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FIRM MANAGEMENT

The Real Deal in LEADERSHIP... Applying Strategic Planning to Move Firms

Column: My Perspective

Darren Root • Nov. 01, 2009

From the Nov. 2009 Issue

True visionaries and masters of strategy are those who have the courage and foresight to solve issues before they occur, as well as the ability to anticipate and exploit future opportunities. Let's face it; the issues that continue to plague our profession cannot be solved with short-term tactical thinking. I believe that firms can and should operate more strategically.

Philosopher Jim Rohn said: "If you don't have a plan for what you want, then you will probably find yourself buying into someone else's plan and later find out that wasn't the direction you wanted to go. You've got to be the architect of your life." I fully agree with his words and suggest we all have to be the architect of our firms. I've often thought that if I didn't practice accounting, I would have enjoyed being an architect. I truly enjoy strategizing, designing and building. And in a way, I guess that is what I do as a tax and accounting professional.

However, instead of developing concrete structures, I have the unique opportunity to assist my colleagues in designing and building stronger, more viable practices.

When you hear the term Leadership, you probably think: “I lead every day; I’m answering staff questions and client questions, and I’m making decisions. What more is there?” To be clear, I want to emphasize that I am referring to strategic leadership and not tactical leadership. For me, strategy begins by identifying what I want out of my firm. Do I want to grow to be the biggest firm in town or stay small? Do I want to work 75 hours a week or do I want more of a balance with my personal life?

The point when leaders define what they really want out of their business directly relates to Steven Covey’s theory that asserts: “Begin with the end in mind” (from his best-selling book “The Seven Habits of Highly Effective People”). Through my consulting activity with firms, I find that many firm leaders do not adhere to this philosophy. Most have simply never defined what they want out of their firm.

Consider this example:

Have you tried going into Starbucks and ordering a cheeseburger? I would guess that everyone would answer with a stern, “No!”

We all know that Starbucks doesn’t sell cheeseburgers. We also know that [Starbucks](#) is famous for premium coffees and an aesthetically pleasing environment. But why do we know this?

Answer: Because Starbucks long ago defined its offerings, which is consistent across branding, marketing and delivery efforts. This is strategy at its finest!

What I’m getting at by offering this example is that firms must take the time to really define what they do (service offerings) — create an accounting menu if you will. Only then can firms begin to build a workable business model. If leaders don’t take time to define services, how are staff and clients supposed to understand what it is the firm does or how it is done? Once the menu is scribed, firms can then begin to strategically think about their communications and service delivery methods.

Advanced leaders are visionaries; they are the master architects of their firms. I suggest you take some time to research, design and build your delivery system ... and think outside the box while you are doing it. Remember, long-term survival and growth begins by having the right business model in place.

I've spent the last couple of months working on refining my own firm's business model and delivery options. It's a lot of hard work and requires dedicated strategic thinking. However, the payoff is much greater than the effort put in. It's the only way to effectively move my firm forward, which is realized through satisfied clients, increased profits and true work/life balance.

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