

MEMORANDUM

“Creating a marketing machine”

CPA firm marketing has traditionally focused on marketing tools (newsletters, public relations, advertising, brochures, etc.), rather than systems and processes that nurture a true marketing culture and cause the firm to become a “marketing machine.”

In 1974 Peter Drucker wrote, “Because [the business’s] purpose is to create a customer, the business enterprise has two and only these two basic functions: marketing and innovation.”

In too many accounting firms, marketing is still rhetoric rather than reality. This article provides a framework for looking at four interrelated steps that are ultimately necessary for a firm to achieve the twin purposes that Drucker poses.

At The Growth Partnership, we often tell clients that “all organizations are perfectly aligned to get the results they get.” Think about that for a moment. How does this saying relate to your firm? How does it affect your practice development efforts and results?

Well, the results you get are a function of your unique organizational alignment. In other words, your systems and processes are currently aligned to give you the results that you are getting. If you want different results, you need to change your organizational alignment your people and systems so that they provide people with the knowledge, skills and motivation needed to achieve success in business development.

The traditional process

Here are the steps of traditional practice development you define current reality, formulate goals, strategize, plan and organize.

What's wrong with this? First, firms often don't get the desired results. There is often an overall complacency and resistance from owners and staff, as well as an overall lack of buy-in. Owners and marketing directors both become frustrated. They wonder why firm members didn't buy into the program and why both owners and staff members were resistant to their great ideas and strategies.

When this happens, what do firms typically do? If they don't blame the marketing director, they usually invest in more resources a new CRM system, more marketing time by partners, hiring sales people, etc. to get their desired results.

There are driving forces that push for change and restraining forces that act against change. Firms need to identify and address the restraining forces. Failure to do so almost always causes failure in practice development. While there may be some short-term improvement, there is no lasting change, since the restraining forces in the firm are not removed. The root causes for the firm's lack of results were not addressed or removed.

An easy way to determine restraining forces in your firm is to list one key practice development result that you are trying to accomplish in the next one to three years. Then, list all the initiatives, processes and programs that are currently underway to achieve this one goal. There are driving forces. Finally, identify what is getting in the way of achieving the goal. What you identify as getting in the way are restraining forces that need to be addressed.

Four important steps

Accounting firms fail to remove restraining forces, and sales of products and services do not significantly increase. Firm members wonder if partners can truly lead the firm into the future.

While firms often have elegant strategic plans with supporting marketing and sales initiatives, the contemporary firm focuses its efforts on the following steps, with especial emphasis on the third step.

First, there must be a shared commitment to where the firm is going and how it will get there. This is not doing more of what we have always done, but seeing differently and operating accordingly. James Champy, author of “Re-Engineering the Corporation,” calls these:

1. Issues of purpose

- ❖ Why are we in business?
- ❖ What are our services and products?
- ❖ What should we be doing on a day-to-day basis?
- ❖ How should we organize our departments, industry teams, etc.?

If owners are not in agreement, it can be difficult (if not impossible) for staff members to know what it will take to get there. Firms cannot be aligned to a vision and see it clearly when the vision is foggy.

Second, we assess the current state of the firm and its alignment with the above direction. In other words, do the strategy, systems and processes enable us to get where we’re going? Champy called these:

2. Issues of performance and process.

- ❖ How do we get the performance we need from our people?

- ❖ How do we set norms and standards?
- ❖ What conceptual judgment and people skills do we need?
- ❖ How do we measure firm, owner and staff member performance?

Third, and most important, we identify psychological, social and cultural restraining forces that will likely interfere with progress. Champy calls these:

3. Issues of culture. (Culture is defined as the shared attitudes, values, beliefs and customs of an organization.)

- ❖ How does your firm create an environment with greater trust, confidence and willingness when the old one got you results?
- ❖ How do you create an environment with more communication? Less politics? Less turf protection?
- ❖ How do you create a culture with a longer-term focus?

Finally, we must develop and implement a detailed practice development plan that created the conditions necessary to transform restraining forces into full commitment.

Champy refers to these as:

4. Issues of clients.

- ❖ What clients will we work with?
- ❖ How do we find them?
- ❖ Do we have the right services and skills?

As you engage in the above steps, you must involve all members of the firm. You must seek their input. Why? If they are not involved in identifying and removing the restraining forces, they will not be committed. If they believe they are only “hired

hands,” they may give you their backs and hands, but not their hearts and minds. And without their hearts and minds, they will likely only meet minimum standards.

If you want the long-term results you are looking for, create the best conditions you can through relationships, systems and processes that capture the hearts, minds and passions each member of your firm.