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for your accounting firm's success.

Garrett Wagner • Apr. 23, 2023



Rethinking Succession: The Unconventional Choice

It's human nature to surround ourselves with people who are similar to us, after all who could be better than you but another you? When tasked with choosing a successor for your current role, whether as a partner at a firm, running your own practice, CFO, or any other position, the idea of finding a Mini-Me might feel comforting. After all, they understand your way of thinking and share your work ethic. However, in today's rapidly changing business environment, selecting a carbon copy of yourself can lead to stagnation and failure. One of the reasons

accounting firms are struggling with success is they are looking for the wrong

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Stagnation

In order to stay ahead of the curve and remain competitive, accounting firms and accountants must embrace change and foster innovation. Accountants need to evolve from number-crunchers to strategic business advisors and consultants. This shift requires a diverse set of skills, experiences, and perspectives – which is precisely why finding a successor who's just like you is not the path to success. Hopefully this is something that the majority of those in the profession will agree with.

For modern firms like Aprio LLP, staying ahead of the curve means embracing change and fostering innovation. As a result, they have been able to grow and thrive, offering a wide range of services, including tax, assurance, and advisory services. By recognizing the importance of diversity and unique skill sets, these modern firms have positioned themselves differently and long abandoned the “land lines” they use to cling too.

Instead of seeking a successor who's a carbon copy of you, focus on finding someone who can take the best of what you've built and elevate it to new heights. Bringing in someone with different skill sets has been shown to lead to growth, as their new skills and knowledge enhance what is already in place, rather than causing it to lag.

Coca-Cola's CEO succession planning debacle serves as a cautionary tale of the Peter Principle – where individuals are promoted based on their performance in current roles rather than their ability to perform in a new one. That is where, Coca-Cola's succession planning went awry, leading to poor management decisions and a major decline in company performance and stock price. This example highlights the importance of selecting a successor based not only on their similarities to you but also on their potential to excel in the new role and drive the firm forward.

Finding the Right Candidate: Look Beyond Your Mini-Me

To find the right successor, start by stepping back and taking an objective look at

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would your Mini-Me be. Consider the example of a small accounting firm where when the founding partner retires, the number two has worked at that firm since they were a teenager, now 30 plus years ago steps right in. What happens during the transition?

Nothing

Things don't change, the firm continues on the same path, the problems the firm had the day before still exist and are not addressed, everything stays the same. If firms are to change, grow, evolve they need to take a new approach to succession. Embrace diversity in skill sets and perspectives and no matter what accept that change isn't just okay it is required.

In the end, it's all about growth, adaptation, and continuity. No matter how fantastic you have been, it's crucial to recognize that the story doesn't end with you. Your firm's legacy can continue to flourish, evolve, and captivate audiences for years to come – as long as you're willing to embrace the unexpected and take a chance on a successor who's ready to step into the spotlight and make their mark on the world stage.

Conclusion: Embracing Diversity for Succession Success

Opting for a Mini-Me successor might feel comfortable, but it's not the best choice for your accounting firm's success. Embracing diverse skills, experiences, and perspectives ensures innovation, competitiveness, and growth in a constantly changing business landscape.

Let go of the Mini-Me concept and seek a talented individual who can lead your firm into its next chapter. Remember, successful succession relies on balancing the past and future. Avoid the pitfalls that fall into most accountants succession woes, avoid

the pitfall of Coca-Cola's succession planning debacle. Realize you can make

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