



# Conversations with KPMG Partners

## Featuring Retired Partner Thomas Kester



**Thomas Kester spent 28 years at KPMG LLP (KPMG), including 18 years as an Audit partner. He was managing partner of the South Carolina practice when he retired in 2002.**

Since then, Tom has dedicated his time to not-for-profit organizations focused on environmental causes within the state, as well as served on public company boards and as CFO for his son's executive search firm.

During a recent interview, Tom talked about the incredible changes in the workplace he has witnessed over the years, his passion for preserving South Carolina's green spaces, and why sitting still in retirement is simply not an option.

### **How did you decide to pursue accounting as your career?**

I actually went to college to study mechanical engineering and started working as a production supervisor on Staten Island. But I realized that success in that job was 10 percent knowledge and 90 percent getting along with the work force. That wasn't my personality. I'm more of a knowledge person than just a slap-you-on-the-back kind of guy. This was during the Vietnam War, so when I was accepted in the Navy Officer Candidate School, I accepted.

After serving, I wanted a career shift, and while attending Harvard Business School, I was fascinated by the finance and accounting parts of the curriculum. My goal was to join Peat Marwick Mitchell and stay one year—the minimum requirement to get your CPA—figuring I'd go on and become a treasurer of some FORTUNE 500 company doing big financial deals. I ended up actually *liking* Peat Marwick and stayed for 28 years.

### **How did you gain international experience, and why is it important?**

I started with Peat Marwick in Fort Lauderdale in 1974, just after this local office merged with Peat Marwick. When KPMG became international, the firm decided our client base should be global companies, that we really shouldn't be competing with local CPAs for tax returns or going after local private businesses that don't need the

experience of an international firm. To execute on that plan, we needed people who knew what worked and what didn't in other countries.

After eight years of asking to go abroad, I was given the chance and spent a fascinating two years in Dublin, Ireland, which had just become a full-fledged member of KPMG International. I had a great learning experience seeing that we can have similar objectives but get to the solution in different ways. I think I had an impact on the Irish firm, and it had an impact on me.

### **What brought you to South Carolina?**

I was promoted to partner literally on the flight back from Dublin to Fort Lauderdale. When we merged with Main, Hurdman & Cranstoun, one of their largest offices happened to be Fort Lauderdale.

Unfortunately, we ended up with more partners than we needed to serve the local clients, so the firm thought best to move me somewhere with more opportunity. I wanted to go north out of Florida, and the Greenville office was short on partners. It also had just won the first-ever audit of the entire state of South Carolina, my first assignment. I left the Government practice after a few years and spent the rest of my career in manufacturing, retail, and distribution. I was managing partner of South Carolina for three years before I retired.

### **How did the practice and firm change over time?**

Dramatically. After I joined the Greenville office, the firm went to the business unit concept covering the three North Carolina offices plus Greenville, and then we switched to lines of business. It definitely helped us focus and gain a higher level of knowledge for our clients, which in turn helped us do a better job auditing and providing consulting and advisory services.

And technology changed! When I started, they handed me an adding machine that probably weighed a good 10 pounds, and I used a slide rule to multiply and divide, because the adding machine just added and subtracted. We also had a teletype machine to send inventory instructions overseas and just one person who knew how to use it. We adopted Macintosh® computers, which we fondly remembered as “the toasters,” because you put the little hard discs in, they didn’t store much, and they kept popping out. The irony is people today get impatient when an e-mail takes four seconds to get to them!

### **From your time at KPMG, what makes you most proud?**

We put a real international flavor into KPMG in Greenville early on. Exchanging our people to go abroad and bringing folks from Europe into our practice helped serve our international clients better. In 1988, that was not the case in all offices.

I also personally had a good work/life balance and encouraged everybody else to achieve great results but do it in a way that also respected their families. KPMG demands a huge amount, but you’ve got to keep it in balance, or what’s the point of it all? I’m very pleased that current leadership has spent so much time and effort in making KPMG a great place to work. I’m still very proud of the firm.

### **What have you been doing since retiring from KPMG in 2002?**

I spent my career understanding financial accounting, SEC rules, and auditing, and I feel like serving on boards is a way to keep professional associations with interesting people and to travel to interesting places while still doing work. It doesn’t take that much time, but it takes expertise.

In addition to acting as CFO at my son’s executive recruiting firm part time, I just joined the board of InspireMD, an innovative medical device company, serving as chairman of the audit committee. It’s my second director position at a public medical device company, following more than six years at Orthofix International. I’ve also served on environmental not-for-profit boards for 14 years, and I feel like I’ve made a difference there.

### **How did you choose environmental causes?**

I promised myself when I retired that I would not make any decisions for six to nine months, and I didn’t. My wife and I went to Europe, and then we went to Breckenridge for four months and skied. During those few months, toward the end, I started thinking about what it was that I really wanted to do. I’ve always been an outdoors person who was passionate about the environment—hiking, skiing—and I was an Eagle Scout as a young boy. I joined Upstate Forever’s board and served as chairman or treasurer every year since 2003, and I’ve done the same at the Conestee Foundation since 2004.

### **What do Upstate Forever and the Conestee Foundation do, and why were you drawn to them?**

Upstate Forever promotes sensible growth and protects special places in the Upstate of SC. Coming from Florida, where Miami and Palm Beach all became one big sprawl, I believed there had to be a better way. Since 2003, we’ve grown from a few passionate people to about 20 professionals who really understand zoning, land trust, and protection of water.

The Conestee Foundation is responsible, through smart land acquisition and development, for turning a very tired, forgotten area full of industrial pollutant from the last 125 years into a 400-acre wildlife sanctuary with 12 miles of trails, Little League baseball diamonds, a dog park, a playground, and more. It would have been a Superfund site if Conestee had not stepped in.

At the time I joined these organizations, you’d never read an article in the local newspaper that talked about sustainability, the environment, or endangered species. But today, you cannot pick up a newspaper that isn’t saying something about parks, recycling, or water and air quality. So I think we’ve had a major impact.

I won’t say we’ve won the battle, but I do think we raised the bar and made a lot of South Carolina politicians realize they have got to do more.

### **What advice would you share for partners who are transitioning to retirement?**

It’s your chance for an encore, to come back out, because you achieved financial stability—you just can do things that you’re passionate about and you enjoy.

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