

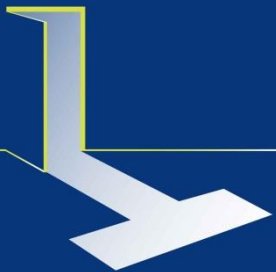
Best Practices in CPA Leadership

Understanding & Enhancing Your Firm Culture

Presented to CPA Leadership Institute

by Certified Life Strategies Coach to the Accounting Profession

Lisa Tierney, CLSC



TIERNEY Coaching & Consulting, Inc.

www.TIERNEYScoaching-Consulting.com

DEFINITION of a Firm CULTURE

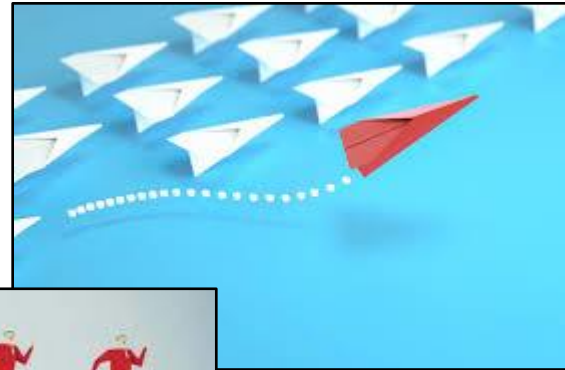


A **Firm's Culture** consists of shared beliefs and values established by leaders and then communicated and reinforced through various methods, ultimately shaping employee perceptions, behaviors and understanding.



Intrinsic Challenges for CPA Leaders

Leadership is not taught – it is developed



TIERNEY

Coaching & Consulting, Inc.

www.TIERNEYCoaching-Consulting.com

DEFINITION of Alignment



A Well-Formed Outcome with an
Explanation of the Emotional Benefit for
Everyone Involved



Most Firms have a Combination of Four Cultural Styles



1. **Hierarchy Culture**, based on Controlling
2. **Clan Culture**, based on Cooperating
3. **Adhocracy Culture**, based on Creating
4. **Market Culture**, based on Competing

Polling Question #1 ... Tell Me What YOU THINK?



What is the root culture at Your CPA Firm?

- A. Hierarchy culture (controlling)
- B. Clan culture (cooperating)
- C. Adhocracy culture (creating)
- D. Market culture (competing)

... (There is no “right” answer)



BUILDING ALIGNMENT: The Firm's Value Proposition



VALUE PROPOSITION = What You Do, For Whom and Why
(i.e. the Benefits / the Results) as Perceived by the Client



Building Alignment With CLIENTS



Clearly-Defined, Mutually Agreed Upon Expectations that Establish SUCCESS of Our Working Relationship

- Proposals
- Engagement Letters
- Additional Services – Offering / Identifying
- Proactive Communication to Clients so they “Become Better”
- Invoices / Fees / Billing
- Vetting New Clients
- Identifying Ideal Criteria for Clients (Niche / Specialized / Boutique)
- Regular Re-Evaluation of Clients (“A”)
- Embracing Technology - for Automation of Service, Dashboards & Elevated Services

Building Alignment With EACH OTHER



The Two Best Questions to Ask

“What Do You Want?”

(out of your career / out of your life) ... &

“How Can I Help You?”

Building Alignment With EACH OTHER



How are Core Values / the “Mission” of your firm Demonstrated by its Professionals

Job descriptions

- Skillsets
- Knowledge Requirements
- Personality Traits
- Understanding of Reporting Mechanism / How Success is Gauged & Rewarded
- Firm’s Core Values and Beliefs

Job Interviews – Testing on skillsets / questionnaires / personality testing

Polling Question #2 ... Tell Me What YOU THINK?



How important is it that all staff have current (and accessible) job descriptions?

(Managing Partner all the way down...?)

- A. What's a job description?
- B. I'm not sure how a job description ties into culture at all
- C. Very important as it's the basis of understanding the expectations in that role

(Please be honest...again, no “right” answer)



Building Alignment With EACH OTHER



How are Core Values / the “Mission” of your firm Demonstrated by its Professionals

- Meetings – Timely, Rolling Agendas and Homework “assignments”
- Reviews / Evaluations of Self / Others
 - Short & Easy
 - KPIs (Key Areas of Performance)
 - Reinforce (Educate & Inspire) Core Values
- Compensation – Incentives for Desired Behavior & Outcomes & Consequences
- Utilizing Technology / Automation to Understand and Improve Workflow and Deliverables
- Pre & Post Engagement meetings for major clients / projects

Tying Performance (3 Areas) to Compensation



Professionals can be rated Yes or No / 1-5 (Poor, Fair, Good, Excellent & Outstanding)

KPI #1: Traditional: Billable Hours, Client Retention, Collections

How many hours did you bill at what rate? What was the realization and why?

Were there questions or issues with invoices? Were you given any specific positive feedback about your service?

KPI #2: Non-Traditional – Cross-Selling, Mktg & Bus Dev, Training/Comms

Have you expanded services to a current client – which svcs and for how much \$?

Have you received a referral this year of a prospect? Won or lost? How much \$?

KPI #3: Intangibles: Mentoring, Honesty, Fairness, Compassion

How have you witnessed someone else show compassion or kindness at work?

Who have you mentored last year and how has it benefited them?

Can you honestly say that you are only supportive of others at work?

Building Alignment With Ourselves



A Breathing, Living “Existing Energy” of a Service Culture

- Individual Professional Development
- Progress reporting (upward and outward)
- Continued Education
- Support Core Values in a Genuine, Unique, Comfortable Way
- How can YOU Contribute to any of the above?
 - Empowering Teams
 - Understanding Group Dynamics
 - Long Range Strategic Planning
 - Facilitate Meaningful Dialogue / Conversations
 - Elevate to Advisory / Consultancy Role
 - Share Stories throughout the Firm to Educate & Inspire

Let's Take a Long, Hard Look at the Billable Hour

Good consultants share ideas that will / can / SHOULD make a significant positive change or improvement on your life – your career, your business, your bottom line.



<https://www.youtube.com/watch?v=OJv5xIFcRXU>

Since I love to educate while entertaining – and I LOVE the power of video – I had to share this brilliant short clip that will open up my next recommendation to you – which is to eliminate the billable hour...



TIERNEY

Coaching & Consulting, Inc.

www.TIERNEYCoaching-Consulting.com

How would YOU Like to Pay?



My Long List of Reasons to introduce Value Based Pricing include:

1. It is Provider-Centric (it's all about ME!)
2. Clients should feel assured of what they will be charged up front
3. Helps with their cash flow, cyclical business, budgeting, etc.
4. Encourages efficiency, and rewards streamlined efforts
5. Bypasses penalization for automation
6. Drives a more value-based proposal / mindset
7. Reduces time spent on tracking time (which takes time, remember!)
8. Eliminates energy around billing
9. Saves (I hope not paper / postage)! (Bills, returns and organizers)
10. WILL be greatly appreciated by ALL – Try it! You'll LIKE IT!
11. Work with IT to change the current billing process / system
12. Start slow – try selling new clients or favorite clients first

What Seems Most Important Right Now...?

With Clients –

1. Identifying a Niche / Specialized services
2. Technology for Automation – dashboards and workflow/productivity
3. Introduce value-based pricing (automatic recurring invoicing)

With Each Other –

1. Clearly-Defined Roles and Expectations – at all Levels
2. Implementing effortless, proactive, relevant evaluations of all staff
3. Incentivized Compensation Program to Reward Desired Outcomes

With Ourselves –

1. Individual Professional Development (Get a Coach!)
2. Progress Reporting (Upward & Outward)
3. Your Personal Challenge / Issue



Polling Question #3 ... What's Most Important Today?



What is the one thing that you would like to have a complimentary coaching session to address?

- A. Identifying a niche / specialized services
- B. Establishing clearly-defined roles & expectations
- C. Implementing proactive, relevant staff evaluations
- D. Professional development (yours or a colleague)
- E. Introducing value-based pricing at your firm
- F. Your own personal issue / Other

Now please send this to Lisa Tierney's LinkedIn profile right now so we can schedule something. I'm here to help and I aim to please!

Contact Lisa Tierney, CLSC

I **LOVE** working with CPAs!

lisa@cpamarketingconsultant.com

<https://www.linkedin.com/in/lisatierney/>

www.TIERNEYCoaching-Consulting.com



TIERNEY

Coaching & Consulting, Inc.

www.TIERNEYCoaching-Consulting.com