Index

A

Abbott, Ida O., 258
Aberdeen Group, 284
Abiatti, Antony, 162, 177
Accounting, 352–368
  fundamentals of, 352–356
  project cost, 376–377
  systems, 356–357
Acquisitions, 381–382
Activity measures, 21–22
Advertising, 137
Allocation, firm resource (Exhibit 5.1), 127
  of resources, 178
  of time, 27–29
Appraisals, career, 225–230
Arthur Andersen, 277
Assessing your firm, steps to, 10–15
Asset management, 385–427
Attrition models, 231–232
Averbook, Jason, 289, 303, 308, 309

B

Backlog, 301–302
Bailey, Robert S., 234
Balance sheet, managing, 357–363
Benchmarking, 16–52
  activity measures, 21–22
  applications and limits of, 47–50
  best practices and, 22–23
  cost-based measures, 21
  expenses, 27–38
  finance department, 38–41
  human resources, 45–47
  information technology, 41–45
  outcome measures, 21
  performance measures, 21–22
  pitfalls of, 48
  primer on, 21–26
  professional services firms, 26–47
  quality-based measures, 21
  revenue, 27–38
  starting, 25–26
  targets of, 23–24
  time-based measures, 21
  time management, 27–29
  timing for, 24–25
  value of, 18–19
Benchmarkers, determining, 22
Benefits:
  obligations, 67
  selection of, 225–228
Best practices, key focus of benchmarking, 22–23
Billable resources, managing, 297–304
Bill rates, developing, 30–31
Boilerplate documents, development, 171
Boot camp, sales training and, 95–99
Booz Allen, 200, 203
Branch office model, 71
Budgeting, 369–375
Budgeting process, 211
Business, development, 121–142
driving, 137
Business portfolio chart (Exhibit 13.9), 303

C

Call centers, competing with larger organizations, 188–189
Capability, 286
Career progression, 212–213
Career track, 219–225
appraisals and, 228–230
elements of, 221–223
nonpartners, 224–225
review, 225
update, 225
Casalan, Sarah, 164
Certifications, vendor, 396
Change, improvement and, 267–268
Change order, 177
Client risks, 324
Clients, managing, 134–137
Coaching, 234–235
Collection strategies, 280–281
Collins, Jim, 272
Commission schedules, 88–89
Compensation, 66–71, 240,
225–228
administration, 347–350
contract negotiations for, 377–380
disclosure, 227
events, timing, 227
negotiating, 254–255
Compliance-based opportunity, 146
Conclusions, reaching, 320
Conservatism, definition of, 353
Consistency, 353
Contract negotiations, 377–380
Contracts, review of (Exhibit 16.4), 399
Cordial, Dale, 273
Core competencies, 434
Cost-based measures, 21
Cost estimates, 375–376
Costs:
controllable, 31–34
definition of, 352
professional, 34–37
Crisis management, 330–331
Customers, identifying, 110–111

D

Decision-making processes, 320
DeCourcey, Marc, 165
Delivery risks, 323–324
Differentiating, the firm, 123–124
Digital globalization, 185
Disclosure, 353
Downtime, 297–298
Dudley, George W., 96
Due diligence, vendors, 421–423

Fungibility, 239–240
Furniture, office, 491–494

E

Efficiency, administrative, 380–381
Enterprise resource planning (ERP), 308
Enterprise service automation (ESA), 308
Equity, 62–66
Executive committees, 72–73
Executives, role of, 19–21
Expectations, managing, 134–137
Expense recognition, 355, 363–364
Expenses, 27–38
  of lawyers, 38
External risks, 324–325, 329

G

Gallwey, W. Timothy, 312
Generally accepted accounting principles (GAAP), 352–354
Gioia, Joyce, 311
Goldratt, Eliyahu M., 269
Goodson, Shannon L., 96
Governance, 201–203
Governance structures, 53–74
Grossing up, definition of, 480
Gunn, Ronald A., 294, 303, 304

H

Herman, Roger, 311
Hlavaty, Gregg, 487
Hoffberg, Kevin, 114
Home office model, 71
Human resources, 338–351
  benchmarking, 45–47
  benefits administration, 347
  bonus programs, 348–349
  communication, 344
  compensation administration, 347–350
  forecasting, 347–350
  layoffs/reduction in force, 343–345
  legal counsel and, 340–341
  partner model, 125–129
  performance evaluation, 342–343
Human resources (Continued)
records management, 345–347
recruiting, 341–342
role of, 339–340
timesheets, 350
tracking time off, 350–351
using, 125–129
vacation, 350–351

I

Ideal client, defining, 124–124
Identifying potential employees, 248–250
Indemnification, 379–380
Information technology, 431–465
architecture of, 435–436
budgeting for, 454–459
drivers of cost (Exhibit 2.15), 43–44
managing, 433–465
operations, 445–446
organization of, 436–442
out-of-budget requests, 459–460
projects, 449–454
resources (Exhibit 17.4), 441
sample inventory (Exhibit 17.2), 438
scope of operations (Exhibit 17.6), 446–448
standards, 442–445
steering committee, 460–462
strategies, 433–435
Intellectual property, 143–157
development, 153–155
protecting, 155–156
understanding, 153–156
Intelligence, gathering, 320

J

Job description, sales, 90–92
Jonassen, Jim, 162

K

Kautz, Judith, 181
Kotler, Philip, 145
Krueger, Mark, 50

L

Labor, value of, 355
Lateral hires, 249–250
Lawsuits, causes of (Exhibit 16.3), 396
Layoffs, 343–345
Lea, Wendy, 107, 109
Leadership models, 71–72
Leandri, Susan, 18
Leasing commercial space, 467–481
Legal counsel, 495–516
managing, 511–515
selecting, 507–511
when needed, 496–507
Leiter, Michael, 293, 311
Leverage, and billable hours, 16–17
Leverage, partner (Exhibit 2.16), 46
Levinson, Rob, 139
Liability, 241–242, 379–380
Limited liability companies, 58
Litigation, 331
Litvak, Jeff, 80, 82

M
Maister, David H., 220
Management, strategic internal, 268–276
Management skills:
developing, 309–313
improving engagement, 311–313
Managing feedback matrix, 235
Market-based opportunity, 147
Marketing, 211
competency, 129–131
development, 121–142
expertise, 129–131
Marketing personnel, 137
Marketing and sales, integrating, 83–84
Master services agreement (MSA), 176
Matching principle, 352–353, 354–355
Materiality, definition of, 353
Measurement and evaluation, 278–279
Measuring sales costs, 113–114
Meetings, sales, 104–106
Mentorship programs, 257–259
Mergers, 381–382
Mining, as a source of sales, 112–113
Morris, Tom, 117

N
National Association of Purchasing Management Code of Ethics (Exhibit 16.9), 428
Neiner, Kathryn, 93
New service development, 211
Notice period, 380

O
Objectivity, defining, 353
Office design, 487–490
Office finish-out, 490–491
Office management, 517–529
culture, 525
defining, 519
document management, 522
facilities management, 524
hiring a manager, 526–528
mail room, 522
other services, 522–523
reproduction department, 521
resources, 528–529
support services, 519–521
travel management, 522
Opportunity:
compliance-based, 146
market-based, 147
Organizational models:
examples, 213–215
functional, 207–208
Organizational models (Continued)
  geographic, 208–209
  hybrid practice, 208
  options, 204–209
  practice, 206–207
Organization structure, 200–201
Osborne, Edi, 269, 274, 278
Osetek, Alan, 163, 177
Outcome measures, 21
Ownership, 201–203

P

Partner model, 125–129
Partnerships, 56–58
Partnership structures, 53–74
  limited liability companies, 58
  partnerships, 56–58
  sole proprietorship, 56
  subchapter C corporation, 60–62
  subchapter S corporation, 59–60
Performance evaluation, 342–343
Performance measures, 21–22
Performance plans, creating, 230–231
Performance ranking, 304–305
Perquisites, 228
Personality issues, 240–241
Personnel rations (Exhibit 2.17), 47
Pipeline management chart (Exhibit 13.7), 301
Pitch, developing, 138–139
Porter, Michelle, 48
Practice management teams, 73
Pricing, 211
Pricing strategy, 279–280
Procurement management, 385–427
Professional development, 228–236
Professional development, appraisals, 228–230
Professionals:
  misfit, 246–247
  rainmaker, 244
  types of, 243–247
  worker bee, 245–246
Professional services:
  collection strategies, 280–281
  definition of, 6–7
  history of, 4–5
  measurement, 278–279
  number of firms, 7
  pricing strategies, 279–280
  quality control, 281–282
  strategic delivery, 276–282
  unique issues of, 9–15
Professional services firms:
  overview, 199–200
  selecting a structure (Exhibit 3.1), 63–64
  structuring, 53–74, 192–216
Professional specialists, 244–245
Profit, calculating, 16
Profitability, 16–52
Progression, career, 212–213
Project cost accounting, 376–377
Project manager, alignment chart (Exhibit 13.3), 289
Projects, 265–283
  executing, 265–283
  improvement, 267–268
  managing, 265–283
  planning, 265–283
Proposal development, managing, 174–175
Proposal management, using
   lawyers, 171
Proposal(s), 158–179
   closing, 174
   defined, 160
   follow up, 174
   keys to success, 177–179
   negotiating, 172–173
   pricing, 172–173
   related documents, 175–177
   role of, 160–165
   selling, 161–165
   written, 165–166
Public relations firms:
   the pitch, 138–139
   postpresentation, 141
   prepresentation, 139–140
   presentation, 140–142
   using, 138
Purchasing:
   automated and online, 399–400
   ethics and, 427–428
Purchasing management, 399–400

Q
Qualifications, 167–171
Quality, commitment, 19–20
Quality assurance, 329–333
Quality assurance, defined, 318
Quality-based measures, 21
Quality control, 281–282
Quality of life issues, 259–260

R
Real estate management, 466–494
   budgeting, 469–470
   building classification, 469
   finishing out an office, 490–491
   gross leases, 479–480
   leasing agents, 472–473
   leasing space, 467–472
   listing potential properties, 473–481
   negotiating leases, 482–486
   net leases, 480
   office design, 487–490
   office furniture, 491–494
   parking facilities, 476–477
   property walk-through, 481–482
   rental rates, 477–479
   security, 477
   subleasing, 470–471
Recompetes, vendor, 402–404
Records management, 345–347
Recruiting, 237–262
   compensation, 240
   debriefing, 260
   liability, 241–242
   personality issues, 240–241
   phases of, 247–256
   sales team, 90–93
Reductions in employment, 343–345
Reference authorization, 170–171
Reference management, 158–179
References, 157–171
   checking, 252–253
   managing, 168
Relationships, using for business, 131–134
Request document, example (Exhibit 7.3), 169
Request for information (RFI), 176
Request for proposal (RFP), 160–161, 176
Request for proposal (RFP), vendors, 414–420
Requirement profile, identifying, 285–287
Requirements, focus on, 287–289
Resource administration, 305–309
Resource allocation, 127, 178
Resource management, 284–315
Resource pool, assessing, 289–292
Resource pool ranking chart (Exhibit 13.10), 305–309
Resources, managing billable, 297–304
Resource utilization:
  optimal level, 292–297
  optimizing, 293–297
  overutilization, 293
  underutilization, 292
Retention, 242–243
debriefing, 260
phases of, 256–259
Revenue drivers, 29–31
Revenue realization, definition of, 352
Revenue recognition, 363–364
Review and feedback, periodic, 256–257
Risk management, 316–333
categories of risk, 322–325
decision making and, 319–322
defined, 318
improving, 326–329
methodology, 325–326
responsibility for, 331–332
Risks:
categories, 322–325
client, 321, 324
delivery, 321, 323–324
external, 322, 324, 329
internal, 321–323
Robert Morris Associates, 66
Roberts, Harry, 329
Russo, J. Edward, 319, 320

S

Sales:
establishing territories, 83–86
marketing and, 83–84
measuring, 113–114
resources, 118–119
support systems, 114–117
team size, 86–87
tracking, 99–104
Sales call evaluation, 96
Sales cycle (Exhibit 4.7), 107
Sales management, 77–120
  acquiring new business though, 81
  revenue generation and, 80
Sales meetings, 104–106
Sales process, professional services (Exhibit 7.2), 166
Sales professional, alignment chart (Exhibit 13.4), 291
Sales team:
  building, 89–107
  compensation of, 89
  managing, 89–107
  organization of, 81–83
recruiting, 90–93
training, 93–106
Salomon, John, 111, 112
Satisfaction programs, 257
Schoemaker, Paul J. H., 319, 320
Scope creep, 380
Screening, 250
Screening criteria, 248
Selling process, 161–165
Selling services, 107–113
Sergesketter, Bernard, 329
Service creation, 149–152
Service creation, roles to support, 152–153
Service firms:
  challenge, 145
  creative process (Exhibit 6.1), 144
  response, 145–147
Service offering, 147–153
  benefits, 147–148
  creation, 147
  setting expectations, 149
  terms, 148
Skill, 286–287
Software solutions, 309
Sole proprietorship, 56
Standard operating procedures (SOPs), information technology and, 445
Statement of work, (SOW), 176
Strategic internal investment:
  capital, 271–273
  clients/customers/consumers, 273–274
  employees, 271–273
  founders, 270–271
  investors, 270–271
  management structure, 275–276
  management team and, 269–270
  objectives (Exhibit 12.3), 276
  owners, 270–271
  vendors/suppliers, 274–275
  volunteers, 271–273
Strategic partnering, 180–193
  driving, 182–183
  geographic types, 184
  globalization, 185–187
  guidelines, 189–192
  mind-set, 183–184
  partner selection, 189
  supply side, 184–185
Strategy:
  definition of, 433
  technology, 434–435
Strong, Patrick, 87
Subchapter C corporation, 60–62
Subchapter S corporation, 59–60
Succession, 65
Support staff, role of, 209, 200
Systems, 356–357

T
Talent themes (Exhibit 13.1), 286
Targeting sales opportunities, 110–111
Target market, defining, 124–125
Territories, establishing, 84–86
Thaler, Richard, 327
Time, benchmarking, 24–25
Time-based measures, 21
Time management, 27–29
Timesheets, 350
Tracking, sales, 99–104
Training, sales team, 93–106
Training programs, 232–234
V

Value objectives (Exhibit 12.1), 268
Venditto, Rose, 98
Vendor management, 385–399
assignment rights, 394
certifications, 396, 429
contracts, 392–396
dispute resolution, 395
ethics and, 427–428
evaluation, 409–410
insurance, 394
liability, 395
managing performance, 397–399
partners, 385–386
payment terms, 395
recompetes, 402–404
relationships, 385–388
resources, 428–429
role, 388–389
taking control of, 390–392
training, 395, 429
working with other customers, 400–402
Vendor manager, assigning a,
389–390
categories of (Exhibit 16.1), 386
due diligence, 421–423
evaluation team for, 409–410
geographic presence, 413
negotiating with, 424–427
new, 392
references, 422
request for proposal, 414–420
scope, 409
screening, 410–414
selection, 406–427
size, 413
troubled, 404–405
Voice-over protocol (VOP),
185–187

W

Work backlog management chart
(Exhibit 13.8), 302

Z

Zachman framework, 436