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*MATERIALS FOR DISCUSSION*

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# BUSINESS DEVELOPMENT

## **GET BETTER WORK not just MORE WORK**





*WILL THIS ENGAGEMENT....*

1. ALLOW US TO LEARN NEW SKILLS?
2. EXPOSE US TO AN IMPORTANT NEW CLIENT?
3. INCREASE (NOT JUST SUSTAIN) AN IMPORTANT EXISTING CLIENT RELATIONSHIP?
4. ALLOW US TO LEVERAGE MORE THAN IN THE PAST?
5. ALLOW US TO COMMAND HIGHER FEES THAN IN THE PAST?
6. ALLOW US TO WORK "HIGHER" IN THE CLIENT ORGANIZATION?
7. INTRODUCE US TO A NEW INDUSTRY?
8. LEAD TO BETTER WORK WITH THIS CLIENT?

***IF NOT, WHY DO WE WANT THIS WORK?***

*Source: David H. Maister, True Professionalism, Free Press, 1997*

## POSITIONING YOUR PRACTICE

	Familiar, execution-intensive assignments	Frontier, customized, one-of-a-kind assignments
	<b>COUNSELING</b>	<b>DIAGNOSIS</b>
HIGH DEGREE OF CLIENT CONTACT.	<i>NURSE</i>	<i>FAMILY DOCTOR</i>
CLIENT WANTS RESULTS AND INTERACTION		
LOW DEGREE OF CLIENT CONTACT.	<b>EFFICIENCY</b>	<b>CREATIVITY</b>
CLIENT FOCUSES ON RESULTS ONLY	<i>PHARMACIST</i>	<i>BRAIN SURGEON</i>
		

**WHAT TYPE OF PROVIDER DOES YOUR CLIENT WANT TO BUY?**

**WHAT TYPE OF PROVIDER ARE YOU?**

Source: David H. Maister, *True Professionalism*, Free Press, 1997

## THE PRACTICE DEVELOPMENT PACKAGE

### 1. LISTENING

*(Learning how clients think)*

### 2. SUPERPLEASING

*(Existing client, on the current assignment)*

### 3. NURTURING

*(Existing client, off the current assignment)*

### 4. COURTING

*(Turning existing new client leads into assignments)*

### 5. BROADCASTING

*(Generating new leads)*

**WHAT PERCENTAGE OF YOUR BUSINESS DEVELOPMENT TIME DO YOU SPEND ON EACH OF THESE STAGES?HOW MUCH SHOULD YOU SPEND?**

*Source: David H. Maister, Managing the Professional Service Firm, 1993*



## TACTICS FOR "LISTENING TO CLIENTS"

How to get your clients to tell you how to improve, what they would pay higher fees for, what they have difficulty getting from your competitors and what they think of your strategic plans.

CLIENT PANELS

REVERSE SEMINARS

USER GROUPS

ENGAGEMENT DEBRIEFINGS

SENIOR PROFESSIONAL VISITS

ATTENDING INDUSTRY MEETINGS WITH CLIENTS

OPINION SURVEYS

FEEDBACK QUESTIONNAIRES

*Source: David H. Maister, Managing the Professional Service Firm, 1993*

## WHERE IS THERE THE BEST RETURN ON INVESTMENT?

	Existing Client	New Prospect
Aware of a Need		
Not Aware of a Need		

SOME FACTORS THAT INFLUENCE ROI:

DEGREE OF COMPETITION

FEE SENSITIVITY

LIKELY PROFITABILITY OF THE WORK

LIKELIHOOD OF WORK BEING ASSET-BUILDING

INVESTMENT OF TIME REQUIRED TO WIN WORK

HOW LIKELY WE ARE TO HAVE A FAVORED POSITION

Source: David H. Maister, *Managing the Professional Service Firm*, 1993

## WHAT IT FEELS LIKE TO BE A BUYER

1. I'm feeling insecure. I'm not sure I know how to detect which of the finalists is the genius, and which is just good. I've exhausted my abilities to make technical distinctions.
2. I'm feeling threatened. This is my area of responsibility, and even though intellectually I know I need outside expertise, emotionally its not comfortable to put my affairs in the hands of others.
3. I'm taking a personal risk. By putting my affairs in the hands of someone else, I risk losing control.
4. I'm impatient. I didn't call in someone at the first sign of symptoms (or opportunity). I've been thinking about this for a while.
5. I'm worried. By the very fact of suggesting improvements or changes, these people going to be implying that I haven't been doing it right up till now. Are these people going to be on my side?
6. I'm exposed. Whoever I hire, I'm going to have to reveal some proprietary secrets, not all of which are flattering. I will have to undress.
7. I'm feeling ignorant, and don't like the feeling. I don't know if I've got a simple problem or a complex one. I'm not sure I can trust them to be honest about that: it's in their interest to convince me its complex.
8. I'm skeptical. I've been burned before by these kinds of people. You get a lot of promises: How do I know whose promise I should buy?
9. I'm concerned that they either can't or won't take the time to understand what makes my situation special. They'll try to sell me what they've got rather than what I need.
10. I'm suspicious. Will they be those typical professionals who are hard to get hold of, who are patronizing, who leave you out of the loop, who befuddle you with jargon, who don't explain what they're doing or why, who ..., who ....., who ...? In short, will these people deal with me in the way I want to be dealt with?

Source: David H. Maister, *Managing the Professional Service Firm*, 1993

## MANAGING EXPECTATIONS

1. THE BOUNDARIES OF YOUR ANALYSIS
2. TRUE OBJECTIVES OF THE PROJECT
3. KIND OF INFORMATION YOU WILL USE
4. YOUR ROLE IN THE PROJECT, ROLE OF STAFF
5. THE PRODUCT YOU WILL DELIVER
6. WHAT SUPPORT AND INVOLVEMENT YOU NEED FROM CLIENT
7. TIME SCHEDULE
8. FREQUENCY AND FORM OF COMMUNICATION

*SOURCE: Adapted from PETER BLOCK, FLAWLESS CONSULTING*

## WHAT DOES THE CLIENT WANT?

*THAT "SOLUTION" WHICH . . .*

1. MOST PERMANENT IMPACT
2. HAS QUICKEST IMPACT
3. LEAST UP FRONT COST
4. QUICKEST PAYBACK
5. INVOLVES LEAST EFFORT BY ME
6. MOST VISIBLE TO KEY PEOPLE
7. LEAST DISRUPTIVE
8. EASIEST TO IMPLEMENT

*Source: David H. Maister, True Professionalism, Free Press, 1997*

## FACTORS AFFECTING CLIENT PERCEPTIONS OF VALUE

1. UNDERSTANDING AND EXPLANATION
2. SENSE OF CONTROL
3. SENSE OF PROGRESS
4. ACCESS AND AVAILABILITY
5. RESPONSIVENESS
6. RELIABILITY
7. APPRECIATION
8. SENSE OF IMPORTANCE
9. RESPECT

*Source: David H. Maister, Managing the Professional Service Firm, 1993*

## SOME OPPORTUNITIES FOR VALUE ENHANCEMENT

1. INVOLVE CLIENT MORE IN PROCESS
2. KEEP CLIENT INFORMED ON WHAT'S GOING TO HAPPEN, WHEN AND WHY
3. MAKE REPORTS AND PRESENTATIONS MORE USEFUL, EASIER TO PASS ON
4. COACH CLIENT IN HOW TO USE WHAT WE DELIVER
5. MAKE MEETINGS MORE USEFUL TO CLIENT
6. LEARN TO PERSUADE, NOT ASSERT
7. FACILITATE CLIENT EXECUTIVE'S ABILITY TO ACT ON OUR WORK

*Source: David H. Maister, Managing the Professional Service Firm, 1993*

## SOME SPECIFIC VALUE ACTIONS

Dictate and transcribe summary of *all* meetings and significant phone conversations and send copy to client same or next day.

Involve client in process through:

- .. *brainstorming sessions*
- .. *give client tasks to perform*
- .. *give client options and let client choose*

Clear explanations and documentation of what is *going* to happen: make sure process is understood in advance. If appropriate, develop printed booklet laying this out.

Making meetings more valuable:

- .. *Establish specific agenda and goals prior to meeting*
- .. *Send info, reports in advance - save meeting time for discussion, not presentation*
- .. *Find out attendees in advance, research them*
- .. *Take charge of meeting room logistics*
- .. *Always establish next steps for both sides*
- .. *Call afterwards to confirm that goals were met*

Making reports more valuable:

- .. *Get client to instruct us on format, presentation*
- .. *Provide summary so client can use it internally without modification*
- .. *Have all reports read by non-project person to ensure readability, comprehension prior to delivery*
- .. *Provide all charts, tables, summaries on overheads for internal client use*

Progress summaries: write them in a fashion that client can use internally without modification

Helping client use what we deliver:

- .. *Coach client in dealing with others in client organization*
- .. *Empower client with reasoning steps*
- .. *Advise on tactics/politics of how results should be shared inside client organization*

Access and availability

- .. *Home phone numbers*
- .. *Anticipatory calling when we're going to be unavailable*
- .. *Ensure that secretaries know where we are and when we'll be back*
- .. *Ensure that secretaries know names of all clients and names of all team members on the account*
- .. *Work at getting clients comfortable with our "junior" personnel", so they can be available when we're not*

Source: David H. Maister, Managing the Professional Service Firm, 1993



## CLIENT SERVICE QUESTIONNAIRE

If a business acquaintance asked you about your experience with us, would you give us an unqualified endorsement?

FOR EACH OF THE FOLLOWING STATEMENTS ABOUT OUR FIRM, PLEASE INDICATE WHETHER YOU: *strongly disagree* (1); *somewhat disagree* (2); *neither agree nor disagree* (3); *somewhat agree* (4); *strongly agree* (5)

- You are thorough in your approach to your work
- You show creativity in your proposed solutions
- You are helpful in redefining our view of our situation
- You are helpful in diagnosing the causes of our problem areas
- You staff my work well: there is enough senior time
- You staff my work well: you don't have high-priced people doing junior tasks
- Your people are accessible
- You keep your promises on deadlines
- You document your work activities well
- Your communications are free of jargon
- You offer fast turnaround when requested
- You listen well to what we have to say
- You relate well to our people
- You keep me sufficiently informed on progress
- You let us know in advance what you're going to do
- You notify us promptly of changes in scope, and seek our approval
- You give good explanations of what you've done and why
- You don't wait for me to initiate everything: you anticipate
- You involve us at major points in the engagement
- You have a good understanding of our business
- You make it your business to understand our company
- You are up to date on what's going on in our world
- You make us feel as if we're important to you
- You deal with problems in our relationship openly and quickly
- You keep us informed on technical issues affecting our business
- You show an interest in us beyond the specifics of your tasks

Source: David H. Maister, *Managing the Professional Service Firm*, 1993

## FUNDAMENTAL PRINCIPLES OF CLIENT DEVELOPMENT

ANY RELATIONSHIP BUILDING ACTION MUST PASS THREE TESTS:

1. Does it allow you to be seen to be generous with your time and help?
2. Does it allow you to illustrate your ability to help?
3. Does it allow you to get a better understanding of their situation?

1. Getting hired is about EARNING and DESERVING trust. (What makes YOU trust someone?)
2. To earn a relationship, you must go first: Give a favor to get a favor. The one you are trying to influence must visibly perceive that you are willing to be the first to make an investment in the relationship.
3. To make anyone believe something about you, you must demonstrate, not assert: Illustrate, don't tell.
4. A primary goal of relationship building is to create opportunities to demonstrate that you have something to contribute.
5. Before you can help someone, you need to understand what's on their mind. You must create situations where they will tell you more about their issues, concerns and needs.

Source: David H. Maister, *Managing the Professional Service Firm*, 1993

## Client Suggestions for Relationship-Building

1. Make an impact on our business, don't just be visible;
2. Do more things "on spec" (i.e. invest your time on preliminary work in new areas);
3. Spend more time helping us think, and helping us develop strategies;
4. Lead our thinking. Tell us what our business is going to look like five or ten years from now;
5. JUMP on any new pieces of information we have, so you can stay up-to-date on what's going on in our business. Use our data to give us an extra level of analysis. Ask for it, don't wait for us to give it to you;
6. Schedule some offsite meetings together. Join us for brainstorming sessions about our business;
7. Make an extra effort to understand how our business works: sit in on our meetings;
8. Provide more benchmarking studies, comparing us to our competitors;
9. Tell me why our competitors are doing what they're doing;
10. Discuss with us other things we should be doing; we welcome any and all ideas!

Source: Maister, Green, Galford, *The Trusted Advisor*, Free Press, 2000.

## **Rules of Romance (Relationship Building)**

1. Go First
2. Illustrate, don't tell.
3. Listen for What's Different, Not for What's Familiar
4. Be Sure Your Advice is Being Sought
5. Earn the Right to Offer Advice
6. Keep Asking
7. Say What you Mean
8. When You Need Help, Ask For It
9. Show an Interest in the Person
10. Use Compliments, Not Flattery
11. Show Appreciation

*Source: Maister, Green, Galford, The Trusted Advisor, Free Press, 2000.*

## Some rules to build a great relationship

1. You need to be available as a sounding board to your romantic partner. You don't need to be critical. Listen before you react.
2. Work really hard at listening and understanding
3. Do the unexpected occasionally; don't take each other for granted
4. Discuss your common values
5. Communicate honestly, openly and frequently
6. Spend time with each other, with no agenda
7. Show your appreciation regularly, but not in a formulaic way
8. Find ways to have fun together
9. Don't let problems fester. Catch them and discuss them early
10. Show Interest
11. Understand
12. Spend time off the issue
13. Give of yourself

Source: McKenna and Maister, *First Among Equals*, Free Press, 2002

## **The more your clients trust you, the more they will:**

1. Reach for your advice
2. Be inclined to accept and act on your recommendations
3. Bring you in on more advanced, complex, strategic issues
4. Treat you as you wish to be treated
5. Respect you
6. Share more information that helps you to help them, and improves the quality of the service you provide
7. Pay your bills without question
8. Refer you to their friends and business acquaintances
9. Lower the level of stress in your interactions
10. Give you the benefit of the doubt
11. Forgive you when you make a mistake
12. Protect you when you need it (even from their own organization)
13. Warn you of dangers that you might avoid
14. Be comfortable and allow you to be comfortable
15. Involve you early on when their issues begin to form, rather than later in the process (or maybe even call you first!)
16. Trust your instincts and judgments (including those about other people such as your colleagues and theirs)

*Source: Maister, Green, Galford, The Trusted Advisor, Free Press, 2000.*

## Common Traits of Trusted Advisors

1. Seem to understand us, effortlessly, and like us
2. Are consistent: We can depend on them
3. Always help us see things from fresh perspectives
4. Don't try to force things on us
5. Help us think things through (it's our decision)
6. Don't substitute their judgment for ours
7. Don't panic or get overemotional. They stay calm
8. Help us *think* and separate our logic from our emotion
9. Criticize and correct us gently, lovingly
10. Don't pull their punches: we can rely on them to tell us the truth
11. Are in it for the long haul (the relationship is more important than the current issue)
12. Give us reasoning (to help us think) not just their conclusions
13. Give us options, increase our understanding of those options, give us their recommendation, and let us choose.
14. Challenge our assumptions: help us uncover the false assumptions we've been working under
15. Make us feel comfortable and casual personally, (but they take the issues seriously)
16. Act like a person, not someone in a role
17. Are reliably on our side, and always seem to have our interests at heart
18. Remember everything we ever said (without notes)
19. Are always honorable: they don't gossip about others (we trust their values)
20. Help us put our issues in context, often through the use of metaphors, stories and anecdotes (Few problems are completely unique)
21. Have a sense of humor to diffuse (our) tension in tough situations
22. Are smart (sometimes in ways we're not)

Source: Maister, Green, Galford, *The Trusted Advisor*, Free Press, 2000.

## Common aspects of trusted advisors

1. Focus on the client, rather than themselves.
2. Have enough self-confidence to listen without pre-judging.
3. Have enough curiosity to inquire without supposing an answer.
4. Have willingness to see the client as co-equal in a joint journey.
5. Have enough ego strength to subordinate their own ego.
6. Focus on the client as an individual, not as a person fulfilling a role.
7. Believe that a continued focus on problem definition and resolution is as important as technical or content mastery.
8. Show a strong "competitive" drive aimed not at competitors, but at constantly finding new ways to be of greater service to the client.
9. Consistently focus on doing the next right thing, rather than on aiming for specific outcomes.
10. Are motivated more by an internalized drive to do the right thing than by their own organization's rewards or dynamics.
11. View methodologies, models, management techniques and business processes as means to an end.
12. Believe that success in client relationships is tied to the accumulation of quality experiences.
13. Believe that both selling and serving are aspects of professionalism.
14. Believe that there is a distinction between a business life and a private life, but that both lives are very personal, i.e. human.

Source: Maister, Green, Galford, *The Trusted Advisor*, Free Press, 2000.



## What Good Listeners Do

1. Probe for clarification
2. Listen for unvoiced emotions
3. Listen for the story
4. Summarize well
5. Empathize
6. Listen for what's different, not for what's familiar
7. Take it all seriously (they don't say, "you shouldn't worry about that".)
8. Spot hidden assumptions
9. Let the client "get it out of his/her system"
10. Ask: "How do you feel about that?"
11. Keep the client talking (What else have you considered?)
12. Keep asking for more detail that helps them understand
13. Get rid of distractions while listening
14. Focus on hearing your version first
15. Let you tell your story your way
16. Stand in your shoes, at least while they're listening
17. Ask you how you think they might be of help
18. Ask what you've thought of before telling you what they've thought of
19. Look at (not stare at) the client as he or she speaks
20. Look for "congruency" (or incongruity) between what the client says and how he/she gestures and postures.
21. Make it seem as if the client is the only thing that matters and that they have all the time in the world.
22. Encourage by nodding head or giving a slight smile
23. Are aware of and control their body movement (no moving around, shaking legs, fiddling with a paper clip.)

Source: Maister, Green, Galford, *The Trusted Advisor*, Free Press, 2000.

## The Components of Trust

Credibility

Reliability

Intimacy

(A low level of) Self-orientation

$$\text{TRUST} = \frac{C + R + I}{S}$$

Source: Maister, Green, Galford, *The Trusted Advisor*, Free Press, 2000.

## Clues about excessive self-orientation

1. A tendency to relate their stories to ourselves
2. A need to too-quickly finish their sentences for them
3. A need to fill empty spaces in conversations
4. A need to appear clever, bright, witty, etc.
5. An inability to provide a direct answer to a direct question
6. An unwillingness to say we don't know
7. Name-dropping of other clients
8. A recitation of qualifications
9. A tendency to give answers too quickly
10. A tendency to want to have the last word

Source: Maister, Green, Galford, *The Trusted Advisor*, Free Press, 2000.

## The 5-step Trust Building Process

1. ENGAGE: Uses language of interest and concern  
“I’ve been thinking about your competitors, and...”  
“Your people have been telling me about..”
2. LISTEN: Uses language of understanding and empathy  
“Tell me more...”  
“What’s behind that?”  
“Gosh, that must feel...”
3. FRAME: Uses language of perspective and candor  
“I see three key themes emerging here...”  
“You know, what’s tough to do here is..”
4. Jointly ENVISION: Uses language of possibility  
“Wouldn’t it be great if...”
5. COMMIT: Uses language of joint exploration  
“What would it take, for each of us, to.....”

*Source: Maister, Green, Galford, The Trusted Advisor, Free Press, 2000.*

## Commitment Topics

1. What's going to get in the way of getting this done?
2. What do we intend to do about it?
3. Who needs to be brought into the loop?
4. Who should do what part?
5. What information do we need
6. When shall we check in?
7. What are the key deadlines?

*Source: Maister, Green, Galford, The Trusted Advisor, Free Press, 2000.*

## Managing Expectations

1. Clearly articulate what we will do and won't do
2. Clearly articulate what the client will do and won't do
3. Define the boundaries of the analyses we will perform
4. Check with the client about areas that the client may not want us to get involved in, or any people the client does not want us to speak with
5. Identify precise working arrangements
6. Agree on methods and frequency of communicating
7. Decide who should get which reports
8. Agree how often a report should be delivered
9. Agree how any reports will get used
10. Agree what milestones and progress reviews are needed
11. Agree how success will be measured, both at the end and during the process

*Source: Maister, Green, Galford, The Trusted Advisor, Free Press, 2000.*

## Some Tips on Enhancing Credibility:

1. Figure out how to tell as much truth as possible, except where to do so would injure others.
2. Don't tell lies, or even exaggerate. At all. Ever.
3. Avoid saying things that others might construe as lies.
4. Speak with expression, not monotonically. Use body language, eye contact, and vocal range. Show the client you have energy around the subject at hand.
5. Don't just cite references. Where it is genuinely possible to create mutual benefit, introduce your clients to each other; they will learn from each other, and you will have plenty of reflected credit in which to bask.
6. When you don't know, say so, quickly and directly.
7. Yes it's important to have them know your credentials. Just don't get silly by having all those initials and certifications appear after your name on your business card.
8. Relax. You know much more than you think you know. If you don't really belong there, then don't put yourself there in the first place.
9. Make sure you've done absolutely all your homework on the client company, the client marketplace and the client individual, and that it's absolutely up to the minute.
10. There's no reason to show off.
11. Love your topic. It will show.

Source: Maister, Green, Galford, *The Trusted Advisor*, Free Press, 2000.

### Some Thoughts on Reliability:

1. Make specific commitments to your client around small things: getting that article by tomorrow, placing the call, writing the draft by Monday, looking up a reference. And then deliver on them, quietly, and on time.
2. Send meeting materials in advance, so that the client has the option of reviewing them in advance, saving meeting time for substantive discussions.
3. Make sure meetings have clear goals, not just agendas, and ensure the goals are met.
4. Use the client's "fit and feel" around terminology, style, formats, hours.
5. Review agendas with your client, before meetings, before phone calls, before discussions. Let your client know that they can expect you to always solicit his or her views on how time will be spent.
6. Re-confirm scheduled events before they happen. Announce changes to scheduled or committed dates *as soon as* they change.

Source: Maister, Green, Galford, *The Trusted Advisor*, Free Press, 2000.



## Threats to Client Focus:

1. Selfishness
2. Self-consciousness
3. A need to appear on top of things
4. A desire to look intelligent
5. A to-do list on our mind that is a mile long
6. A desire to jump to the solution
7. A desire to win that exceeds the desire to help the client
8. A desire to be right
9. A desire to be seen to be right
10. Fears of various kinds: fear of ignorance, of not having the right answer, of not appearing intelligent, or being rejected, etc.

*Source: Maister, Green, Galford, The Trusted Advisor, Free Press, 2000.*

## Emotions One Must Control

1. Wanting (needing?) to take credit for an idea.
2. Wanting to fill blank airtime with content.
3. Playing to our own insecurity by feeling we have to get all our credentials out there.
4. Wanting to put a cap on the problem so we can solve it later, without the pressure.
5. Wanting to hedge our answers in case we're wrong.
6. Wanting (too soon) to relate our own version of the client's story or problem.

*Source: Maister, Green, Galford, The Trusted Advisor, Free Press, 2000.*

## The Quick-Impact List to Gain Trust

1. Listen to everything.
2. Empathize. For real.
3. Note what they're feeling.
4. Build that Shared Agenda.
5. Take a point of view, for goodness' sake!
6. Take a personal risk.
7. Ask about a related area.
8. Ask great questions.
9. Give away ideas.
10. Return Calls Unbelievably Fast.
11. Relax your mind.

*Source: Maister, Green, Galford, The Trusted Advisor, Free Press, 2000*

## Top ten things to remind yourself

1. I don't have to prove myself every ten seconds.
2. I have a right to be here in this room, I can add value without worrying about it.
3. Shut up and repeat again and again: "Really? And then what happened?"
4. Also again and again: "Gee; what's behind that?"
5. Is my pulse racing? Why? Why not say so, and say why, out loud?
6. Have I earned the right yet to give an answer?
7. Am I trying in any way to win an argument? Turn it back into a conversation.
8. Emulate Lt. Columbo: "I may be a little slow here, maybe it's just me, but..."
9. Take responsibility for the emotional outcome.
10. Don't blame anybody for anything anytime.
11. More value is added through problem definition than through problem answer.
12. Just because the client asks a question doesn't mean that's the right question to answer.
13. Don't be insecure. Say to yourself: Hey, if I don't know the answer, and I'm a pro, then this is a really neat question; let's get into it!
14. Is my tummy telling me something's wrong? My tummy's right. Let's talk about it.

Source: Maister, Green, Galford, *The Trusted Advisor*, Free Press, 2000.

## **BROADCASTING TACTICS**

*(In approximate order of effectiveness)*

1. PROPRIETARY RESEARCH  
(Producing studies, analyses and facts that competitors do not have)
2. SEMINARS
3. ARTICLES
4. SPEECHES
5. ATTENDANCE AT INDUSTRY MEETINGS
6. WEBSITES (with useful content)
7. NETWORKING
8. INDIRECT REFERRAL SOURCES
9. COMMUNITY ACTIVITIES
10. GETTING QUOTED
11. NEWSLETTERS
12. BROCHURES
13. COLD CALLS
14. DIRECT MAIL
15. ADVERTISING

Source: Maister, *Managing the Professional Service Firm*, Free Press, 1993

## Assessing Marketing Results

1. Recurring Business Ratio: What percentage of your revenues will recur next year without any effort?
2. Capacity: What is your total marketing capacity (measured in person-hours)?
3. Win-Loss ratio: What percentage of assignments that you pursue do you win?
4. Assignment Size: What is the size of your average assignment?
5. Penetration Ratio: What percentage of all fees spent by a client on services in your area do they pay to you?
6. Sole Source Ratio: What percent of your business is won on a non-competitive, sole-source basis?
7. New Client Ratio: What percentage of this year's revenues are from clients you had never worked for prior to this year?
8. Client Retention Ratio: What percentage of your top ten clients were top ten clients three, or five, years ago?
9. New Service Ratio: What percentage of your revenues come from services you didn't offer three or five years ago?
10. Marketing Breadth Ratio: What percentage of your senior people have a demonstrated capability of bringing in a volume of business at least triple our average revenue per person?

Source: Maister, *True Professionalism*, Free Press, 1997

## PRINCIPLES OF GETTING HIRED

- 1 If there is any one secret of success, it lies in the ability to see things from the other person's angle as well as your own (Henry Ford).
- 2 The only way to influence people is to talk about what they want, and show them how to get it.
- 3 People buy for their reasons: not for yours. Your job is to find out what their reasons are.
- 4 The key talent is being good at getting the client to tell you his/her problems, needs, wants and concerns.
- 5 If they're talking you're ahead: if you're talking you're losing.
- 6 Don't talk too much. Ask good questions and listen.
- 7 If you say it, they can doubt you: if they say it, it's true.
- 8 More buying decisions are based on impressions and perceptions than on reason. Never forget the role of symbolism in creating impressions and perceptions.
- 9 People hate to be sold, but they love to buy.
- 10 You'll have more fun and success when you stop trying to get what you want, and start helping other people get what they want.
- 11 Getting hired takes time: focus your efforts on fewer prospects and devote more time to each.
- 12 Treat all prospects as if they were already clients.
- 13 The vast majority of professional projects are awarded at the pre-proposal stage: the formal proposal and/or presentation merely confirm (or destroy) a decision already made. If you can't afford to spend time, in contact, up-front, don't bother writing the proposal.
- 14 Information collection is key to success: what do you need to know in order to understand the situation?
- 15 What can you learn about their business in advance? - get it!
16. Focus on the person, not the role.
17. Begin by emphasizing-and keep on emphasizing- the things on which you agree. Persuasion fails when you try to rush and omit steps in the logical progression of your argument.

## **PRACTICE DEVELOPMENT IDEAS - BIG AND SMALL**

1. TREAT ALL PROSPECTS LIKE CLIENTS
2. ...AND YOUR BEST CLIENTS LIKE PROSPECTS
3. ASK "WHO IN THIS COMPANY WANTS CHANGE?"
4. ILLUSTRATE, DON'T ASSERT
5. YOU CAN NEVER OVER-RESEARCH A PROSPECT
6. GIVE PROOF THAT YOU ARE CUSTOMIZING TO HIS/HER SITUATION
7. GIVE A FAVOR TO GET A FAVOR
8. ASK ABOUT SUCCESSES FIRST: THEN ABOUT CONCERNS
9. ASK "HOW ARE YOU DOING IT NOW?" THEN ASK "WHY?"
10. ASK "WHAT DON'T YOU HAVE TIME FOR?"
11. TURN ALL YOUR ASSERTIONS INTO QUESTIONS
12. ASK "WOULD IT BE OF VALUE IF ..."
13. ESTABLISH THE (QUANTIFIED) VALUE OF PROJECT, THEN..
14. TALK OF INVESTMENT, NOT FEES



## PRINCIPLES OF PRACTICE DEVELOPMENT

1. Not all new business is good business: don't fill the factory with junk work.
2. Practice development efforts should be focused less on getting *more* business and more on getting the right kind of business.
3. The most effective type of practice development is at the level of the individual client. "Broadcast" activities (which are needed) should be kept to a limited (small) percentage of the marketing effort.
4. Specific client-level marketing plans should be developed by each senior professional for his/her primary target clients or prospects, together with a specific (non-billable) time budget.
5. Existing clients are the most likely sources of new business and the sources of the most profitable new business. Most firms should spend less time on trying to win new clients and redirect their business development trying to win more business from existing clients.
6. The basis of all practice development is having a better understanding of this client's real needs than the competitors.
7. Most proposals are won or lost at the preproposal stage: clients look at how well you probe for relevant information. If you aren't going to spend time with them up front, don't bother writing the proposal.
8. Most firms should write fewer proposals and spend more time and money on carefully selected target proposals.
9. You know a lot less about your clients than you think you do.
10. Everyone must have a role in practice development, but it's not always the same role: play to individual strengths.
11. The 4 P's of marketing include "Product": service enhancements and new service development are major practice development tools.
12. Cross-selling is hard : integrated services work better.

## Best Practices In Business Development

1. Manage total marketing time as one aggregate time budget, reviewed monthly, so that overall balance between competing activities can be monitored. Don't fragment it among many decision-makers.
2. Require that all staff contribute some time to organized marketing efforts.
3. Establish regularly reported metrics to assess the caliber / quality/ strategic value of new revenues, and not just their volume.
4. Have an organized, regular program of inviting clients in to talk to our people.
5. Establish research department to keep delivery staff informed on a regular basis as to trends, developments and latest news in each client's industry (monthly updates.)
6. Attend every client industry meeting that exists, and have our person write up what they heard, both in formal sessions and at breaks.
7. Train all client contact staff in client counseling skills, how to earn trust and how to deal with difficult situations.
8. Develop (constantly updated) workbook of tips and tactics for how to render greater perceived value at all stages of an assignment.
9. Follow-up with clients on all client feedback that is less than "all top scores."
10. Use results of systematic client feedback in setting bonuses at all levels.
11. Offer an unconditional satisfaction guarantee.
12. Ask satisfied existing clients to give endorsements on video (put on website).
13. Have an organized program for all clients to be visited regularly by senior officers.
14. Inviolable, explicit nonbillable investment budgets established and planned in advance to invest in individual client relationships by doing something for the client (not selling.) Monitor the execution.
15. Systematic program to offer to attend internal client meetings, critique their internal studies, put on free internal seminars for their staff.
16. Establish a program of seconding your staff to work in the clients' organization.
17. Organize a regular program of proprietary research, surveying CIO's and their views and concerns, so you can publish articles, give seminars and speeches with proprietary business (not technical) content. Be THE source of new information and ideas for your clients.
18. Develop screening form to evaluate new client pursuit opportunities. Stick to it.
19. Pursue fewer targets with greater level of effort each.
20. Sales process designed to give value, be generous with ideas and earn trust.
21. Make your website full of content useful to clients (and little else.)

## THE MANAGER'S ROLE

## It's the Manager

It is the individual manager, not the firm, that makes the difference.

The best managers are able to care about BOTH:

Clients	AND	Employees
Task Focus	AND	People Focus
Business development	AND	People development
Passion	AND	Compassion
Being Demanding	AND	Being Supportive
Having Good ideas	AND	Having the guts to stick with them
Tough	AND	Tender
Deciding with the Head	AND	Deciding with the Heart
Making Money	AND	Having Fun
Work Hard	AND	Play Hard
Financial rewards	AND	Psychological rewards
Informing	AND	Listening
Taking care of today	AND	Building for the future
Autonomy	AND	Teamwork
Being a Manager	AND	Being a Human Being
Treating people as employees	AND	Treating people as human beings

Source: Maister, *Practice What You Preach*, Free Press, 2001

## WAYS A COACH ADDS VALUE

1. Create Energy and Excitement
2. Source of Creative Ideas
3. Forges Teamwork
4. Solves Problems/Breaks Down Barriers for Team Members - Makes it easier for them to succeed.
5. Acts as a Sounding Board - Helps People Think Through Their Issues
6. Enforces Standards (deals promptly with non-compliance)
7. Be a Conscience (“Gentle Pressure”)
8. Be a Source of Encouragement

*How would you rate yourself at each of these?*

*How would those you lead rate you?*

*Source: McKenna and Maister, First Among Equals, Free Press, 2002*

## What an effective manager must be:

1. Even keeled and even-tempered.
2. Genuine.
3. Good at reading people's character and skill level.
4. Honorable.
5. Noble.
6. Sensitive to personal issues.
7. Smart, but human.
8. Someone of high integrity.
9. Apolitical.
10. Sincere.
11. A good communicator.
12. A good listener.
13. A role model.
14. A magnet for talent (the reason people want to stay.)
15. Accessible all the time.
16. Articulate about what he or she stands for.
17. Comfortable with allowing other people to get credit.
18. Disciplined about standards, although open to reasons why they may not be met.
19. Enthusiastic.
20. Studied and precise in conversations.
21. Thoughtful.
22. Transparent, not opaque.

This list poses an interesting challenge. What can you do about the fact that what you ARE as a person probably accounts for a significant portion of your business's success?

Source: Maister, *Practice What You Preach*, Free Press, 2001

## What managers must believe (and be seen to believe)

1. *Chasing* money is not what *makes* you money.
2. Development of people precedes and has a greater priority than profits.
3. First, you build your people and the rest will come.
4. Success is about character, respect, integrity, trust, honesty, empowerment, confidence, loyalty and keeping promises.
5. Your agenda as a manager is to create a great place to work, rather than work at making your own meteor rise.
6. People must not only trust management; they must also trust each other.
7. You must live up to your values everyday.
8. You must have a real concern for people as individuals, who they are and what they want.
9. Eighty percent of everything is choosing the right person.
10. The real issue is the willingness to bet on long-term, and not get stampeded by short-term pressures.
11. You can sustain a culture if and only if you have developed managers who share your values.
12. First give respect and you will get it.
13. Good people management leads to longevity, which leads to client trust, which leads to more business.
14. It takes emotional courage to be a good and improving manager.
15. You must have a sense of humor about yourself and about work.
16. You must ensure that the workplace is a comfortable, friendly place to be.
17. It's not just about the work; it's about relationships, stupid!
18. It's important how people treat each other; monitor it and manage it.
19. You must keep a good balance between focusing on people, clients and the finances.
20. You must ensure everyone has fun doing what they do.
21. Success is due to small size, empowerment, profitable projects, and interest in the individual.
22. It is the combination of fun and discipline that gets the job done.
23. To manage well, one's interest in people needs to be above average.

Source: Maister, *Practice What You Preach*, Free Press, 2001

## What coaches must do

1. Act as if not trying is the only sin.
2. Act as if you wanted everyone to succeed.
3. Like your people, and be nice to them.
4. Actively help people with their personal development.
5. Allow people to exercise their own judgment.
6. Allow people to learn from their mistakes without retribution.
7. Allow people to speak out no matter what their role is.
8. Allow your people to try different skills and experience different things.
9. Always do what you say you are going to do.
10. Respect the other person's time.
11. Feedback mechanisms should be ingrained in the culture.
12. Believe in, and keep the faith with, what you are doing.
13. Do what is right, long term, for clients and for your people.
14. Do your own photocopying, when necessary. Wash your own cup.
15. Don't be "separate and distinct" from your people.
16. Don't expect your people to do anything you wouldn't do yourself.
17. Don't hesitate to jump in and help.
18. Never talk down to anyone.
19. Facilitate, don't dictate.
20. Give credit where credit is due.
21. Have an open door policy at all levels for personal or work questions.
22. Lead by example; be what you want others to be.
23. Manage people in the way that works for each individual, not just how you like to manage. You don't have to be a chameleon, just adaptable.
24. Manage with an upbeat personal style, but keep a level emotional keel.
25. Delivers bad news in a non-threatening, non-upsetting way.
26. Never become detached.
27. Remember what people tell you.
28. Understand what drives individual people.
29. Respect confidences.
30. Show enthusiasm and drive; they are infectious and addictive.
31. Take work seriously, but don't take yourself seriously.
32. Treat all roles are equally important.
33. Treat everyone's opinion as vital.
34. Treat people who leave respectfully and with appreciation for what they have done for your firm.
35. Work the halls and know all the people.
36. Show levity and a good sense of humor.
37. Speak regularly about your vision and philosophy so people know where you stand.
38. Let people know you as a human being, not just as their coach.

Source: Maister, *Practice What You Preach*, Free Press, 2001



## Other Things Expected of Coaches

1. Be demanding but make sure your demands are driven by the common good, not your personal interests.
2. Be willing to take money from short-term profits to fund people's workplace satisfaction.
3. Build your organization and its roles around the people you have and then fill in the gaps around that.
4. Concentrate on the positive; don't emphasize the negative.
5. Conduct all exit interviews personally.
6. Create a "casual, relaxed, collaborative" environment, but also a professional one.
7. Develop bench depth so you have greater slack in the business, and more freedom to avoid short-term thinking.
8. Don't allow senior people to "throw work on the desk and walk away."
9. Don't have hidden agendas.
10. Don't make what you know is a wrong decision just to hit a short-term financial goal.
11. Don't put good, cool people into a dull situation.
12. Earn trust by providing continual access to coaches.
13. Be an intermediary for your people to get cooperation for them from elsewhere in the organization.
14. Ensure that coaches are in the trenches themselves.
15. Establish an ombudsman or a liaison, as a lifeline to what is going on.
16. Get people to trust you by really caring about them and their development.
17. Give no "brownie points" for *exceeding* workload and revenue targets if this risks "burnout."
18. Make sure people view you as the kind they would like to have as neighbors.
19. Make sure upper management is not concerned with demonstrating their status.
20. Make sure your people know the firm will take care of them.
21. Back your people up and not (automatically) the client.
22. Spend most time as an executive committee on HR issues.
23. Offer high recognition, psychic rewards and monetary rewards.
24. Send a strong signal to your people that the guys at the top were not afraid to make the difficult decisions.
25. Be the reason people want to stay.
26. Show sensitivity to what people is going through.
27. Support and back up your people and their decisions.
28. Walk the halls, continuously talking not just about work but about "them."
29. When you get angry (which should be rare), ensure people know why.

Source: Maister, *Practice What You Preach*, Free Press, 2001

## FEEDBACK TO THE PRACTICE LEADER

To provide feedback to the practice leader, please complete the following questions. Indicate your agreement or disagreement, using the following scale: 1 = *Strongly Disagree*; 2 = *Somewhat Disagree*; 3 = *Neither Agree nor Disagree*; 4 = *Somewhat Agree*; 5 = *Strongly Agree*

THE PRACTICE LEADER.....

Causes me to stretch for performance goals
Is concerned about long-term issues, not just short-term profits
Provides constructive feedback that helps me improve my performance
Is a source of creative ideas about our business
Helps me to grow and develop.
Conducts team meetings in a manner that breeds involvement
Makes me feel that I am a member of a well-functioning team
Emphasizes cooperation as opposed to competitiveness between work groups
Is prompt in dealing with underperformance and underperformers
Helps me understand how my tasks fit into the overall objectives for the firm
Keeps me informed about the things I need to know to perform my role properly
Actively encourages me to volunteer new ideas and make suggestions for improvement of the practice
Encourages me to initiate tasks or projects I think are important
Is good at keeping down the level of "politics and politicking"
Is more often encouraging than critical
Is accessible when I want to talk
Is fair in dealings with professionals
Is consultative in his/her decision-making
Acts more like a coach than a boss
Is publicly generous with credit
Is effective in communicating with professionals

Source: Maister, *Managing the Professional Service Firm*, Free Press, 1993

## Some Rules to Build a Great Relationship with Those you Manage

1. You need to be available as a sounding board to your romantic partner. You don't need to be critical. Listen before you react.
2. Work really hard at listening and understanding.
3. Do the unexpected occasionally; don't take each other for granted.
4. Discuss your common values.
5. Communicate honestly, openly and frequently.
6. Spend time with each other, with no agenda.
7. Show your appreciation regularly, but not in a formulaic way.
8. Find ways to have fun together.
9. Don't let problems fester. Catch them and discuss them early.
10. Show Interest.
11. Understand.
12. Spend time off the issue.
13. Give of yourself.

Source: McKenna and Maister, *First Among Equals*, Free Press, 2002

## What a Manager Could Spend Time On

1. Spend unscheduled, informal time with individual people (senior and/or junior), serving as coach, to help them develop themselves and their practice.
2. Be knowledgeable about the development of junior people and be ready to suggest reassignments between projects in order to build skills and advance their careers.
3. Be in touch with other group members' clients to help them grow relationships, and to monitor client satisfaction and act as a conscience for everyone to excel at client satisfaction.
4. Help members of the team differentiate themselves from other competitors in a meaningful way that clients recognize and value.
5. Help people to stay current with the trends affecting the client industries they serve, the changes that will affect these clients, and their demand for the group's services.
6. Monitor the profitability of assignments conducted by group members and discuss results with them.
7. Devise methodologies to capture and share knowledge acquired while serving clients both within the group and across the firm.
8. Help the group explore new and innovative ways of using technology to better deliver services and reduce costs to clients.
9. Spend time recruiting, interviewing, and attracting potential recruits (junior and senior).
10. Spend time following up and actively helping members of the group execute their planned activities.
11. Initiate and run regular meetings to collectively plan the group's activities and initiatives for the coming quarter.
12. Conduct formal performance appraisals of other (senior) people in the team for purposes of compensation.
13. Conduct counseling sessions with people on the basis of these performance appraisals.
14. Celebrate individual and group achievements – the minor wins, not just the home runs; the good tries, not just the successes.

Source: McKenna and Maister, *First Among Equals*, Free Press, 2002

**WHAT CAN A MANAGER SPEND TIME ON?**

WHERE IS THE ADDED VALUE?

ADMINISTRATION AND FINANCE	
PERSONAL CLIENT WORK	
PERSONAL PRACTICE DEVELOPMENT	
CLIENT RELATIONS	
TIME WITH PEOPLE	
(Formal v. Informal)	
(One-on-One v. Groups)	
OTHER	

Source: Maister, *Managing the Professional Service Firm*, Free Press, 1993

## What You Must Be (Absolutely) Intolerant Of

1. Abuse of power or position.
2. Any disrespect shown by anyone to anyone else.
3. Anyone who is abusive.
4. Back stabbing.
5. Being late to meetings.
6. Betraying secrets.
7. Bullying.
8. People calling in sick when they're not.
9. Cross-departmental rivalry.
10. Cruising.
11. Dealing in blame.
12. Derogatory statements.
13. Disrespect of any kind.
14. Freak clients, where there is the potential of failure from a relationship standpoint.
15. Clients that aren't exciting.
16. Clients who abuse your people.
17. Clients who don't treat your people well.
18. Gossiping, whining, complaining.
19. Hiding from accountability.
20. Lack of teamwork.
21. Management through intimidation.
22. Coaches who are not good coaches.
23. Non-compliance with standards.
24. Not treating people with respect.
25. People who are "snappish" with anyone else. If they are, insist they apologize.
26. People who try to make their own rules.
27. Screaming.
28. People who don't hold up their end of the deal.
29. Shirking or dumping responsibility.
30. Those who are political.

Source: Maister, *Practice What You Preach*, Free Press, 2001

## What you must require

1. An attitude of: “We don’t care how it happened, let’s just get it fixed.”
2. All people form relationships with client people at the equivalent level.
3. Continual career development for everyone.
4. Diplomacy; courtesy; professionalism; no superficiality.
5. Everyone must be a team player.
6. Everyone must be approachable.
7. Everyone must be self-motivated.
8. Everyone must develop leadership skills.
9. Everyone must learn new skills continuously.
10. Everyone must respect their colleagues and be cordial.
11. Everyone’s voice must be appreciated and heard.
12. If a performance review doesn’t get done on time, the coach’s “bonus” should be reduced significantly.
13. If someone doesn’t manage their team well, put a hold on their salary, deny them additional responsibility, and if that doesn’t work, fire them.
14. Insist everyone work together for the overall success of firm, not just themselves or their group.
15. Make sure everyone knows they must be reliable. If you take something on, then you must deliver.
16. People do what they say they are going to do.
17. The partnership is made up of “high integrity” people.
18. Everyone must show respect for other people, inside and outside.
19. Talent is no excuse for bad behavior.
20. Trust, respect, and integrity.
21. Try the soft approach to get someone to work to your standards, but if it doesn’t, be prepared to be intolerant.

## Questions for a Leader to Reflect Upon

1. Do you show a genuine interest in what each of your group members want to achieve with their careers?
2. Do you show an interest in the things that mean the most to your people in their personal lives?
3. Are you there for your people in their times of personal or professional crisis?
4. Do you informally “check-in” with each of your people every so often?
5. Do you offer to help when some member of your group clearly needs it?
6. How many of those that you have the responsibility to coach would consider you their trusted advisor?
7. Do you actually like the people you are coaching – and do they know you like them?
8. Do the people you are seeking to coach actually view you as being someone who cares about others?
9. Can you help your people to visualize and articulate their dreams?
10. Are you investing time toward building a strong relationship?
11. Do people feel comfortable admitting their flaws to you?
12. Do you always act and offer your advice in the best interests of your people?

Source: McKenna and Maister, *First Among Equals*, Free Press, 2002



## **"NEW" LEADERSHIP ISSUES**

- 1. More personal time managing, less doing**
- 2. More time managing people, less managing the numbers**
- 3. More time promoting mutual respect across boundaries**
- 4. More urgency in dealing with non-performers**
- 5. Have to "bet" bigger in new practice areas**
- 6. Increasingly, a leader of insecure people (change is frightening)**
- 7. Rising internal politics, as economics of practice areas shift**
- 8. Design and absorb more complex career paths**
- 9. More attention has to be given to motivation issues**
- 10. Increasingly, must manage what you don't understand**
- 11. More tendency to coordinated (centralized) decision-making**
- 12. Need to design more sophisticated compensation systems**
- 13. But, will have to manage "around" the compensation system**
- 14. Retooling of some senior professionals**
- 15. More MBWA**
- 16. Need to train ( encourage and reward) more managerial skills in others**
- 17. More individual negotiation with seniors of individual roles**
- 18. Have to encourage and incent more experimentation : "risk-free personal growth"**
- 19. Clearer articulation of values, strategy to reduce ambiguity**

## GETTING YOUR MANDATE

1. What is my minimum-maximum requirement for the amount of non-reimbursed time that I should devote to group leadership activities?
2. Can we agree what my rights are, as group leader, to interact with group members (and their clients)? What's acceptable, and what's not?
3. To what degree can I be assured that my compensation will be based, entirely or in large part, on my effectiveness in helping the group succeed?
4. Can we agree that I will be allowed to provide individual performance appraisal input on each member of the team and that my input will be accorded serious consideration irrespective of that individual's personal production?
5. Can we agree that firm management will communicate internally that activities conducted with non-reimbursed time are valued, monitored, and considered an essential part of each person's performance appraisal – and that group leaders will be called upon to provide their input?
6. Can I have the assurance of firm management that my efforts as group leader will be supported by:
  - a) a clear articulation of the importance of strong groups within the firm, and a clear articulation of my mandate and powers as a group leader
  - b) active encouragement provided to everyone to get them on board with the initiative
  - c) the attendance of firm leaders at periodic meeting of the group
  - d) an ongoing and visible demonstration of acknowledgement to those groups making progress
  - e) the initiation of a group leaders' council to facilitate communications and information sharing
  - f) the scheduling of periodic progress reviews

*Source: McKenna and Maister, First Among Equals, Free Press, 2002*

## COACHING THE INDIVIDUAL

## **NON-FINANCIAL CURRENCIES**

- 1. Approval**
- 2. Gratitude**
- 3. Autonomy**
- 4. Participation / Involvement**
- 5. Personal Interest / Support**
- 6. Recognition**
- 7. Visibility (inside and outside the office)**
- 8. Contacts**
- 9. Access to Information ("Insider")**
- 10. Access to additional Resources**
- 11. Rapid response (Access to manager)**
- 12. Task support**
- 13. Titles (Official and "Unofficial")**
- 14. Special roles or assignments**
- 15. Challenge**
- 16. Meaning**

## **Appreciation and other non-financial rewards**

1. Consistently thank people for a job well done and give them a pat on back at the time it happens.
2. Express appreciation on an informal, continuous basis.
3. Give “Thank you’s” every day.
4. Have a sabbatical leave program for everyone, when people can do whatever they want.
5. If someone comes up with a good idea that gets used, give him or her a gift certificate.
6. Reward people with more diversified work or work with different opportunities giving them more stimulating things.
7. Show appreciation for even small accomplishments, as soon as the accomplishment happens.
8. If a client has positive things to say, share it immediately with everyone via emails, as soon as it comes in.
9. Ensure that compliments from clients get transmitted to everyone in the firm, so everyone knows when a client has praised an individual.
10. Show appreciation, not just with money but in small ways like sharing between teams and email “thank you’s.”
11. Worry about outcomes, not process.

*Source: Maister, Practice What You Preach, Free Press, 2001*

## SUCCESSFUL DELEGATION

1. Describe Context and Importance of Assignment
2. Describe the assignment
3. Set parameters
  - Deadline
  - Scope
  - Format
  - Time Budget
  - Relative Priority
  - Available Resources
4. Set success criteria
  - How task will be judged
5. Discuss Monitoring and Scheduled Check points
6. Check for Understanding
7. Solicit and DEAL WITH concerns
8. Repeat explanation of context and importance

*(Source: Blanchard, One Minute Manager Video)*

## PRAISING AND CORRECTING

### PRAISING

1. Early and often
2. Approximately right
3. Specific accomplishment, not the person
4. Tell them why it was useful
5. Describe next challenge

### CORRECTING

1. Do it immediately
  2. Correct individually, in private
  3. Go after the error, not the person
  4. Be Specific: describe what's wrong
  5. Ask for an explanation -Listen first, talk later
  6. Hide your emotions: don't deflect focus on to you
- Use as an opportunity to teach

*(Source: Blanchard, One Minute Manager Video)*

## RATE YOUR ENGAGEMENT EXPERIENCE

Please rate your engagement experience on a scale of 1 ( strongly disagree) to 5 (strongly agree) on the following :

1. When tasks and projects were assigned to me, I understood thoroughly what was expected of me.
2. When they were assigned, I understood how my tasks fit into the overall objectives for the engagement.
3. Help was available when I needed to have questions answered.
4. I received PROMPT feedback on my work, good or bad
5. When I was corrected me for something I did or failed to do, it was done in a constructive way.
6. I received good coaching to help me improve my performance.
7. I was kept informed about the things I needed to know to do my job properly.
8. I had the freedom to make the necessary decisions to do my work properly.
9. I was actively encouraged to volunteer new ideas and make suggestions for improvement.
10. Team meetings were conducted in a way that built trust and mutual respect.
11. In this engagement we set very high standards for performance.
12. I felt that I was a member of a well-functioning team.
13. My work made good use of my knowledge and ability.
14. This engagement helped me learn and grow.
15. My work was interesting and challenging.

Source: David H. Maister, *Managing the Professional Service Firm*, 1993



## PROFESSIONAL SELF-EVALUATION AND GOAL-SETTING

1. What have you done in the last year that the rest of the firm has benefited from this year?
2. What do you see as your major contribution to strengthening our balance sheet? (OR "What have you done that makes us stronger for the future"?)
3. In what way are you personally more valuable on the marketplace than last year? (i.e. justified raising your personal billing rate?)
4. What are your plans to make yourself more valuable on the marketplace than in the past? (i.e. justify raising your personal billing rate?)
5. What have you done to leverage yourself more than in the past?
6. How do you plan to leverage your skills more in the future?
7. What specific new skills do you plan to acquire in the next three years?
8. Listed below are various forms of contribution to the practice. Arrange them in order of what you see as your need to work on your performance. Thus a "1" indicates the area where you most need to give increased attention, and a "10 " indicates where you least need to improve. Rank all items, and no ties, please.
  - a) Client Relations and Quality of Service
  - b) Contributions to skill building in others
  - c) Contributions to Marketing (lead generation)
  - d) Contributions to Selling New Clients(pursuit of leads)
  - e) Cross-Selling New Services to Existing Clients
  - f) Industry Specific Knowledge
  - g) Improving profitability on current work
  - h) Coaching, Morale Building
  - i) Contributions to Management of our Practice
  - j) Development of Personal Skills

Use the same list as question 8, but now give different types of scores. Please rank yourself *relative to your colleagues and peers*. A "1" means you judge yourself as significantly below your colleagues in this area, a "2" somewhat below, a "3"" about the same, a "4" somewhat better and a "5" significantly better.

## Winning Permission To Coach:

1. Ask how things are going
2. Confirm that the individual is ready for coaching
3. Ask questions to clarify the situation, and offer your support and help
4. Offer information as appropriate
5. Listen actively
6. Help this person identify possible courses of action
7. Agree on the next step
8. Offer your personal support and confidence

*Source: McKenna and Maister, First Among Equals, Free Press, 2002*

## Things to Ask Each of Your People

1. What it is that they want to do that would make them distinctive in their competitive marketplace and even more valuable to their clients?
2. What kind of support would they need from the firm and from the group in order to achieve their desired distinctiveness?
3. What specific form of professional and personal training and development do they think that they might benefit from?
4. What do they feel has been their most significant professional (and personal) accomplishment to this point?
5. What was their biggest dream when they first entered the profession and what is their greatest source of pride now?
6. What are their outside interests, what is their family situation, their spouse's background and how supportive their spouses are with respect to their career pursuits?
7. What are their personal views on the characteristics that make for an effective coach?
8. Would they actually appreciate some coaching assistance, and if they would, in what specific areas?
9. What is their personal and candid assessment of your personal strengths and weaknesses?
10. What is their personal and candid assessments of their colleagues within the practice team?
11. How well do they think the group currently performs, and what are their recommendations for improvement?

Source: McKenna and Maister, *First Among Equals*, Free Press, 2002

## Common Causes of Underperformance

1. Trouble at home or other personal problems (divorce, alcoholism, depression, etc.)
2. The individual is "burned out" and no longer finds the work interesting or challenging
3. The individual is, in fact, no longer competent
4. Fear of failure in trying something new and reaching for career progress
5. They are making a quality of life choice and do not wish to contribute any more energy or time to the business
6. Externally driven reasons such as the loss of a recent client or downturn in their sector
7. They haven't kept up in their field and are less in demand
8. The individual is struggling because of poor time management or other inefficiencies
9. They don't know what they should be doing to succeed
10. They are poorly managed
11. They are insecure due to things like firm merger discussions, and have withdrawn into their shell, pending resolution of firm issues

Source: McKenna and Maister, *First Among Equals*, Free Press, 2002

## Confronting Problem Behavior

1. Describe actual situations that demonstrate the behavior you are concerned about.
2. Explain why it concerns you and express your desire for change.
3. Actively seek out and listen to the individual's reasons for this behavior.
4. Inform the individual how improving their behavior will improve their career.
5. Ask for the individual's ideas and commitment to solving the problem.
6. Offer your encouragement and support.
7. Agree on an action plan and set date to discuss progress.

Source: McKenna and Maister, *First Among Equals*, Free Press, 2002

## Purposes of Performance Counseling Process

1. Reflect on and learn from the past year's accomplishments;
2. Receive constructive feedback, positive or negative;
3. Receive personalized advice on how best to advance their career; and
4. Receive guidance in setting realistic but stretching personal goals for "growing their asset" and making a contribution to the firm.

*Source: McKenna and Maister, First Among Equals, Free Press, 2002*

## Examples of Formal Performance Criteria

1. Profitability of work supervised
2. Client satisfaction on work supervised
3. Coaching on work supervised
4. Contributions to practice development
5. Contributions to the success of others
6. Personal growth (career strategy)

Source: Maister, *Managing the Professional Service Firm*, Free Press, 1993

## Contributing to the Success of Others

1. Does this person inspire and engender enthusiasm in other members of the team?
2. Does this person keep the other members of the team informed about what they have learned while working with clients that may be of value to the others?
3. Does this person give freely of his or her time to help others handle unexpected client emergencies or tight deadlines?
4. Does this person make it a point to publicize the superb work done by other team members?
5. Does this person work with others to set clear goals, make plans, and establish objectives for those projects that he or she leads?
6. Does this person exhibit technical competence and provide counsel-advice when others ask for assistance with technical questions?
7. Does this person provide direction to team members on new projects and help them set priorities?
8. Does this person actively seek new ways to improve what we do in the group?
9. Does this person treat the other members of the team with respect?
10. Does this person give recognition to team members for their contributions and efforts?
11. Does this person follow through to see that (internal or client) problems get solved?

Source: McKenna and Maister, *First Among Equals*, Free Press, 2002



## Giving Corrective Feedback

- 1) State the purpose of your feedback. Try to relate your personal feedback to the desired group's results. This helps set the focus for the feedback and also lets the person know what your intentions are.
- 2) Describe your observations and perceptions. Be specific, brief, and clear about the behaviors, incidents, facts, or perceptions upon which you base your point of view.
- 3) Jointly agree on the subsequent action to be taken. Think of this as a plan of action. Your willingness to help can make it more effective.
- 4) Summarize your discussions and show your appreciation. Receiving feedback is just as hard as giving the feedback. Let the other person know you appreciate their openness, their willingness to discuss the issue, and their willingness to move constructively forward.

Source: McKenna and Maister, *First Among Equals*, Free Press, 2002

## Forms of Commitment

Committed to:	Label:
THE GROUP'S STRATEGY	VISION
THE GROUP	LOYALTY
YOU	GRATITUDE
PEERS	TEAM SPIRIT
SUBORDINATES	RESPONSIBILITY
CLIENT	SERVICE
WORK ITSELF	PRIDE

Source: McKenna and Maister, *First Among Equals*, Free Press, 2002

## THE STYLES GRID

CONTROLLED

ASK

<b>Analytical</b> <b>(get it right)</b>	<b>Driver</b> <b>(get it done)</b>
<b>Amiable</b> <b>(get along)</b>	<b>Expressive</b> <b>(get noticed)</b>

TELL

EMOTIVE

Source: McKenna and Maister, *First Among Equals*, Free Press, 2002

## Distinguishing Characteristics of Styles

	AMIABLE	ANALYTICAL	DRIVER	EXPRESSIVE
SEEKS	Acceptance	Accuracy	Control	Recognition
STRENGTHS	Listening Teamwork Follow-through	Planning, Systems, Orchestrate	Admin., Leader, Pioneer	Persuading, Enthusiastic, Entertain
GROWTH AREAS (Weaknesses)	Oversensitive Slow to Action No big picture	Perfectionist, Critical, Unresponsive	Impatient, Insensitive, Poor Listener	Inattentive to detail, Short attention span Poor follow- through
IRRITATIONS	Insensitivity Impatience	Disorganization, Impropriety	Inefficiency, Indecision	Routines, Complexity
UNDER STRESS	Submissive, Indecisive	Withdrawn, Headstrong	Dictatorial, Critical	Sarcastic, Superficial
DECISION MAKING:	Conferring	Deliberate	Decisive	Spontaneous
FEARS:	Sudden Change	Criticism of personal efforts	Being taken advantage of	Loss of social recognition
GAINS SECURITY THROUGH:	Friendship	Preparation	Control	Playfulness
MEASURES PERSONAL WORTH BY	Compatibility, Contribution	Precision, Accuracy	Results, Impact	Acknowledgment, Compliments
INTERNAL MOTIVE:	Participation	The Process	The Win	The Show

Source: McKenna and Maister, *First Among Equals*, Free Press, 2002

## Tackling Prima Donnas

1. Describe specific situations that illustrate the behavior you are concerned about.
2. Explain why it concerns you and express your desire for change.
3. Seek out and listen to the individual's reasons for this behavior.
4. Help the individual see how improved behavior will improve his or her career.
5. Ask for ideas and commitment to solving the problem.
6. Offer your encouragement and support.
7. Agree on an action plan and set a date to discuss progress.

*Source: McKenna and Maister, First Among Equals, Free Press, 2002*



## COACHING THE TEAM

## Questions To Test Your Group's Effectiveness

1. Do members of the group share in knowing why this group exists, where it is going, what it's trying to accomplish, what its core priorities are?  
*Or are they non-committed, grudging participants, perhaps because they feel that membership in the group is irrelevant to their individual performance and individual compensation?*
2. Do practitioners believe that they can really depend upon and count on each other, and do they feel confident about each other's capabilities and efforts?  
*Or do they feel that relying on each other's goodwill and expertise is either naive or dangerous?*
3. Do people share their collective wins and losses with each other?  
*Or do they only claim personal victories while rationalizing negative outcomes with excuses and finger-pointing?*
4. Do members of the group genuinely listen to each other's ideas and opinions?  
*Or do they simply defend and promote their own positions?*
5. Do people publicly honor and recognize each other's efforts and contributions?  
*Or are accomplishments taken for granted?*
6. Do members of the group value each other's time?  
*Or do they behave in a way that suggests that other's time doesn't have much importance to them?*
7. Do group members hold agreements and promises made among themselves as sacred?  
*Or, are agreements and promises only made expediently, such as "maybe, if it's convenient"?*
8. Do people help each other succeed and grow, and then share in the excitement of each other's accomplishments?  
*Or are such concerns deemed irrelevant?*
9. Do people hold each other to high standards of performance and provide each other with straight feedback, coaching, and compassion?  
*Or do they fail to insist on high standards or to coach poor performance, and confuse caring for people with indulging them.*
10. Do group members behave as if their own success will be enhanced by the success of the group?  
*Or do these people act as if their own needs and those of the team are contradictory concepts?*
11. Do people in the group share client contacts, information, tools and other resources with each other?  
*Or do they tend to hoard and protect turf?*
12. Are members of the group recognized for contributing to the team purpose?  
*Or do group members feel that they are better off pursuing their own personal agendas, even though outwardly participating?*
13. Does the group get the authority, the resources and the support to do what it was organized to do?  
*Or is a lot of time wasted playing political games to overcome internal bureaucracy?*

Source: McKenna and Maister, *First Among Equals*, Free Press, 2002



## Some Possible Benefits From Acting As a Group

1. Improving value to clients by delivering to them the collective wisdom and skills, and accumulated knowledge, of the group.
2. Making business development efforts more effective through pooling and coordination of individual efforts.
3. Better utilization and development of junior professionals through collective decisions on staffing of client work, allocation of resources, and mentoring.
4. Collective development of tools, templates, databases, and other practice aids to benefit everyone.
5. More rapid and effective dissemination of expertise and skills among the group.
6. Better client service through greater ability to put the right people on the right job.
7. Better market image through development of a collective reputation, not just the sum of individual reputations.
8. The comfort of belonging to a small group rather than being lost as one of a very large number of people (applies both to the successful retention of senior as well as junior people).
9. Informal coaching on a one-to-one basis acting as a source of help for personal growth, rather than relying on firm-wide annual, bureaucratic performance appraisals.
10. Improved profitability from focusing as a group on ways to enhance performance.
11. Creation of a critical mass of time and resources to develop innovative service offerings, which no individual could afford to do alone.

*Which of these benefits will be easiest to obtain? Hardest?*  
*Which will be the quickest to obtain? The slowest?*  
*Which disrupts your culture least? Most?*  
*Which represents the biggest impact on your success? Smallest?*  
*Which requires the most change in behavior? Least?*  
*Which requires the most activist role for the leader? The least?*

Source: McKenna and Maister, *First Among Equals*, Free Press, 2002

## Conducting a Group Self-Evaluation

Agree or Disagree?

1. Members of our group are committed to accomplishing our objectives.
2. Members of our group get a lot of encouragement for new ideas.
3. Members of our group freely express their real views.
4. Every member of our group has a clear idea of the group's goals.
5. Everyone is involved in the decisions we have to make.
6. We tell each other how we are feeling.
7. All group members display respect for each other.
8. The feelings among group members tend to pull us together.
9. Everyone's opinion gets listened to.
10. There is very little bickering among group members.
11. We have the right skills, personalities and sufficiently motivated group members.
12. This group is challenging and fun to work with.
13. What needs to be done next is clear and correct.
14. I am satisfied with the progress of the group to date in moving toward its objectives.

Source: McKenna and Maister, *First Among Equals*, Free Press, 2002

## Areas for Group Agreement

1. **Mutual accountability.** All group members must hold one another accountable for individual and for group performance.
2. **Shared contribution.** All group members must have an opportunity and obligation to contribute.
3. **Shared values.** All group members must adhere strictly to the values, principles and standards established by the group.

## Common "Nonnegotiable Minimum Standards"

- a. Only truly superior work will be accepted.
- b. There will be no room for mere competence in client satisfaction. We will operate as our clients' trusted advisors, not their technical experts.
- c. Every person must have, and be working on, a personal development plan: no cruising is allowed.
- d. No one will work on things that could be delegated to a more junior person. If it can be delegated, it must be.
- e. Everyone must treat all others with respect at all times.
- f. Anyone in charge of a client assignment will be required to supervise all the work on that assignment to a high level, since we owe a duty of due care to our clients to manage the affairs that they have entrusted to us.

Source: McKenna and Maister, *First Among Equals*, Free Press, 2002

## Clarifying Group Purpose

### WHY DOES OUR GROUP EXIST?

(what specific benefits can your group expect to obtain from acting as a coordinated team?);

### HOW WILL WORKING TOGETHER AS A GROUP HELP US COMPETE?

(what might the benefits be to each member and to the firm from investing some amount of each individual's discretionary non-billable time in pursuit of building a strong practice team?) and,

### WHAT'S IN IT FOR EACH OF US?

(what might each individual member want to get out of working as a group for their respective career satisfaction?)

*Source: McKenna and Maister, First Among Equals, Free Press, 2002*

## Negotiating a Group Agreement

1. Are we prepared to create a supportive environment and what would it look like?
2. Are we prepared to work at getting the benefit of joint intellectual exchange?
3. Are we prepared to cooperate in developing common tools and methodologies that we might all be able to share?
4. Are we prepared to invest in developing superior support staff, internal systems and technologies to provide for the effective conduct of our practice?
5. Are we prepared to effectively engage in joint marketing activities?
6. Are we prepared to devote non-billable time to helping each other when facing sensitive client issues?

Source: McKenna and Maister, *First Among Equals*, Free Press, 2002

## Conditions for Trust

“I can trust you when . . .

1. you freely share information that may have an impact on me personally, my practice or my client relationships;
2. you share your views, you share your expertise, and you even admit your shortcomings and your mistakes;
3. you make a commitment to do something either for me or for the group, and then you follow through on that commitment;
4. you declare that for whatever reason it is not possible for you to do something that I have asked;
5. you let me know in advance if you are going to miss a deadline that we have agreed to, so that I can readjust my expectations; or we can work out an alternative arrangement to get whatever needs to be done attended to by someone else;
6. you ask for my input concerning a decision you are contemplating and then you either follow my guidance or let me know why you are taking an alternate course of action;
7. you don't know the answer to a question and you declare that you don't know; rather than trying to bluff your way through;
8. you let me know that you don't agree with something that is being said, but you disagree with respect and offer your alternate view. In other words you don't just disagree without offering an alternate suggestion or solution;
9. you let me know to my face that something I have said or done is upsetting you so that we can discuss it rationally, find ways to resolve the matter, and I don't have to hear about it later from someone else.

Source: McKenna and Maister, *First Among Equals*, Free Press, 2002

## Your Starting Action Plan

Schedule time to meet with every member of your practice team. Ask each of them:

1. What it is that they want to do that would make them distinctive in their competitive marketplace and even more valuable to their clients.
2. What kind of support they would need from the firm and from the group in order to achieve their desired distinctiveness.
3. What specific form of professional and personal training and development they think that they might benefit from.
4. What they feel has been their most significant professional (and personal) accomplishment to this point in time.
5. What their biggest dream was when they first entered the profession and what their greatest source of pride is now.
6. What their outside interests are, what their family situation is, their spouses background and how supportive their spouse is with respect to their career pursuits.
7. What their personal views are on the characteristics that make for an effective coach.
8. Whether they would actually appreciate some coaching assistance, and if they would, in what specific areas.
9. Their personal and candid assessments of your personal strengths and weaknesses.
10. Their personal and candid assessments of their colleagues within the practice team.
11. Their sense of how well the group currently performs and their recommendations for improvement.

*Source: McKenna and Maister, First Among Equals, Free Press, 2002*



## Possible Topics for Group Ground Rules

1. Mutual respect and cooperation
2. Interpersonal communications and expression of ideas
3. Making of decisions and resolving of conflicts
4. Support for personal risk-taking
5. Frequency and format of group meetings
6. Meeting attendance and punctuality
7. Participation in group business development efforts and sharing of clients
8. Completion of individual projects
9. Client service and handling of complaints
10. Learning and sharing knowledge
11. Supervision, training, delegating, and staffing of engagements
12. Constructive feedback and performance evaluations

Source: McKenna and Maister, *First Among Equals*, Free Press, 2002

## An Example of Ground Rules for Groups

1. Make meetings of the group and prompt attendance a priority. Unless there is a client emergency, everyone is required to attend - on time.
2. Honor commitments. If you say you'll do something, do it. If you can't accomplish a task, don't say you can. If you have committed to do something and a problem arises that will prevent you from following through, let us know in advance.
3. Be receptive to all new ideas. Don't tell us about someone who's tried this before and failed or why it won't work, until you have constructively addressed "how we can make this work."
4. Don't point fingers or assign blame. Every success is a group success, and every failure is an opportunity for the group to self-correct, to learn something new, and to constantly improve.
5. Maintain confidentiality. The group's dysfunctional processes are the group's business. Don't bad-mouth our team, any individual group members, or discuss contentious issues outside of our group.

Source: McKenna and Maister, *First Among Equals*, Free Press, 2002

## Throw Down A Challenge

1. What breakthrough goal would we like to achieve?
2. What complex problem would we like to solve?
3. What would we like to create that never existed before?
4. Which competitor would we like to vanquish?
5. Do we have a deep energy and passion to accomplish something extraordinary?"

*Source: McKenna and Maister, First Among Equals, Free Press, 2002*

## Possible Challenges

- a. A specific high-profile “project” where the group is playing for high stakes and perhaps even racing toward completing a task or achieving a goal within a predetermined deadline (a high-stakes, time-sensitive target)
- b. A perceived cause or crusade where the group members are committed to effect change (explore a positive course of action) or arrest an economic condition (divert a negative course of action)
- c. The perception (real or created) of an enemy to be vilified or a competitor to be vanquished (to attain a position of superiority over a rival)
- d. A sense of viewing themselves as the “winning underdogs,” a feisty collection of mavericks with fresh ideas, or a spunky little group of upstarts determined to set new directions (rebellious revolutionaries with something to prove)
- e. A dream that members of the group share of creating something new, exploring new precedents or solving some tough problems, and achieving some sense of recognition (aiming to accomplish something that redefines the very essence of their practice)

Source: McKenna and Maister, *First Among Equals*, Free Press, 2002

## Warning Signs for Poor Meeting Management

1. Group meetings continually start and/or finish late;
2. Group members don't come to meetings or arrive later and later each time;
3. No agenda exists, or the agenda, materials and reports are not distributed in advance;
4. The agenda lists more items than can reasonably be dealt with or acted upon;
5. The group leader is not prepared;
6. Some people are allowed to monopolize discussions;
7. Only a few members speak; others withdraw non-verbally;
8. Members interrupt each other or "cross-talk," (excluding others);
9. The meeting evidences long drawn out discussions, but conclusions are rarely reached;
10. At the end of the meeting, there is no clarity upon who has agreed to accomplish what, by when;
11. Specific projects are not completed on time; and
12. There are no consequences for non-performance or challenging behavior.

Source: McKenna and Maister, *First Among Equals*, Free Press, 2002

## Reasons to Hold Group Meetings

1. We could learn a bit more about the client assignments that other people in our group are working on and the specific issues they are facing.
2. Members of the group can take turns making a substantive presentation to the group on some area in which they are developing expertise, especially if they have recently attended outside courses or seminars.
3. The meeting can serve as a forum to orient our juniors, review work assignments, give them feedback, instill some pride, and help them feel like they are part of an important practice team.
4. We could invite clients, the group leaders from other related groups, or even outside experts to come and tell us about the issues and projects they are working on.
5. We could work together on some joint projects, especially if it helps make our group more attractive to clients or helps each of us to be more proficient at developing business.

*Source: McKenna and Maister, First Among Equals, Free Press, 2002*

## Guidelines For Action-Planning Meetings

1. Set a singular focus
2. "Brainstorm" ideas
3. Ensure ideas are actionable
4. Get "voluntary" commitments
5. Keep commitments small
6. Establish your "Contracts For Action"
7. Follow-up between meetings
8. Celebrate successes

*Source: McKenna and Maister, First Among Equals, Free Press, 2002*

## Specific Ideas for Providing Recognition

1. Visit a person in his or her office just to thank them for some specific contribution or post a thank-you note on your colleague's office door.
2. Send an e-mail message to everyone in the group advising of a person's personal contribution to your own accomplishment.
3. Organize a number of your group to take a specific staff member out for lunch on their birthday or arrange to send a card home signed by everyone on the team.
4. Present a stuffed "Energizer bunny" to that group member who keeps going and going, or a stuffed roadrunner to those who manage to complete a particular rush client project in record time.
5. Arrange with firm management to rename one of your firm's meeting rooms each year after that person who has made the most notable contribution to the practice team during the previous twelve months.
6. Present each new person joining the group with a specially printed T-shirt displaying their name above the name of the group and the firm.
7. Initiate your own internal one-page monthly newsletter. Arrange a "Bravo" column to salute personal and professional activities or a "Good Tries" column to recognize and offer encouragement to those whose innovations did not achieve their full potential.
8. Allow new people and staff to rent, from the local art gallery, a work of art of their choice for their office or work area.
9. Allow, encourage and support people in developing their own recognition programs.
10. Create a Hall Of Fame wall with photos of outstanding achievements, both professional and personal.
11. Create an annual report, yearbook, or photo album containing memorabilia and photographs of every group member along with their best achievements of the year.
12. Give an employee a day off with pay if he or she recommends a person who is hired and makes it past the ninety-day probation period.
13. Buy a local billboard to celebrate a person's professional, political or civic honor.
14. Host a surprise picnic for the entire practice team in the parking lot or parking garage.
15. Designate days when anyone who makes a negative comment forks over a dollar and use the proceeds to fund a social event or external charity.
16. Give out "Odd Couple" (Felix and Oscar) awards to people with the neatest and messiest work areas.
17. Send flowers to the spouse of any person or staff member who has to be away from home for an extended period on client business, to show appreciation for the sacrifice.

Source: McKenna and Maister, *First Among Equals*, Free Press, 2002



## Community-building Tactics

1. Create “task forces” for all projected changes in the group.
2. Discuss all financials (except salaries) with everyone.
3. Have a bulletin board where you list everything anyone wants to celebrate - for themselves or for someone else.
4. Ensure everyone knows why a decision is made.
5. Every Friday afternoon, get everybody together and review the week.
6. Encourage people to eat lunch together (with no agenda).
7. Give regular “State of the Union” addresses to the entire group.
8. Have a very active program of cross-functional information sharing, using briefs, e-mails, lunches, whatever.
9. Make a lot of use of cross-boundary teams.
10. Take the time to interact socially, even if just in the hallway.

Source: McKenna and Maister, *First Among Equals*, Free Press, 2002

## Bring Fun into the Workplace

1. Arrange a series of group days out of the office.
2. Eat lunch together every day as a group.
3. Hold a Spring Break party.
4. Have a charity day where the firm pledges one day per employee to a group of local charities.
5. Have ad hoc events like firmwide parties and open days.
6. Offer free massages, shoeshines, book clubs, exercise classes, language lessons, surprise ice cream sundaes, pinball machines, Mothers day gifts, and so on.
7. Arrange group outings to film premieres, gigs, and shows.
8. Announce the top ten mistakes of the year.
9. Hold a parents' day: let people bring their kids to work.
10. Fund client entertainment liberally.

Source: McKenna and Maister, *First Among Equals*, Free Press, 2002

## Building a Case for Action

1. Ask each member of your group to articulate what's in it for them.
2. Give everyone the opportunity to stand up and declare his or her personal commitment.
3. Focus first on what you can do now, with existing resources.
4. Encourage experimentation.
5. Build for an early success to continue the momentum.
6. Search continually for opportunities for people to create or outdo themselves.
7. Set unreasonable expectations.
8. Focus on the excitement of the endeavor.

*Source: McKenna and Maister, First Among Equals, Free Press, 2002*

## Steps to Resolve Conflict

1. Describe the conflict and the nonproductive behavior you are observing.
2. Ask each person to comment on the cause of the disagreement.
3. Have each person, in turn, summarize what he or she heard the other person say (or understand the other person's position to be).
4. Ask each person, in turn, to identify points of agreement and disagreement.
5. Invite your colleagues to suggest ways to proceed.

Source: McKenna and Maister, *First Among Equals*, Free Press, 2002

## **Managing a Crisis**

1. Calmly attempt to get at the facts
2. Identify the real problem
3. Decide who should handle the crisis
4. Involve everyone where possible
5. Remember that, in a crisis, everything (emotions, results, etc.) is magnified.

*Source: McKenna and Maister, First Among Equals, Free Press, 2002*

## A Few Rules of Crisis Communication

Handled badly, any crisis can harm the respect and loyalty you enjoy with your group. Handled well, it can boost your team's enthusiasm.

Here are some basic guidelines for effectively handling your communications with the group.

1. Keep every member of your group fully informed
2. Involve your group members in key decisions
3. Be accessible to your people
4. Don't lose your sense of humor

*Source: McKenna and Maister, First Among Equals, Free Press, 2002*

## Nurture Your Juniors

The Work Assignment System

The Work Supervision System

Mentors

Hiring

*Source: McKenna and Maister, First Among Equals, Free Press, 2002*

## **Integrate New Additions**

1. Manage first impressions
2. Give them support - before they ask
3. Make them feel valued
4. Provide an immersion experience.
5. Communicate, communicate, communicate.

*Source: McKenna and Maister, First Among Equals, Free Press, 2002*



## **Your Weekly Checklist**

- 1) Is anyone in noncompliance with our group standards?
- 2) Is anyone struggling?
- 3) Who needs help, even if they're not struggling?
- 4) Who needs energizing?
- 5) Who needs recognition or appreciation?
- 6) Is there anyone I haven't had coffee or lunch with  
(or otherwise paid personal attention to) in a while?
- 7) Is anyone doing things that are disrupting the group?
- 8) Who do I have the least solid relationship with?
- 9) Are the juniors being looked after?
- 10) Are there any conflicts going on between group members?

*Source: McKenna and Maister, First Among Equals, Free Press, 2002*



## STRATEGY AND CULTURE

## PRACTICE WHAT YOU PREACH

SURVEY OF 139 PROFESSIONAL SERVICE FIRM OFFICES WORLDWIDE,  
EXAMINING RELATIONSHIP BETWEEN EMPLOYEE ATTITUDES AND  
FINANCIAL PERFORMANCE

5500 responses (55%)

29 companies

15 countries

28+ different lines of business

### People's rating of their office's current performance

(1-6 scale with 6 being top performance.)

Question Text	Median
1. Quality Client Service	4.85
2. Quality of Work	4.79
3. Market Reputation	4.72
4. Long-term Client Relationships	4.65
5. Profitability	4.50
6. Growth	4.27
7. Being a Great Place to Work	4.03
8. Innovativeness & Creativity	4.00
9. Collaboration & Teamwork	3.90
10. Skill & Career Development	3.07

Source: Maister, *Practice What You Preach*, Free Press, 2001

## How Successful Offices Did It

(Scale: 6=Strongly Agree; 5 = Agree; 4 = Somewhat Agree; 3 = Somewhat Disagree; 2 = Disagree; 1 = Strongly Disagree)

Financially successful offices outperformed the rest on 85% of employee attitude questions.

What they most outperformed on were:

1. Enthusiasm and morale around here has never been higher.
2. Management gets the best work out of everybody in the office.
3. Management of our office is successful in fostering commitment and loyalty.
4. The management of our office always listens to our people.
5. People are more dedicated here than in most other organizations.
6. Considering the office as a whole, the compensation system is managed equitably and fairly.
7. Management around here is trusted.
8. The quality of the professionals in our office is as high as can be expected.
9. Management operates in accordance with the firm's overall philosophy and values: they practice what they preach.

Source: Maister, *Practice What You Preach*, Free Press, 2001

## THE NINE KEY ATTRIBUTES

A regression was performed to see which of the 74 questions best predict financial performance. The result was the nine key attributes (which explain over 50% of all variations in profit performance, in spite of big differences of country, size of practice, line of business)

1. Customer/client satisfaction is a top priority at our company.
2. We have no room for those who put their personal agenda ahead of the interests of the clients or the office.
3. Those who contribute the most to the overall success of the office are the most highly rewarded.
4. Management gets the best work out of everybody in the office.
5. Around here you are required, not just encouraged to learn and develop new skills.
6. We invest a significant amount of time in things that will pay off in the future.
7. People within our office always treat others with respect.
8. The quality of supervision on client projects is uniformly high.
9. The quality of the professionals in our office is as high as can be expected.

Source: Maister, *Practice What You Preach*, Free Press, 2001

## The Causal Model

The study uses a powerful statistical technique (structural equation modeling) which proves CAUSALITY (!). It proves, using hard data, that:

1. Financial performance is caused by employee views on quality and client relationships.
2. Views on quality and client relationships are caused by employee satisfaction.
3. Employee satisfaction is caused by high standards, coaching and empowerment.
4. High standards are caused by fair compensation and enthusiasm, commitment and respect.
5. Views on coaching are caused by management's long-term orientation and their ability to generate enthusiasm, commitment and respect.
6. Empowerment is caused by management's long-term orientation.

Source: Maister, *Practice What You Preach*, Free Press, 2001

## **The Key Processes of a Professional Firm**

- 1. Creating Innovative Solutions to Client Problems**
- 2. Finding New, Efficient Ways to Lower Cost (to us) of Performing Professional Tasks**
- 3. Earning Unprompted Referrals from Client Work**
- 4. Turning Individual Client Assignments into Long-Term Relationships**
- 5. Continuously Gathering Market Intelligence and Tracking Emerging Client Needs**
- 6. Generating Awareness of Capabilities in Important Markets**
- 7. Turning Inquiries into Assignments**
- 8. Developing New Services**
- 9. Attracting High Quality New Recruits**
- 10. Transferring Skills to Junior Professionals**
- 11. Developing and Growing New Senior Professionals from Junior Ranks**
- 12. Disseminating and Sharing Skills and Knowledge Among all professionals**
- 13. Helping Professionals to Continue to Grow and Develop their Capabilities Throughout Their Careers**

*Source: David H. Maister, True Professionalism, Free Press, 1997*



## What is a Value?

1. Something is a value if and only if you are willing to enforce it.
2. A value is NOT a high aspiration you plan to strive for (that's a dream).
3. A value is a non-negotiable minimum standard to which *everyone* must comply.
4. To have values, there must be a system for responding to and eliminating non-compliance.
5. Such a system would, preferably, begin gently with a closed-door office visit and counseling session to provide help.
6. If this does not induce compliance within a finite time, exit must be required.
7. So, what do you believe in enough to be intolerant about?

### 8. With NO exceptions?

#### *Possibilities:*

1. Level of minimum technical competence? (Do you have to be a star or is competence acceptable?)
2. Behaviors in dealing with those around you? (eg, respect, integrity, keep your word)
3. Behaviors in dealing with clients? (eg no techno-nerds allowed: we care about our clients)
4. Minimum Financial contribution
5. Personal career growth? (Is lifelong learning encouraged or required)
6. Individualism versus Team Player? (are each of these acceptable?)
7. Minimum standards in supervising client transactions?
8. Etc, etc.

Source: David H. Maister, True Professionalism, Free Press, 1997

## The “Professionalism Program” (or, How to Really Enforce Your Values)

1. Professionals agree to be coached and managed to strictly enforced, agreed-upon standards. Appoint team leaders who are judged SOLELY on the performance of the team, with their own personal statistics being deemed irrelevant. Team leader’s job is to coach team members, and to act as primary agent for introducing “consequences for non-compliance” with excellence standards. Preferably, these consequences should consist of help, support, encouragement and concern.
2. Teamwork is mandatory, not optional. Require every professional to belong to a team, “donating” a minimum of X00 non-billable hours to the team, jointly scheduled by the team, with strict accountability for projects committed to.
3. Continual investment in getting better. Every team submits a quarterly non-billable hour budget showing which actions will be taken in the four areas of (a) generating better business, not just more business; (b) lowering the cost to the firm of performing selected professional tasks; (c ) becoming more valuable to clients on current tasks; and (d) disseminating skills, horizontally and vertically.
4. Enforce excellence in wise management of clients’ resources and firm’s finances. Measure profit-per-partner (or total return on partner’s time) at the engagement level, thereby holding partners accountable for the profitability of their matters (revenues and costs), not just personal billable hours.
5. Excellence in client satisfaction is an enforced standard. Institute mandatory client feedback on every transaction, with full managerial follow-up, results to be used in performance counseling and compensation. Eventually, firm should offer an unconditional satisfaction guarantee.
6. Excellence in managing those you supervise is an enforced professional standard. Institute mandatory “upward feedback” on project supervision performance on every transaction, to enforce good supervision of matters, with strict accountability for results.
7. Personal professional growth is a non-negotiable minimum standard. Require every professional to demonstrate personal professional/career progress every year (zero tolerance for cruising). Personal progress on personal strategic plan is a strict accountability.
8. All professionals must show a sincere interest in clients’ affairs and a sincere desire to help them. Require every professional to contribute to business development.
9. Departmental resources are considered collective assets, and cannot be allocated autonomously. Team leader is responsible for staffing all engagements. No professional has the autonomy to staff his/her own job.
10. Primary focus on relationship building. Allocate specific non-billable budgets to be spent nurturing designated key existing clients, the total of these to sum to at least 60 percent of all non-billable marketing hours.
11. Be intolerant about the pursuit of excellence. Be prepared to fire any professional that does not participate in these programs. You’re allowed to fail; you’re not allowed to not try!”

*Source: David H. Maister, True Professionalism, Free Press, 1997*

## TYPES OF PROFESSIONALS

DYNAMOS

CRUISERS

LOSERS

*What percent of all professionals are in these categories?*

*Source: David H. Maister, True Professionalism, Free Press, 1997*

**ABOUT YOUR WORK:**

GOD, I LOVE THIS!

I CAN TOLERATE IT

I WISH I DIDN'T HAVE TO DO THIS!

What percent would you put in these categories?

-----

**ABOUT YOUR CLIENTS**

I LIKE THESE PEOPLE AND THEIR SECTOR INTERESTS ME

I CAN TOLERATE THEM

I WISH I DIDN'T HAVE TO DEAL WITH PEOPLE LIKE THIS!

What percent of your clients would you put in each category?

*Source: David H. Maister, True Professionalism, Free Press, 1997*

## GREAT SECRETARIES

<b>1. Take pride in their work, and show a personal commitment to quality</b>
<b>2. Don't have a "I'll only do it if you pay me for it" mentality</b>
<b>3. Reach out for more responsibility</b>
<b>4. Anticipate, and don't wait to be told what to do: Show initiative</b>
<b>5. Do whatever it takes to get the job done: Do not watch the clock</b>
<b>6. Are team players</b>
<b>7. Are eager to learn the business and roles played by those they serve</b>
<b>8. Get involved and don't just stick to their assigned role</b>
<b>9. <u>Listen</u> to the needs of those they serve</b>
<b>10. Learn to understand and think like those they serve so they can represent them when they are not there</b>
<b>11. Are observant, honest, and loyal</b>
<b>12. Accept criticism constructively: eager to learn and develop</b>
<b>13. Are amenable to ideas of others</b>
<b>14. CARE</b>

Source: David H. Maister, *True Professionalism*, Free Press, 1997

## WHY DON'T WE DO IT?

1. Our people don't understand it's importance
2. Our people don't know how to do it
3. Our people don't want to do it. They'd rather stick to their technical discipline
4. Our people know what to do, they're just not very skilled at it
5. The people haven't been given the support or tools to do it
6. The people think the firm wants them to be billable and not engage in non-reimbursed activities
7. It's viewed as discretionary, there are no consequences if they don't do it
8. They view it as a long-term investment, and they're too busy looking after immediate pressures
9. They feel more accountability and pressure for other things; they intend or would like to do it, but they feel they don't have the time to do it
10. It's not "valued" by their peers: the culture doesn't reinforce this
11. There is no perceived competitive pressure or threat in this area
12. People view it as an individual issue, and are not thinking of team-level impacts (or approaches.)

## PROFITABILITY

## PROFESSIONAL SERVICE FIRM PROFITABILITY

$$\frac{\text{PROFITS}}{\text{PARTNERS}} = \frac{\text{PROFITS}}{\text{FEES}} \times \frac{\text{FEES}}{\text{HOURS}} \times \frac{\text{HOURS}}{\text{PEOPLE}} \times \frac{\text{PEOPLE}}{\text{PARTNERS}}$$

$$= \text{MARGIN} \times \text{RATE} \times \text{UTILIZATION} \times \text{LEVERAGE}$$

HYGIENE FACTORS:            MARGIN and UTILIZATION

HEALTH FACTORS:            RATE and LEVERAGE

IF YOU'RE NOT INCREASING EITHER RATE OR LEVERAGE,  
YOU'RE CRUISING!

Source: David H. Maister, *Managing the Professional Service Firm*, Free Press, 1993



## A PROFITABILITY QUIZ

You are asked to rate the items on this list in three ways. First, rank the items from 1 to 16 according to which action will have the **QUICKEST** impact on profitability. Then rank the items according to which will have the **MOST PERMANENT** impact on profitability. Finally, for **EACH** item, rank your firm's performance on a scale of 1 to 5 (1=we're not working on this; 5=we've really got this one under control).

	RANK FOR QUICK IMPACT	RANK FOR PERMAN-- -ENT IMPACT	CURRENT PERFORM- ANCE
A) Earn higher fees (through client service, specialization, innovation, etc.)			
B) Use marketing to get better work			
C) Improve engagement management performance			
D) Increase leverage in the delivery of services			
E) Speed up skill-building in professionals and staff			
F) Make greater use of paraprofessionals			
G) Deal with underperformers			
H) Develop methodologies to avoid duplication of effort			
I) Reduce turnover of staff			
J) Drop unprofitable services			
K) Drop unprofitable clients			
L) Invest in new (higher value) services			
M) Increase utilization (billable hours per person)			
N) Reduce overhead costs			

Source: David H. Maister, *Managing the Professional Service Firm*, Free Press, 1993

## JOB-LEVEL PROFITABILITY REPORTING

### 1. Net Cash Receipts

*minus*

### 2. Cost of non-partner time (Non-partner hours times cost per hour of each person)

*minus*

### 3. Uncollected disbursements

*minus*

### 4. Cost of unbilled time (Value of hours not billed within thirty days times cost of borrowing)

*minus*

### 5. Accounts receivable cost (Bills outstanding over 30 days times cost of borrowing)

*equals*

### 6. Gross Contribution

*divided by*

### 7. Partner Investment in the matter (partner hours times cost per hour of the partner)

*equals*

### 8. Return on Partner Investment

Source: David H. Maister, True Professionalism, Free Press, 1997

## Non-Reimbursed Hours

**What You Do With Your Reimbursed Time is Your  
Income;  
What You Do With Your Non-Reimbursed Time is  
Your Future!**

- 1. How Many Non-Reimbursed Hours Do You Work?**
- 2. What percentage of them are spent productively?**
- 3. What percentage of them are spent on planned, scheduled activities?**
- 4. What percentage of them are spent in joint, team activities?**
- 5. What categories do you have for managing non-billable time?**

**e.g.**

**Increasing Value to Clients**  
**Finding ways to lower cost of performing professional tasks**  
**Disseminating skills and knowledge**  
**Getting better business**

*Source: David H. Maister, True Professionalism, Free Press, 1997*

## PROFITABILITY IMPROVEMENT TACTICS

*(In approximate order of STRATEGIC importance)*

- A) Charge higher fees. *MUST work on this, i.e. figure out a way to make yourself more valuable on the marketplace, through some combination of specialization, innovation, enhanced counseling skills, etc.*
- B) Use marketing to get "better" work. *The primary role of marketing, Closely tied to getting fees up: i.e. major strategic issue.*
- C) Improve engagement management performance. *If profits are to improve, this will only be done by improving how profitably engagements are run: proper staffing, proper delegation, efficient use of people's time. Project leaders should be held accountable for engagement success, considering revenues and costs of resources consumed.*
- D) Increase leverage in the delivery of services. *Critical long-run issue, to ensure that high priced people are not wasted on lower value tasks.*
- E) Speed up skill-building process in staff. *Major issue. We sell skill. The more we have the more money we can make.*
- F) Make greater use of paraprofessionals. *Important leveraging and cost of delivery issue.*
- G) Deal with underperformers. *Critical issue. Stop leaking profits to those who are not earning them, and re-invigorate morale by removing irritants.*
- H) Develop methodologies to avoid duplication of effort. *An important issue: it represents an opportunity to make an ongoing reduction of cost of delivery of service.s*
- I) Reduce turnover of staff. *A major cost savings not only in reduced hiring, regained efficiency, but also in increased enthusiasm among all staff.*
- J) Drop unprofitable services. *No-one wants to do this in the short run, but if low profitability cannot be fixed through more efficient staffing (i.e. leverage) then working to replace low profitability work with high profitability work is critical to long-run success.*
- K) Drop unprofitable clients. *Ditto.*
- L) Invest in new (higher value) services. *Clever strategy if we deliver these new services with existing personnel, i.e. we are substituting higher value work for less valuable. But if new services are rendered by new people, profitability of core practice is unaffected.*
- M) Increase utilization (billable hours per person). *Essential short-run issue if you are currently underutilized. Not, however, a sustainable long-run strategy.*
- N) Improve speed of billing. *This is a hygiene issue, which will improve cash flow (a welcome outcome) but doesn't represent a shift in basic profitability.*
- O) Improve speed of collections. *Ditto.*
- P) Reduce overhead costs. *Can be an important short-run issue if there's fat there, but not a long-run tactic. Often implies false economies.*

*Source: David H. Maister, Managing the Professional Service Firm, Free Press, 1993*

## QUALITY

**DIMENSIONS FOR QUALITY IMPROVEMENT**

	<b>CONFORMANCE (RELIABILITY, CONSISTENCY, DEPENDABILITY)</b>	<b>PERFORMANCE (SUPERIOR OUTCOMES AND VALUE)</b>
<b>CONSULTATIVE QUALITY (THE INTERACTION WITH CLIENTS)</b>		
<b>TECHNICAL QUALITY (THE WORK)</b>		

## **SOME QUALITY LEVERAGE POINTS**

- 1. Hiring**
- 2. On-the-job training**
- 3. Client Feedback Systems**
- 4. Management Behavior**
- 5. Creating the Quality Culture/Climate**
- 6. Proposals (negotiating quality dimensions)**
- 7. Formal Training**
- 8. Peer Review Systems - During Project**
- 9. Reward System - Seniors**
- 10. Peer Review Systems - End-of-Project**
- 11. Principal Admission process**
- 12. Managing Project Mix**
- 13. Monitoring Procedures**
- 14. Methodology Development and Improvement**
- 15. Reward System - Juniors**

## CAUSES OF QUALITY FAILURE

1. Mis-Specification of Goals of Project
2. Lack of Skills in Dealing with Clients
3. Work-teams overloaded / overscheduled
4. Poor staffing of Engagement
5. Mid-Engagement Changes in Client Desires or Needs
6. Attitudinal or Motivational Problems
7. Engagement Budget pressures
8. Failure to Access Expertise elsewhere in firm
9. Inadequately trained staff
10. Lack of Incentive to do Quality Job
11. Poor Methodologies
12. Excessive reliance on Standard Methodologies
13. Inadequate Support Staff



## QUALITY QUESTIONNAIRE

1. In this firm, we set high standards for the quality of our work
2. The firm has provided to me the training I need to do high quality work
3. Promotions in this firm are primarily based on quality of work performed rather than economic factors such as chargeability or utilization
4. We are aggressive in looking for new and improved methodologies for performing our work
5. I receive the help I need in learning how to deal with clients
6. My engagement leaders are usually more concerned about the quality of the work I do than they are about the profitability of the engagement
7. When I finish a piece of work I usually receive a constructive critique from my engagement leader
8. At this firm, we learn from the engagement experiences of others by exchanging new ideas and approaches
9. On engagements, my engagement leader is usually active in helping me learn new skills
10. When given new assignments, I usually get the chance to expand my skills, rather than just apply skills I already have
11. My engagement leader makes sure that tasks and projects are thoroughly understood when they are assigned to me
12. I am proud of the quality of work we do at this firm
13. My engagement leader actively encourages me to volunteer new ideas and make suggestions for improvement in our work
14. We are active in seeking ways to be more valuable to our clients, beyond the technical excellence of our work
15. We are aggressive in seeking client feedback and evaluations of our clients' satisfaction with our work



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## ABOUT DAVID H. MAISTER

(pronounced MAY-ster)

David Maister is widely acknowledged as one of the world's leading authorities on the management of professional service firms. For two decades he has advised firms around the world in a broad spectrum of professions, covering all strategic and managerial issues.

In 2002, he was named as one of the top 40 business thinkers in the world. (*Business Minds*, Prentice Hall/Financial Times)

He is the author of the bestselling books:

- *Managing the Professional Service Firm* (1993),
- *True Professionalism* (1997),
- *The Trusted Advisor* (2000),
- *Practice What You Preach* (2001),
- *First Among Equals* (2002).
- 

His books have been translated into Arabic, Chinese, Dutch, Estonian, French, Indonesian, Japanese, Korean, Polish, Serbo-Croatian and Spanish.

A native of Great Britain, David holds degrees from the University of Birmingham, the London School of Economics and the Harvard Business School, where he was a professor for seven years.