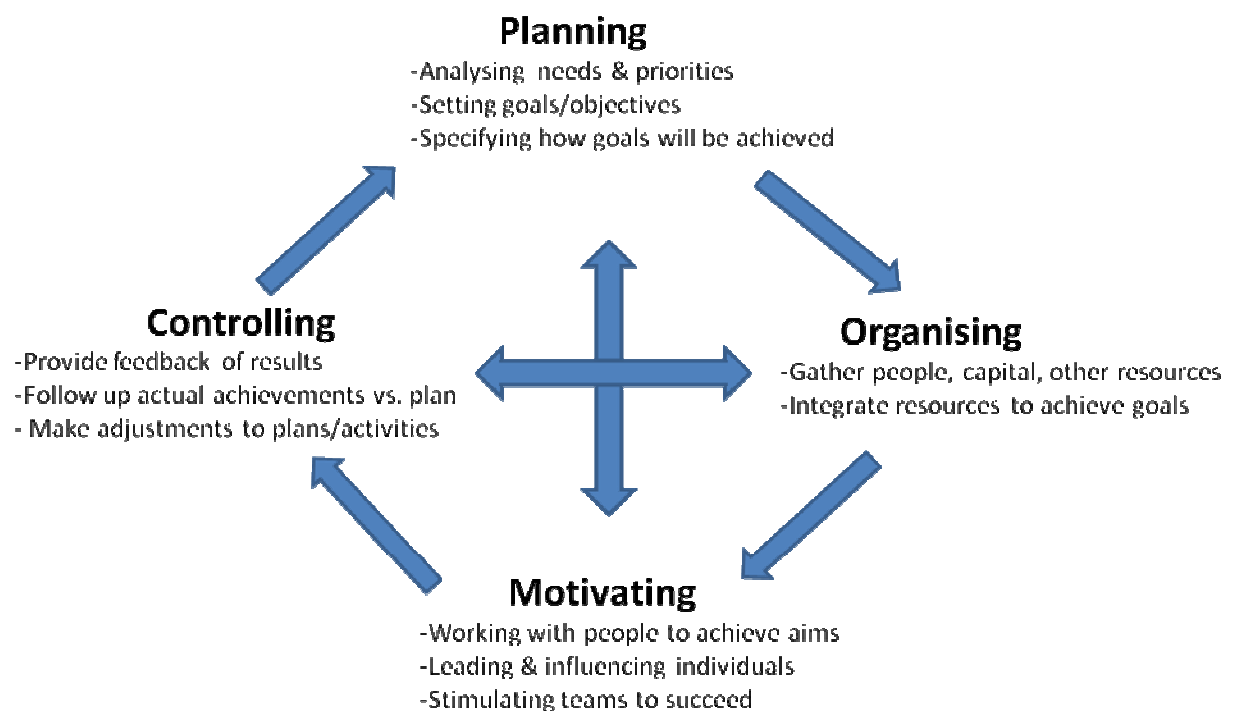


# The Vital Dozen - 12 Steps to Managerial Excellence in the Professions

## Part 2 – The Final Six

**By James Newberry and Maeve Jackson of People Scope**

In Part 1, we explored the external conditions that are creating, in our opinion, a climate in which management skills and their application will be in greater demand in the professions. We contrasted these developments with the perceptions of many currently working as professionals who do not appear to share our view. We also outlined six areas that warrant serious and immediate consideration if partners and others are to acquire the management abilities necessary to be a truly ‘modern’ professional. In this article, we offer the second six areas of focus that make up The Vital Dozen.....and a platform for change. Our main reference point is the summary of management’s key elements shown below and in Part 1<sup>1</sup>.



<sup>1</sup> Reproduced in Management of Organizational Behaviour (5<sup>th</sup> Edition) by Paul Hersey & Ken Blanchard, Prentice-Hall (1988).

## 1. Controlling: finance is a management issue

The 'Future Lawyers' survey<sup>2</sup> separated financial management from managerial ability (both scored badly as skills for the future according to the professionals surveyed): we do not. Time was when many partners and directors/managers could get away with being diffident about their financial acumen. For lawyers in particular, even discussing money - especially things like overruns and overdue payment - was somehow considered “not the ticket”. Now, at least a good knowledge of the levers of profitability and how to manage financial efficiency are **vital** if they are to plan, organise and control their operations successfully. For those who take this on, additional reward exists in the form of real competitive advantage, because most clients react badly to financial surprises *and will punish those who keep doing it*.

This is why we want to see firms go further. We must make them financial housekeeping enthusiasts...either in their own right or with assistance from others (see 2. below). Far from being peripheral, reducing WIP, eliminating write-offs, and linking finance to project management excellence are becoming as important to the real managers of most professional service businesses as earning fees. Ignore them at your peril.

## 2. Organising & motivating: beyond Superman or Woman

In Part 1, we referred to the implicit and increasingly difficult-to-fulfil role that partners and senior people in the professions have had as “jacks of all trades..” If management skills and abilities - including the finance knowledge mentioned above - are now to become as relevant and important as technical ability or commercial awareness, the overload that is created will mean that our supermen and women are going to meet their nemesis sooner rather than later. Already, we observe some that are struggling to cope with the impossibility of being an expert in what seems like everything.

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<sup>2</sup> Future Lawyers' survey by Legal Week in association with Badenoch & Clark (April 2010).

Some of the clever partners that we come across are ahead of the game because they have acknowledged the problem and are doing two things. First, they are upskilling themselves. Second, they are employing qualified, non-professional specialists to fill in the gaps in expertise, ability, time, or motivation. So for example, appointing senior individuals with delegated authority to take on the role of operations management for a team or practice area; or bringing in full-time project managers to deliver large deals, re-scope projects or re-negotiate budgets. These are efficiency measures that most clients understand and appreciate.

### 3. Organising & motivating: cracking the delegation code

*“Partners...should ensure that junior staff are being developed through training and suitable work experience, rather than hogging work for themselves..”<sup>3</sup>*

Although this associate’s comment sounds particular, unfortunately, it can be an all-too familiar description of how many partners in professional services still behave. Faced with the challenge of fulfilling multiple roles and the recessionary drive to work smarter and more profitably as well as harder, they bury themselves in the comfort zone of doing the work – because it is the easy option and they can. For them, delegation is put into the box marked “too hard” - to be replaced with “it’s easier and quicker to do it myself”.

In boom time, this sort of behaviour could possibly be tolerated. But in the current environment, efficient leverage is a vital component not just of financial success, good staff retention and succession planning....but for some firms, of *actual survival*. We go so far as to say that the inability to delegate is at the heart of the failing of many senior professionals to be leaders rather than just highly-paid technical experts.

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<sup>3</sup> Ibid.

Leadership is about influencing others successfully to achieve their and the firm's goals. In this respect, the road to leadership heaven via delegation requires a two-fold focus:

1. Knowledge and ability. On the face of it, delegating a task can seem very easy but, as the old song goes, it ain't necessarily so. We have a 12 step process that guides the delegator through the main issues. Professionals need to understand fully and be able to apply such technicalities.
  2. Motivation. Professionals are educated, trained and thus conditioned to be subject matter experts: this can be a powerful and destructive driver to overcome if it proves counter-productive and results in the problems that we highlight. Motivating partners to delegate through a mix of training, incentivisation, and coaching will eventually produce a virtuous circle. But also, firms must be assiduous in their measurement and active management of partner performance in the areas of effective delegation and leverage.
4. Planning: let's be planners!

*"Would you tell me, please, which way I ought to go from here?"*

*"That depends a good deal on where you want to get to," said the Cat.*

*"I don't much care where..." said Alice.*

*"Then it doesn't matter which way you go," said the Cat.*

*"...so long as I get SOMEWHERE," Alice added as an explanation.*

*"Oh, you're sure to do that," said the Cat, "if you only walk long enough."<sup>4</sup>*

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<sup>4</sup> From "Alice's Adventures in Wonderland", Chapter 6 by Lewis Carroll.

Planning is our model's first stage: without it, management does not really exist. What is sometimes surprising to outsiders is how little planning many professionals seem to actually do. Too much valuable information is retained only in people's heads...where a lot of the time it stays. We also come across plans that are, in effect, no more than a series of rolling short-term "to do" lists, based upon backward-looking and often historical data.

In every business sector that we have worked, efficiently-produced strategic plans, business plans, key account plans, development plans etc. are a crucial part of the process of sharing a view of the present and agreeing a course of action for the future i.e.:

- analysis of what is and will be important
- from this analysis deciding on what to achieve
- deciding how it will be achieved
- nominating who will be responsible for achieving it
- specifying what success will look like and how it will be monitored and measured.

In an increasingly uncertain world, the absence of such an approach is, in Alice in Wonderland's terms, the road to SOMEWHERE....that is really nowhere.

## 5. Motivating: towards an initiative culture

In Part 1, we mentioned the additional influence of organisational and client-facing **entrepreneurialism** as an important part of the management canon: managers going beyond being just administrators of the status quo. Historically, the conservative, risk-averse, precedential nature of many branches of the professions has proved to be a serious block for a lot of such activity.

Behaviourally, we notice this in the degree to which professionals can wait endlessly for permission to do something – usually, a course of action that they know is the right one but which they also feel constrained from pursuing until ‘allowed’ or validated by someone else.

In a business sector experiencing long periods of stable incremental growth, challenging the status quo and finding new ways to address old and new problems will tend to be viewed less significantly than ‘sticking to what we know because it works’. This accounts for the relatively poor focus and achievement of many professional service firms when it comes to new product or service development.

Yet being pro-active and ideas-led is an important management skill: it is what clients say they value and want from their advisers. This importance is magnified further in a business environment such as the last few years, which has been increasingly typified by step change developments in the professions. The question is posed though: how can we build an initiative culture where one has not previously or barely existed? We offer the following ideas.

- **Top-down permission and ‘lead’ behaviours:** by which we mean a clear statement and ongoing public commitment from the firm’s senior team to what they want to happen - and what successful initiative and entrepreneurialism looks like. Backed by behaviours that are seen to support change – consistently and over time.
- **Conditions and structures for change:** just throwing people the ball and expecting them to run with it (in addition to holding down the day job, of course!) is not enough. The best innovating organisations look to foster the creation of new structures, teams, or other activities that work outside the mainstream of the business – sometimes physically as well as metaphorically. Members of these change agents are given task, permission, time, and budget to ‘think the unthinkable’.

- **Symbolic acts of participation:** ideas that we have come across that fall into this category include: giving an initiative an interesting or amusing project name to create interest and energy; setting up a suggestion box for innovative, topic-led ideas with a small reward for really good ones; holding a quarterly online innovations forum, led by the managing partner, to help give context and as a platform for questions and feedback.
- **Reward for initiative:** by which we mean, make it pay for those who created your successful new venture, money-saving, or efficiency scheme. Make them also feel great by giving them the praise and credit for it publicly. These are more symbolic acts that send a message.
- **Permission to fail (as well):** blame cultures are poor breeding grounds for initiative. Firms must accept that not all ideas will fly and make a virtue of the experience: use the initiative as a case study to learn from; praise the efforts of all who participated; make it clear that more initiatives fail than succeed, but that the firm is determined to innovate and will continue to invest in ideas with potential.

## 6. Just DO the others!

And finally, a bit like in the Monty Python sketch<sup>5</sup>, apparently there is **NO** rule 6! (or 12 depending upon how you want to see it). But actually there is. In both parts of this series, we have covered a lot of ground to help create a management culture in the professions. There is perhaps more than many firms can take in all at once.

So our final words are simply these: that we hope the points that we have made ring true for the professional challenges faced by your firm; that you consider seriously which are the priorities; and then take steps to implement these priorities successfully.

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<sup>5</sup> Monty Python's Flying Circus, Brucers sketch, Episode 22 - available for the curious or (like us) hopelessly nostalgic to view on YouTube.

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