



## FINE-TUNE your Organization's Heart & Soul to Attract, Retain Employees

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The public accounting world has changed dramatically over recent years and will continue to do so. Influences driving this transformation include new financial and audit regulations; continued influence of Sarbanes-Oxley; ongoing need for better trained personnel; growing need to fund, fuel and support succession planning; necessity for new levels of leadership to create a successful future; and the economic downturn.

For firms, from an operational perspective, things are changing as well. Client needs are expanding, even though the economy is not reviving; revenue is down as some clients are closing their doors; and accounts receivables are growing and projects are shrinking in size.

The importance of employee engagement is an even more pressing dynamic that has become a worldwide challenge. According to employee engagement consultant David Zinger, engaging people in authentic connections (to strategy, roles, performance, organization, community, relationships, customers, development, energy and happiness) will leverage, sustain and transform work into results.

To deal successfully with today's and future challenges, CPAs will need to shift their business model to focus more on comprehensive training, human resource capabilities, sales and marketing.

That business model starts with the culture of the organization, which usually stems from definition of the business:

- What does it want to achieve?
- How would it like to be viewed?
- What is its value to clients and community?
- Where and how do team members fit into the equation?
- What will the organization look like in the future?

### Four Pillars of Firm Culture

Key changes will increase the potential for success when crafting a business and its culture:

**The organization moves from a “practice” mindset to a “firm” consciousness.** This means living a “team” culture, rather than an amalgamation of individuals working on “their” clients. An environment of being on the same page and collaboratively working together becomes more important than showing off how self-sufficient each can be.

**Succession planning becomes an integral part of the organization from day one.** This isn't just how to retire a partner or replace other essential team members. Succession is about building the organization's talent so that the firm can grow and thrive and protect itself from challenges of competition, staff turnover and economic ups and downs. This involves hiring the right talent, quality training and proper delegation.

**A sales and marketing capability encompasses the whole firm.** Everyone can and should be motivated to reach out to new clients and new opportunities. This can be done face-to-face or through other means, such as writing an article, joining a civic organization or becoming an expert in a particular service. It matters that everyone—from receptionist to managing partner—advances the marketing and sales efforts.

**Conversation, interaction and communication grow to be essential skills that engage and bond everyone in the firm.** A team is only as good as its ability to successfully interact and perform. Conversation and interaction are essential skills in working with and enhancing firm and team relationships, as well as client relationships. By interacting with clients to define and meet their needs, everyone will add more value.

## Recruiting/Selecting Top Talent

Having the right people at the right time in the right place is essential to maximizing the value of these pillars. The key functions of recruiting, developing and retaining your top talent will support the transformation of the firm culture into one that will help the firm thrive in a dynamic and ever-changing marketplace.

In the past, there has been more work than people. Firms hired out of urgency. When the economy took a turn for the worse, firms began to right-size or downsize. As the economy begins to rebound, firms think that there are plenty of choice candidates. Indeed, there may be a large talent pool but, with the four pillars in mind, firms may want to look at how they have the right people for now and in the future.

- *Take a broad-based and creative approach to recruiting.* The traditional online recruiting sources can provide candidates, but consider using social media outlets like LinkedIn or Facebook to reach potential hires. Further, offer referral bonuses to your employees. And when working with recruiters, be clear about both the technical skills needed and the characteristics that would make candidates a good cultural fit for the firm. Consider, too, offering a flexible schedule to appeal to experienced candidates who may only want to work a limited number of hours.
- *Recruit 24/7.* This allows you to constantly create opportunity rather than just when you need people, which may create a desperate mindset toward hiring.
- *Start your candidate search with a clear job description and specific selection criteria.* Technical skills are usually clearly defined for a job, but now is the time to add a cultural fit. When reviewing résumés, look at jobs or situations where the candidate would have had the opportunity to display the characteristics you need.
- *Develop a formal selection process that includes specific questions that will help you determine if candidates will be able to support the cultural change you hope to accomplish.* If building a team environment is your first priority, be sure to ask questions that help you discover how candidates work in a team. Use open-ended questions that engage candidates in explaining what happened when they worked successfully—or not—in a team. What would they do differently?
- *Consider using behavioral assessments to determine if candidates have characteristics to be successful in job duties and to contribute to the firm culture.* We have used assessments that benchmark individual characteristics

against attributes that are important for various jobs. While these assessments should only be used as 30 percent or less of the hiring decision, they can provide significant insight into a candidate's natural behaviors.

## Developing Top Talent

Once you have hired the right people, it's time to develop them. The more opportunities the firm provides for employees to learn and grow, the more likely they are to stay. People want to be challenged, contribute and advance their careers. Firms of every size can create a culture that gives people opportunities for professional development. Seminars, webcasts, podcasts, online courses and internal training programs are options when it comes to providing technical and career development training. Firms can leverage these training options and provide additional growth opportunities at the same time.

Here are some ideas:

- Select one or two people to attend a seminar then provide an internal training for the firm when they return. By engaging others in a training process, people can transfer knowledge and grow from the experience of public speaking.
- Sign up for a webcast and have everyone view it at one time. Follow the presentation with a group discussion to answer questions or provide more detail about how the information impacts the firm.
- Require people to complete an online course in preparation for an open discussion or supplemental training led by a firm expert. This is an inexpensive way to provide broad-based technical training and bring the firm together as a team.
- Have managers strengthen their leadership and presentation skills by delivering the results of a research project that applied to a client.
- Give managers and staff the opportunity to work on more challenging and interesting assignments. Let staff stretch and learn. You'll reap the benefits later with stronger, more skilled people.
- Engage people in process improvement by debriefing them on challenging client assignments. Focus and expand on technical and client issues so everyone benefits from this learning process.
- Give staff with unassigned time the opportunity to work in other areas to help them stay connected to the firm. Challenge them with marketing research, client surveys and development of new services.

## Keeping Top Talent

Keeping top talent requires a firm culture where people believe that they can succeed and prosper. People usually choose to stay with a firm because they have opportunities to grow and advance; have values similar to the firm's values; like and respect their co-workers and leaders; feel valued; and are proud to be a part of the organization.

Culture is a mix of who we are and how we interact with others. The pillar of conversation and interaction has a significant impact on a firm's ability to retain top talent. Much has been written about the interaction between the generations in the workplace. How we maximize opportunities for productive, successful conversations among these diverse groups is a powerful formula for retention.

Look at new ways to connect the generations. Find out what the groups and individuals may have in common or the complementary skills they can share.



The Traditionalist generation (born about 1927–1945), who may be partners heading into retirement, may be saying “What’s the matter with kids today?” Yet we find that Gen Y love to be mentored by them. Traditionalists, who tend to be dedicated to work and their organizations, believe in honor and like the big picture, which can be valuable in keeping the firm focused on transforming its culture.

Gen Y (born about 1976–2000) want to know where the firm is going, but only during business hours, since they highly value their personal time. That life-work balance can help other firm members

money is not included and does not play as big a role in firm culture as people may think. Research shows that employees choose to stay at and engage in businesses with demonstrated reputations for development opportunities, future career growth, meritocracy and respect.

If employees find that there are disconnects between your words and your actions, their engagement and trust can be lost. And once trust is eroded, it is difficult to rebuild—and it does not take much, maybe only a few rescheduled lunches. Trust is an important ingredient in the culture and no single interaction can be taken for granted.

## The key functions of recruiting, developing and retaining your top talent will support the transformation of the firm culture into one that will help the firm thrive.

explore life beyond work. It might even help work-driven Traditionalists and Boomers (born about 1946–1964) realize retirement could be a new beginning, instead of an end. Gen Y grew up with technology, so allow them to mentor Traditionalists and Boomers as a team builder.

Gen X (born about 1961–1981) are self-reliant and made decisions about everything as they were growing up. With opportunity, they could use that decision-making trait as managers to become the firm’s next leaders.

### Conversation and Interaction

The pillar of conversation and interaction makes it possible to expand the influence of the other pillars. When a firm takes engagement seriously, it can create a protocol for communication. Then, teamwork, marketing and succession planning are all easier. There are many ways to enhance internal conversation that helps people stay engaged in the firm, including:

- Listen and engage people in the organization to understand what they have to say. Include everyone in the vision and strategy for the firm. Let people know what decisions have been made and why.
- Help everyone understand how the business of a CPA firm works so they understand the impact they have on a daily basis. Give people at every level the opportunity to contribute to firm growth, whether they discover additional business from existing clients, go out with partners on prospect calls, write an article or participate in community activities. It all connects to growing the firm.
- Give people projects that allow them to solve problems or improve processes. They will need to use their conversational and interactive skills in different ways to get the task accomplished. To help them maximize the experience, get someone to coach the group.
- Work with a consultant to help everyone enhance conversation skills. Develop problem-solving protocols and internal “good manners” for interacting with each other.
- Be sure that all managers are able to give clear instructions, provide meaningful feedback and handle difficult situations appropriately. One of the primary reasons people leave firms is because of supervisors. Don’t let this lack of interactive skills cause your top talent to find another place to be.

What do most of us have in common? We want to learn, help, contribute, change (gently), take responsibilities, be acknowledged and have a chance to grow personally and professionally. Note that


### Make a Difference Now

Integrate the pillars into your firm to build and reinforce a culture that supports a focus, growth, more success and profitability. Ongoing succession planning builds a foundation to meet challenges and opportunities as a firm evolves.

In developing your firm culture, focus on some best practices. Examples can be found in “The 25 best practices of wildly successful CPA firms” (Marc Rosenberg, *Accounting Today*, May 15-June 4, 2006):

1. Have appropriate personnel.
2. Always work on being a team.
3. Develop partners and managers as leaders.
4. Make sure everyone is on the same page with the firm’s direction.
5. Transition from a reactive to a proactive environment.
6. Create and promote niches that your clients need.
7. Strive to be, first of all, a business.
8. Support communication/conversation/interaction as essential ingredients within the firm.
9. Develop, training and reinforce concepts and practical aspects of being a team.
10. Walk your talk—be a good role model.

Based on the pillars, make a difference in your firm culture:

- Identify and inventory the aspects of your firm that define your culture or what you would like your culture to be.
- Expand the career opportunities and learning experiences available to your team.
- Explore how to create a more friendly and powerful environment.
- Define the firm’s strengths for helping it grow and expand.
- Highlight where the firm is most profitable or most valuable to itself, as well as defining its value to the clients.
- Begin developing your succession plan. 

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