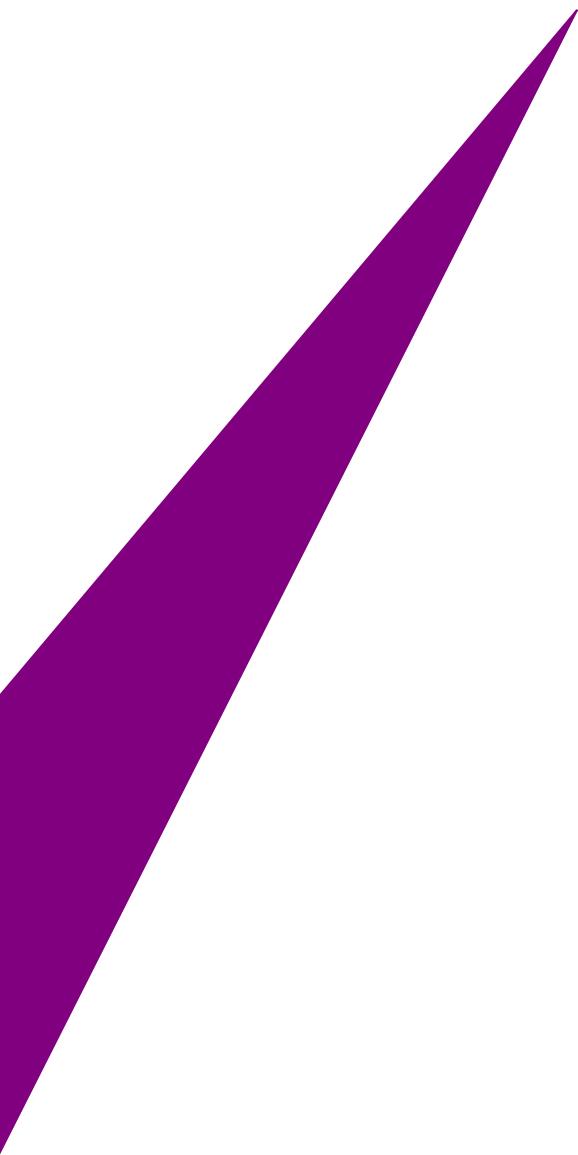




Be *Masterful.*



Firm Talk: The Art of Partnership in Professional Service Firms

What do you do when, one day, you're a half-dozen partners and then, seemingly overnight, you've surpassed some kind of optimal critical mass. You've become a not-so-intimate group (in a fast growing, hard-changing, entrepreneurial-driven professional service firm) of 100 or even 1,000 partners and counting.

Well, searching Google for an answer probably won't help, so what's Option B?

- 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

The archetypal firm had a number of additional concerns beyond the obvious that it was 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 to prevent 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 profiles configures 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

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 are accrued as a 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."

