

---

# CONTENTS

<b>Foreword</b>	<b>xvii</b>
<b>Preface</b>	<b>xix</b>
<b>Acknowledgments</b>	<b>xxv</b>
<b>PART I Professions and Professionals in Turmoil</b>	<b>1</b>
<b>1 If Something Can Change, It Will</b>	
<i>Strategic Factors in a New Environment</i>	<b>3</b>
<i>In this world of change naught which comes stays and naught which goes is lost.</i>	
Factors causing economic change . . . Effect of competition on professional firms . . . Adapting to competition . . . The multi-discipline practice . . . Internal management problems.	
<b>PART II Clients—Who They Are and How to Find Them</b>	<b>11</b>
<b>2 What a Client Really Wants</b>	
<i>Listening to the Client for Fun and Profit</i>	<b>13</b>
<i>It seems so perfectly rational that if you don't offer what the client wants and needs, then the client will go elsewhere.</i>	
The difference between professional firms and manufacturing firms . . . The boundaries between law and accounting firms . . . Globalization . . . What today's client knows . . . The client's options . . . Being a professional as a comfort factor . . . The new demands for new skills.	

<b>3</b>	<b>Are We a Client-centric Firm Yet?</b> <i>Organizing to Meet Client Needs</i> <i>Who the hell wants to hear actors talk?</i>  Defining a practice . . . What is a market? . . . The elements of a market . . . Defining prospects . . . Criteria for growth . . . Value . . . Reputation . . . Relationship . . . Culling your client base . . . Getting organized.	<b>19</b>
<b>4</b>	<b>Now, Here's My Plan . . .</b> <i>Defining the Right Client for You</i> <i>Those people who develop the ability to continuously acquire new and better forms of knowledge that they can apply to their work and to their lives will be the movers and shakers in our society for the indefinite future.</i>  Factors of strategic planning . . . The practice profile matrix . . . The start-up practice and the small firm.	<b>31</b>
<b>PART III Making Your Vision a Reality</b>		<b>39</b>
<b>5</b>	<b>I Can See Your Future from Here</b> <i>Vision? A Working Tool?</i> <i>Vision is the ability to see opportunities, and the will and the capability to seize them</i>  Defining firm objectives . . . Formulating marketing objectives.	<b>41</b>
<b>6</b>	<b>Seizing Those Opportunities</b> <i>Making the Vision a Reality</i> <i>Every great work, every great accomplishment, has been brought into manifestation through holding to the vision, and often just before the big achievement, comes apparent failure and discouragement.</i>  The marketing plan . . . Define your market . . . Define your firm . . . Define your tools . . . Positioning . . . The ideal marketing plan . . . Branding . . . Target marketing . . . Managing the tools.	<b>49</b>
<b>7</b>	<b>Making Marketing a Nice Word</b> <i>Building a Client-centric Marketing Culture</i> <i>The aim of marketing is to know and understand the customer so well the product or service fits him and sells itself.</i>  Defining and building a marketing culture . . . The structure for marketing . . . The marketing program . . . Tactics . . . Client retention . . . Client relations . . . The appropriate client . . . Living with the marketing culture.	<b>73</b>

<b>8</b>	<b>It's the End Game that Counts</b> <i>Contact—Turning the Prospect into a Client</i> <i>It's the bottom line that matters...</i>  Selling... Using outside salespeople... The proposal... The request for proposal... The proposal strategy... Oral presentations... The follow-up.	<b>89</b>
<b>PART IV Marketing Tools and How to Use Them</b>		<b>111</b>
<b>9</b>	<b>Hang High the Rafters, Carpenter</b> <i>The Tools of Marketing that Build the Marketing Program</i> <i>It's not the tools, it's the way they're used.</i>  Articles... The well-designed brochure... Public relations... Dealing with the media... Spin control... Responding to damage... Advertising... Copywriting... The objectives of the ad... Elements of a good ad... Networking... The skills and process... The follow-up... The seminar—networking starts here... The panelists... Target audience... Controlling costs and mechanics... The panel chair... Press coverage... Seminar costs... The meeting planner... The follow-up... Newsletters... The web site... Direct mail... The direct mail letter... The telephone and direct mail... Strategy.	<b>113</b>
<b>PART V Managing the Client-centric Firm</b>		<b>163</b>
<b>10</b>	<b>Turning Recipes into Cakes</b> <i>Managing for Results</i> <i>If there is one word that separates the successful from the unsuccessful firm, it's execution—execution of the firm's vision and strategy.</i>  Strategy execution as a core competency... The balanced scorecard approach... Using the balanced scorecard in a professional services firm... Interrelated objectives... Designing the scorecard... Selecting the proper performance measures... How many measures should you select?... Determining targets.	<b>165</b>
<b>11</b>	<b>Who's at the Helm and Who's on the Bridge</b> <i>Firm Governance and Structure</i> <i>A partnership is a bunch of people trying to go through a narrow door at the same time.</i>  The partnership structure... Access to capital... Remaking the firm... Partnership versus corporate structure... Shaping the new	<b>173</b>

structure . . . Embracing the corporate model . . . The dynamics of change.

**12 Holding a Handful of Mercury** **185**  
*Managing the Knowledge Worker for the One-Firm Firm*

*Once more unto the breach, dear friends, once more. Follow your spirit, and upon this charge Cry “God for Harry, England, and Saint George!”*

Ways to increase employee motivation . . . Managing knowledge workers.

**13 For Love or Money—or Both** **191**  
*Paying for Performance*

*In business, words are words; explanations are explanations, promises are promises, but only performance is reality.*

What is compensation? . . . What is a *fair* compensation? . . . Building the near-perfect compensation system . . . Nine goals your compensation system should achieve . . . Some common compensation systems . . . Guiding principles.

**14 Didn’t We Tell You What We’re Doing?** **201**  
*Internal Communications—Let Me Count the Ways*

*I wrote the memo, so you must know it.*

What is information? . . . What is knowledge? . . . Managing content for value . . . The strategy . . . Process . . . Categories of information . . . Target audiences . . . Profiles of a successful program . . . Mechanics . . . Using knowledge.

**PART VI Economics in the Client-centric Firm** **217**

**15 A Farthing for Your Goat** **219**  
*Pricing in a Client-centric Firm*

*Everything you want in life has a price connected to it. There’s a price to pay if you want to make things better, a price to pay just for leaving things as they are, a price for everything.*

Breaking the paradigm . . . Mature market . . . Pricing in this new environment . . . Price-value exchange.

<b>16</b>	<b>What Did I Get for My Money?</b>	
	<i>Measuring the Marketing ROI</i>	<b>229</b>
	<i>Half the money I spend on advertising is wasted, the trouble is I don't know which half.</i>	
	Measuring the ROMI... What are firms measuring?...	
<b>17</b>	<b>Cash Is King</b>	
	<i>What's the Lifetime Value of Your Clients and the Financial Health of Your Firm?</i>	<b>233</b>
	<i>Revenue is vanity, margin is sanity, and cash is king.</i>	
	Forget about revenue... Focus on profits... Determining the client lifetime value and profit... Determining the client lifetime profit... What does client lifetime profit tell you?	
<b>PART VII</b>	<b>What Will We Do Tomorrow?</b>	<b>239</b>
<b>18</b>	<b>The Future for Professional Services</b>	
	<i>Are We There Yet?</i>	<b>241</b>
	<i>A mind at rest tends to remain at rest. A mind in motion tends to remain in motion.</i>	
<b>Appendix A</b>	<b>The Balanced Scorecard</b>	<b>247</b>
	The Balanced Scorecard—Financial Measures	247
	The Balanced Scorecard—Client Measures	251
	The Balanced Scorecard—Internal Business Process Measures	252
	The Balanced Scorecard—Marketing Measures	253
	The Balanced Scorecard—Employee Growth and the Learning Measures	255
<b>Appendix B</b>	<b>Managing the Knowledge Worker</b>	<b>257</b>
	Take the Pulse of Your Staff	257
	Compensation	257
	Career Advancement Opportunities	258
	Firm Culture	258

<b>Appendix C Pricing in a Client-centric Firm</b>	<b>261</b>
Analyzing Price Sensitivity	261
<b>Appendix D Accounting and Law Firm Benchmarks</b>	<b>263</b>
Accounting Firm Benchmarks	263
<b>Bibliography and References</b>	<b>267</b>
<b>Index</b>	<b>271</b>