyone got a chance to talk and ask a question. Later, I realized it was about encouraging kids to ask questions that others might also have. And now I think the benefit is that innovation is often a chain reaction of disparate ideas often first surfaced thru disjointed questions.

The challenge of the person leading the innovation is pulling it all together and encouraging the questions. Recently, I was at a negotiating class where the speaker was recanting a story of how he was the first to negotiate exclusive rights to advertise during the Olympics for his industry. Given the amount of money at stake, he had a board meeting with top executives to discuss before signing. When he asked the question, "Is there any reason not to do this," the most junior person in the room said, "What if the Olympics are canceled." His first reaction was to say, "that's ridiculous," but instead he continued to ask and encourage others to ask more questions. In the end, he had the network sign a clause saying they would get their money back if for some reason the United States didn't attend the Olympics. The contract was for the summer games of 1980, and we all know what happened — we

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people coming up with reasons to stay put.

For those who have read this column before, you know that I have a penchant for relating life to the music I have grown up with. As I write this, I am reminded of a song from Blood, Sweat and Tears called "Spinning Wheel." While the words in the song would be hard pressed to be about innovation, the title and group are all about innovation. There is no more basic and elegant innovation than the wheel, and as we all know there is a lot of blood, sweat and tears involved with any change. Good luck effecting change in your business! n

Technology

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