

Test Your Performance on the PSF Leadership Model

Broderick PSF Leadership Model®

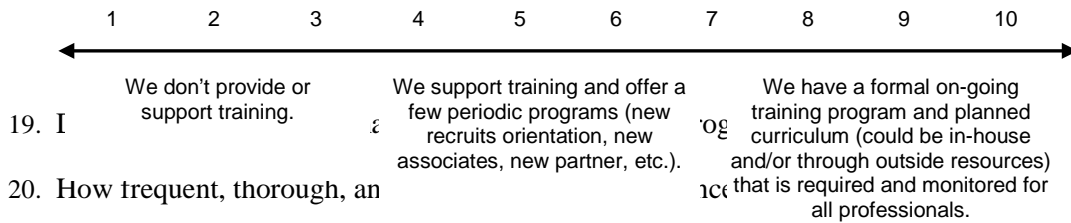


Based on many years of research and experience with professional service firms, Broderick has developed an organizational model that identifies the 10 critical management areas of focus that leaders must monitor to run a successful business. Test your performance on each of these areas by answering the questions below.

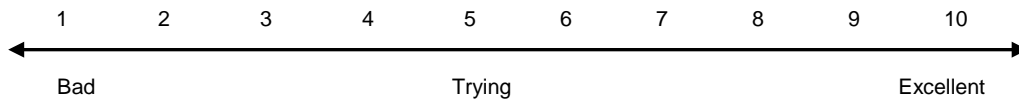
Vision, Values and Culture

1. When was the last time our senior team spent time reviewing, discussing, and agreeing on our vision for the firm?
2. Are partners/equity owners of the firm aligned around our vision?
3. Can everyone from the back office to the leadership team articulate the values of the organization and their respective obligations to uphold these values?
4. Do we enforce our values? Are performance evaluations and ultimately compensation affected if values are violated? Will we “fire” a heavy revenue generator if he or she doesn’t uphold these values?
5. Do we reward and celebrate good behavior?
6. How would we describe our culture?

18. How would you rate your investment in professional training?

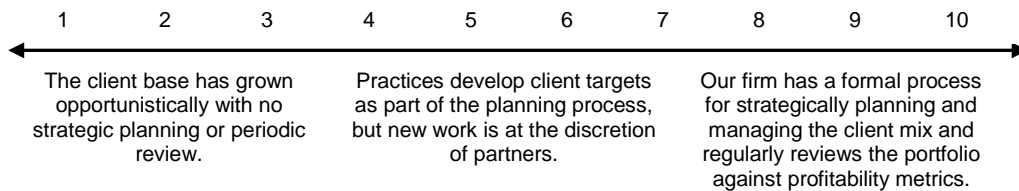


21. How do we rate ourselves on diversity?



Portfolio

22. Where would we place ourselves on the following client portfolio planning scale?



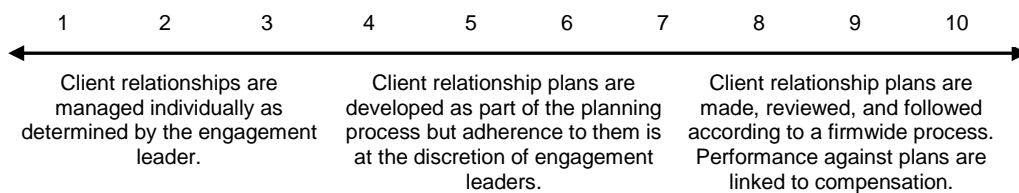
23. When was the last time we conducted a thorough review of our client base?

24. Are we willing to fire clients that do not strategically fit our firm or are not profitable?

25. Do we have a vision of the ideal target mix of clients that will drive the firm's strategic direction?

26. Do we have a formal process for onboarding new clients into the firm?

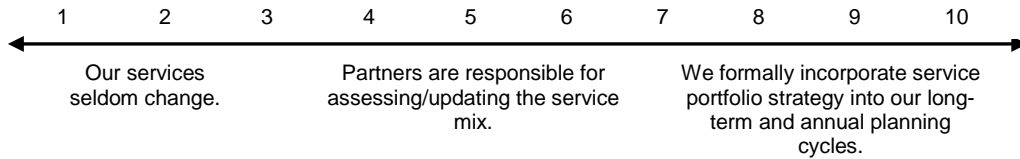
27. Where would we place ourselves on the following client relationship scale?



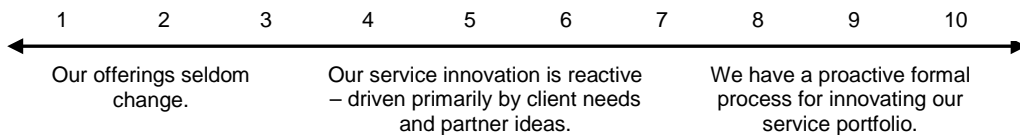
- 28. Do we strategically segment our clients into categories based on their level of value and potential?
- 29. Do we require an account plan for every key client in the firm?
- 30. Do we have a formal, consistent client feedback program? Are results shared? Are problems aggressively addressed?
- 31. Is client feedback factored into the senior team's evaluations?

Services

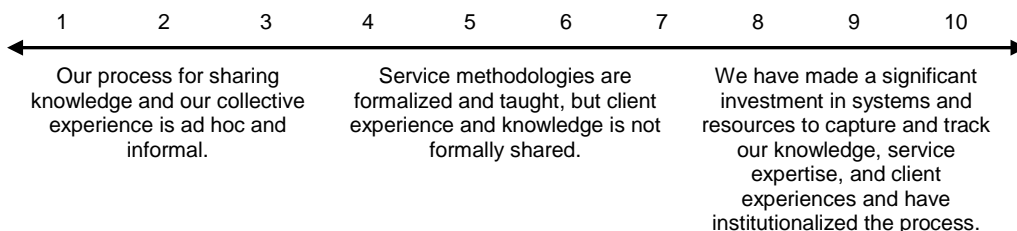
- 32. Where would we place ourselves on the following service portfolio management scale?



- 33. Do we regularly test and review our mix of services to identify weaknesses and gaps and spot opportunities for new offerings?
- 34. Are we willing to retire a service offering that is no longer profitable or valuable to our clients?
- 35. How do we rate ourselves on service innovation?

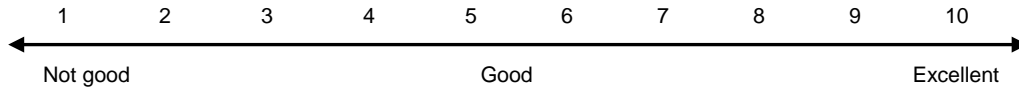


- 36. Are we actively stimulating and rewarding new service ideas?
- 37. Do we have a process for capturing and selecting the best ideas and taking them to market?
- 38. How do we rate ourselves on knowledge management?



Finance

39. How do we rate ourselves on financial management?



40. Do we have a clearly articulated financial strategy and planning process that establishes revenue and earnings goals?

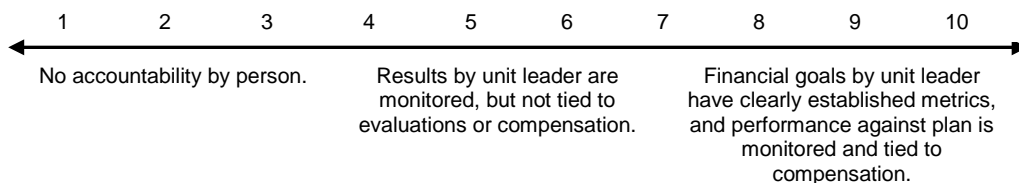
41. Do we track both lagging and leading financial indicators?

42. Do we produce very thorough, timely reports on all of the relevant metrics to run the business?

43. How closely do we manage cash flow from collections and working capital?

44. How transparent are the financial goals and results to the partners/equity owners?

45. How do we rate ourselves on accountability against financial goals?



46. Do we invest in the people and tools to appropriately manage and track financial performance?

47. Do we have any of the following early warning signs of failing financial health?

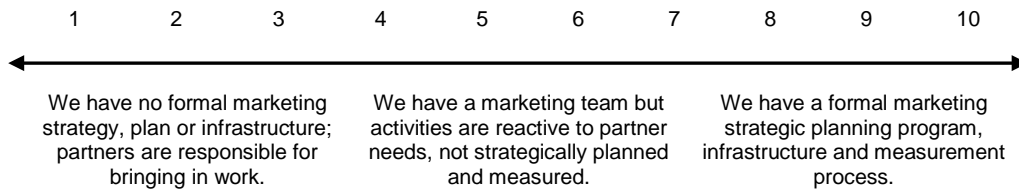
Warning signs of failing financial health

Clients	Partnership	Talent	Management
Declining billings	Partner departures	Declining satisfaction and enthusiasm per employee surveys	Low cash position
Declining revenue growth per client	Lack of consensus among leaders on key strategies leading to inaction	Unplanned employee attrition	Declining revenues and margins
Declining realization or clients not paying on time	Insufficient collaboration in business development and client service across geographical lines	Difficulty attracting top talent; losing to competitors	Declining utilization
Instability in client relationships; declining satisfaction	Principle glue is financial results		Lack of timely action on negative metrics
Low backlog of work	Inability to improve or exit under-contributing partners		Potential legal exposures and contract liabilities increasing
Fewer proposals in the pipeline	Eclectic collection of practices		Poor/unstable relationship with banks
Fewer wins/ higher losses to competitors	Decline in intellectual capital development		Unwillingness to cut back when demand flattens
Little cross-selling	Deferring expenses, artificially accelerating collections		
High client turnover	Partners have no understanding of financial requirements		

Positioning

48. How do we describe our positioning – what we do, how we do it, and why we are different – to a new client or potential recruit?
49. When was the last time the senior team spent the time to conduct a positioning analysis and evaluation?
50. Do we have an articulated and communicated service delivery and buyer experience philosophy? Are people evaluated and compensated based on their adherence to this philosophy?
51. How do we describe our brand – the image our clients and the marketplace have of our firm?
52. Do we really understand what brand is and how we get one?
53. Have we ever tested our brand reputation, awareness, and strength?

54. Where would we place ourselves on the following continuum in describing our marketing activities?



55. Are we satisfied with the performance of our marketing team?

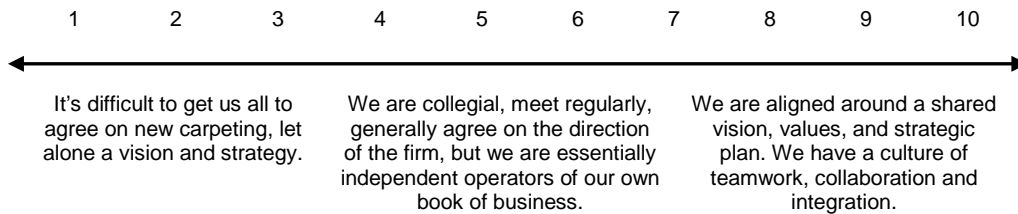
56. Do we need to take the step to hire/build a non-billable marketing leader and department?

57. How do we motivate ALL of the senior team to promote the firm and bring in business? Is it working?

58. Do we have an on-going thought leadership program to position the business, build brand and sell services?

Partnership

59. How would we describe our partnership “ethos”?



60. Regardless of our actual ownership structure (Public/private C Corp, LLP, LLC, other) do we treat the senior team as owners of the firm?

67. How would we respond to the following statements?

	Yes	No
We view strategic planning as a continuous cycle, not a one-time event.		
We incorporate external as well as internal analyses into strategic planning.		
To ensure buy-in, we collaborate with stakeholders to develop plans.		
We regularly review progress against goals and communicate results.		

68. Do we have a long-term strategic plan?

69. How often do we review/update our long-term plan?

70. Do we have a formal annual planning and budgeting process? Is the development of the plan a collaborative process or strictly driven from the top? Do the numbers drive the plan or does the plan drive the numbers?

71. How often do we review progress against goals?

72. Are business unit leaders held accountable for achieving goals? Does performance really impact compensation – really?

Structure

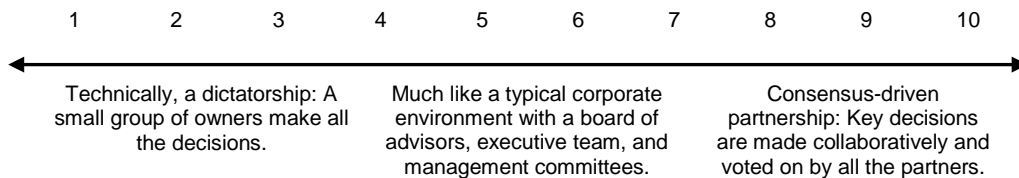
73. Do we have a clearly defined and understood organization chart that delineates organizational layers and reporting hierarchies?

74. How would we respond to the following statements?

	Yes	No
We cultivate a one-firm collaborative, non-siloed operating environment.		
We operate transparently.		
We train professionals on both business and technical skills.		
We use professional non-billable support teams to help us manage the business.		
We emphasize process efficiency both back office and on client engagements.		
We clearly define roles, responsibilities, policies, and procedures.		
We adapt our structure and governance when appropriate.		

75. Is there a clear “seat of power” i.e. a business unit or geography that owns the P&L?

76. Where would we place ourselves on the following governance style continuum (obviously size will influence your response; there is no wrong answer here)?



77. Do we have any of the following warning signs that it may be time to reevaluate the structure and governance model?

- Clients start complaining
- Partners don't know each other anymore
- It takes too long to make important decisions
- Communication among the partners seems to go awry too frequently
- Professionals regularly don't follow the rules
- Some senior professionals start to feel like second class citizens

Style of Leadership

78. As firm leaders, how would we rate ourselves on each of the following characteristics of a successful leader?

Characteristics of a Successful Leader	Score (1 equals bad and 10 equals excellent)
Good influencer / builder of coalitions	
Inspirational and passionate	
Visionary	
Good listener	
Good communicator	
Understands the business	
Able to gather followers	
Has empathy for others	
Has a high level of integrity	
Courageous	
Humble	
Respects others	

79. Do we have a good process for identifying future leaders in our firm?
80. Do we have a training and/or mentoring program in place to teach up and comers how to be good business and people leaders?
81. Are we paying attention to our own professional development?
82. Are we happy in our role as leaders?
83. What do we wish we could learn to do better?