

CCH-JOURNAL, CPA Practice Management Forum, **April 2007,**
Cultivating Your Firm's Culture

<<http://tax.cchgroup.com/network&JA=LK&fNoSplash=Y&&LKQ=GUID%3A683f5ba9-dc9a-3270-9f04-701fc7ff4a53&KT=L&fNoLFN=TRUE&>>

Cultivating Your Firm's Culture

By Sandra L. Wiley, Director of Marketing

About the author: *Sandra L. Wiley is COO and Senior Consultant with Boomer Consulting, Inc. She is a certified Kolbe® trainer and assists clients in building teams, managing employee conflict and hiring staff. She is a popular author and is regularly invited to speak at national conferences where she empowers audiences with new ideas and a sense of humor. Sandra directs Boomer Consulting, Inc.'s Annual Human Capital and Training Symposium® and offers her services as co-director of the Performance3 Management Program®.*

Corporate culture eludes definition. It's intangible --a state of mind, a feeling, a collective consciousness embedded within a firm and its employees. If you ask 20 Managing Partners to define corporate culture, you'll get 20 different responses. Nevertheless, as we discovered when we asked members of Boomer Technology Circles® to describe how they developed cultures within their firms, their answers reveal patterns that offer insight into the value (or lack thereof) firms place on company culture.

Too many firms discount the value of a coherent company culture, or they have limited knowledge about how to develop it. They take command of business disciplines that connect to profit margins and neglect the firm's emotional health; but, in fact, the two complement one another.

A firm's staff is its greatest asset, and healthy growth requires a united front of employees who support the firm's efforts --mind, body and spirit. This article explores some common steps firms can take to develop a healthy culture.

Lesson 1: Commitment to follow-through

The most important lesson is follow-through. Descriptions of a healthy culture are helpful, but meaningless until a firm works to make it happen.

Lesson 2: All progress begins with the truth or making tough decisions!

Before pursuing a healthy culture, it is important to come to terms with internal issues. This may sound simple, but not a single firm downplayed this lesson --and most added that facing the issues was a painful process. In many firms, this lesson required not only confronting the issue, but firing it!

Most employees fit one of four categories:

1. Underachievers who do not care about firm culture
2. Underachievers who promote firm culture
3. High achievers who do not care about firm culture
4. High achievers who promote firm culture

The goal is to cultivate the 2s and 4s and eliminate the 1s (usually an easy decision) and the 3s (a much harder, but equally important decision).

The first step in this process is plugging the names of partners and staff into the appropriate categories on the above graph. Next, answer this question: "Is the firm ready to make tough decisions now that will position it for ongoing advancement in the future?" This exercise is difficult --but absolutely necessary! According to one participant, successfully eliminating quadrant one and three employees can result in significant positive changes within three years; however, keeping these people on-board may add 10 years or more to the process --if change occurs at all! The choice is yours.

Lesson 3: Identify the leader --CAREFULLY

Everyone in our discussions agreed that firm leadership sets the tone for culture. While this applies to the entire firm leadership team, it is particularly important for the managing partner to be able to define an unambiguous company vision, as well as pattern a steady and sustainable work ethic. While some partners may be productive and superb with clients, they might not be able to motivate the firm toward a common vision.

How would (or does) your managing partner feel about the following tasks in the firm:

I On a regular basis, have lunch or coffee with randomly chosen employees and explore their concerns and suggestions.

I At least two days a week, walk through the office and chat with people.

I Support training efforts by attending a few sessions with staff (not just other partners).

I Set a sustainable work pace and monitor those who tend to work excessive hours. (A well-balanced workweek will significantly reduce sick days and burnout.)

If your managing partner is open to these suggestions, then congratulations! The firm has a great leader in place and is on the way to boasting a prosperous culture. If he or she hates these types of tasks and would rather delegate them to the firm administrator or another partner, you may be in trouble.

If a firm hopes to operate like "flying geese" --where team members line up behind, and support leadership --the managing partner must care about individuals and not hold him or herself as superior. Firm employees must feel valued by leadership. A positive, highly motivated managing partner is critical to making this happen.

Lesson 4: Create a team that clicks

Having a motivated team driving toward the same vision is vital to a firm's success. It is no secret that finding and developing a group of people who function as a unified group is difficult. Your firm must commit to hiring, training and retaining the best people it can find. These "A players" are those whom you hire for their positive and contagious attitude; instilling the requisite knowledge is the easy part.

As I work with partners across the country I regularly hear, "Employees today don't have the work ethic we had when I was starting out." My reply? "You're right. Now get over it."

Partners are on target when they say, "Staff members today want balance." Today's employees have taken note of the ways their parents and grandparents worked, and they want something different. They want to be with their children and spouses; they want to have personal time; they want to train; they want time to spend with aging parents; they want to invest in a job that is rewarding and challenging.

They want it all!

Therefore, successful firms build solutions into their cultures that address these concerns. These solutions include:

- I Additional training
- I Bonus and equity opportunities
- I Remote access and flexible working hours
- I Comp time or paid time for overtime
- I Firm events that encourage fun and relationship building (during the work day)
- I Mandatory time off when the firm closes for a full week

There are many ways to build an attractive culture for this new and exciting generation of employees. Who knows? More experienced employees might learn an important lesson from them; work should be challenging, rewarding, fun and an important *part* of a tremendous life.

Lesson 5: Communicate the firm's core values, mission and plan

Try the following experiment. Ask a partner, a manager and an administrative assistant this question:

What is our firm's mission, and how do you play a part in that mission?

If your firm is like most, you will not get a consistent answer to the first part of the question, and you might get a few raised eyebrows and shrugging of shoulders on the second part. A firm's culture is only viable when employees understand the managing partner's vision and work toward it.

Here are a few steps that will increase productivity and promote culture:

I Make sure employees establish measurable goals and understand their professional growth paths in the company. Their goals should network into the firm's overall vision and mission.

I Develop open and trusting relationships with employees. This initiative starts with the managing partner, but it applies to every partner or manager who oversees staff. One weak link can hurt the

firm's collective efforts in this area. Interact with employees regularly and offer praise or precise suggestions for improvement.

I Evaluate employees by measurable goals, not by the number of hours they spend in the office. The current evaluation method in many firms is "if you worked a ton of hours, you will receive a great evaluation."

That model is changing in progressive firms. The new model uses a balanced goal-setting approach based on measurements that include client service, learning and training, financial and productivity.

I Get creative. One managing partner we know sends out a mini-newsletter to employees each week to keep them current with the firm's happenings. Another holds monthly staff meetings during which he personally gives a "state of the company" address.

Remember, culture does not just "happen"; it is cultivated and grows with time and effort. Ongoing communication is essential to cultivating a desirable culture in your firm.

Creating a world-class firm culture is an evolutionary process; one can't merely speak it into existence. Follow the lessons outlined above and give everyone in the organization a reason to feel good about the future. Remember, no one strategy fits every firm because all begin at different places. However, every firm can experience success by facing challenges head-on, choosing a visionary leader, selecting type "A" staff, communicating effectively and building a support system.

Copyright 2007, CCH INCORPORATED. All rights reserved.