



## BONNELL EXECUTIVE CONSULTING

WWW: [www.bonnellexecutiveconsulting.com](http://www.bonnellexecutiveconsulting.com)

Email: [info@bonnellexecutiveconsulting.com](mailto:info@bonnellexecutiveconsulting.com)

Telephone: (512) 345-2282

# Firm Talk: The Art of Partnership in Professional Service Firms

*What do you do when, one day, you're a half-dozen partners – a band of merry men – and then, seemingly overnight, you've surpassed some kind of optimal critical mass and become a not so intimate group of 100 or 1,000 partners and counting, in a fast growing, hard-charging, entrepreneurially-driven professional service firm?*

Well, searching LEXIS-NEXIS for an answer probably won't do it, so what's Option B?

First of all, determine what your barriers to success are. A clear and precise understanding of these generally causes Option B virtually to suggest itself. The common and obvious barriers include:

- governance
- weighing individual contributions and determining compensation levels
- finding and keeping talented professionals
- remaining one step ahead of your competitors
- striking a balance between independence of and inter-dependence among partners

Being a rather astute observer of itself, however, this archetypal firm had a number of concerns beyond the obvious that it was also eager to tackle:

- What's the **optimal profile** (in terms of a partner's critical skill set) of the successful shareholder, and how do we guide one another toward it?
- Assuming that we're all less than perfect at self-motivation, fine-tuning our own performance, and setting a long-term course, how do we help one another in these three critical areas?
- How do we hand down **the firm's core values** from generation to generation and prevent a dilution of these values which, historically, have been so fundamental to our success?
- How do we sustain the **esprit d' corps, collegiality, and sense of commitment** to one another and to the firm, now that we're so large?
- And, **how do we counter the complacency** that so often results from success?

## Option B an Executive Summary

The Answer: **TALK**

Not quite this simple, but almost. This firm concluded that an important and substantive first step would be to design a **Peer Review Program** that was strongly developmental in nature (as opposed to evaluational) and that maintained a top-line focus, not a bottom-line one. The top-line focus was embodied in a peer review process that was designed around the firm's core values and philosophies and around a set of critical skills, which was developed by the consulting team in collaboration with a group of the firm's partners.

The combination of these core values and the critical skills profile forms the foundation of the review process. Building on that foundation, a how-to guide – **Coaching Winners: A Manual For Productive Peer Review** – was also designed. The manual guides the reviewing team and the reviewee through all the stages of the peer review process and offers practical advice on how to negotiate the process with finesse and mutual understanding.

### Value-Added Benefits

Other than the obvious benefits of building a more robust partnership — a benefit that is difficult to secure in any other way — there are a number of other gains that also accrue to any professional service firm, as an indirect result of a Peer Review Program.

For example:

- The partners become more effective mentors for the associates.
- Partners are able to demonstrate greater precision in reviewing the performance and progress of the associates.
- They also demonstrate greater precision regarding partner selection.
- The firm is more effective in its acculturation of associates.

The enhanced communications and interpersonal finesse that result deliver two vital benefits both for support staff and professionals alike: greater retention and an improved quality of work life.

### Feedback Is the Breakfast of Champions

Professional service firms have been slow to utilize a number of powerful corporate style management tools. However, as in the case above, any firm can avail itself of this fundamental management tool, which has a powerful impact on a firm's competitiveness. Implementing a Peer Review Program is a proactive and opportunistic strategy that's befitting a firm that has prided itself in being entrepreneurial. It is, to be sure, a bold and innovative move, especially for a professional service firm. Yet, it is a fitting contribution to a partnership that has succeeded based on the credo: "Selflessness serves us all at the end of the day."