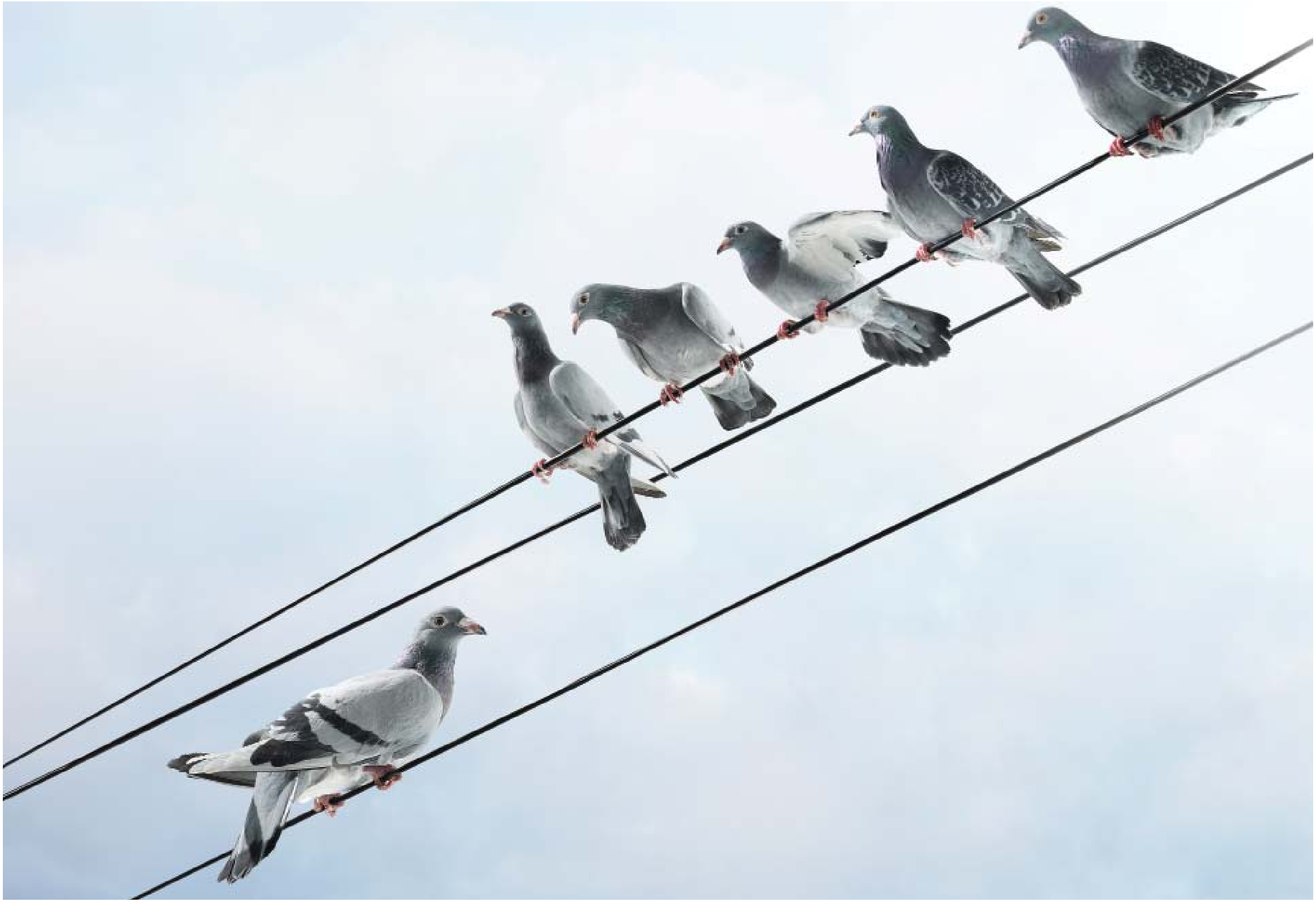
STAND OUT FROM THE CROWD

MOVING FROM MANAGER TO PRACTICE PARTNER REQUIRES A DIFFERENT MINDSET AND ICAEW CAN HELP. COLIN YOUNG



Even after 20 years, Graeme Bursack remembers it well – the day he realised what it means to be a partner in an accountancy firm. After training with a small practice and later gaining wider experience with a 'top 20' international firm, Bursack became a partner in London practice Goodman Jones in 1991.

Having joined the firm three years earlier, he knew he'd 'arrived' when he attended his first partners' meeting. 'It's a definite mindset change,' says Bursack. 'You leave the office on the Friday as an employee and when you come back on Monday morning, you're an employer.'

'It comes down to the difference between being a manager and a leader,' Bursack continues. 'A manager works to a defined set of principles, procedures and resources. But a partner needs to demonstrate leadership by contributing ideas for the future growth and direction of the firm.'

Making that transition presents significant challenges for many chartered accountants, which is the rationale behind the ICAEW's new Developing Leadership in Practice (DLiP) programme.

Having consulted widely with a number of experienced partners such as Bursack and Mark Spofforth (ICAEW vice president and one of 20-plus partners at West Country firm Spofforths), the ICAEW has developed a bespoke training programme to help aspiring partners develop their leadership qualities.

SUSTAINABILITY OF MID-SIZED FIRMS

'Talking to members, we became aware of the issues many of them, particularly senior managers, faced in acquiring the broad range of skills expected in the very different role of partner,' says Jonathan Levy, ICAEW head of member strategies and development.

'We also realised that demographic trends make it increasingly important that existing partners nearing the end of their career pay serious attention to succession planning to ensure the next generation of principals is lined up to continue running the practice.'

DLiP is primarily aimed at mid-size firms, typically those with 10-plus partners. The programme comprises five, one-day modules focusing on developing a range of personal skills, such as team working, communication, and negotiating and building relationships both with clients and staff. Held at six-week intervals, each module features two seminars separated by a case study or group session with the emphasis on the practical application of the key skills.

'The programme has been structured to allow delegates to go back to their firm to prepare for the next modules,' says Levy. 'We felt it was very important that those taking part can align this course to real-life issues.'

In developing the programme, Levy enlisted Alan Taylor, former ICAEW director of practice who now runs his own consultancy, to act as DLiP programme director. 'Alan's wealth of experience gives him a unique insight of the daily challenges faced by practitioners,' says Levy.

PROFITABILITY GLASS CEILING

During his 20 years with the institute, Taylor worked closely with numerous accountancy firms, often on a one-to-one basis. He saw at first-hand how many practices have concentrated on developing technical excellence, while largely ignoring the 'soft skills'.

Taylor concluded that this imbalance can be directly linked to what he describes as 'a glass ceiling of practice profitability'. That is, where profits seem to reach a maximum, and higher fee income per partner does not automatically translate into a stronger bottom line. 'I became convinced that it is often linked to people management within the firm. Quite a few practices have now recognised this and have broken through this apparent glass ceiling to achieve greater profitability.'

> 'The rewards of taking more control of your life and the financial rewards in the longer term make partnership an attractive proposition'

Taylor talked to a number of partners and HR professionals in firms with between 10 and 100 partners to learn what they did for staff identified as potential partners. 'It's extremely important to prepare the able senior member of staff for what can be an abrupt change in role and status when they are made up to partner,' says Taylor. 'This process can be very difficult to deliver in-house, where perhaps a single individual may be involved. I wanted to find out whether this was a problem and if so, what the institute could do to address it.'

Based on this initial feedback, a draft leadership programme was presented to a focus group drawn from the same firms. The DLiP model was then revised and developed further in the light of responses from the practices. Taylor stresses that DLiP has been developed and fine-tuned by practitioners specifically for their successors, describing it as 'a positive move' by the institute on behalf of its practice members. Working alongside Taylor will be Anna Coen, another former ICAEW director, who was responsible for policy and development in education and training. Coen now runs AC Integration, specialising in leadership development and coaching services.

Coen will be taking 'a coaching approach', with participants being encouraged to work in groups and share common experiences, including how to tackle difficult situations with clients and staff. 'New and existing partners are often faced with the challenge of letting go of their focus on delivering to specific clients and increasing their time spent on working with others, taking joint responsibility for the firm and engaging their people,' she says.

Coen believes the programme's practical approach will be of real value to the participants and their firms. Bursack, who has extensive experience in recruitment from trainee to partner level, agrees. 'There are definite benefits from having this type of programme out-of-house,' he says. 'And there's nothing else like this out there specifically geared to the profession, as far as I can tell.'


Coen: Coaching approach


Bursack: Mindset change

The Developing Leadership in Practice (DLiP) programme will be launched in May 2011. For further information about DLiP, contact Jonathan Levy, head of member strategies & development. Email: jonathan.levy@icaew.com or T: +44 (0)20 7920 8774. ICAEW members can access a range of practice support and guidance at www.icaew.com/practice-resources

WHAT MAKES A GOOD FIRM PARTNER?

Personality and 'cultural fit' are just as important as technical ability in today's accountancy firm partner. So says Mark Spofforth, now in his 29th year as a partner in West Sussex firm Spofforths.

'What I'm primarily looking for in a new partner is personal charisma,' says Spofforth. 'If someone's played team sports, it's often a good indicator of a team player, which is very important.

'Partners also need to be self-starters, who can get things done on their own initiative. But it really comes down to whether a particular person "fits" around the partnership table.'

ICAEW vice-president Spofforth feels it takes partners about five years to grow fully into the role, consistently meet their performance targets and make a real contribution to the practice.

Ability to lead teams and motivate staff, coupled with a strong commercial awareness, is also crucial, he says. 'Partners – especially in a local firm like ours – need constantly to be raising their profile, demonstrating marketing skills, networking and always thinking about where the next client might come from.'

But today's partners also face greater pressures than in the past, says Spofforth, not least from having to deal with non-chargeable matters such as regulatory change. 'It's definitely a different world. Over the last 20 years the number of chargeable hours has fallen from around 1,300 to about 1,100.'

He identifies two other issues facing aspiring partners – one financial, the other 'social'. 'Chartered accountants in their early 30s, with a student loan to repay, a mortgage and perhaps even school fees, are finding it much more difficult these days to raise finance from the banks to become an equity partner. And some people are also reluctant to tie themselves into a partnership from which it's difficult to extricate themselves – they're quite happy to remain a salaried partner.'

But the rewards of taking more control of your life, and the financial rewards in the longer term, 'make partnership an attractive proposition for those who can prove they have the capabilities'.