

Hello. It looks like you're using an ad blocker that may prevent our website from working properly. To receive the best experience possible, please make sure any blockers are switched off and refresh the page.

If you have any questions or need help you can email us

partner conflict. In fact, when an MP I'm interviewing says, "Excuse me for a moment while I close the door," I know I'm about to hear the "good stuff" – the real ...

May. 27, 2015



In more than 20 years of consulting, I've observed hundreds of firms in the throes of partner conflict. In fact, when a managing partner I'm interviewing says, "Excuse me for a moment while I close the door," I know I'm about to hear the "good stuff" – the *real* reason for the call – a partner group that just can't get along.

### **Which partner behaviors cause conflict:**

**Unwillingness to be held accountable.** Some partners will never admit it, but in their minds, they think: "Sure, I'm in favor of partner accountability...as long as it doesn't affect me!" Or "I'm a partner, gosh darn it. That gives me the inalienable

right to do whatever I please whenever I want.” Over time, these partners develop a

Hello. It looks like you're using an ad blocker that may prevent our website from working properly. To receive the best experience possible, please make sure any blockers are switched off and refresh the page.

If you have any questions or need help you can email us

being a jerk – abusing staff, late billings and collections, late to partner meetings, no one ever knows where he is, etc. It takes a lot of courage by the other partners to confront this partner and let him know, in no uncertain terms, that his outrageous behavior will no longer be tolerated.

## THE BEST WAYS TO ADDRESS CONFLICTS

**Deal with the conflict promptly and openly.** Partners naturally tend to avoid confrontations, hoping problems will go away on their own. But shoving dirt under the carpet only creates lumps. Conflicts need to be quickly identified with a game plan devised for resolving or at least neutralizing the problems.

**Clarify expectations.** Do this in two ways: (1) Adopt of set of values for how a partner in the firm is expected to conduct himself and what is expected of all partners, in general; (2) Each partner meets regularly with the MP to clarify what the specific expectations are for that partner. This includes formal, written goal setting.

**Counseling by the MP.** Arguably, one of the most difficult parts of the MP's job is dealing with partners who have performance and behavior issues. When the conflicts arise, it's the MP's job to work with the partner to correct the problems, essentially offering the offending partner an opportunity to rehabilitate himself.

**Partner compensation.** Contrary to the opinions of many, partner compensation is not the best way to modify behavior. But it does work to some extent; more with some than others. If the MP is expected to counsel and rehabilitate a partner exhibiting unacceptable behavior, it must be clear to the offending partner that the MP has the absolute power to adversely impact the partner's compensation.

**Termination.** The last resort. Obviously this is a very awkward and difficult process to go through. But retaining a partner who consistently violates the firm's standards for partner performance and behavior sends a message throughout the firm that

transgressions are allowed, which often leads to other partners committing the same

Hello. It looks like you're using an ad blocker that may prevent our website from working properly. To receive the best experience possible, please make sure any blockers are switched off and refresh the page.

If you have any questions or need help you can email us

consulting career. He shares his expertise regularly on The Marc Rosenberg Blog.

Accounting • Firm Management

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.

© 2024 Firmworks, LLC. All rights reserved