

CPA FIRM RETREATS: THE DO-IT-YOURSELF GUIDE

Marc Rosenberg, CPA

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Part One

Introduction

How to Use This Monograph

Welcome to our guide to planning and implementing CPA firm retreats. We have facilitated hundreds of retreats during 20+ years as CPA firm consultants. The material in this monograph draws from the rich experiences of leading owner group retreats.

There are two parts to convening a retreat. This monograph is organized as follows:

Part One: Planning the retreat – everything you need to know about organizing and planning the event, including:

- What is commonly discussed at retreats
- Length and frequency of the meeting
- Who should attend
- Who should facilitate the retreat
- Location
- Time of the year
- Logistics
- Keys to successful retreats

Part Two: Facilitating the retreat – All meetings require a leader—someone who gets each agenda topic started, stimulates discussion, elicits participation from everyone, keeps the retreat on track, moves it along and concludes each topic with action steps.

Although any topic agreed upon by the group is appropriate, the majority of CPA firm retreats address the following topics:

- Strategic planning
- Succession planning and leadership development
- Partner compensation
- Partner retirement/buyout
- Firm management and governance
- Profitability, productivity and benchmarking
- Staff issues
- Marketing and growth
- Partner accountability
- Mergers

Part Two devotes a section to each of the 10 retreat agenda items above. Each chapter consists of two segments:

- *Warm-up.* Material that can be used by the facilitator to launch the agenda topic and stimulate discussion. Some attendees will be hearing the material for the first time. For others it will be a refresher. The warm-up gets both groups in the proper mindset to begin discussions.
- *Facilitator's guide.* A list of discussion questions and handout materials to explore with the retreat group.

Why do organizations conduct retreats?

Management retreats are one of the best ways to accomplish the wonderful things that the so-called management gurus tell us our firms should be doing:

- Communicating
- Planning/Thinking
- Empowering
- Focusing on objectives
- Problem solving
- Shifting our paradigms
- Doing first things first
- Being proactive
- Changing with the times

...all designed to achieve success in our organizations, whether success is defined by profits, growth, survival, happiness, challenge or all of the above.

This guide is intended as an aid to CPA firms in both the planning and facilitation of a management retreat.

Although this Guide focuses on CPA firms, the ideas, the approaches and forms included in this Guide are applicable to all organizations. We hope you find it useful. If you have any questions about anything contained in the monograph, please give us a call. We'll be glad to help make your retreat a successful one.

What are the benefits of partner retreats?

Retreats are critically important to a firm's success. A retreat provides an opportunity for key people to meet off-premises to plan for the future, devise strategies, form goals and address problem areas.

Another objective of a retreat is less tangible, but equally important: To enhance the quality of the relationships among co-workers and improve communications between them. Firms that regularly hold retreats are usually the most successful firms as well. In fact, these firms frequently point to retreats as the place where many of their successful strategies originated.

It is important to distinguish between partner meetings and retreats. Partner meetings are more operational in nature, usually dedicated to day-to-day, routine, short-term issues or to solving an immediate crisis. These meetings are often difficult to schedule, difficult to start on time and are frequently interrupted.

Retreats are different. Retreats are a time for contemplation, communication, thinking, planning, and building a spirit of teamwork. Although these objectives can certainly be pursued at the office, they are easier to focus on if the retreat is held off-premises, free from the distractions of phone calls, e-mail, clients, questions from staff, the mail and countless other interruptions.

There are two kinds of retreats. Both are worthwhile, but retreats that lead to actions taken achieve more lasting results than the other:

- One kind of retreat is convened to focus on certain topics or issues and is successful at conducting fruitful, meaningful discussions on those topics. Participants feel good about the retreat after it is over. However, the retreat leads to no action taken. Everything is business as usual when participants return to the office. But at least the attendees have had a chance to get to know each other better, speak their minds and perhaps walk away with new ideas.
- The other kind of retreat has all the characteristics described above. But it also leads to taking action when everyone returns to the office. Later we will describe how to make sure you convene this type of retreat.

Years ago, I discussed the concept of a retreat with the managing partner of one of my client firms. This firm had been in business for 30 years and never had a retreat. When I asked the managing partner why, he replied that the word retreat always meant to him “pulling back” or retreating as in battle. He had never retreated from anything in his life and didn’t intend to start by conducting a “retreat.”

I explained that while some retreats are seen as opportunities to “get away from it all,” the intention of a retreat, and of this guide, is to focus on how to proactively address the most pressing issues facing the firm.

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What do Firms Discuss at Retreats?

Most firms spend their time at retreats planning for the future, forming goals and addressing pressing issues and problem areas. Ideally the discussions won't concern day-to-day issues such as purchasing a new copy machine or revising the policy on sick days. The topics considered are strategic: morale issues, recruiting problems, profitability, etc.

Here are some specific examples:

- Are we happy with the direction the firm is headed in? Do we *have* a direction? Does our firm have a formal, written strategic plan?
- Are we satisfied with profitability?
- Is our firm growing at a proper rate? Is our firm active enough in practice development? Do we need a marketing plan?
- Is our firm's partner compensation system performance-based? Is it fair? Does it motivate partners to do what *the firm* needs them to do?
- Where do we stand on succession planning? Do we have potential partners coming up that will provide our partners with an eventual exit strategy?
- Do we have programs in place to develop our staff into future leaders?

- Do we have sensible plans in place to structure new partner buy-ins and retiring partner buy-outs? Many firms these days are taking a close look at their existing plans and finding that they are ineffective and archaic.
- Is our firm's management structure effective?
- How effective are our partners and managers in supervising staff in a way that enables us to retain them and help them grow? Firms are increasingly turning to upward evaluations by the staff to help them gauge this effectiveness.
- Does our firm have partner accountability? What needs to be done?
- Should we be looking for merger and/or lateral hire candidates?
- How do we evaluate our staff? What should we be doing to help them develop?
- How is morale at our firm? How can it be improved?
- Are we satisfied with productivity, both of partners and non-partners?
- Do we have effective billing and collection procedures?

The checklist on the following pages contains topics firms may wish to review before finalizing a retreat agenda. And remember, this list is by no means all-inclusive.

A good way to decide what topics to include in the agenda is to have the participants complete a confidential retreat questionnaire. A sample is provided at the end of Part One. The completed questionnaires should be sent to someone outside the partner group so that the intimidation factor is eliminated. No one should be able to find out how other participants "voted."

CHECKLIST OF RETREAT AGENDA TOPICS

General Area	Specific Agenda Topic
Management	Strategic Planning: Where do we want to be in 5 years?
	Goal setting
	The 25 “Best Practices” of the best firms: How does our firm rate?
	Role of Managing Partner and/or Firm Administrator
	Structure of the firm’s organization
Partner Issues	Trends in the industry
	Partner compensation
	Partner retirement/buyout
	How to bring in new partners (the buy-in, ownership pct., etc.)
	Partner accountability
	Partner evaluation
	Does the partner agreement need to be modified or updated?
	Partner conflict and communication
	Clarify partner roles and expectations
	Succession plan, including transition
Succession Planning	Partner retirement/buyout
	Leadership development
	Introducing the concept of non-equity partners
	Upward , sideways and downward mergers
Mergers & Acquisitions	
Marketing	Are we growing at a satisfactory pace?
	Developing a marketing plan
	Developing niches and special skills
	Practice development, including training
	Should we have a marketing director?
	Do we need to hire a marketing consulting firm?

General Area	Specific Agenda Topic
Operations	Profitability – satisfaction with current levels
	Practice Management Review by a consultant
	Benchmarking with Rosenberg MAP Survey
	Productivity of partners and staff
	IT needs: are we staying current?
Staff	Do we have effective billing and collection procedures?
	How to make the firm a great place to work
	Leadership development and training
	Performance appraisal
	Recruiting
	Review results of upward evaluation of partners and managers by the staff
	Review results of staff attitude survey
	Mentoring of staff