

PARTNER'S REPORT

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EXERCISING LEADERSHIP

Reduce Anxiety for a Calmer, More Successful Firm & Partnership

Anxiety doesn't have to be a normal part of life at your CPA firm, and sedation doesn't have to be a part of the solution. Anxiety-reducing actions not only can make you feel better about your dealings with fellow partners, clients, and staff—they can also enhance your leadership skills.

James Metzler, vice president, small firm interests at the AICPA, offered helpful ways to address anxiety and leadership in a presentation at the AICPA Practitioners Symposium in Phoenix. Metzler is well-acquainted with anxiety that arises in a variety of CPA firm contexts, since he has been a consultant (co-founder of ConvergenceCoaching LLC) and also has spent years as a partner with Gaines Metzler Kriner & Co. LLP (Buffalo, NY).

The No. 1 anxiety buster that Metzler recommends is partner alignment or unity. That collegiality also happens to be the leading success factor for CPA firms small and large, he said. Because of its importance, "managing partners may end up being more peacemakers than anything else."

Leadership focus. The ability to regulate anxiety is one of the leadership mandates Metzler discussed during the session. He used the framework of leadership developed by John Engels of Leadership Coaching Inc. (Rochester, NY) for this analysis of the various roles of a leader.

Regulating anxiety is a major role, Metzler explained, because anxiety blocks clear thinking. Other important leadership roles include focusing on the self, mentoring and coaching, certifying and sharing vision and direction with staff, being accountable for work getting done, and promoting maturity and responsibility.

High anxiety. Are you and your organization anxious? Metzler described the symptoms of a "highly anxious" organization, including:

- "Triangles" and secrets abound and grow in epidemic proportions. A triangle involves one person telling another about a problem, but that other person is not the one with whom the first person has the problem. This three-way dynamic forms the triangle.
- Problems and decisions are avoided.
- The firm adapts to weaknesses, not strengths.
- Leaders are either overinvolved or underinvolved; they either withdraw or are overly helpful.
- There is a strong tendency to be distant.
- The decision-making style is extreme: either authoritarian rigidity or paralyzing consensus are the norm.

Lack of agreement about business philosophy can create an anxious firm. Other leading causes of anxiety include compensation, workload, realization rates, and failure to comply with government rules.

Triangles can make it very hard to regulate anxiety, as an out-of-control "game of telephone" can distort information and make it hard to address problems.

Stopping the madness of triangles requires owners to recognize that triangles exist and so does the potential for new ones. Some common corporate structures actually encourage triangles, Metzler noted—for instance, having it be acceptable for an HR department to hear from an employee about certain problems before the employee's supervisor does.

Avoiding triangles is best. It is better to address a person with whom you have an issue directly than to go behind their back. Of course, you need to approach another with care in discussing the issue. Metzler suggested the "24-hour" test: Step back in a heated moment, think, and don't do anything for 24 hours.

Guidelines for Achieving an 'Ideal Partnership'

- Partners avoid getting into triangles or getting involved in relationship concerns of other partners or staff.
- Partners stay connected to every other partner.
- Partners balance togetherness with individuality.
- Partners cultivate curiosity to acquire information and help colleagues, staff, and clients think more clearly.
- Partners make decisions based on what makes sense, rather than on what feels comfortable.
- Partners permit each other to overreact, have a bad day, and be angry, without overreacting or getting bent out of shape.
- Each partner establishes work-life balance routines that cultivate calmness, perspective, and clear speaking.
- Each partner states his or her expectations clearly and directly.
- Each partner develops support outside work that promotes honest self-exploration.

(Source: James Metzler, AICPA vice president, small firm interests)

Know yourself. Self-knowledge is about recognizing your good and bad points. It will help you to be less tense emotionally, which means you'll be less anxious. You'll understand better what sets you off and you will be able to calm yourself sooner.

Getting input from others is a way to make sure you are seeing the full picture about yourself. It isn't always easy, Metzler admitted, especially when you may hear some negatives from others.

To obtain input, consider applying the SWOT analysis (strengths, weaknesses, opportunities, and threats) to yourself. Ask your partners to do this for you and reciprocate with them. It may help to obtain 360-degree feedback, but only if you do this on a confidential basis. The annual partner meeting is another, albeit quite public, arena for input about how your peers view you personally and professionally.

Clients can also be a good source of feedback. Another exercise involves rating relationships on a scale of one to 10; or, you can use a coach to help with various behaviors.

Once you are more familiar with your strengths and weaknesses, be ready to consider yourself first when a conflict arises: Are you operating from self-interest? Are you being cynical or dishonest? Are you unwilling to compromise? Be aware of these challenges and be prepared to address them to stave off conflict.

Metzler suggests that leaders practice saying "I" rather than "you" in discussing issues with partners, clients, and staff. "'You' is like poking a finger in their chest!"

Avoid "leadership viruses." These can include avoidance, being an enabler, lacking perspective, and focusing on others (blaming them instead of considering your own actions).

Instead, strive to connect with others by asking questions to learn more about their thoughts and positions and to share your own views. Connections are about one-to-one interaction, he noted—you can't get connection in a group setting.

Other tips for better connections include distancing yourself from others' emotional reactivity, trying to appear calm and interested when others are upset, and communicating directly to avoid triangles.

Poor listening habits are tough to correct, and they can hurt your connection with others. These bad habits include not paying attention, pretending to listen, listening but not hearing (that is, listening only to facts or details), interrupting or talking over someone, hearing only what you expect to hear, and listening just for a point of disagreement.

"Don't be afraid to ask 'what do you mean?'" Metzler said. "Ask for more information, but avoid loaded questions."

This approach is especially helpful in the mentoring and coaching roles that CPA firm owners increasingly are asked to play. Metzler cautions partners against going too far to try to help. "Resist the temptation to rescue others from failure, pain, and hardship," he said. Your peers and staff have to learn lessons for themselves. What is best is to ask questions that will help them think for themselves, rather than doing something for them or suggesting the answer.

Communicate about the firm. You and your fellow owners need a clear and aligned vision about your firm's mission and values. Communicating this vision, as well as communicating expectations and accountability, is key. "Take clear stands, don't jump to conclusions, listen, and take time to consider."

Understand your personal vision and direction and be able to communicate them. You need to be able to manage yourself before you can manage others, Metzler stressed. He defined "self-management" as "the willingness and ability to focus on yourself, to tend to your physical, mental, and emotional health, to maintain stamina, humor, imagination, and a nonanxious presence."

All of these behaviors contribute to what Metzler calls "an ideal partnership" (details are in the accompanying sidebar). Though it may not be possible to achieve the ideal, the list offers guidelines that all partners can learn from and draw on to create more tranquility in their firm's operations.

For more information:

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