

Management Essentials

Five Tips to Make Your Partner Goal Setting More Effective

By Gary Adamson, CPA

I may be making a big assumption but I hope that you are already engaged in partner goal setting in your firm. If done well, it will raise the bar for each partner which in turn will raise the bar for the firm. We all have heard the basic rules of the game including having a limited number of measurable, stretch goals. Here are a few ideas to really juice up your process for better results.

Committed Leadership.

Coaching and mentoring the firm's partners is one of the most important if not the most important responsibility of your managing partner. Depending on the size of your firm, the managing partner may personally do it or get others involved. The goal setting process is a team sport. The MP and his/her management team sit down with the partners and together they come up with the goals. Equally important is the involvement of the MP in follow up meetings to discuss progress. A good rule of thumb is that you need to have a dialogue every sixty days or so. The biggest reason why goal setting programs fail is lack of follow up by firm leadership.

Hygiene vs. Goals.

I see too often what I call hygiene items listed as goals. There are some things that are like brushing your teeth in the morning - you just need to do it and you really shouldn't be rewarded for it. Your firm should have minimum expectations for partners that include things like putting your time in, doing your billings, collecting your receivables, etc. They are not goals. Partners should be impact players and their goals should have a high impact on the firm's success.

Firm Wide Goals/Objectives and Comp Plan.

There are two important connectors that each partner's goals should have. First is the linkage to overall firm goals for the year. How is each partner supporting either specific or overall firm initiatives, and the goals of other partners? That's how you raise the tide. And second, how does the achievement of goals link to the compensation system? If it doesn't or if you need an accountant to figure it out, you're not going to get the results that you want.

Don't hide them!

I would bet that in your firm, once the goals are set, they don't see much daylight until it's time for some follow up. Why do most of us do that? Why wouldn't all partners like to see the goals of their peers? Why wouldn't staff like to know what the partners are working on? Maybe they could help! If my goals are on the firm's intranet for all eyes to see, I know that I will have more incentive to hit them. It's called peer pressure. Of course,

there may be some particular issues for some partners that are not suitable for sharing but for the most part they are. It is healthy to share them.

Outside assistance.

I believe the managing partner participation in the process is key as stated above. Some firms have found great results through utilizing, in addition to the managing partner, the assistance of someone from outside the firm. This can range from working just with the managing partner, to practice or office leaders, to the entire partner group. I know of one firm where the outside coach works with all partners on a quarterly schedule. There is something about being held accountable by someone from the outside that can raise the level of success in many firms.

Remember the goal is to help enhance the individuals' performance to improve your firm. It's a lot of work but worth it.

About the author:

Gary Adamson is the President of Adamson Advisory, specializing in practice management consulting for CPA firms. He is an Indiana University graduate and has extensive hands on experience as the recent managing partner of a top 200 CPA firm. He can be reached at (765)488.0691 or gadamson@adamsonadvisory.com. For more about Adamson Advisory, visit www.adamsonadvisory.com or follow the company at www.adamsonadvisory.com/blog and www.twitter.com/adamsonadvisory.