



Special Report
For Accounting Firms

SOLVING THE TALENT PROBLEM:
YOUR FIRM AND THE ATTRACTION AND RETENTION
OF TALENT

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Introduction:

Read this report and learn what many corporations across the country have learned already, and what accounting firms are just beginning to catch on to. There is an answer to how to attract good people, how to keep them, and how to have a higher level of satisfaction in both home life and work.

My associates and I specialize in and have a passion for working with accounting firms. Our concentration is on what are commonly called the “soft skills.” Through our experience we have demonstrated that what is true for Fortune 500 companies is also true in creating a competitive advantage for accounting firms.

We specialize in working with those firms who want a competitive advantage in recruiting prime talent, retaining their key employees and developing their partners, managers and staff. Frumi & Associates provides a formal measurable coaching program to address the specialized needs of growing firms.

Unlike other coaching firms our associates all have an intimate knowledge of the accounting profession and the challenges they face.

What is now known as coaching is an answer to resolve whole categories of employee-related dilemmas. Before you continue reading, this report may be more relevant to you by knowing that Manchester Inc., a career management consulting firm, conducted a major study to quantify the business impact of executive coaching. They found that the companies which implemented coaching programs realized an average return on investment (ROI) of almost six times the cost of the coaching.

What is coaching?

Coaching is a collaborative process that integrates business and personal goals, building on individual strengths at the office and in home life. The process usually begins with an initial in-depth consultation with the managing partner to align coaching and firm goals before work with individuals or a team proceeds.

Coaching can also be one-on-one guidance and extended support for professional and personal growth and change. It recognizes that who one is as a person and as a professional are intricately linked. The work usually takes place on two levels concurrently – there is an underlying

developmental plan as well as conversations which take place in real time to support an individual through a crisis or a hiccup on their path. It is designed to ensure lasting change and promote continuous growth. Coaching deals specifically with performance enhancement, self-observation and self-correction in order to make the changes sustainable.

Creating a coaching culture

Creating a coaching culture provides an environment in which objective assessments and candid feedback are seen as essential to personal development. We all know that supervisors and managers of all ranks generally don't provide such feedback to subordinates. Staff often has no idea what is really expected of them and what they need to do in order to be successful. Why don't managers provide consistent candid feedback? Candor generates emotion, and emotion can be very uncomfortable. An environment for safe feedback needs to be created and the skills to do so are skills that can be taught.

Unlike most business processes coaching engages with people in ways that acknowledge and honor their individuality. It helps people know themselves better, live more consciously, and contribute more richly. The essentially human nature of coaching *is* what makes it work and it is also what makes it nearly impossible to quantify.

While strategic retreats are now common for companies to re-evaluate their vision, mission and strategic plans, it is curious how many smart, highly motivated, and apparently responsible people rarely pause to do the same for their own lives. Often more inclined to stay in action than to reflect deeply, professionals may reach the top ranks without addressing their limitations or what “gets in their way”. Coaching encourages them to slow down, gain awareness, and notice the effects of their words and actions. That enables “coachees” to perceive conscious choices rather than simply react to events; and ultimately, coaching can empower them to assume responsibility for their impact on the people they interact with.

In addition to creating self-awareness, coaching is a form of active learning that transfers essential communication and relationship skills. Strategic coaching should integrate personal development and the needs of the firm. This approach can help partners adapt to new responsibilities, reduce destructive behaviors, improve retention with a perceived perk, enhance teamwork, align individuals to collective goals, facilitate succession, and support growth and change.

Key Benefits of Customized Coaching Programs for Professional Firms

Attraction of talent:

- Attracting the best talent is the first step to ensuring the success of firms or organizations
- An effective employer branding strategy encompasses a wide range of Human Resources and coaching elements, including:
 - Reward and recognition
 - Internal communication
 - Goal setting

- Work practices
- Career development
- Working environment
- The values and ethics of the organization
- Mentoring

Retention

- Retention of excellent employees is one of the most important challenges in organizations today. Key employee retention is critical to the long term health and success of professional firms and businesses in general.
- Retaining your best employees ensures customer satisfaction, client retention, satisfied coworkers and reporting staff, effective succession planning and deeply imbedded organizational knowledge and learning.
- Talent retention depends on how well a firm or organization implements the promises of the attraction strategy mentioned above.

Reducing burnout

- When people are aligned with what they do, they will achieve extraordinary results.
- Increased productivity and performance is the result of changing some behaviors of successful people through the coaching process. Coaching creates a higher level of self-awareness which promotes course correction.
- Clarifying what's important, recognizing and supporting the whole person and continually experimenting with the way work is being done are three elements which reduce burnout and lead to greater job satisfaction. Coaching assists people in making the changes that can help create the work and life environment they can thrive in.

Exposing systems issues

- Often companies are built, much like a house, on a foundation that supports only a couple of stories. As the firm grows, the foundation struggles under what has now become a 15 story building.
- Through coaching conversations, what may have appeared as a communication breakdown or conflict among employees is exposed as a systems issues.

Coaching leads to many positive outcomes

For individual employees, coaching:

- Leads to breakthroughs on personal bottlenecks that limit performance.
- Brings performance to its highest capacity.
- Helps employees understand the intersection between themselves and their jobs.
- Creates enormous gains in emotional intelligence and effectiveness in people's entire interpersonal domain.

At the firm level:

- Problems are no longer tolerated, covered up and allowed to snowball.

- The level of trust and motivation rises.
- People get better at telling the truth.
- Coaching removes barriers to people's performance.
- Performance of the management team improves dramatically.

Three conditions must exist before any company can realize the benefits of coaching.

1. Coaching must be introduced as a developmental, not as a deficit or fix-it, tool.
2. Confidentiality must be respected in all coaching situations.
3. Coaching must be voluntary.

How is coaching delivered?

Programs are tailored to the individual needs of firms in alignment with their size and stage of growth and maturity.

The following elements are commonly incorporated into our programs:

- A climate assessment or discovery process is explored first to understand the firm's needs.
- Assessments are utilized to create a development plan for each individual involved. Coaching then creates the environment for the development plan to be implemented.
- A series of exercises helps individuals or teams develop and articulate a vision and establish their personal and professional goals.
- Once goals are in place, clients pursue individualized strategies to increase self-awareness and build skills that draw on their personal and professional strengths. Considerable emphasis is placed on both action planning and achieving measurable results linked to identified business objectives.
- Coaching sessions take place on a one-to-one basis every two weeks, either in-person or by telephone. In addition the coach is available by email and phone calls to support the just-in-time development of the coachees.
- For maximum results coaching programs extend for a period of 6 months to 1 year.

The EQ-i Assessment Tool and its Impact on Accounting Firms

Do you remember taking an IQ test when you were in school? Now, there is another type of assessment which is more exciting in the sense that your results can be elevated.

Unlike IQ, Emotional – Social Intelligence can be increased through the coaching process. What is even more exciting is that through the extensive research of Dr. Reuven Bar-On, the top five factors for differentiating between the high performers and the low performers have been identified for each occupational group. The assessment provides a developmental plan which forms the basis for the coaching conversations. What this means is, that there is a measurable way to determine the results of the coaching engagement by administering this test at the onset and at the conclusion of the engagement.

The ROI of Coaching

A study by Manchester Inc. showed that coaching programs delivered an average return on investment of 5.7 times the initial investment in a typical executive coaching assignment.

A study by Kotter and Heskett (1992) showed the following:

Performance Measure (over an eleven-year period)

	Organizations with Performance - Enhancing Cultures	Organizations without Performance - Enhancing Cultures
Revenue Growth	682%	166%
Employment Growth	282%	36%
Stock-Price Growth	901%	74%
Net - Income Growth	756%	1%

About the Author:

Frumi is an experienced business advisor, mentor and coach. She has a passion for working with professional service firms where she specializes in accelerating business results and resolving the people issues that may limit their success.

Frumi has had a distinguished career history as an entrepreneur and financial executive. Her experience and expertise as both a CEO and a CFO has allowed her to provide responsive and collaborative support to executives in a wide array of companies and industries, including manufacturing, service industries and direct marketing.

Frumi's clients say that she is a positive catalyst for the changes that increase performance, profitability and life satisfaction. Clients appreciate her unique blend of practical, theoretical and communications/strategic skills that makes the work Frumi does unique among business advisors and coaches. They say that the motivation and inspiration she provides makes a difference in their lives and in the results they achieve.

Frumi has just finished her eighteen month term as the President of the National Board for the Professional Coaching and Mentors Association (PCMA). She serves on the Advisory Board of the Executive Coaching Program at Chapman University.



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