The selection of the firm’s Managing Partner is a pivotal decision. Are you ready for the challenge? This guide will prepare your firm to move strategically forward in the decision making process for the top leadership role.
INTRODUCTION

The selection of the Managing Partner in a professional services firm is generally a controversial, stressful and difficult decision. The questions start immediately from all levels:

- What will the responsibilities of the Managing Partner be?
- What are the expectations of the other partners and the staff for this position?
- Which current partner “fits” the expectations that are set?
- How can a partner transition from the “production” side of the business to the “management” side of the business?
- What tools are available to help the firm make the best decision possible?

It may seem overwhelming, but it does not have to be. With a great plan, guidance and a proven process, this can be an exciting and rewarding time for the firm. In this guide, you will be introduced to a proven process that has been successful in the industry—and can be just as successful for you and your firm! You are even given a “One Page Plan” (Appendix A) to get you started.

The steps in the process are:

Setting the expectations—pg. 2

The first, and most important step is to know what you want—or you most assuredly will never get it! This step is designed to help you develop the job description and expectations before you find the person.

Determining the skills of the current partner group—pg. 7

The second step is to match the expectations that you desire with the current partners on staff. This is not an easy step. It is often emotional, but once there is consensus, the firm can move forward with confidence.

Moving from “production” to “management”—the building of the management team—pg. 10

Step three is to identify a plan that will move the Managing Partner from their current job of producing for the firm, to a new job of managing the firm. No one said this will be easy, but it is absolutely a necessity if the firm truly wants to take full advantage of their new leader. The Managing Partner cannot accomplish this alone, they will need to surround themselves with a strong management team in order to insure success.

Tools—Appendix—pg. 15

A. The One Page Plan for selecting a Managing Partner
B. Managing Partner Expectation Report
C. Managing Partner Job Description
D. Sample Operating Policies and Procedures
E. Sample Managing Partner Balanced Scorecard
F. The Accountability Review™—a positive look at progress
Multiple partners will most likely have differing opinions on the role and responsibilities of the Managing Partner in your firm. Consensus and communication are essential to a positive outcome.
ESTABLISHING CONSENSUS

Visualize this scene in a conference room. You are at your annual planning summit. The agenda item that is before the partner group is, “Who will be our next Managing Partner?” Some are shifting uncomfortably in their seats and looking at the floor. Others are staring at their peers in the room, waiting for someone else to say something…anything! One thing you probably won’t see is a plethora of partners in your firm raising their hand, jumping out of their chair and resoundingly yelling “pick me!” The reason this is often such an uncomfortable situation is that no one in the group has a true understanding of the expectations of the position, or maybe they realize that the expectations of every person in the room are different, and there is no way for one person to meet ALL that will be expected. The bottom line is, there needs to be consensus among the group before a firm can select and then support the leader of the firm. So, where do you start? It is imperative to start with a plan and a process in order to insure positive results.

THE TASK FORCE

An important first step is to build a task force who will be responsible for building the operating model and then presenting it to the partner group. Ensure that you have diversity on the task force. A good task force consists of someone who will work on the details, someone who will hold the group accountable to the deadlines that are set and someone who has the ability to look at things “outside the box.” All of these traits are extremely important to the overall success of the process.
THE EXPECTATIONS

What do the partners of the firm expect from their Managing Partner? Some of them will want a visionary leader, one who can not only see opportunities for the firm, but also inspire others in the firm to make the changes necessary to obtain those opportunities. Others may have expectations that require the Managing Partner to be more cautious and conservative in their approach to firm leadership. Some will want a Managing Partner who doesn’t rock the boat or hold them accountable. What happens when the expectations of the group differ? Obviously, there will be dissent among the group and the firm will not make the progress they are looking for as they elect the leader of the firm. So, the first step is to poll the entire partner group and discover the true expectations for the position. In the interview with the partners, determine the important skills they perceive as necessary to lead the firm. The following three areas are essential as you consider the requirements for this position:

**Cognitive Expectations:** These are the skills and talents that a person has that are “thinking” in nature. They are often described as IQ, Skills, Reason, Thought, Education, Knowledge Experience and Training.

**Affective Expectations:** These are the skills and talents that a person has that are “acting” in nature. They are often described as Desires, Values, Beliefs, Attitudes, Emotions and Motivation.

**Conative Expectations:** These are the skills and talents that a person has that are “doing” in nature. They are often described as Drive, Instinct, Necessity, Mental Energy and Talents.

A Managing Partner Expectation Report is provided for you in Appendix B. You might find the Cognitive and the Affective expectations are more apparent than the Conative expectations. An effective tool that can be used to discover the Conative Expectations of your Partner Group is the Kolbe C™ Index. The Kolbe C™ is a tool that is simple to administer and—when administered by a Kolbe Professional—is easy for the task force to understand and use in their analysis. Each partner will complete the index and then a certified professional can assist in interpreting the results and developing a profile for the Managing Partner position within your firm. By using this tool, the firm can insure the expectations of the entire group are determined before you move to the next step.

**Using the Kolbe System™ is as easy as A B C**

- **Kolbe Index A™** Measures a person’s instinctive method of operation (MO) for solving problems and completing tasks.
- **Kolbe Index B™** Measures a person’s self-expectations on the job.
- **Kolbe Index C™** Measures an evaluator’s requirements for on-the-job actions.

The Kolbe Index can be found at www.kolbe.com.
THE JOB DESCRIPTION (APPENDIX C)

After the expectations are determined, the next step is the development of a job description. The job description will give the Managing Partner a roadmap of their job requirements, the skills that are required and the expectations for the position. The Task Force should ensure that the following areas are addressed in the job description.

• A general job description paragraph that gives an overview of the position.
• A paragraph that describes the accountability within the position, including reporting and term requirements.
• A list of the major duties and responsibilities that will be assigned to the Managing Partner.
• The knowledge required for the position including degrees, certifications and number of years in the firm. These skills are referred to as the Cognitive Expectations.
• The motivation, desires and qualities that are required within the position. These skills are referred to as the Affective Expectations and might include things like how much time will be spent in leadership/management rather than production, how they will interact with staff and their passion for the good of the firm rather than personal gain.
• The way the Managing Partner will work within the firm including their level of “vision”, “processes” and “detail” within the position. These are the Conative Expectations that are in place and are discovered while using the Kolbe C™ tool discussed earlier in this guide.

THE OPERATING POLICIES AND PROCEDURES (APPENDIX D)

With expectations and a job description in place, the next area of work to be completed is the development of the Operating Policies and Procedures as they relate to the Managing Partner position. The areas that should be included are:

• Term of office—including election guidelines
• Managing Partner and Client Responsibilities—specific guidelines outlining chargeable hours and percentage of time spent on firm leadership and management
• Compensation—general formula that will be used to determine the Managing Partner’s compensation
• Transitional Compensation When Leaving Office—guidelines for the period of time when the Managing Partner is working back into a “production” position for the firm
• Management Restrictions—decision making authority for the Managing Partner
• Executive Committee—the guidelines for the Executive Committee as they pertain to the Managing Partner position
• Election and Term of Office, Executive Committee—The guidelines for the Executive Committee on terms of service on the committee and voting and non-voting members

THE COMPENSATION

The task force’s next responsibility is to determine a compensation structure that is fair and motivating to the Managing Partner. A book could be written (and mostly likely already has been) on the number of varying compensation structures within firms today. Depending on the goals of the firm, the age and personal goals of the partners, and the resources that are available, compensation structures can be very complex to very simple. One of the most intriguing concepts taking hold today is the “Balanced Scorecard” approach.
As defined in Robert S. Kaplan and David P. Norton’s original book titled *The Balanced Scorecard*, Balanced Scorecard (BSC) (Appendix E) is a concept helping you translate strategy into action. When developing a balanced scorecard for the Managing Partner, a firm should ensure they are evaluating areas of the firm that will drive the firm to positive results. Some of those areas should be:

- Learning and training (development of people and partners)
- Processes (defining, training and holding all personnel to the firm standards)
- Client satisfaction
- Financial measures

Most firms have mastered the financial measurements, and in some cases, that is the only evaluation criteria for their Managing Partner. The BSC will ensure that the emphasis for the position is more diverse and will encompass other strategic areas of concentration. You will get what you measure, so be careful to measure the most important strategic objectives. Make sure that your task force identifies the areas of the firm that they want the Managing Partner to emphasize and then develop the scorecard to match the expectations. If developed correctly—consistency, accountability and measurable goals will be evident within the BSC and the Managing Partner will understand exactly what is expected. You should also realize this will require management time and commitment in order to be successful. It is not an “overnight” transition. Remember, this is about progress and not perfection!

**DELIVER THE REPORT AND BUILD CONSENSUS**

The task force is now armed with all of the information it needs to deliver their results and their recommendations. At this point in the process it is important to listen to observations, make adjustments as necessary and finally—make a decision that everyone is willing to live with. Notice that I did not say—that everyone AGREES on! Keep in mind the plan is just that…a plan. It is a guide only; one in which you can make adjustments later…but now you have a plan and you are ready to move on.

Put yourself back in that conference room again with all of your partners. You have just heard a detailed report from the task force of the process that has just been completed. You have the recommendations in front of you and the knowledge you need to make a decision when the nomination and the election occur. Do you feel confident? In all likelihood you do. That is the reason for the process, and that is how a firm can select a Managing Partner that will indeed meet the majority of your expectations!
The partner group is the foundation of the firm. However, one person must emerge to lead. Given the expectations that have now been identified for the Managing Partner, the culling out and identification of this leader can be a highly emotional and stressful time for the firm. Commitment to continuing the process is the firm’s roadmap to cultural transformation.
DETERMINING THE SKILLS OF CURRENT PARTNERS

The role of Managing Partner is becoming increasingly important as firms focus on governance and the changing landscape in the profession. In some firms, the Managing Partners were selected to the position for the wrong reasons. Some examples are:

- Ability to get along with the majority of partners and staff
- High income producer and good with client relationships
- Willing to take the job while maintaining a significant book of business

While many people feel these are important traits and characteristics, these traits don’t guarantee success of the firm or the Managing Partner. Many firms believe that the more important requirements of the job are the ability to:

- Provide and develop leadership at all levels of the firm
- Attract and retain quality people
- Make timely decisions
- Develop a strategic vision
- Build consensus and commitment to the vision and core values
- Teach and learn
- Allocate and manage limited resources to strategic initiatives
- Counsel partners and staff

The task force in your firm might have added these, and many others to their expectation report. The bottom line is, now the firm has a blueprint of your ideal Managing Partner. The next step in the process is to find the partner in your firm that best matches the expectations that have been determined. The most effective way to handle this step is to follow the same logic the task force used when determining the expectations—analysis is the best practice.

First, determine “who” should be involved in the evaluation. While some firms will continue to use the same task force that determined the expectations for the position, many will turn to a trusted outside consultant to assist them in this step. The task force will undoubtedly have some of the candidates in the group. It is virtually impossible to remain unbiased if you are evaluating yourself, therefore, using a trusted outside consultant will help the process remain neutral and unbiased.

The task force and/or outside consultant can continue the work by measuring each partner/candidate’s actual skill level to the expectations that have been set. Great care should be given to make certain they look at each area individually and use the tools available to the group to insure they use valid measurements—not subjective ones. Below are examples of tools and sources that will give the information needed to evaluate each partner.

**Cognitive Expectations:** Resume, Performance Evaluations, CPE Certifications, Outside Training Classes and Seminars Attended

**Affective Expectations:** Testing methods such as DISC, Predictive Index, or Meyers Briggs as well as Performance Evaluations, Staff Questionnaires and Partner Feedback

**Conative Expectations:** Kolbe A™ Index, Performance Evaluations, Staff Questionnaires and Partner Feedback

As the information is gathered, you will find that identifying the skills and talents of the partners is of utmost importance. One of the tools used during the expectation phase was the Kolbe C™ Index, so it will be necessary for each of the partners to complete the Kolbe A™ Index in order to complete detailed and accurate results in the analysis phase. A trained professional should compare the Kolbe C (expectations) and the Kolbe A (personal results) to identify those candidates that will best fit the position of Managing Partner.
The task force or committee may then use a grid similar to the one below to assign a number value to the skills in each area to each of the partners. A scale of 1 (low) to 5 (high) should be used.

<table>
<thead>
<tr>
<th>Cognitive Skills</th>
<th>Resume, Performance Evaluations, CPE Certifications, Outside Training Classes and Seminars Attended</th>
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<tbody>
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<td>Testing methods such as DISC, Predictive Index, or Meyers Briggs as well as Performance Evaluations, Staff Questionnaires and Partner Feedback</td>
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<tr>
<td>Conative Skills</td>
<td>Kolbe A™ Index, Performance Evaluations, Staff Questionnaires and Partner Feedback</td>
</tr>
<tr>
<td>Personal Desire</td>
<td>Level of Desire for Position of Managing Partner by the Partner</td>
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Now it is time to make the decision. The recommendation should be taken to the partner group or task force and then consensus should be obtained. The most important point during this part of the process is to ensure that all of the partners support the decision. That may not mean complete agreement, but SUPPORT is imperative.
Do not expect the Managing Partner to be “superman!” One person alone cannot accomplish what a professional team can. The use of people, planning and processes must be at the center of the new Managing Partner’s strategies in order to transform the firm for the future.
Once the Managing Partner has been selected, the work for them has just begun. Many Managing Partners find it very difficult to move from a position of “production” to a position of “management.” Interestingly enough many firms don’t really understand or place value on the position of Managing Partner. They often ask, “What will they do?” The answer is really quite simple, “They will manage the firm, including the partners!”

While there are seminars and on-the-job training for Managing Partners, there is no operating manual on how to manage an accounting firm. Too often Managing Partners get strapped with administrative duties and fail to lead the firm toward strategic objectives. It is often lonely in the Managing Partner’s role, as they have to enforce discipline, manage partner disputes, deal with financial issues and in many firms, simultaneously manage a book of business in order to retain security and status. This is not a formula that entrepreneurial coaches prescribe. Many in our industry prefer to work in the business rather than on the business. Accounting firms simply do not manage themselves, and those that have a full-time Managing Partner (without a book of business) tend to grow much faster than those that have a part-time leader and part-time practitioner at the helm.

Therefore, most firms are looking for the management strategies that will produce the greatest returns on their investment in the shortest period of time. There is no magic formula; however, focus and accountability are keys to success. Firms that make the decision to allow their Managing Partner to focus on people, planning and processes make the move from incremental improvement to a cultural change and then to exponential growth must faster than those that do not make the commitment.

The Managing Partner has the task of leading the firm into the future and will need to use the resources of the firm to accomplish the tasks at hand. Firms are all in different levels of progress and they all must develop their own strategic plans for the future. However, there are some general strategies that can assist the Managing Partner as he/she begins their tenure. Some of the areas that must be considered are:
PEOPLE

• Develop a Management Team:
  The Managing Partner must surround themselves with a professional team that will support the
efforts of the firm. As a unified group, this team will be guided by the Managing Partner in the
strategies of the firm. Depending on the size of the firm and the initiatives the firm is concentrating
on, this team might include a Firm Administrator or COO, Human Resources Professional,
Training Manager, Marketing Professional, CIO or CFO. This team should be the Managing
Partner’s team and not just inherited personnel from a previous regime’s team.

• Get the right people in the right jobs:
  Everyone has unique talents and the trend in most firms is to hire “mini me’s.” In other words,
everyone has the same talents and skills as everyone else in the firm, with no diversity throughout
the ranks. Concentration on who is on the team, what their unique skills are and a re-evaluation
and potential reassignment of tasks is important in insuring the team operates at peak performance.

• Commitment to Learning and Training:
  Hire a learning/training manager; invest in your people and attract top quality people. Someone
must be responsible for developing the learning/training environment. Education and personal
development are high on professionals’ priority lists, especially those who are just coming into the
profession. Use a professional educator in this role, not a professional accountant.

• Delegate:
  The Managing Partner should practice the art of delegating not only the responsibility but the
authority as well. The best way to lose the management team that is formed is to not allow them
to do their jobs. Micromanagement is the fastest way to push a professional out the door. The
Managing Partner must become a master at “managing” and allocating resources.

PLANNING

• Managing to a Strategic Plan:
  Update or develop a three year strategic plan. Condense your plan to a one-page laminated sheet
that every partner and staff person has in their briefcase and on their desk. Refer to it continually
as you allocate resources and make decisions. Getting everyone working toward firm objectives
rather than personal initiatives is critical to the success of the firm.

• Improve Cash Flow:
  Setting universal policies and procedures in the areas of billings, deposits and billing frequency
will improve cash flow. Once the policies and procedures are approved, it is the Managing
Partner’s responsibility to enforce them throughout the firm.

• Focus on revenue per FTE:
  Focus on improving revenue per full time equivalent: charge hours are not a measure of value.
Benchmark the past two years by taking total revenue divided by the number of FTE’s (Total
hours divided by 2,080). Be sure you include all members of the firm, not just production
accountants in this calculation. Just like in golf, improvement should be your focus.

• Focus marketing and sales toward existing clients:
  The tendency in most firms is to fish the entire pond rather than to fish deeper in niche
markets. Expand your market perception. We now live in a global market. Your existing clients
are your existing marketing channel. Leaders should have a big vision if they expect to attract and
retain quality talent. The Managing Partner should drive this initiative, while delegating most of
the objectives and strategies.
PROCESSES

• Focus on revenue per FTE:
  Most firms are very profitable the first four months of the year and often understaffed. Some staff adequately for the busy season and then hang on for the rest of the year. The Managing Partner must determine ways for the firm to reduce workload compression in order to maintain balance and quality of life for all employees.

• Improvement of Processes:
  Process improvement and standardization are keys to improving virtually every area of your firm. The Managing Partner must use technology as a tool and people as the instruments to drive these processes universally throughout the firm.

• Establish Standards, Policies and Procedures:
  Review and document standards, policies and procedures. Without firm standards, policies and procedures, it is impossible to train; furthermore, firms operate inefficiently. Firms must look for ways to reduce turn around time and improve workflow. The technology is available and most firms have already invested in it. Train your end users and make them more productive. Utilize people outside of the process in order to improve the process. Don’t let people use the saying, “we have always done it that way.”

• Improve the experience for the client:
  There is probably nothing that the Managing Partner can do that will have a greater impact on client retention and moving away from commoditization than by creating a unique client experience. This is not just a “one time” committee task. This is an ongoing initiative in the firm to consistently look for ways to differentiate the client’s experience from other alternatives.

As you can see, the position of Managing Partner is certainly not an easy one, but is essential to the long-term viability of the firm.
Throughout this guide you have been challenged to think, plan and grow your current mindset in order to develop the valuable position of Managing Partner. The steps in your process are simple, but they are not to be “glossed over” or taken lightly.

**Step 1:** Setting the expectations

**Step 2:** Determining the skills of the current partner group

**Step 3:** Moving from “production” to “management”—The building of the management team

Take a few minutes to brainstorm and determine where your firm is today and what you need to do to ensure progress. Most people are not motivated by numbers, but rather by images of how things can improve. The Managing Partner must be able to paint the picture of the firm’s vision consistently and regularly.
The right tools are imperative in order to implement the plan. The tools in this section are designed to specifically assist you through the analysis, selection and beginning steps of the firm’s selection process.
<table>
<thead>
<tr>
<th>Strategic Objective</th>
<th>Measurement</th>
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| 1. Develop and maintain a firm leadership team. | - Job descriptions for all management positions  
- Team synergy report |
| 2. Operate the firm with a corporate form of governance. | - Adoption & adherence to firm’s operating policies and procedures  
- CEO and specialized management team  
- Balanced Scorecard utilized at both firm and partner levels |
| 3. Assure that the firm’s culture allows and promotes growth. | - Maintain firm’s 5 year growth plan  
- Growth targets expressed as dollars and FTE  
- Meet annual minimum growth of 10 percent |
| 4. Assure that the firm’s culture promotes learning & training. | - Learning Development Plans  
- Integrate learning/training into the balanced scorecard |
| 5. Provide mentoring and coaching for all partners and managers. | - 90 Day Game Plans  
- Accountability Reviews™ for all personnel |
### Strategy/Initiative

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**1.1 Develop job descriptions including specialized qualifications for all members of the management team.**

**1.2 Identify the members of the firm’s management team i.e. CEO, COO, HR, CIO, & Marketing.**

**1.3 Utilize the Kolbe A™ and C™ Indexes to determine qualified candidates.**

**1.4 Complete Kolbe Synergy Report™ on the management team.**

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**2.1 Task Forces:**

- Create task forces for marketing, technology, training/learning and human resources.
- Utilize task forces as needed.

**2.2 Develop and approve firm operating policies and procedures.**

**2.3 Conduct quarterly reviews of the management team and all partners.**

**2.4 Implement the balanced scorecard for the management team and partners.**

**2.5 Conduct regular management team meetings and maintain minutes.**

**2.6 Prepare an annual report and conduct an annual firm meeting.**

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**3.1 Utilize an outside consultant to coach the management team and all partners.**

**3.2 Implement a leadership development program for all partners and managers.**

**3.3 Actively participate in the Boomer Circles.**

**3.4 Create and annually award The Firm Innovator Award at the partner, manager and staff levels.**

**3.5 Define the firm’s target client profile.**

**3.6 Calculate the lifetime value of a client and communicate with the entire firm.**

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**4.1 Recruit and hire a Learning Coordinator.**

**4.2 Provide facilities and resources to provide learning and training opportunities for all employees.**

**4.3 Support and enforce Learning Program in firm.**

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**5.1 Develop a Task Force to develop and implement balanced scorecards for all partners and members of the management team.**

**5.2 Implement a 360 degree performance evaluation system.**

**5.3 Complete 90 Day Game Plans and Accountability Reviews on the management team, partner and staff.**

**5.4 Perform honest partner reviews quarterly.**

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APPENDIX B

MANAGING PARTNER EXPECTATION REPORT

Cognitive Expectations
The Managing Partner will have proven skills and characteristics in the following areas:

- Excellent Human Relations skills
- Ability to follow through on firm decisions and hold others accountable to the overall firm strategic plan
- Capable and adept at mentoring partner group
- Effective communicator at all levels of the firm, from staff positions to partner group
- Perceived as a forward thinker and the visionary for the firm
- Ability to delegate effectively by identifying and using others unique capabilities
- Effectively facilitate meetings by staying within the time limits and accomplishing established goals
- Exceptional listening skills
- Ability to build community throughout the firm, ensuring a team oriented atmosphere

Affective Expectations
The Managing Partner will be expected to be personally motivated by the following criteria:

- Possesses an overriding passion to put the good of the firm over personal gain
- Willingly and eagerly spends 50 percent of more of their work time in the position of managing the firm (depends upon firm size and circumstances)
- Has a desire to increase compensation by not only developing new business, but also by managing the firm effectively and growing the firm based on the strategic objectives
- Accepts the issues of accountability for the position of Managing Partner and understands that a performance review using the balanced scorecard is a vital part of the process
- Sets and enforces standards
- Reviews others regularly (accountability) and offers positive coaching

Conative Expectations
The Managing Partner will have instincts and skills in the following areas based on the results of the Kolbe C™ Index:

- Instinct in the area of Fact Finding (4-6)—The expectation of the Managing Partner is to take ideas and projects that have been researched and refine, review and edit them. While details are important to their final decision, they are able to make decisions promptly based on other people’s research. They can assess the pros and cons of a situation and move to resolution. They will not let the firm get caught in “paralysis by analysis.”
- Instinct in the area of Follow Through (7-9)—The expectation of the Managing Partner is to be extremely organized, feel confident in designing systems and provide structure, processes and procedures within the firm. They will ensure that work is completed in a timely and consistent manner and strive for standardization in all areas of the firm.
- Instinct in the area of Quick Starter (4-6)—The expectation of the Managing Partner is to feel comfortable with positive changes within the firm. When new ideas are presented, the Managing Partner will revise, assess and then make decisions that are best for the firm as a whole. They will be able to mediate and facilitate between the vision of some in the firm and the “history and absolutes” of others.
- Instinct in the area of Implementation (1-3)—The expectations of the Managing Partner is that they do not need to initiate in “manual or physical” labor. This position does not require skills and instincts in this particular area.
MANAGING PARTNER JOB DESCRIPTION

GENERAL
The Managing Partner is the CEO of the firm. The partner in this position is responsible for leadership, direction, guidance and control of the firm’s business activities to assure the short and long-term profitability and growth of the firm. Accordingly, the Managing Partner is responsible for recognizing emerging industry and environmental changes, and developing strategies to capitalize on opportunities to assure the long-term success of the firm. Naturally, the Managing Partner has the responsibility for overseeing and assuring the successful completion of the firm’s business planning activities. In addition, duties include directing and facilitating the Partner performance reviews.

ACCOUNTABILITY
The Managing Partner reports to the Stockholders regarding the successful performance of all duties and responsibilities. The Managing Partner is elected by a majority vote of the stockholders to a ___ year term. The Managing Partner shall give notice as to his/her intentions to seek an additional term at least 12 months prior to the end of the current term.

MAJOR DUTIES AND RESPONSIBILITIES
1. Provide firm leadership.
2. Assure the availability of a positive, dynamic client-oriented office environment that is genuinely committed to proactively serving clients and operating as a team.
3. Direct and co-ordinate the firm’s strategic and annual business planning process including technology, marketing and succession planning.
4. Assure the availability of an effective management team to implement the annual business plan and govern firm operations, i.e. client service, financial/administrative management, personnel, professional development and marketing-business development.
5. Assure that there is an effective and productive Partner + Manager group. The Managing Partner is responsible for helping these individuals improve their performance through regular performance appraisal emanating from personal game plans, coaching and mentoring.
6. Assure that the firm adheres to a high level of proactive client service that will foster continued prosperity.
7. Assure that the firm has an effective training/learning and leadership development program as it pertains to continually upgrading its “people assets”, i.e. recruitment, motivation and retention of people.
8. Represents the firm both internally and externally as the CEO.
9. Resolves any partner conflict (with the aide of other partners or consultants if need be) to assure the continuity of high-level client service and a productive office environment.
10. Primary liaison for the firm’s advisors (i.e. lawyers, bankers, etc.).
SAMPLE OPERATING POLICIES & PROCEDURES RELATED TO MANAGING PARTNER POSITION

Job Description
See Appendix C.

Term of Office
The term of office shall be ___ years. The Managing Partner is elected by a majority vote of the stockholders. Prior to one year before the end of ___-year term, the Managing Partner shall give notice of intentions to seek an additional term. In the event the Managing Partner informs the stockholders of his/her intention not to run, an election shall be held within 60 days and a Managing Partner-Elect shall be elected. The current Managing Partner shall provide orientation for the Managing Partner-elect during the remaining months of his/her term. This shall include a review of duties, status of projects, introduction to key firm contacts, attendance at management meetings, budgeting, strategic planning and involvement with the partner review process.

Managing Partner and Client Responsibilities
It is the goal of the firm for the Managing Partner to spend ___ percent of his/her time on firm leadership and management. This will be accomplished through transition of clients and chargeable hours to other partners and managers in the firm. There will be a ___-year transition period. At that time it is the goal of the firm for the Managing Partner to reduce his/her book of business so that he/she has no more than ___ chargeable hours and spends at least ___ percent of total time on the management of the firm. The firm is the Managing Partner’s number one client.

Compensation
It is the intention of the shareholders to compensate the Managing Partner at the level of one of the top ___ shareholders. Approximately ___ of the Managing Partner’s compensation shall come from client services and the firm’s partner compensation formula and the other ___ as a salary for serving in the Managing Partner position.

Transitional Compensation When Leaving Office
The firm realizes it is in the best interest of the firm for the Managing Partner to reduce chargeable hours and managed book of business. However, in the event the Managing Partner decides to return to the practice or is replaced by a majority vote of the stockholders, the firm will insure a level of compensation for the next two fiscal years. The rates shall be:

90 percent Year 1
80 percent Year 2

This will give the former Managing Partner time to work back into client services and rebuild his/her book of business. In the event the former Managing Partner is retiring, the above will not apply and the firm’s retirement policies and procedures will prevail.
Management Restrictions

The Managing Partner shall be limited in their decision making authority in the following areas:

- Stockholder compensation—Executive Committee
- Sale of capital stock—Bylaws & stockholders
- Termination of an officer/stockholder—Bylaws & stockholder
- Approval of annual budget—Executive Committee
- Sale or Acquisition of Practice Units—Stockholder majority

Executive Committee

The Executive Committee’s duties shall be reviewed and approved annually by the Board of Directors. The duties will include the following:

- An annual review of the Managing Partner
- Assist the Managing Partner in quarterly reviews of personnel (Game Plans & Accountability Review™)
- The termination of a stockholder must be discussed with the executive committee prior to being brought to a vote of the stockholders
- Approval of the annual budget
- Stockholder compensation

Election and Term of Office—Executive Committee

- Two shareholders shall be elected to the executive committee by a majority vote of the shareholders
- The term of office shall be three years
- The Managing Partner shall be a voting member of the executive committee
- The Chief Financial Officer and Chief Operations Officer shall be non-voting members of the executive committee
- Decisions require a majority vote of the executive committee (one vote per voting member)
- The executive committee shall meet as required with a minimum of at least once per month
### APPENDIX E

#### SAMPLE MANAGING PARTNER BALANCED SCORECARD

<table>
<thead>
<tr>
<th>Perspective</th>
<th>Objectives</th>
<th>Weight</th>
<th>Points (Equal)</th>
<th>Score 1–10</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Financial</strong></td>
<td>Decrease personal managed book of business to $250,000</td>
<td>10.00%</td>
<td>8.33</td>
<td>10.00</td>
<td>1.00</td>
</tr>
<tr>
<td></td>
<td>Manage to firm-wide revenue increase of 15% annually</td>
<td>5.00%</td>
<td>8.33</td>
<td>2.00</td>
<td>0.10</td>
</tr>
<tr>
<td></td>
<td>Manage head count to $150 k per FTE</td>
<td>10.00%</td>
<td>8.33</td>
<td>10.00</td>
<td>1.00</td>
</tr>
<tr>
<td><strong>Client Satisfaction</strong></td>
<td>Complete satisfaction surveys on 20 clients</td>
<td>10.00%</td>
<td>8.33</td>
<td>9.00</td>
<td>0.90</td>
</tr>
<tr>
<td></td>
<td>Complete New Opportunities worksheet on 20 clients</td>
<td>10.00%</td>
<td>8.33</td>
<td>10.00</td>
<td>1.00</td>
</tr>
<tr>
<td></td>
<td>Score all clients using the filtering system</td>
<td>5.00%</td>
<td>8.33</td>
<td>10.00</td>
<td>0.50</td>
</tr>
<tr>
<td><strong>Internal Processes</strong></td>
<td>Direct and supervise management team (COO/CFO/CIO, etc.)</td>
<td>5.00%</td>
<td>8.33</td>
<td>8.00</td>
<td>0.40</td>
</tr>
<tr>
<td></td>
<td>Ensure firm-wide adoption of revised policies, procedures and standards</td>
<td>10.00%</td>
<td>8.33</td>
<td>10.00</td>
<td>1.00</td>
</tr>
<tr>
<td></td>
<td>Guide and direct firm-wide paperless transition</td>
<td>10.00%</td>
<td>8.33</td>
<td>10.00</td>
<td>1.00</td>
</tr>
<tr>
<td><strong>Learning &amp; Training</strong></td>
<td>Develop and support firm-wide learning culture</td>
<td>5.00%</td>
<td>8.33</td>
<td>5.00</td>
<td>0.25</td>
</tr>
<tr>
<td></td>
<td>Develop and support firm-wide recruiting and retention plan</td>
<td>10.00%</td>
<td>8.33</td>
<td>10.00</td>
<td>1.00</td>
</tr>
<tr>
<td></td>
<td>Establish future partner development program</td>
<td>10.00%</td>
<td>8.33</td>
<td>7.00</td>
<td>0.70</td>
</tr>
<tr>
<td><strong>Subtotal:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>2.10</td>
</tr>
<tr>
<td><strong>Subtotal:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>2.40</td>
</tr>
<tr>
<td><strong>Subtotal:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>2.40</td>
</tr>
<tr>
<td><strong>Partner Total:</strong></td>
<td></td>
<td>100.00%</td>
<td>100.00</td>
<td>8.85</td>
<td></td>
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</tbody>
</table>
THE ACCOUNTABILITY REVIEW™
...a positive look at progress!

Name____________________
For Period Ending__________

<table>
<thead>
<tr>
<th>Accomplishment</th>
<th>Reasons Important</th>
<th>Further Progress Required</th>
<th>Specific Steps</th>
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<td>7.</td>
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If you would like further information about The Boomer Technology Circles™ or other Boomer Consulting, Inc. services and products, please telephone 785-537-2358 or 888-266-6375—or by E-mail at: sandra@boomer.com

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