change is all around us. How firms manage this change is a major determinant of future success.

Jim Boomer • Oct. 29, 2013

From the Nov. 2013 issue.

One thing we can always count on in our profession and the business world as a whole is change. And the speed with which change is taking place is rapidly

accelerating. Both internal and external forces are driving change in firms across the

firms view change as an opportunity rather than a threat and tend to be more successful in managing it.

From a technology perspective, there are typically three types of IT leaders. They are typically indicative of how their firms will manage change initiatives.

- *Functionary* – keeps the operation running and doesn't waste time or money (reactionary)
- *Transformational* – leads change and redesigns business processes (proactive)
- *Strategic* – interacts with end users and develops IT enabled systems (proactive)

Common Challenges

There are a number of reasons that firms struggle with change but three of the most common include:

- *Not invented here syndrome* – Too many firms think they are unique when compared to their competitors or peers. They resist looking outside of the organization to see what others are doing and learning from their successes and failures.
- *We've always done it that way* – Long-standing, deep-rooted behaviors are hard to change, especially if you've recognized a track record of success. Many times though, the way we've always done it is outdated and while you stand still, your competitors pass you by.
- *Clients won't accept change* – This is usually an easy excuse for the inability of the firm to accept change. You can't expect to sell clients on the value of a change if you aren't sold yourself. This is the leading reason we hear for why firms haven't adopted client portals.

Successful Firms Think Differently

Leading firms think differently than ordinary firms. Thinking differently is very

Team Approach

Change management requires a team with specific skills such as analytical, political, people, systems and business acumen. All of these skills typically do not come in one person, thus the need for the team approach.

There are a few basic decisions a firm should ask themselves regarding change:

1. Does our firm have the culture for change?
2. Does the firm need and want to change?
3. Who is responsible?

Once you have answered these questions, which by the way are not as easy as they appear, you can build the team to implement processes that will enable your firm to become more proactive with regard to change management (internal and external).

Finally the stress level during change will be much less if you know yourself and the people around you. There are numerous tools, but the one we have found most helpful is the Kolbe Index. We each have unique abilities and perspectives. Knowing how others think and react will reduce the time, politics and create a positive culture.

Where to Get Started

Managing change is not an easy task. The following steps will get you started on a positive path.

1. Develop and articulate a clear and concise vision – What does a successful change effort look like?
2. Identify the cultural elements (beliefs and experiences) that will have the most impact on altering behaviors and lead to results.

3. Build a team that will help to build momentum for the change. Ask for volunteers

Firm Management • Technology

CPA Practice Advisor is registered with the National Association of State Boards of Accountancy (NASBA) as a sponsor of continuing professional education on the National Registry of CPE Sponsors.