

## The Importance Of Firm Culture

Issue 27 | Winter 2012

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### Wilson's Writings



### Happy Holidays!

We've had a wonderful year traveling the country and discussing trends, dreaming about the future and developing solutions with the best and brightest in the profession. In the conversations we've had at retreats, training courses, conferences and other venues, **one theme has clearly emerged - and it's the increasing focus that firm leaders are placing on the motivation, engagement and retention of their best and brightest.**

We believe that **employee motivation and long-term career investment come more from the culture that you create than from any individual HR programs or actions you take.** That's why we've dedicated **this issue of Coaching Concepts to the importance of your firm's culture** and ensuring that your leaders are working together to generate an environment that employees want to be part of and that no one wants to leave.

In [Leadership Lessons](#), we'll explore the elements that affect firm culture and refer you to **a tool to assess your firm's culture** in areas that we believe appeal to today's up-and-comers. Then, in [Practice Perspectives](#), we'll discuss **ten engagement strategies for firm leaders to consider and employ in 2012.** In this issue's [New News](#) we'll share the latest from our team, our clients and the profession including news of our newly updated online presence.

As we complete 2011, **we are filled with gratitude for our many blessings, including our friendship with you.** Thank you for your support of our mission - to work together with transformational leaders to continually improve the world we live and work in. We hope to have an opportunity to collaborate with you in 2012.

Peace and joy this holiday season and in the bright New Year ahead!

Jen



[Click here](#) for a special holiday greeting from ConvergenceCoaching, LLC.

**P.S.** To celebrate the joy of this season and honor our hard-working team at ConvergenceCoaching, we will **close our offices from December 23 through January 2**, reopening for business on Tuesday, January 3, 2012. We look forward to being of service to you in the bright New Year ahead!

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### **Creating an Intentional Corporate “Culture of Cool”**

As the economy begins its slow return, new options for your best and brightest are emerging. That’s why it’s more important than ever for your firm leaders to work together to create a cool corporate culture that employees appreciate and can envision being a part of for the long term.

#### **But what is “firm culture” anyway?**

While it almost defies definition, **your firm’s culture is the essence of its being and the way it feels to be a part of your firm.** Your culture is multi-faceted and complex and includes both positive elements and the not-so-great attributes of your firm, too. In this article, we’ll explore the most impactful elements of firm culture:

- **Firm leadership.** **Your firm’s culture is most influenced by the values, beliefs and behaviors of your partners or shareholders.** These individuals manage their client and team relationships based on their values and beliefs, and the behavior of their clients and team members reflect these influences. If your firm has published your core values, a code of conduct or other guiding principles, it is critical that your leaders’ behavior reflect these promises consistently. **When firm leaders behave in ways outside of agreed-upon norms and values, your firm must add the word “hypocrisy” to its cultural description.**
- **Firm organization and governance.** The way decisions are made, the clarity people have about their roles in the firm, the degree of empowerment your people feel in their positions and the political under-currents that surround the way things get done all affect your culture. **For many firms, the organizational and governance structures are not well defined or communicated, so confusion, bottlenecks and bureaucracy can ensue.** To ensure this element positively impacts your culture, begin by mapping your decision-making processes at the firm-wide level and then the service line or departmental level and identify any uncertainties that exist. Then, work to develop very clear role descriptions, complete with duties, responsibilities and decision-making authority for each person in your firm.

- **Firm processes, policies and work flow.** How smoothly things flow through your firm, the degree of organization you have and how easy it feels to get things done all contribute to your firm's culture. **Your processes and work flow can vary significantly between service lines, departments and/or offices, and variance itself affects your culture.** Work to align your processes and work flow so they reflect your intended values, beliefs, organization and decision-making norms.
- **Firm communication.** Your firm's communication structures, processes and the style, tone and mode of your communications all shape your culture. The degree of transparency and openness you are striving for and the formality of your communication all affect the "feel" of your firm. Communication can be the most challenging cultural element because it takes so many forms and is occurring in such volume, with such speed that it is almost impossible to truly manage. **Instead, teach communication strategies to your key leaders and managers so that they contemplate their intention, key message(s), stakeholders and their concerns and how all of these relate to the firm's values and beliefs before they execute their communications,** which will lead to much better results.
- **Formal firm stories.** There are both formal and informal stories told in your firm. The formal stories include your firm's history, the story of its evolution, your vision for the future, competitive positioning and differentiation, your stories of successes and failures, the stories told to new employees in orientation and training and more. These stories are fairly easy to manage, because they are typically "published" by firm leaders or administrators. **It is important to ensure that these formal stories reflect your values and beliefs and strike the right tone and degree of openness you're striving for.**
- **Informal firm stories.** Your firm's informal stories are those told in smaller groups and in one-on-one conversations. They are difficult to gauge and manage, but they reflect your firm's culture more than any other attribute. **The heroes and villains they portray and the degree of hope and positivity that story tellers convey tell so much about what it feels like to work at your firm.** Most firm leaders are not privy to many informal stories - they stop when you walk in the room - but you can gain insight into the main themes with a well-executed employee survey.

**If you'd like to assess your firm across twelve "Cool Culture" attributes, [click here](#). And, if you most want to shape your firm's culture, evaluate these and other cultural elements by surveying those most affected by them - your people and your clients.** To maximize your insight, include a few open-ended questions, allow the input to be offered anonymously and consider using a third-party assessor. Based on the data you gather, you'll identify positive elements of your firm's culture you'll want to promote and preserve, and negative elements that should be evaluated, with strategies developed to minimize, correct or improve them.

For more information on how to enhance your firm's culture and employee engagement, contact Jennifer Wilson at [jen@convergencecoaching.com](mailto:jen@convergencecoaching.com) or (402) 933-2900.

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## Practice Perspectives

### Are Your People Still Sold On Your Firm?

**“If we don’t get the people thing right, we lose; it is the most important thing in all our businesses.”**

*~ Jack Welch*

Over the past three years, we have advised firm leaders to invest in programs that engage and develop team members while focusing on fiscal responsibility and business development, which we know can be a real balancing act. Our young up-and-comers today tend to have a positive outlook for the future and have the courage and confidence to pursue new opportunities – or create their own. If you’re not creating compelling and challenging career opportunities, you can bet your competitors are talking to them about how they will. That is why it is more critical than ever to ensure that your people are engaged and that they remember why they chose to build their careers with your firm.

Most human resource surveys state that it will cost you one and a half to two times an individual’s salary to replace that team member when they leave. Avoid these costs and the issues of continuity by **engaging your existing team members with the same zeal and passion that you would a super-star recruit - with the intention to keep them “sold” on their decision to build their career with your firm.** In this article, we’ll outline ten strategies to keep your people engaged, including:

1. **Creating a vision for them.** Your people look to your firm’s leaders for clarity on your firm mission, vision, values, objectives and overall strategy. They want to know where the firm is headed and how they can best contribute to your firm’s strategy. Creating your firm’s vision and strategy isn’t a one-time activity either; regular updates and status are required to ensure progress is being made and new plans or changes are being made when roadblocks present themselves.
2. **Recognizing them.** When you see a team member in the hall, at the coffee bar or in the elevator, say hello, call them by name and begin to get to know them. If you are a senior leader or part of your firm’s management team, consider having someone develop a digital book that includes everyone’s picture, name and brief biography. No matter how many people are in your firm, work to know as many as possible by name, on sight.
3. **Reaching out to them and spending time them.** Managers and mentors should ensure that your best people are being touched regularly by check in e-mails, phone calls and face-to-face meetings. Senior leaders in your firm should get “out and about” and connect with key people via lunch or coffee. Be interested (genuinely so) and learn simple facts about your team members and what’s important to them at work and outside of work, too. Find out each person’s driving motivators and learn what they most want to achieve in their career and in their personal life.

Regularly ask what more the firm can do to support them in achieving their life's goals – and then construct plans to do so.

4. **Investing in them.** One of the highest compliments you can pay your people is to pass along your knowledge to them. Take them along on sales calls, to conferences or to meet with key clients or referral sources. Allow them the privilege of shadowing work at higher levels so they can envision what's possible (and learn new skills, too). Invest more training per person than your competitors do and include soft skills education at every level – including administrative staff.
5. **Defining your expectations of them.** Your up-and-comers want to know what it takes to win at your firm and how to progress in their career. To do so, they need to understand what the expectations are at each level in the areas of experience, skills, leadership behaviors and results. These expectations should be documented in writing so they – and you – can use them to set goals and manage their career advancement.
6. **Taking risks with them.** Offer your best and brightest the opportunity to take on projects that may be just beyond their current capacity. Intentionally stretch them with the assignments you give. Let them know that you expect them to make some mistakes and struggle some while they grow to a new skill level and that it is safe to do so.
7. **Changing for them.** Understand that the needs of your up-and-comers who are the future of your firm may be different from when you came up. **Give up your “old school” notions of how it should be and manage your organization based on the way that it is.** This means managing results rather than face time and developing new programs to embrace diversity, work-from-anywhere programs and more. It will likely include flexible work programs and moving away from mandatory work periods at some point in the not so distant future, too! Read [“Are Mandatory Saturdays A Thing Of The Past?”](#) for a new school change idea.
8. **Reminding them.** Spotlight your firm's best people programs and benefits in your firm's internal newsletter, in staff meetings or in other communications. Remind your people **what makes your firm special, unique and different and how they will benefit from those differences.** Don't assume they know or will remember what you offer.
9. **Having fun with them.** Younger generations are most engaged when they feel a part of a team at work. Make sure your people have opportunities to bond with their teammates and purposefully engage in team-building activities and corporate fun. Encourage professional friendships through firm-sponsored social and community activities. Ensure that your firm's leaders actively participate in firm fun and firm-sponsored events, taking a genuine interest in getting to know your up-and-comers (see **#2 and #3**).
10. **Thanking them.** Acknowledge great work with gratitude – verbal and monetary. Be sure your performers feel your appreciation and respect for their contributions. Send a personal email or even a written note for a job well done. Catch your people doing well and thank them as soon as you notice it. You can even formalize the process by implementing a “wow” notes program where people can submit someone's name and accomplishment for consideration by management for acknowledgement at a team or department meeting.

**How does your firm stack up in these ten areas to engage your people? Which of the ten strategies could you put into practice today to begin cementing the decision your team members made to build their careers with your firm?** For additional information about

engaging your people, contact Tamera Loerzel at [tamera@convergencecoaching.com](mailto:tamera@convergencecoaching.com) or (952) 226-1780.

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### **ConvergenceCoaching, LLC's New Web Site and Updated Look**

We are excited to unveil our updated online presence that includes a **new web site, a “relocated” and updated blog, and a fresh new look and feel. Please take a moment to check it out at [www.convergencecoaching.com](http://www.convergencecoaching.com) and let us know what you think!**

Aside from enhanced navigation to our wide range of offerings, our new web site provides easy access to our various social media platforms, making it simpler to connect with us, including:

- Our ***Inspired Ideas* blog right on our web site at [www.convergencecoaching.com/blog](http://www.convergencecoaching.com/blog)** (be sure to **subscribe to get our weekly post** via e-mail by entering your e-mail address and hitting “Get email updates” - it’s that easy!)
- **Quick access to our Partner and Co-Founder, Jennifer Wilson’s, Twitter feed** from our home page
- Access to our **LinkedIn company page** throughout the site and to our individual **LinkedIn team member profiles** via our consultant team pages
- Easy access to our firm’s **Facebook page** with the latest news and events (please take a moment to “Like” us)

Other features include wonderful **testimonials** about our work and the difference it’s made for our clients and associates and a **News and Events** section with an **at-a-glance schedule of live and web events** you may be interested in attending (in list or calendar view), access to **recorded events**, and our **latest e-newsletter**.

We hope you enjoy these enhanced features!

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## Service Spotlight: Our New Transformational Leadership Program!

Develop your team and secure your firm's future by enrolling your **managers and new partners** in our **Transformational Leadership Program (TLP)**. This in-depth, year-long program is designed to help your future leaders honestly identify their strengths and areas for improvement and develop strategies to drive performance improvements and prepare to take on meaningful roles in leading and managing your firm.

For a full year, each TLP participant will engage in:

- **In-depth self-assessments**
- **Two in-person, two-day workshops**
- **Online, self-study and instructor-led web seminars for year-round learning**
- **Tailored one-on-one coaching sessions for both the participant and their in-firm coach or advisor**

The one-year investment to transform your up-and-comers into true firm leaders is \$3,995 including at least 33 hours of CPE credit for all learning events. **For more information, visit [www.convergencelearning.com](http://www.convergencelearning.com)**, and registration will open December 20, 2011.

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## ConvergenceCoaching in the News

Thanks to many of you, ConvergenceCoaching's Jennifer Wilson has been named to **INSIDE Public Accounting's Top 10 Most Recommended Consultants** list for the fourth consecutive year. In addition, she was honored for the ninth time as one of **Accounting Today's Top 100 Most Influential People in Accounting**. We are so proud of Jennifer's accomplishment and the recognition of our team for the difference-making work we love!

In addition, we are regularly **featured authors for various industry publications**. Find us in **[INSIDE Public Accounting](#)**, the AICPA's **[CPA Insider](#)**, Texas Society of CPAs **[TSCPA Public Practice E-News](#)**, and **[Accounting Today/Accounting Tomorrow](#)**.

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## Private Company Financial Reporting

You have an opportunity to change private company financial reporting to reflect users' needs in the form of a separate Generally Accepted Accounting Principles (GAAP) for private companies. **In the past, ConvergenceCoaching worked with the AICPA's Private Companies Financial Reporting (PCFR) Task Force to research the issues surrounding this decision, and we believe strongly that a change is necessary.**

***Now is the time for you and the CPAs in your firm to tell the FAF what you think.***

**Please consider writing a letter to the FAF by January 14, 2012** and sending this note to your partners, colleagues, clients, and bankers to invite them to write a letter as well, supporting the much-needed historic changes in private company financial reporting.

You can learn more, listen to an archived webcast, and read sample letters from your peers at [www.aicpa.org/privateGAAP](http://www.aicpa.org/privateGAAP). **The letter you write should be in your own words to have the greatest impact on the FAF.** Thanks for your time to share your view with the FAF at this historic crossroads.

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### **Partner Accountability Toolkit for AICPA PCPS Members**

We've been working with the AICPA's PCPS section to create the **Partner Accountability** section of their Human Capital Forum, scheduled for release this month. The Partner Accountability section provides a guide, tools, and templates to improve your firm performance by making your top tier of leaders more accountable to themselves, each other, and to your team members.

PCPS members will have access to the **ConvergenceCoaching Leadership Accountability Model™** that explores each element necessary to develop a culture of performance and accountability and outlines ideas within each element to help you identify areas where you can improve the performance of your partner team. Find out more by visiting [www.aicpa.org/pcps](http://www.aicpa.org/pcps).

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### **Client Corner**

#### **Congratulations to 2011 "Working Mother" 100 Best Companies**

**BDO USA** and **Moss Adams** were named to this list for their plethora of family-friendly benefits and efforts to make their place of employment a top choice for working parents. See the entire list of top firms here: <http://www.workingmother.com/best-company-list/116542>.

#### **Noteworthy Client Mergers**

**Windes & McClaughry**, a Long Beach, CA-based firm will be merging with San Francisco-based Burr Bilger Mayer, effective, Jan. 1, 2012. The combined firm will be known as **BPM** in Northern California and as **BPM Windes** in Southern California. BPM's Managing Partner, Steve Mayer, will be the firm's CEO and Managing Partner. Windes & McClaughry's Managing Partner, John DiCarlo, will be responsible for the operations of BPM Windes. The firm will have 73 shareholders, 550 employees, and 11 offices.

**White, Nelson & Co. LLP** and Diehl, Evans & Company, LLP have merged to become **White Nelson Diehl Evans LLP (WNDE)** and will operate from the White Nelson headquarters in Irvine, CA.

Additional offices are located in Carlsbad and Escondido. WNDE will have over 120 employees, making it one of the largest accounting firms headquartered in Orange County.



**Tronconi Segarra & Associates LLP** merged with Domachowski, Kempisty & Salvatore, CPAs, P.C. on November 1, creating the third largest independent CPA firm in the Buffalo, NY region. The combined firm includes 11 partners and 95 associates.

## **Welcome New Clients!**

The ConvergenceCoaching team welcomes our new clients to the Convergence circle of friends! Warmest welcome to:

**Abdo, Eick & Meyers** in Edina, MN  
**Acumen Advisors** in Reston, VA  
**Baune Dosen & Co., LLP** in Minneapolis, MN  
**Fred A. Lockwood & Co., P.C.** in Scottsbluff, NE  
**Geneva Group International** in Zurich, Switzerland  
**Grimbleby Coleman CPAs, Inc.** in Modesto, CA  
**Indiana CPA Society** in Indianapolis, IN  
**Moss Adams LLP** in Tacoma, WA  
**Nathan Wechsler & Company, PA** in Concord, NH  
**Richey May & Company** in Englewood, CO  
**Scott & Company** in Columbia, SC  
**WTAS** in Seattle, WA

We are grateful that you have taken the ConvergenceCoaching leap of faith and look forward to making a difference for you!

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## **Upcoming Speaking Events!**

The ConvergenceCoaching team will attend and speak at a number of events over the next several months, including:

### **January 11-12**

#### **TX Society of CPAs Fort Worth Chapter**

Fort Worth, TX

[www.fortworthcpa.org](http://www.fortworthcpa.org)

#### **Presentation:**

> Practice Skills Training

### **January 12**

#### **Alliott Group North America 2012 Leadership Forum**

Captiva Island, FL

[www.alliottgroup.net](http://www.alliottgroup.net)

#### **Presentations:**

> Becoming a Business Development Black Belt  
> Strategies to Engage and Retain Your People

### **January 17**

#### **The Alliance of Professional Associations (APA) Winter Conference**

Las Vegas, NV

[www.the-apa.com](http://www.the-apa.com)

**Presentation:**

> Secrets to Niche Practice Success

**May 7-9**

**BDO Seidman Alliance Conference**

Las Vegas, NV

[www.bdo.com](http://www.bdo.com)

**Presentations:**

- > Trust: Developing It, Maintaining It and Repairing It
- > Developing a Successful Strategic Initiative or Niche
- > Proposals That Win: Effectively Negotiating to Close More Business

**TBD 2012**

**ConvergenceCoaching Transformational Leadership Program Workshop I**

[www.convergencelearning.com](http://www.convergencelearning.com)

**Presentation:**

> Learning to Truly Lead by Example

We hope to see you at these events and others in the future. Plan your calendars and register today! Let us know if you will be attending any of the venues where we will be speaking. We'd love to catch up with you!

To access our catalog with a complete listing of topics for **speaking, teaching, and custom in-firm programs**, visit <http://www.convergencecoaching.com/what-we-do/training-development>, and to keep track of updates to our speaking calendar, please visit [www.convergencecoaching.com/events](http://www.convergencecoaching.com/events).

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**Upcoming Web Seminar**

The ConvergenceCoaching team offers web seminars designed to help you develop "soft" skills in a variety of areas while earning continuing professional education (CPE) credit for only \$39 per person including CPE credit.

Join us for our next 75-minute web seminar, which will be held at 11:00 a.m. Eastern Time:

• **January 10 - Leveraging Technology to Grow Your Practice**

Go to [www.convergencelearning.com](http://www.convergencelearning.com) to review the agenda and to register. If you missed one (or all) of our Partner Performance and Accountability or Human Resources: Retaining Your Best and Brightest web seminars from 2011, you can purchase the recording for each web seminar for \$39 at [www.convergencecoaching.com/news-and-events/recorded-webinars](http://www.convergencecoaching.com/news-and-events/recorded-webinars).

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**Spread the Word!**

If you know someone who would benefit from receiving their own copy of our Coaching Concepts e-newsletters along with invitations to our web seminars and other events, e-mail their information to us at [info@convergencecoaching.com](mailto:info@convergencecoaching.com).

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