

PART I

NO DISCIPLINE, NO GROWTH

Some Bad News

Joe Abriola looked up from his desk as his favorite “son” in the firm, Eric King, slipped quietly into the room and took a seat.

Joe leaned back, linking his hands behind his head. “What’s going on, Eric?”

Eric leaned forward, brought his hands up, and opened his mouth, but no sound came out at first. Finally he shook his head and spoke. “I feel bad about telling you this, Joe. I want you to know that up front.”

“What’s the problem?” Joe asked. “Is it a client?”

“No,” Eric said, and then the words came skittering out of his mouth in a terrible rush. “It’s the partners. It’s a problem with the *partners*. *You’ve* got a great big problem with your partners.” Eric paused. “And I don’t think you even know it.”

The Problem

Joe had leaned forward in his chair as Eric spoke, but now he settled back cautiously. “No,” he said at length, “I’m not aware of any problem with the partners. What kind of problem?”

Eric took a moment to collect his thoughts, shook his head briefly, then spoke. “Joe, I want you to know, as I said, that I feel really uncomfortable doing this. You brought me into this firm, you’ve given me a terrific chance to succeed here, and . . . It feels, I don’t know, not like disloyalty, but like . . . carrying tales, maybe. But I really think you need to know what’s going on, and nobody else is going to tell you. So I feel like I’m elected.”

“Spit it out, son,” Joe said.

“It’s like this,” Eric said, leaning forward again, elbows on his knees. “There are these . . . I’d call them rumblings—and they’re just sweeping through the partner group. I think they started with Harold and Kevin, but it seems like every day, one more person chimes in. We’ve got—what?—24 partners in this firm, and I swear half of them are grumbling about ‘changes.’” Eric drew quotation marks around the word with his voice. “They say ‘changes’ need to be made. And at first it was generic, but now people are specifically mentioning you.”

“All right,” Joe said cautiously. “What kind of changes?”

Eric shifted in his chair uncomfortably. “To be perfectly honest, Joe, I’m afraid some of this may have started with me.” Joe frowned, but Eric plunged ahead with his story.

“You remember last month, when I went to that niche meeting”—Eric had his own niche, health care, well in hand within the firm—“and they were talking about growth and comparing notes. And one guy’s reporting eighteen-percent growth year to date at his firm, and the other fellow has twenty-one. One guy said his health care practice grew twenty-five percent last year!

“You remember I told you about that, right, Joe?” Eric pressed.

Joe nodded.

“Well, I mentioned it to some other people around here as well. And it turns out that I’m not the only person who’s hearing it. We all know

what started it—Sarbanes-Oxley back in '02—but it's gotten bigger since then, much bigger. It seems like every CPA firm in the country—or in Minneapolis, anyway—is growing like wildfire.

“But it's not just Minneapolis, because, well, you know what people've been reading over the past few months. *IPA*, *PAR*,¹ *Accounting Today*, *Practical Accountant*—everybody reads those publications, and you know what last year's figures were, that they reported. The CPA profession had its best growth year since the late '90s, but Crandall & Potter did not.”

Displaying the kind of sure-handed knowledge Joe had grown to expect from Eric, the younger man ticked off the alarming details. “Aggregate growth for the top one hundred firms of more than sixteen percent; many firms growing at well over twenty. Compared to us—we grew just seven percent last year!

“So at first it was just a couple of people talking, but then they started asking around, checking with their friends. And it sort of took on a life of its own.

“And you know how it is, there's grumbling about one subject, and then pretty soon there's something else that's wrong. And I do think, in all honesty, that in some ways they have a point. We aren't experiencing the kind of growth we could. But somehow, the problem's being simplified, and it's become *you*, Joe. As managing partner of the firm, you're responsible for everything, so that means you're responsible for this too.”

“Specifics?” Joe asked.

“Well, everybody's got their own ax to grind. Harold, he's been threatening to retire the whole time I've been here. Well, now he's finally close enough to read the writing on the gold watch, and he doesn't like what it says. He's seen all these growth numbers floating around, and he's thinking his share of the Crandall & Potter pie isn't worth what it should be, because the pie itself should be bigger.”

Eric tapped another finger as he went through the list in his head. “Kevin,” he continued. “Kevin's beef, best that I can make it out, is that he's carrying his load, he's doing his share to bring in business, and what

¹*Inside Public Accounting, Public Accounting Report.*

is everybody else contributing? ‘I make rain; everybody should make rain!’” Eric imitated Kevin, pumping his arm and speaking in an exaggerated tone.

“Even Charles chipped in yesterday afternoon,” Eric finished. “There were a couple of guys kicking around the new auditing standards that just came out, and the talk started up again. And Charles had to toss in his two cents’ worth.”

Joe’s eyes narrowed in surprise. “Charles?”

“Yeah, I know. Charles doesn’t even bother to notice the rest of us unless he has a gripe. Well, he’s got one now. He was kind of light on the details, but his point seemed to be that we missed the boat on 404 work, and again, somehow, that’s your fault.”

Joe slapped his desk in frustration. “That was in *his* bailiwick—404! I asked him about it a long time ago, even pressed him on it, and he blew it off completely. Said we ‘didn’t need to go there.’”

“Well,” Eric said, “he wishes we’d gone there now. Maybe he was just piling on, but . . .” His voice trailed off.

“The thing is, Joe, I do think they have a point—at least some of them do. This firm is not growing the way it should. The opportunities are there—hey, it’s like a stampede, they’re coming at us so fast—and we’re just not grabbing on. We’re not even *trying*. We sit around doing the same old things, chasing leads the same old way, and making the same old excuses when we lose out.

“How are the other firms doing it? How are they racking up those kinds of gains? Do you have any idea?”

“Do You See It, Joe?”

Joe took a deep breath. As a matter of fact, he did have a pretty good idea what some other firms were doing. He’d attended an association meeting in June, and the whole focus of the meeting was disciplined growth and how to achieve it. A few key phrases floated back: best practices, disciplined growth, pipelines, revenue segmentation, product management.

Joe stirred in his chair. “Well, a number of ways, I guess. There are some new kinds of business available today, that’s true. And some firms are going after them very aggressively. But that’s not the way we do things here at Crandall & Potter. That’s *never* been the way we do things.”

He leaned forward to press his case. “And the way we do things is not half bad, Eric. All the partners here make a very good living. We’re all in this together, we all work very hard, and everyone is more than comfortable—”

“Maybe we’re a little too comfortable,” Eric cut in. “Comfortable may not cut it anymore.”

“Think about what you’re saying, Eric! It’s only been seven years since Old Man Potter died! That’s the biggest transition this firm has ever gone through. I’m not sure we’re ready for another major shake-up.”

“Joe,” Eric said, his voice trembling from the effort to speak as calmly, as persuasively, as he could, “I’m afraid you’re not hearing me. This is not about whether or not people like each other, it’s about business! Just look at the way things work around here. It’s like all the partners are in cocoons; people barely talk to each other except to shoot the breeze. There’s no rhyme or reason to our business development efforts—it’s just not there. Tiff finally got the new brochure done, and it’s a beauty, but there has to be more to marketing than that. And Ty. How much have we gotten out of Ty over the last twelve months?”

Joe started to say something in defense of Tiff Hollister and Ty Dukes, their marketing director and business developer, but Eric was on a roll. “Still, that’s just staff, and the weight should really be on the partners’ shoulders. So let’s look at how our partners go about their business. First, every partner feels like he’s in business for himself, so we compete against each other for clients and sometimes one partner will lock another one out of an opportunity—just to maintain control!

“There’s no effective division of labor or delegation of work to junior members of the firm, so partners end up doing work like 1040s—which

is a complete waste of their time—and, again, why? Just so they can maintain control over ‘their’ clients.

“What else does that mean? Well, for one thing, it means junior managers aren’t brought along properly, aren’t groomed and given increasing responsibility under the right kind of supervision.

“That’s bad enough for the younger people, but from a productivity standpoint, it’s disastrous for the partners. First, since they’re spending so much time doing low-level work, they don’t have time or energy to look for new business.

“And where *does* their energy go? To screaming bloody murder whenever anybody suggests that there might be a better way to do it. Remember when I proposed setting up a dedicated ‘tax center’ to do 1040 work? You’d have thought I’d suggested cutting off their right arms! They wouldn’t even consider the idea of giving up this boring, tedious work that nobody really enjoys anyway. Why? Because these are ‘their’ clients we’re talking about, and they’re determined to hold onto every client they have with both hands!”

Joe raised a hand to interrupt, but Eric wasn’t done yet. “So that’s what they *are* doing, Joe, but let’s talk for a minute about what they’re *not*. First, they’re not lifting a finger to cooperate with any marketing initiatives, and in fact the only time they stoop to acknowledge marketing is when they’re throwing spitballs at it. There are some things Tiff can do, and I think she’s trying to do them, but she gets basically zero help or backup from most of the partners.

“She runs an event, and they can’t be bothered to follow up on the leads it generates. She sends out a letter about a tax law change, and they won’t even pick up the phone to make follow-up calls. No wonder we don’t get much new business!

“And it’s the same thing with Ty. I’ll grant you that he hasn’t been a barnburner, but what chance has he had, really? The partners treat him worse than Tiff, and that’s saying something. Whenever they get a good lead, they shove Ty aside as ‘inconsequential.’ Then, when it’s time to follow up on that opportunity, they let it fall to the side because they’re too ‘busy.’ Ty wouldn’t have been too busy—it’s his job!— but he’s long

gone from the picture by this time. And then, big surprise, some other firm gets the business. This happens over and over and over again, and the pattern never changes.

“What are we good at? Well, we’re pretty good at meetings. We have meeting after meeting—hey, we get together every two or three weeks—but what do we talk about when we meet? We debate endlessly about nothing!—about which color carpet to buy, or whether to change the office hours, or how many different kinds of coffee to provide. And we can’t even agree on those things!

“Nothing gets decided, or if it does, it takes forever. And you spend your time playing politician, soothing everybody’s ruffled feathers about whatever’s bothering them this week. It’s like you’re managing a major league baseball team loaded with prima donna free agents. But we are a *team*, or we’re supposed to be. We should be working together toward a single goal: serving our clients and developing new ones. But that particular model is completely lacking here.

“It doesn’t have to be that way, though. Do you know how things work at my friend Brian’s firm? They have meetings every other week—same as us, pretty much—but in *their* meetings, they don’t spend time arguing about minutiae. They go over every single lead they’re chasing, and everybody pools information. They work to bring all the available information together, they develop strategy and then refine it as they go along, and they keep the focus *constantly* on competition and how to win. They only chase promising leads, and when they decide which partner gets to pursue a particular lead, it goes to the partner who’s best qualified, not the one who happened to be lucky enough to pick up the phone when the call came in.

“Also unlike us,” Eric went on, “they don’t waste time writing fifty-page proposals. Instead, they use that time talking to prospects, finding out about their specific needs, so the firm can figure out how to meet them. So that process actually becomes a means of trading information and building trust with prospects. They have a *disciplined* approach to pursuing leads; there’s nothing at all haphazard about it.”

Joe started to speak once more, but Eric again held up a hand. “I’m almost done; just let me finish this thought.”

Eric took a deep breath. “Finally, when clients do come onboard, they don’t ‘belong’ to any partner, they belong to the firm.

“And that’s about it.

“So, as I said, that firm has a *plan*, they have a *strategy*, and it works.

“Do you see anything like that happening here?”



“What do you want me to say, Eric?” Joe asked, pushing back from his desk and standing. “You say—the *partners* say—they want changes, but I tried to get this bunch to make changes once, remember? I told them I wanted to give up my book of business to manage the firm full time. They said no, remember?”

“Maybe that change is part of the answer,” Eric replied evenly. “But it can’t be all of it, because it doesn’t address all the problems. What we have here is a bunch of guys who basically do two things. They either hunker down in their offices filling out low-level tax returns, or they run around playing golf and chasing off to lunches that lead nowhere.

“In fact, I’m afraid that’s a pretty good description of Crandall & Potter these days: We’re a firm that’s going nowhere. We’re like a bunch of dinosaurs, or Neanderthals. We know how the game was played when everybody used spears and stones. But we don’t know how to use modern methods—we don’t even know what they are!

“The proof is in the pudding, and seven-percent growth is less than half the average for this profession last year. In other words, Joe, Crandall & Potter is more than fifty percent *below* the average!

“And I don’t know all the answers, though I’ll bet I could find some out easily enough. That’s your job, though I’m not sure you really see it. Kevin and Harold and Charles—all those guys—may be out in left field on the details, but they’re right on target about the need for change. And you’re our best chance for making those changes. In a sense, whether everybody else knows it or not, we’re all banking on you.

“But the question is, Do *you* see it, Joe? Do *you* see the need for change? Do you see the headlights bearing down on this firm? Do you see what’s ahead for us if we *don’t* make changes, starting now?”

How Did This Happen to Me?!?

Eric stood quietly and slipped from the room. Joe sat for a moment, lost in thought. Then he stood, grabbed his keys and coat, and made his way from the building. Two partners started to greet him as he strode toward the rear exit, but a second glance at his face led them to change their comments to nods.

Joe failed even to acknowledge the nods. He was lost in his own thoughts, his own troubled world.



Joe maneuvered his black Mercedes E550 sedan out of the firm parking lot and guided it through the busy streets toward I-94. He pulled into the stream of traffic, pointed his car toward Wisconsin, and tried to think.

Where to start?

It began with Old Man Potter, Joe supposed. Potter, one of the two founding members of Crandall & Potter, had taken over as managing partner after the firm was only a few years old, when Crandall, 15 years his senior, had retired. Harold Brumlow, today the eldest partner at C&P, was also a holdover from the firm’s earliest days. He’d been Old Man Potter’s contemporary in age but not vision, so Old Man Potter had had to build *around* Harold rather than *with* him.

Potter had chosen Joe, first as a newly minted accountant, fresh out of school, and then, in time, as his successor, the one selected to carry on his dream. Joe had always felt that responsibility keenly, and the possibility that he might be discharging it poorly weighed heavily on him now. What’s more, he had brought Eric along in just the same way, believing Eric would take over as managing partner someday. Not

anytime soon, of course, for Joe had only been sitting in the MP's chair for seven years, and Eric was still too young for the others to take seriously. But that had been his plan—for Eric to inherit his managing partner's seat.

How ironic, then, that it was Eric coming to bring the message that the rules had changed, that the game itself had changed, that he might have to give up the chair himself, and not altogether voluntarily.

Joe tried to weigh the options realistically. First was the option of engineering a merger with a larger firm. Because change, God knows, was not easy or cheap, and were the C&P partners really ready for it?

Think of the investment they'll have to make! Joe thought. Think about the negative hit that would mean, for both the bottom line and the partners' wallets. Think of the uncertainty, and the enormous potential for failure.

Failure! Joe had never failed in his life, and he felt fear stirring within him. What would he do—he, Joe Abriola, a 55-year-old man with a wife and three kids—if he left Crandall & Potter? This firm was his life!

What would the rest of the partners do? Had any of them ever given a thought to a Plan B, or had they all simply assumed, as he had, that C&P would roll merrily and uneventfully into the future? Joe's experience suggested that they'd all pictured the future pretty much the way he had—they would all “get out there” and “do good work”; after all, wasn't that Old Man Potter's prescription for success?—and the good results would follow, and the growth would follow, and success would follow.

Well. That's what they'd been doing all these years, and what they were facing today hardly felt like success.

So when *did* the rules change? he wondered. When did the “good old ways” fade into irrelevance? Joe knew there could only be one answer: It had crept up while they weren't looking, while they were “getting out there” and “doing good work.” In other words, while they were engaged in carrying out business as usual.

A white panel truck swerved into the lane just ahead of Joe, cutting it way too close and forcing him to stand on the brakes. *Good grief!* he thought. *Where'd that one come from?*

And as he signaled to exit from the highway and head back toward home, he allowed the weariness that had been worrying the base of his skull since the talk with Eric to come full front for the first time.

I really am very tired of all this, he admitted. And then the weight of every single partner and every staff member seemed to press down on his shoulders. *Why is it me who has to carry the whole burden?* he wondered. *Why am I the one who lies awake at night sweating about this stuff? Nobody else cares a whit.*

He also wasn't trained for this, he knew. Old Man Potter had chosen him largely because of his abilities as a mediator and conciliator, since in a firm with two dozen partners, egos can run riot, and a strong personality is needed to hold things together. Yes, that might be the best description of his key responsibility at Crandall & Potter, Joe admitted—holding things together, holding the partnership together, guarding the quality of the work product to protect the firm's reputation for excellence, keeping people happy and productive so the money continued to flow.

Joe's thoughts went back to his lack of training in the new way of doing business Eric had mentioned. He honestly didn't know if he had the skills to master it. Tugging steadily, inexorably, at the edge of his consciousness was a nagging feeling of doubt that seemed to drain the confidence right out of him.

Strip everything else away and it comes down to this, Joe thought. *Maybe Old Man Potter made a mistake. Maybe he picked the wrong guy.*



Then maybe he should just relinquish his position as managing partner and turn the firm over to somebody else. *And wouldn't that be heaven!*

The thought sprang unbidden to Joe's mind, startling him with its intensity. He allowed it to rest there for a moment as he picked at its edges, drawn to it yet just a bit afraid to touch.

He was surprised by how attractive the idea felt. Indeed, the prospect of shedding this mantle of responsibility seemed to act as a tonic on his bedraggled spirits. *To just have to show up every day and work with clients*, he thought wistfully, *and let somebody else worry about the big picture*.

As Joe contemplated this alluring notion, the next thing that stole over him was a keen disappointment that the partners showed so little appreciation of the leadership he'd demonstrated so far.

Given that, did it even make sense to try to push forward, if everyone was so dissatisfied?

What's more, Joe suspected that they would fight tooth and nail against any substantive changes. Look what happened two years ago, when he'd gone to the executive committee to propose giving up his book of business to focus full time on being MP. There'd nearly been an insurrection! You'd have thought he'd suggested dancing naked at the firm's holiday party.

The first part of that, Joe knew, was money. His paycheck was very little fatter each month from his MP duties, and the dab of extra money was nothing close to what the aggravation justified.

Sure, they'd told him, we'll take your book of business and split it up. But once you do that, there's no going back, no getting those clients back. The elephant in the room that had gone unmentioned, of course, was that if the partners should later decide they didn't need a full-time managing partner, he'd be out of luck, with no book of business to fall back on. *That's the way to show support for your leader!* Joe thought caustically.

There was another financial consideration as well. Since his retirement compensation was tied directly to three of the five best years of his earnings, how could he afford to give up his book of business if the partners weren't willing to protect him financially?

He couldn't, Joe realized, and that's what had caused him to abandon the effort before.

As Joe pulled into his driveway, he took the next step. *All right*, he thought, *if they don't want me as MP, then who should it be?* His shoulders sagged as he acknowledged almost instantly that there was no one else in the firm who was ready and able to assume the reins. Eric would be, in another five to seven years, but not now.

As he unlocked the door and stepped inside the house, Joe considered the notion that Potter had erred in choosing him as his successor. Maybe Potter should have just cashed out and sold the firm, rather than demonstrating such faith in Joe—a faith that suddenly seemed very suspect. Joe's thoughts drifted back to all the father-and-son talks they'd had over the years, and he felt a piercing sense of loss. Joe had looked up to Potter and respected him, counted on him for leadership.

But then Joe's memory forced forth a cold reality—that Potter's leadership, while stalwart, had also been firm and unbending. While his intent may have been benign, he'd been a very tough taskmaster. Joe tried to summon an image of Potter going to the partners to beg for authority to take the firm in a desperately needed new direction. Would he have stood still while they hung him out to dry?

No way.

Old Man Potter had succeeded in his own era because he'd been a leader, Joe realized, even when leading was difficult. How easy could it have been to build around Harold Brumlow, essentially passing him over for leadership as the firm grew? How easy was it for Potter to choose Joe when other partners might have coveted that senior spot?

And so it slowly dawned on Joe, with the gauze of sentimentality stripped away, that *he* had become Old Man Potter, that the solemn trust had devolved onto his shoulders.

I've been the guy out front, Joe realized, *but I've never been a leader. With all that I've done and left undone at this firm, I could never be called a leader.* And then Eric's words came back, clear and unflinching: "You're our best chance. . . . We're all banking on you." Joe knew he had a profound responsibility, both to the firm and to Old Man Potter's memory. He also knew that if he failed, it was all but inevitable that the firm would be swallowed up.

And so he took the next step, feeling calm and right in doing so. *This is my firm and my responsibility*, Joe said, pronouncing the words aloud to deepen his resolve. *I want to lead. I can lead. And I will.*

What Would Old Man Potter Do?

So how to proceed? First, Joe wondered about the advice Old Man Potter might give, were he to stage a miraculous reappearance at Joe's side for a quick confab. Joe remembered Potter's guiding principle, which was simplicity itself. "It's all about the client," Potter had preached. "Do good client work and the rest will take care of itself." Well, Joe thought, *that was then and this is now. No help there.*

Well, then, what kind of general approach might Potter suggest? Joe guessed that that discussion would start with a rundown of the rogues' gallery of current C&P partners. Who might have something useful to contribute?

Eric—Joe smiled fondly—ah, yes, Eric was clearly the class of the outfit. He was a niche rainmaker, the best Joe had seen in a long, long time. He'd come to C&P from a larger firm where he'd already received good rainmaking training (Joe called it "good potty training"). Today, he had all three of the skills—rainmaking, delivery, and management—necessary to make a niche grow. What's more, Eric was a born leader, organized, with terrific interpersonal skills. Finally, he was unique among his peers in possessing a real willingness to think in new ways. Though he was clearly a few years away from taking over, Eric undoubtedly represented the future of Crandall & Potter.

Next up, Harold. Joe sighed and then, suddenly, chuckled, as he seemed to feel the spirit of Old Man Potter brushing against his shoulder. How many evenings he and the old man had spent together, drinks in hand, kicking Harold—well, the subject of Harold—around! Perhaps because he was the first professional Crandall and Potter had taken on in their fledgling firm, Harold enjoyed something like protected status—fossil status, you might call it—at C&P.

He was perfectly consistent. He didn't ever want to retire, he didn't ever want to work hard, he didn't ever want to innovate. What a combination! Harold's nickname within the firm was RIP, for Retired in Place—or, in a variation Joe had heard more than a few times, Rest in Peace. (Joe personally favored a third version that had also made the rounds: Rip Van Winkle.) That's how much relevance Harold had in the firm's day-to-day operations.

But when the buyout of Old Man Potter's shares had been completed upon his retirement seven years ago, Harold had found himself in the enviable position of owning the largest single block of shares in the firm. It was that and that alone that had protected him from being marginalized completely.

There was also a rumor—Joe had heard the stories—that Harold used to enjoy some actual technical prowess. Isn't that why Potter chose him in the first place? But then Potter discovered, too late, that Harold could never get his head out of the general ledger, and there went his chance to inherit leadership of the firm.

Still, Joe knew that even though Harold's skills were now modest at best, he retained a lot of clout. *And he's found a way to turn his looming retirement into a problem*, Joe thought. *Interesting.*

But is there any help there? Joe asked himself the question and answered it simultaneously. Fat chance! He stifled a guffaw. First, Harold was jaded and negative, and even though he seemed to think he'd seen it all and knew all the answers, none of that wisdom ever managed to get passed along to others. What *did* get passed along were his caustic comments when things failed to work out as expected.

More than anything, though, it was his relentless insistence on throwing cold water on everybody else's enthusiasm that bled the energy from anything he was involved with. Joe had seen that happen far too many times, seen Harold destroy projects by his very presence. No, Harold was not likely to furnish any part of a solution.

Okay, Kevin McCoy, the resident tax guru. The consummate deal guy, but Joe had noticed that it was small to midsize transactions only. Had Kevin ever landed a really big fish? Joe racked his brain. Not that

he could recall; Kevin seemed content to reside at the low end of the market.

What Kevin loved was people. He loved taking them to lunch, loved saving them money on their taxes, loved getting slapped on the back for doing so. At 43 years of age, it seemed like he spent a third of his time at the country club . . . but shouldn't there be some really well-heeled guys at the country club? If so, Kevin apparently hadn't run into them yet.

What's more, he was tremendously disorganized and refused to stick to any firm rules. Still, he did bring money in consistently—a fair amount of money, in small and medium-size chunks—and now he thought he was doing more than his share. Joe felt annoyed, but decided to set those feelings aside to devote his attention to yet another partner.

Charles Krueger. Now, there was a story—the auditor's auditor, a meticulous man who'd raised the audit to an art form. Joe knew Charles to be a workaholic loner who viewed marketing as a load of hogwash and didn't care if he ever got along with anyone. Charles routinely worked 80 hours a week and—the polar opposite of Kevin—never went out for lunch.

In fact, Joe had heard managers laugh that Charles was “burrowed up in his office like an armadillo,” an underling trained to “toss a sandwich into his lair” from time to time. That's all Charles needed, and he was happy as could be. (In fact, lunch was his secretary's responsibility; she ran out to get him a sandwich when he bellowed at her each afternoon.) Lunch with a client was a foreign concept.

Charles had shown zero interest in participating in the firm's leadership, yet he was on the executive committee—along with Kevin and Eric—because the other partners trusted his auditing prowess to keep them out of lawsuits.

But Charles was problematic in so many ways, the most damaging his utter refusal to take ownership. Joe's mind slipped back to the afternoon's uncomfortable meeting with Eric, and he chafed at the memory of Charles's comments about 404 work slipping by. Joe knew the firm had missed the 404 bubble *because* of Charles, since he himself had broached the subject with Charles, only to be rebuffed. He vividly

recalled Charles telling him, “Listen, we just don’t have the talent,” then bending his head back rudely into the work papers on his desk.

So what? *Nobody* had the talent in that field back then! Other firms had obviously found a way to figure it out.

Even within Charles’s own specialty, Joe knew things had gotten out of hand. People had bowed down to Charles, because of his technical prowess, for so long that he was essentially answerable to no one. What’s more, Joe knew of two opportunities the firm had lost in the last six months alone, where C&P’s pricing was 25 percent higher than all the other competitors’. He was convinced it was because Charles had overdesigned the work. Charles had gotten away with it, to this point, by using the spectre of potential lawsuits to scare people into going along with his proposals. But Joe knew other firms had the same concerns about lawsuits, and they managed to cover that contingency without pricing themselves out of opportunities.

The fact of the matter was that Charles was pricing things too high because his audits were such works of art. *I think he’s forgotten*, Joe reflected, *that we’re in business to make money!*

The Usual Suspects

Who’s left? Joe wondered, and his thoughts turned to Jackie Brown, the firm’s very capable chief operating officer; Tiff Hollister, their marketing director; and Ty Dukes, the resident gladhandler.

Now, isn’t that an interesting description? Joe thought. He knew how little respect Ty commanded among the partners, and it bothered him. With characteristic honesty, Joe admitted that part of his concern came from the fact that he’d hired Ty, but it was more than that. When the partners in a firm refused to grant respect to the firm’s business developer, that firm’s business development effort was bound to suffer.

Joe mixed himself a Scotch and settled into his favorite chair, savoring this rare night alone in the house. Not that he didn’t love his wife, but tonight’s task called for quiet and focus. He intended to use the time wisely.

He took a moment to review the specific criticisms he'd heard about Ty. First, he drove a canary yellow vintage Corvette, and nobody could figure out where he'd gotten the money to pay for it. In the same vein, he sometimes sported a diamond pinkie ring—not a huge one, mind you, but a pinkie ring just the same.

What the devil, Joe thought, *I might as well be honest about it*. Somehow or other, Ty had picked up a reputation as a lady's man, and that was the wrong image for someone who represented an accounting firm. Joe had even heard a rumor that, if true, would be quite serious—that Ty had dated clients. There had never been any specific allegations, though, and Joe tended to chalk up the talk to frustration and pique. Joe simply couldn't believe Ty would be that indiscreet. Still, there was no question that Ty was very different from the partners, and that made him an easy target.

Joe winced as he recalled an exchange that had taken place before a meeting a couple of months ago. He didn't remember how it had started; probably it had already been under way when he'd walked into the room.

"Joe, how could you hire somebody who wears a pinkie ring?" Ben Spencer's eyes were twinkling, and the others—maybe half the partners were in the room already—were chuckling along with him.

Joe had been taken aback, he remembered, but he'd responded good naturedly, "I'm pretty sure he didn't have it on when he interviewed."

"Funny how he could have left out such an important item in his ensemble," Kevin McCoy chimed in. "He seems to have a real fondness for the thing. Have you noticed how he keeps that hand in motion constantly to make sure the diamonds catch the light?"

"Diamonds?" Harold Brumlow put in. "Where does he get the money?" Trust Harold to zero in on the dollars and cents, nothing more.

"Maybe from the high salary we're paying him," Eric had joked.

"Right!" someone else had cackled. "Fat chance! More likely it's cubic zirconium."

“Well, I’ve noticed he always wears it at two times,” Kevin pointed out. “Every Thursday, and when he’s got on a blue pinstriped suit. You think Thursday’s a big night for Ty-Guy?”

“I think he picked it to match the Corvette,” someone else put in.

Charles looked up from his papers for the first time. “Judith says she never trusts a man who wears a pinkie ring. She calls it the ‘pinkie ring doctrine,’ and she says it’s infallible.” Charles’s eyes went back down to his papers immediately, his contribution to the conversation over. At the mention of Judith, though, the room fell briefly quiet. Some of the older partners remembered meeting the mysterious Judith—albeit briefly—at a holiday party many years ago. (In fact, one thought with a smile, it was so long ago that it was the *Christmas* party then!) The younger partners were scratching their heads, thinking, Judith? Who’s Judith?

Kevin got the conversation going again. “I guess Ty didn’t get that memo,” he put in, chuckling. “He must think the ladies are charmed out of their nylon stockings by a pinkie ring.”

At that point the first female voice entered the conversation, and every man at the table looked up. “Well, *I* was never charmed by a pinkie ring.” Jackie Brown had entered the room, and without a hint of effort restored professionalism to a conversation that could easily have veered into the crude.

That’s just like Jackie, Joe thought. Effective, effortlessly.

Jackie was a real success story at Crandall & Potter, and most people knew it. She ran a tight ship and managed to keep everyone in line without stepping on toes or wheedling. Not bad, especially for someone with no formal training. Jackie had come up through the ranks at C&P, having started as a secretary/receptionist when her husband walked out on her 20 years ago.

She’d made the most of every opportunity to learn and grow, and she now handled every important corporate function—human relations, IT, and finance—within Crandall & Potter. *How had she mastered IT?* Joe wondered. He didn’t altogether understand it himself.

No matter. These days, Jackie was a fixture at C&P, and if you wanted to turn every single partner into a nervous wreck overnight, Joe thought, just tell them Jackie was thinking about moving on. Merely thinking it in jest sent a shiver of fear rippling up Joe's spine. *He* was the one who would blanch if she quit! Fortunately, Joe knew Jackie loved C&P as much as C&P loved her. She was a strong asset and could furnish critical support in the upcoming skirmishes.

In terms of key staff, that left only Tiff—Tiffany Hollister, a 31-year-old executive Joe had once heard called Brochure Babe by a fresh-mouthed younger partner.

Joe sighed, for he knew the implied criticism was not altogether unfair. As befit a marketing director, Tiff was always upbeat, with a smile on her face, but she often came across as superficial. *Was* she a real lightweight? She was fond of saying she'd fallen in love with marketing in college, but accounting was a course she'd dropped because it was too . . . Well, take your pick. She'd told Joe in her interview, with a slight self-deprecating moue, that she'd found accounting boring. But Eric had confided that he'd heard Tiff and Ty—honestly, the two seemed inseparable sometimes; they even had a joint label, "Tiff'n'Ty"—laughing in the lunchroom one morning, and Tiff was talking about how *hard* accounting was, how she was so impressed that these people could sit around all day doing something she had found so incredibly *difficult*.

How much respect did she command from the partners? More than Ty, but not a whole lot more; Tiff was viewed more as an intellectual lightweight than a fool. Of course she picked up on that lack of respect and grew frustrated when she was left out of projects in which she had a legitimate stake. So things then came full circle—the partners, led by Charles, viewed her frustration as evidence that she really didn't deserve to be taken seriously—and on it went, round and round and round, unceasingly.

Joe had heard the complaints. "Isn't it part of her job to make the firm grow?" "What are we paying her for?" You couldn't really blame her, though, Joe thought, when people never really gave her a chance.

Joe's instincts told him that Tiff wanted to do the job well, but that she hadn't figured out how. Teaching her how . . . he supposed that would become his new job, or one of them. Still, Joe wondered, how was he supposed to teach Tiff how to take the lead in an area he didn't understand himself? He was a CPA, for crying out loud, not a marketer.



“Round up the usual suspects!” That was the command from on high in one of his favorite movies. This was his own group of “usual suspects”—his ragtag band of more senior partners plus three key staffers, of whom precisely one was clearly qualified for the job she held. Perhaps not the most promising group ever assembled, Joe allowed. But it would have to do.

Joe in the Snow

Joe sat wedged in the narrow seat, grateful at least that the Minneapolis-to-Philadelphia route was still traveled heavily enough to allow for full-size planes. Especially, he thought, since a freakishly early snowstorm had hit the Twin Cities that morning, and the plane had barely gotten off the ground before the cancellation notices started hitting the display monitors. He had to go through O'Hare, and that was a pain, but at least he didn't have to take off in a puddle-jumper during a snowstorm to go visit his friend.

Joe had met Alex Weinstein in June, at a meeting of the CPA Growth Alliance, an association of American and international CPA firms. They had hit it off over drinks in the bar, establishing an easy camaraderie with talk of college sports. Joe had played quarterback at Notre Dame (though not often; his top spot was third on the depth chart), and Alex had been on the lacrosse team at Pace University in New York City.

When the talk had turned, inevitably, to business, Joe had been astounded by the numbers Alex reported. Joe had limped into the

meetings toting a measly 7-percent growth rate and felt blindsided to hear about growth rates among comparable firms in excess of 20 percent. Jeez, the *aggregate* for the top 100 CPA firms last year was above 16 percent—more than twice what Crandall & Potter had managed. Even more distressing was the fact that C&P had slipped out of the top 100 because of its lackluster growth rate.

What's more, Joe realized after looking at Crandall & Potter's latest growth numbers, most of his firm's 7-percent growth consisted of price increases, so in a sense it didn't really count.

Looking back, Joe found it remarkable that he had not felt an overpowering eagerness then to learn everything he possibly could.

He and Alex had compared notes, and Joe learned a little something about Weinstein & Federman, Alex's firm. Founded by Alex's father, Weinstein & Federman had puttered along, a sleepy firm with no real ambition, until Alex took over about 18 years ago.

What a trip! Alex had said. *Oy vey! The partners hardly knew what hit them!* Alex had started making changes immediately, and anyone who wasn't keen to get with the program was cordially invited to seek employment elsewhere.

His age at the time hadn't helped, either. Alex had been in his mid-30s, and there had been resistance to his authority, along with his plans.

It had worked, though—Alex had made it work. Some of the details blurred in Joe's memory, but he had no difficulty calling to mind the key figures: Weinstein & Federman was a \$35-million firm with 20-percent-per-year sustained growth. Twenty percent a year on \$35 million! Joe was deeply, profoundly impressed.

When talk had turned to Joe's own firm's performance, Joe's courage had faltered. Reluctant to own up to what suddenly felt like nearly criminal underperformance, he had sidestepped the question and told stories instead. He'd thought they were humorous tales shared by one MP with another, but he could tell by Alex's responses that he sensed problems behind the humor. Or maybe he just sensed my uneasiness, Joe told himself. He thought they'd both been more comfortable when they'd steered the conversation back to more casual topics.

There was no uneasiness when they swapped tales about kids and college choices, and they'd discovered that their personal backgrounds were quite similar, despite the obvious religious and ethnic differences. They'd chatted briefly a few more times during the conference, and when they'd left Chicago, Joe believed they both felt a solid bond of friendship.

Now Joe was on a plane, bound for Philadelphia. When he'd called Alex last Thursday afternoon, Alex had sounded glad to hear from him. He'd also seemed entirely unsurprised when Joe sketched out the situation.

"No problem, none at all," Alex had said. "In fact, your timing couldn't be better, if you can act fast—and I mean *really* fast. We've got a pipeline review slated for next Monday afternoon, and then Tuesday we'll have a segment leader meeting and a staff meeting. Do you think you could hop on a plane on Sunday?"

Well, of course he couldn't, and he'd said so at once. Hop on a plane? In three days' time? Obviously that was out of the question. "You know I can't do that," Joe had pointed out in a pained voice.

"Please think about it," Alex had replied in his friendly manner. "You've got a real problem on your hands; you said so yourself. If the future of your firm is what's at stake here, you can't reschedule a few meetings?"

"I don't know," Joe said. "When you put it that way . . . But—I don't do things that way. *We* don't do things that way! CPAs! You know that."

"I do know," Alex replied evenly. "I know that CPAs can be the most hidebound creatures on the face of the earth. But I also know something else. I know that flexibility can be an asset. As I said a minute ago, just take some time to think about it. While you're doing that, you might want to consider which meetings are more important to your firm's future—the meetings next week that you don't think you can postpone, or the meetings here that could show you a whole new way of doing business.

"Take some time, talk to your people, and see if you can't shift a few things around. Give me a call back if you can make it."

And so he'd dawdled and dithered and changed his mind five times in the space of three hours. Warring within him were two strong impulses. The first was convention. CPAs simply did not stop everything and jump on a plane at the drop of a hat! The second, though, was desperation. Joe had a natural fondness for the first priority, but as the day wore on he began to accept the inevitability of the second.

What choice did he have, really? His leadership effort at this firm was sinking, and his friend had offered to throw him a lifeline. He could ask Kevin to meet with the chemical company Monday morning, and Eric was already slated to lead Tuesday's discussion with the hospital administrators. Those were the two most important items, and everything else could be rescheduled easily enough.

So reluctantly, but with a sense of bowing to inexorable fate, Joe picked up the phone again just after five o'clock. "Can you come?" Alex asked when he picked up the call. "Can you see your way clear to get out here?"

Joe could and did. Now he found himself stuffed into his last-minute, cramped middle seat, nervous and uncomfortable, hurtling eastward through a blinding snowstorm, caught up in what could be the ride of his life.

Culture Shock

Joe sat alone in his hotel room Monday night and tried to collect his thoughts. Today had been an eye-opener. In fact, even that was a huge understatement. Closer to the truth would be this: Joe felt like he'd spent the entire afternoon getting hit between the eyes repeatedly by a two-by-four.

The resemblance between Weinstein & Federman and Crandall & Potter consisted of the following: They both called themselves CPA firms. That was it—beginning, middle, and end. It couldn't even be said that they both had managing partners, because he and Alex were both managing partners only in the sense that the guy who wrote "Three Blind Mice" was a composer alongside of Beethoven.

Joe rubbed his eyes and sighed. Then he grabbed his notebook and returned to the little table in the corner. He would try to jot down some more notes while things were fresh in his mind.

First, it was clear that Eric had been well informed about how well-disciplined firms developed and pursued leads. The pipeline review meeting today had been structured and streamlined. Every current opportunity was reviewed and every potential opportunity scrutinized during a withering general inspection.

Was this opportunity something in which the firm had expertise? If not, the “opportunity leader” was encouraged to rethink the strategy immediately, and the group moved on. (Eric’s words about his friend Brian’s firm came back to Joe: “They only chase promising leads. . . .”) W&F partners worked in teams, and people were assigned to leads based on criteria Crandall & Potter had never used—relationship skills, chemistry, and similarity in background between partner and prospect. (A new lead “goes to the partner who’s best qualified.”)

The revelations weren’t confined to review of new leads, either. It was already clear to Joe that Alex’s key staff—marketing, business development, and others—worked hand in glove with partners, respect extended and accepted on all sides.

Not everything he’d seen or heard today made sense to him, by a long shot. For instance, he’d heard several references to “divide and conquer,” and there also seemed to be a heavy focus on “communications vehicles.”

Perhaps most important of all, at no time during the entire afternoon had Joe ever gotten a whiff of anything even remotely resembling, “That’s *my* client.” He knew that at Crandall & Potter, they wouldn’t be able to hold a five-minute meeting without that claim elbowing its way into the picture—prominently.

This is a wholly different beast, Joe thought, and I had no clue that such a thing existed.

He sat for a minute trying to imagine his own partners in this scenario. After a few minutes, he gave up. No matter how fiercely he tried, he

simply could not fold Charles and Kevin and Harold—good heavens, Harold!—into the scenario he'd witnessed this afternoon. His imagination simply would not cooperate. It was like trying to imagine a Pop Warner team playing in the Super Bowl.

Indigestion for Breakfast

Tuesday evening found Joe back in his room again, alone, with a head that was all but spinning from the day's activities.

He and Alex had gotten a "running start," at Alex's suggestion, by meeting for breakfast that morning. Joe led off the discussion by regaling Alex with his attempts to imagine his partners behaving this way.

"It's a farce," he'd complained. "Your people are so focused, so motivated. They're committed, and committed *together*, to the same things—you can see it in their eyes even if you couldn't hear it in their voices, or understand one word coming out of their mouths. They are completely, one-hundred-percent different from my group.

"So how am I supposed to compete successfully with a group of second-rate partners?"

Alex had thrown back his head and laughed, that deep, hearty laugh Joe had found so appealing in Chicago. "And you think they were born that way?"

What had transpired was a mini-lecture from Alex on professional growth. "I do this full time, Joe. It's my job, ten hours a day, five days a week. My job is the partners. I'm their coach, their mentor. And that's *now*, when they're already there in terms of skills and attitude. I'm always fine-tuning the engine, day to day.

"When we started, though, believe me, you couldn't tell my people from yours. Here's how it went: Everybody had their own territory staked out. Everybody hid their best leads. Nobody told anybody anything, and nobody ever helped anybody else. It was each man for himself, and the devil take the hindmost."

That description sounded disturbingly familiar, and Joe said so.

"I know," Alex replied crisply. "It's *always* the same story. You remember the old saw from Tolstoy—that all happy families are alike, while the unhappy ones are unhappy in different ways?"

Joe had a vague recollection, but it was some years since he'd troubled to read Tolstoy, so he merely nodded.

"Well, I think he got it wrong. I think it's the *unhappy* families who are alike. They all do the same things. They hide their toys, and they won't share. They keep secrets, and they snipe at each other when their backs are turned. And if—no, not if, *when*—things turn out poorly, they practically tear a muscle pointing fingers at each other. When you have an underperforming group, it always works that way.

"I've spent the last several years helping a number of guys like you, Joe, and, believe me, the stories I hear are always pretty much the same. Your group's no different."

Alex gave Joe a moment to digest that, then went on. "Tell me, when we were at that meeting last summer, you heard a lot of this stuff being discussed, right? What was your reaction then? Did you decide to move on anything you heard?"

Joe hung his head for a moment, then lifted his chin and spoke. "No, I didn't," he said. "Instead, I suppose I made excuses. The general numbers that were bandied about, well, they were just aggregates, they didn't represent any actual firm.

"Then you and I talked, and, okay, here was a real firm that was growing like wildfire. I suppose I thought of ways to make your firm seem different. I remember thinking that Minneapolis is a much smaller market than Philadelphia." Joe paused for a moment, but Alex remained silent. "Another difference was that, since you're in Philly, with all those universities, your recruitment effort isn't always starved for young blood the way ours is."

"And you saw no growth figures for Minneapolis firms?"

Joe's face began to redden, but he knew Alex intended no malice, so he forced himself to continue speaking honestly. "No. I did. After the big Enron convictions, the *Minneapolis/St. Paul Business Journal* ran a

story about Sarbanes-Oxley and the changes in the profession. The information was there—three local firms with high double-digit growth. One a tad above twenty, I think. I saw it. I was probably amazed by it. But I’m ashamed to say that I never looked into it, never asked myself or anybody else what the difference was between those firms and ours. I didn’t ask.” Joe lifted his hands and turned up his palms, then folded them on the table and looked down at them.

“I didn’t ask,” he repeated.



After breakfast, Alex and Joe had driven to Alex’s office, and Alex had immediately introduced Joe to his right-hand person, Katherine Witt. Katherine’s title was director of practice growth. “But don’t let that fool you,” Alex had said in Katherine’s presence. “She does everything. She’s amazing. She handles the business development function, too, and does both jobs magnificently.”

Katherine had laughed, shaking hands, and said, “Believe everything Alex tells you.”

Joe sat in on two meetings on Tuesday, a segment leader meeting and later a staff meeting. His head reeled as he continued to take in this utterly new approach. He noticed that the Weinstein & Federman group was broken down into teams, and that everything was designed to support those teams.

He began to get a sense of what “divide and conquer”—that phrase that kept popping up yesterday—actually meant, and then Alex spelled it out at lunch. “When you’re developing an opportunity,” Alex explained, “you divide the decision makers up and assign people to develop relationships with each of them one on one. Divide and conquer.” Joe nodded in appreciation.

“It’s something CPAs don’t do instinctively, so you have to reinforce it constantly. But it’s crucial, because it works.”

Throughout both meetings, Joe marveled at the extent to which W&F partners took responsibility and ownership. And Katherine, in

her capacity as business developer, was clearly an integral part of all efforts involving significant opportunities with both current clients and prospects.

At the staff meeting, Joe watched in amazement as various matters were discussed and resolved. Decisions were made! Real decisions! Substantive decisions! Decisions were *not* made at Crandall & Potter; instead, matters were tabled. But they don't table things here, Joe observed—even the messy, difficult things. They dive in and wrestle messy problems to a conclusion.

Finally, Joe was surprised at the level of give and take, at the openness of partners and their willingness to share seemingly everything they knew with the others. He could not in his wildest dreams imagine such a free and open exchange taking place at Crandall & Potter.

In fact, as the afternoon wore on, Joe found his thoughts focusing more and more on increasingly unflattering comparisons between the two firms, the two sets of partners and key staff. Where staff was concerned—in this case, Katherine Whit versus Tiff and Ty—there frankly wasn't much to compare. Tiff and Ty together couldn't hold a candle to Katherine. In fact, the very idea of such a comparison felt ludicrous.

Where the partners were concerned, Joe again found his group on the light side of the scale, even taking into account what Alex had said at breakfast. The partners Alex had assembled seemed focused and committed in a way he could not envision with his own group. He thought again briefly of the partners who sat on his executive committee—Eric, Kevin, and Charles—and compared them to Alex's management committee.

Even the best of his bunch, Eric, was mostly potential—a diamond in the rough. Kevin suddenly seemed like very small potatoes. Joe racked his brain, allowing his attention to wander from the meeting, in an effort to call up one single major opportunity that Kevin had ever even chased, let alone won. No. He couldn't think of a one.

Last, Charles—and at the thought of Charles, a sigh escaped from Joe's lips that was audible enough to draw glances from people seated near him. *How can I have a guy on my executive committee who's*

completely uninterested in being a leader in the firm? Joe wondered. *How can I have a guy on my executive committee who isn't willing to work with anybody?*

The answer that always came back—that Charles provided a security blanket where potential lawsuits were concerned—just didn't seem to cut it any longer as justification.

Joe sensed that his thoughts had started down a dangerous path. *I don't need to think about this stuff now*, he thought. *I'm here to listen to Alex's people, not to obsess about my own.*

Joe did just that. He listened. For the rest of the afternoon, he listened.

A Toast to Hope

By the end of the day, Joe had a ton of notes and a heart full of hurt. He felt as if his own firm, Crandall & Potter, a respected name in the Minneapolis business community for nearly 50 years, had been exposed as a pretender. Even Old Man Potter, who normally was regarded with a respect bordering on reverence, was coming in for some licks.

After all, Potter had thought—and preached—that the sum of all wisdom in seeking new business was contained in his maxim, “Do good client work, and the business will follow.” *We should have been changing course long ago*, Joe realized. *Then we'd have been in position to take advantage of the wealth of opportunities Sarbanes-Oxley opened up.*

During dinner, Alex tried to draw Joe out on the subject of his plans. He offered, gently, to come to Minneapolis and facilitate a partner session, but Joe declined the offer.

“Alex, I've learned so much here,” Joe said. “I really feel like I've got a solid grasp on the essentials. I'm going to go back home, put together a plan of attack—schedule a pipeline review, start thinking about our annual retreat, which is coming up in about a month—and go from there. I think I can do it.”

Alex smiled enigmatically. “Let's hope so,” he said. He leaned back from the table. “You know, when I started this process at Weinstein, I

needed some serious help. My executive committee was a mess, and my staff was very limited in the way they approached their jobs. My father held onto the MP position for a long time despite his age. He'd let things drag along in the old patterns for so long that everybody felt entrenched, even though the patterns were all dysfunctional."

"That's the way it is with us too," Joe replied. "Al Potter put together a pretty good group of CPAs, but it's not a group of people who work well together. Guys do the work that's on their desk, and they think it's pretty much up to a few rainmakers to bring in new clients. Just about everything that got talked about today is an area in which I'd have to say we've got problems."

Alex picked up his glass, took a long look at the light dancing off the brown liquid, and replied very carefully. "You still think you can take it on single-handedly, then. You think you can slay this beast."

"I do think so, Alex," Joe replied earnestly. "It may be a mess, but it's *my* mess, and I want to see if I can find a way out myself. You've shown me how to do it—in these meetings, and with the materials you've given me to take home."

Alex sat for a moment, then shook his head slightly. "Joe, I need to be honest with you," he said. He paused for a moment, and Joe nodded. "I've seen a couple of people try this alone, on their own. What happens—no matter how much preparation they do or how diligently they work to replicate methods that've succeeded elsewhere—they end up spinning their wheels. They just can't get it right on their own, no matter how hard they try."

"That's what you're saying?" Joe asked. "You're saying I'm not smart enough, or savvy enough, to carry it off? But *you* did."

"Not all on my own," Alex insisted. "I knew I needed help reforming my crew, so I went out looking for it. I knew of a guy—the older brother of a close college pal, a friend who had a key role in my wedding ceremony. Aaron's brother had a CPA firm that had just exploded with growth. I called Aaron, he called his brother David, and David met with me. And after he'd gotten to know me a little, he agreed to take me under his wing. I'll tell you, Joe, it was an *enormous* investment of time

and energy on his part, and I'll be grateful to him till the day I die. If I gave you the impression that I did it all on my own, I certainly didn't mean to."

"And now you want to pass it along to me," Joe said thoughtfully.

"Well, that's not your only choice," Alex said. "There are also consulting firms that do exactly what I'd do—help you set things up in advance and then guide you through the process."

"I'd rather work with you than with someone I don't know," Joe said. "But I also have to be honest. I think I've learned a lot during this visit. And I think my partners will take this better if it comes from me rather than an outsider."

"Really," Alex said. "I've found the exact opposite to be true—that people won't listen to someone they know, but will pay attention to someone from the outside, especially if that person has a proven track record."

"You may be right," Joe said. "But I really do want to give it my best shot before I call in the cavalry."

Alex shrugged, Joe picked up his drink, and they touched glasses. "To the new regime at Crandall & Potter," Alex said.

"Hear, hear," Joe replied. His tone was fervent, but even more than that, it was hopeful.

Joe's Dreams . . . Joe's Mission

I need to turn in, Joe thought. It's two more flights tomorrow, then I get to dig my car out of the parking lot at the airport. But still he sat, glass in hand, allowing a few lingering thoughts to play out in his mind's eye.

More than anything, he kept wondering how he'd managed to ignore for so long the signs of change in his profession. There had been an onslaught of information, really, yet he'd managed to close his eyes to it all. "*Nose down to the grindstone, not up to the wind.*" He sighed.

Other thoughts kept fighting for a foothold, and he finally relented. He allowed full rein to the frustration and jealousy—*there, might as*

well call things by their right names—that he'd felt periodically throughout the day. He found himself comparing his accomplishments with Alex's. They'd both started out with roughly the same advantages. It's true that Alex had inherited his firm from his father, but Joe knew it was much smaller than Crandall & Potter when Alex had taken it over. The difference was Alex, and the changes Alex had made.

Alex had adapted, Joe knew, while he had not. He explored possible reasons for his own passivity and wondered why his posture had essentially been defensive. *Did I focus so much on survival—both for me and for the firm—that I grew blind to the possibility of seizing opportunities?*

As Joe continued down this melancholy path, his concerns grew broader. He thought about the priorities he had established during the last 20 to 30 years. Maybe they had been *de facto* priorities, but they counted all the same.

Where did those years go? Had he used them wisely? Thirty years ago, Joe remembered, he and his wife, Becky, were just starting out, she with the kids and he with his career. His major concerns then revolved around the basics: paying the bills, building a nest egg, putting aside some money for the kids' college. Now the youngest of their three was finally out of school—Vincent had gone to Notre Dame, like his old man—and all the old dreams had been forged into realities. Were there no new dreams to take their place?



I'll start with this, Joe thought, *and if it's not a dream, well, at least it's a mission—the need, and the willingness, to change and grow.*

Joe knew he held the seeds to success in his hand. During this two-day visit, he had witnessed a wealth of winning ideas in action: best practices, ways to achieve growth, the positive way in which peer pressure primes individuals' competitive juices in driving growth.

Joe then turned the harsh light of reality on himself and his partners and tried to achieve an honest assessment. Point One: He should have

woken up and smelled the coffee in June, at the meeting in Chicago. He hadn't, and that was his failing.

Point Two: He was not a stupid man, nor even an especially obtuse one. There was more to what he'd heard in June than just the numbers. He'd grasped enough at that meeting to understand that significant growth came to firms that were willing to make sea changes in their ways of doing business.

Point Three: For a multitude of reasons, he'd believed instinctively that such changes were too sweeping to be practical at a hidebound institution like Crandall & Potter. What he'd heard described would require a huge commitment in both time and money from an executive committee that had slapped down his request for the wherewithal to function as a true managing partner. *For two years, I've been saying I need to give up my book of business and put myself on this full time*, he thought. Ruefully, he remembered the "offer" that had come back, that he was welcome to give up his book of business—with no guarantee that he could get it back if need be, and with no commitment to back his efforts as full-time MP.

So it's a structural problem, Joe concluded. That means the only solution is to change the structure.



The changes Joe had in mind would rock the foundations of Crandall & Potter more deeply than even he understood. Before it was over, many people would wonder if this sleepy Minneapolis accounting firm could withstand the strain.

And We're Off!

Joe sat at his desk, bright with expectation. Fifteen minutes from now, Crandall & Potter would hold its first-ever pipeline review meeting.

Working from sample forms Alex had given him, Joe had fashioned a brief e-mail message and circulated it immediately upon his return. It directed the partners, plus key staff, to gather all their "active opportunities," plus basic data about them, and forward the information to

Tiff. Further, everyone was directed to come to the meeting prepared to talk about these opportunities. Tiff had been tasked with assembling the opportunities and presenting them in comprehensive form for consideration at this historic first pipeline meeting.

Finally, Joe had directed Jackie Brown, the COO, to run segment numbers for the firm, to allow him to assess their current revenue breakdown by service line and industry. He'd given the job to Jackie immediately upon his return and expected to see the numbers shortly.

As the minutes ticked away toward 10 o'clock, Joe was aglow with anticipation. Change was finally under way at Crandall & Potter! The dinosaur was throwing off its scales at last!

What Joe had not been privy to was the reaction his message had elicited. Everyone knew he'd been to Philadelphia, and the general sense—confirmed when the e-mail message came out—was that he'd been off studying some new way to drum up business. Eric had worked hard to generate support for the forthcoming effort, but his enthusiasm had fallen on deaf ears.

When the message hit their inboxes, many partners simply hit delete after jotting down the date and time of the meeting. Others tossed the request to the side. They'd been through this kind of thing before. There had been attempts to streamline prospecting efforts in the past—hey, weren't they on their third business development person right now?—so a “new” approach was old hat to them. There had even been a joke going around in the lunchroom. Someone had made a comment about “soup du jour,” and someone else cracked, “‘Pipeline review’—that's *program* du jour!”

Eric had stood tightlipped in the corner, then slipped from the room unnoticed. He wished Joe knew how things really stood with his “team”—but maybe he was better off not knowing. At any rate, it was too soon to go back to Joe with another “bad news” message.



At 10:20 a.m., Joe sat at the head of the conference table, dumbfounded and deflated. Once the meeting had begun, disillusionment had set in quickly.

On the positive side, all the partners had showed up for the meeting—well, everyone but Harold, and he hadn't graced them with his presence at a meeting in, what, five years or more? So that hardly qualified as a surprise. A little more than half the partners were physically present in the room, with the rest patched in by telephone. Tiff and Ty were there, with Tiff seated—rather nervously, it seemed to Joe—to his immediate right.

Joe opened the meeting by outlining the basic concept of a pipeline review. Working from Tiff's spreadsheet incorporating all the active opportunities that had been reported, they would discuss each opportunity individually. During his opening remarks, Joe moved his eyes around the table, hoping to receive nods of acknowledgment. Instead, he saw mostly noncommittal stares, mixed in with a few stifled yawns. Frank Pierce was already drumming his fingers on the table, making no effort to hide his disdain for the whole endeavor.

Joe asked Tiff to distribute the spreadsheet, and trouble set in at once. First, although there were 35 leads listed on the spreadsheet, Joe quickly calculated in his head that the dollar amounts totaled about 2 percent of C&P's annual revenues. In a firm of their size, Alex had told Joe to expect to see somewhere between 10 and 20 percent of annual revenues in the pipeline.

The second problem lay in the names that were attached to the opportunities. Everyone who had provided information to Tiff was included on the spreadsheet. But of the 24 partners at Crandall & Potter, only 8 names were listed.

Also noted beside each lead was the potential dollar amount for that opportunity, with the aggregate total for all opportunities recorded at the bottom of the column. And the addition was wrong! In a CPA firm, the marketing director—using a spreadsheet!—couldn't add up a list of numbers!

Joe felt a dull pain set in behind his eyes.

It was just the beginning.

Dream On, Joe!

It didn't take long for the addition problem to take center stage.

"Uh, Tiff, I think we've got a problem here with this total," Eric said.

"That's right," Ben Spencer chimed in. "There's way too much here to be . . . just under two hundred thousand? No. Let's see . . ."

Heads bent to the problem immediately, and Joe could sense Tiff stiffening in the seat next to his.

"Well, the first thing is," Eric began, "do we really have a lead for fifteen hundred and another for . . . two thousand?"

"Hah!" Frank's sarcastic chortle split the air.

Ignoring the outburst, Eric turned his eyes kindly toward Tiff. Red-faced, she refused to meet his gaze, keeping her eyes glued to the paper in front of her.

"Tiff, I think what must've happened," Matthew Hanover put in, "is that a long series of numbers got dropped somehow from the equation. This should be more like four hundred altogether." Matthew's voice was kind, too, and as always very earnest. At age 27 the youngest member of the firm, Matthew took everything seriously, and made no effort to hide it.

Unfortunately, not everyone was willing to overlook Tiff's mistake, and as Joe heard the snickers, he decided to move the discussion along.

"Yeah, it looks like about four hundred to me, too, so let's go from there.

"Actually, though," he added, "we have to back up, because there's lots of stuff missing here—or I certainly hope there is. Let's start with the fact that it looks like only eight people are on here." Joe turned to Tiff. "This sheet includes everybody's responses to my e-mail?"

"Yes," Tiff replied, "everyone who gave me information."

"I'm not on here," Ty pointed out.

"You're not a partner," Tiff blurted out, surprised enough by the tartness in her pal's voice to lift her red face from the spreadsheet.

"That doesn't mean I don't have leads." Ty sounded petulant, Joe thought—like a schoolboy who'd just found out his extra-credit project

wouldn't count. "Ty *always* has leads," he insisted, frowning. "Ty has plenty of leads!"

"But you didn't get the e-mail."

"Yes, I did!"

By this point, Tiff had forgotten her earlier embarrassment, so intent was she on making sure she didn't get railroaded into taking the blame for another error. "Well, you didn't send anything back to me. You didn't send me *anything*! I know you didn't, because I've got all the responses right *here*!" With a flourish, Tiff pulled a slim manila folder from a stack and brandished it triumphantly.

"Of course I didn't," Ty replied. "Why would I send it to you? Ty has it all *right here*!" With an even bigger flourish, Ty produced his own document—a two-page, stapled spreadsheet, of which he seemed to have come equipped with a single copy.

"Let's take a look," Joe said, hoping to put a stop to the antics. Ty passed it over, then sat back, arms draped casually across his chest and a smug smile plastered firmly across his face.

Joe glanced at the paper, then forced a smile. "All right. Since this stuff is not on the master pipeline, we're going to need copies for everyone." He glanced over at his right-hand person with a smile. "Jackie?"

Jackie took the spreadsheet and moved into the hall to flag down an assistant. When she stepped back into the room, Joe still had the floor.

"Until those come back," he was saying, "let's get back to our main pipeline. All right. The first problem here is that we don't have everybody's input. So let's just go around the table. Tiff, you can take notes, and we'll add them to what we have already."

Joe started to speak again, then turned to Tiff, who was rising from her chair. "Tiff?" he asked.

"Well, I'm gonna go grab a calculator. If you want me to keep track."

"No, no," Joe said, "we can do this in our heads. Then you'll clean it up and print it out again later. Right now we just need to get the information out."

"If you're sure," Tiff said.

"Unbelievable!" Frank put in.

Joe could hear more snickers, so he turned quickly to his left. “Durwood, what’ve you got?”

As it happened, Durwood Poole had nothing, or so he said. Was that a surprise? Joe wondered, and he decided that it wasn’t. Even for an elder partner known for his solid if unexceptional performance, having zero new business on the horizon qualified only as “What else is new?”

Sadly, Durwood wasn’t the only one with no new irons in the fire.

“Smith?” Joe asked, when he’d gotten to Smith Smoot.

“Yes, I have several leads,” Smith replied. “I guess I didn’t send them to Tiff because, the problem was, well, I wasn’t sure where to put them.”

“Where to put them?” Joe echoed.

“On the sheet,” Smith explained. “The attachment you sent. I wasn’t sure if the leads I had were qualified or not.”

“All right,” Joe said. “That’s fine. Let’s get ’em out here and talk about them. We’ll find out if they’re qualified or not.” Joe was hoping this would not turn treacherous: Smith Smoot was a good young accountant—a bit younger than Eric—and he’d made a real name for himself in the relatively new business valuation specialty. But despite his accomplishments, he could be maddeningly defensive about his work. On the other hand, Joe couldn’t hold that against him too much. If he hadn’t grown up saddled with a name like Smithton Smoot, who’s to say how he’d’ve turned out?

“Well,” Smith began, “I have three leads that I believe might be regarded as qualified. One is for a large dental practice. The founding dentist died, and the remaining dentists need to buy out his share from the widow. They need a business valuation done. So,” Smith concluded, “I believe I would call that qualified.”

“That sounds *possibly* qualified,” Joe said carefully, pleased to be able to move into a teaching role. “A qualified lead would generally be one that incorporates both *need* and *potential*. That means their need is pressing enough that they *have to* make a decision, that they have the money to pay for our services, and, finally, that whoever you’re talking

to is authorized to make the decision. Does this opportunity fit that definition?”

“Yes, I think so,” Smith replied, “because they have to value the business to buy out the widow . . . they’re doing well financially . . . and there’s one partner in place who’s empowered to make the decision to hire us. That’s need and potential.

“But, on the other hand,” Smith went on after a brief pause, “there is some competition from a couple of other CPA firms, so it’s not a done deal.”

Durwood had looked as though he’d been napping, having apparently lost interest after making his personal report about nothing. At this point, however, he opened his eyes and leaned forward. “Joe, I’m a bit confused about ‘qualified.’” Durwood stopped, as though uncertain of how to phrase his thoughts, and Matthew, who had developed a rapport with the older partner while assisting on some projects, stepped in smoothly to help.

“I had the same thought, Durwood. It’s not like auditing, where a qualified opinion is not a good thing. It sounds as though, in business development, a qualified lead is *better* than an unqualified one.

“I have a couple of leads like that myself,” Matthew went on. “So I’m not real clear—are they qualified or unqualified?”

“A couple of leads like *what*?” Joe asked. “We really need to slow down here, maybe back up and go over some definitions.”

The dull ache behind Joe’s eyes had turned into pounding, but he knew there was no choice but to forge ahead. “Let’s start by looking at the categories . . . ”

The next 10 minutes were devoted to studying and absorbing the differences between the two kinds of leads:

- Unqualified (Based on an initial discussion, the prospect might have a need.)
- Qualified (Discussion has clearly shown that they have both need and potential—that is, adequate “pain,” the money to fix it, and a bona fide decision maker.)

“Now, are we all clear on that?” Joe asked finally, and, getting nods around the table, went on. “Okay, next let’s talk about the status codes that are applied to opportunities.” He outlined four possibilities:

1. Final (C&P is awaiting the prospect’s approval)
2. Proposal (a proposal or engagement letter has been issued)
3. Qualified lead (based on the definition above)
4. Unqualified lead (based on the definition above)

“All clear?” Joe asked at last. “It’s important—no, vital—that we’re all on the same page about these pipeline components, because the pipeline is going to be a key part of our approach to every new opportunity from here on out.”

“Well,” Joshua Huberman asked, “where on the pipeline do I put a company we’d *like* to do business with?” Joe was mildly surprised that Josh had even asked a question. He was by far the quietest member of the firm—he made Charles look outgoing—and was also, frankly, the partner least likely to bring in leads of any type.

“Nowhere!” Ty pounced gleefully on the quiet man’s error. “That’s a *suspect*! And those don’t belong on a pipeline, since there’s no reason to believe they’d ever want to do business with *us*.” He then added, with another frown, “Ty could explain all this to you, if you’d only ask.”

Despite his distaste for Ty’s antics, Joe had to endorse his statement. “That’s true, Josh. Suspects are the stuff of pipe dreams, not pipelines.”

With the definitions fleshed out, Joe hoped that they were all, at long last, on the same track.

Dream on, Joe!

Fancy Notepaper

After three partners in a row said they had no prospects to report, Joe decided to try a different approach. “Think of it this way,” he said. “It’s just . . . Who are you meeting with? What are you talking to people about?”

He took a deep breath. “With that in mind, we’ll try again. You’re next, Ben. What’ve you got in the fire?”

Fortunately, Ben Spencer had four leads, which brought the total number to 43. More than an hour later, the number stood at 49. Getting there, though, had been like pulling teeth.

Matthew had three leads, but getting the basic data on those three—name of company or organization, contact, current provider, and potential total revenue—involved sifting through more detail than anyone else at the table cared to endure. Smith Smoot, when all the concepts had been untangled, had three leads as well.

As the conversation picked up steam, the partners’ enthusiasm had grown along with it, despite the occasional barbs lobbed out by Frank. People started making notes on Tiff’s spreadsheet, then on notepads they’d brought along.

Durwood Poole had come emptyhanded, and he sat for a while affecting an air of supreme disinterest. Eventually, though, as the list grew, and the other partners continued to make notes and update the running totals, Durwood suddenly decided he felt left out. He shifted in his seat, then reached inside his coat pocket and found a pen. He reached down for his notepad and found himself without one.

He then stole a quick look around the table and decided it was safe. As unobtrusively as possible, he lifted his Starbucks cup slightly and slid the small brown napkin out. Glancing around rather than looking down, Durwood proceeded to unfold the napkin and spread it out into the largest surface it could provide. He then began jotting down a few notes of his own—taking care to press down very softly, to avoid tearing his “stationery.”

Joe noticed it immediately and stared in horror, but then it suddenly struck him as funny. Durwood Poole, the third oldest partner in the august firm of Crandall & Potter, reduced to making notes on a Starbucks napkin. What a terrific metaphor for this entire bunch of partly interested, half-committed partners.

A Starbucks napkin, for heaven’s sake!

Finally, someone else noticed. "Hey, nice letterhead, Durwood!" Jake Billings sang out. As heads turned in Durwood's direction, astonishment was followed by laughter.

"I didn't realize . . ." Durwood began, but he stopped when he realized where that thought was going. He hadn't known he'd need to take notes during a partners' meeting?

"Here," Eric said, ripping a section from his notepad. "One for all, and so forth, right?"

In a strange way, Durwood's gaffe seemed to unite the group in seriousness. Maybe this wasn't such a dumb idea after all.

"I Know the Controller!"

The count stood at 52 possible leads when the next rupture took place. Jake Billings had just announced a prospect—a general contractor specializing in medical office buildings—that had seemed solid a week ago but now appeared to be slipping away.

"Which firm, Jake?" Kevin called out. "Tiff has everything about this company but its *name*."

"Sorry," Jake said. "I thought I said that upfront. It's Medico Builders."

"Medico!" Kevin snapped. His jaw was clamped, and the veins stood out on his neck. "You're chasing Medico? And it's worth forty thousand? And you didn't tell me? My cousin is the controller for Medico, Jake! We could've waltzed right in the door!"

"So where do we stand now? How far along are you? Who're we up against? Why do you think we're losing it? And *why the devil didn't you come ask me for help?*"

Jake leaned back in his chair and lifted his chin. "Why would I come to you about Medico, Kevin? It's not your area, it's construction."

"But he's my cousin!" Kevin insisted.

"And I'm supposed to know your whole family tree?"

Both men were getting hot under the collar, so Joe decided to intervene. "Hey, everybody, calm down. This is actually a good thing," he

pointed out. “This is one big thing these pipeline reviews are designed to help with. By talking about our leads *together*, everybody learns what everybody else is working on, and if they can help out, they do. Otherwise, Jake, you’re right, there’s no way for you to know.

“And Kevin, you’re right too, because you could probably have made a huge difference if you’d gotten involved with this one at the start. But it’s not too late, and from now on, you two work together on Medico.”

“That’s right,” Ty put in. “Working together—that’s the key. That’s what Ty’s been trying to tell you guys for the last year. It’s all about pipelines, and about coordinating our shots!”

Tiff could see that her friend’s comments were not finding a positive reception, but apparently he could not. “And who’s the *one guy* who’s here for the *express purpose* of helping you win these things? It’s *me!* Ty! You just have to come and ask!”

“Yes, Ty, that’s certainly true,” Joe cut in. From the look on Ty’s face, it wasn’t at all difficult to divine the words that might be on the verge of slipping out. Joe half-expected Ty’s next comment to be “You guys have been stiff-arming Ty for a year! Maybe you’ll listen now!” Since no earthly good could possibly come of such a declaration—and since Joe thought he might gag if he heard Ty refer to himself in the third person one more time today—Joe decided to change the subject by calling on another partner.

Perhaps consciously, perhaps unconsciously, Joe had called first on the partners from whom he had a reasonable expectation of leads. As he moved beyond those partners to others who had nothing to offer, the conversation began to degenerate.

Two partners, it turned out, were working on the same small consulting firm. “That firm has two consultants, and we’re working—separately—with both?” Joe couldn’t believe his ears. “We’re competing against ourselves!?”

At the other end of the table, two partners started bickering about who had made the initial inroad with a company that represented one of the largest opportunities on the entire C&P slate. Joe tried to referee the discussion for a moment or two, then lost his patience.

"Stop the bickering, for Pete's sake!" he snapped. "The point is the business—not who brought it in the door."

He decided to make one more effort to pull the meeting back on track and get to the few partners who remained, before throwing in the towel—for today, at least.

Charles's Big Tuna

As he glanced at Tiff, who was bent studiously over her notes, Joe considered the partners' reactions to the information she was so diligently recording. Most seemed pleased to learn there was so much potential business they hadn't known about. Comments along the lines of "You're kidding! I didn't know we were working on that!" and "How did we get our foot in *that* door? That's terrific!" had been echoing about the room.

He wasn't sure when he wanted to drop the bomb—that even with all the potential business they had identified this morning, they were still miles away from where they should be.

Joe's thoughts were jerked back to the present when he heard Charles begin to speak. To Joe's tremendous annoyance, Charles had spent the entire meeting with his head propped on one hand, doodling—showing clear disdain, Joe felt, for the entire process. Apparently, though, Charles had decided that his moment had arrived, and when he spoke, his words provided the conversation stopper for the day.

"I suppose I've been remiss as well," he began. "I do have one opportunity in hand—in fact, *well* in hand, I believe. And I did fail to forward it to Tiffany for inclusion on her list."

"Okay," Tiff said, looking up from her notes. "Shoot."

Charles straightened in his chair, elbows on the table, fingertips steepled together. "We are close—quite close—to coming to terms on an audit and tax engagement."

It took a moment for Joe to realize that Charles was finished. "Yes?" he prompted.

"Yes, what?" Charles said.

"Well, tell us about it," Joe said in exasperation.

“Hmm, let’s see.” Charles considered for a moment. “It’s Swanson Products.” At those words, there was a collective intake of breath around the table. Charles had just named one of the largest companies in the central northeastern states, and there wasn’t a person at the table who wasn’t impressed. Oblivious to the reaction he’d elicited, Charles went on, “As I said, it is an audit and tax engagement. A banker acquaintance at First National told me about it a few weeks back. And . . . their board meets this week to make a decision.”

This time it was Ty who got the sense that Charles was finished. Jackie’s assistant had returned some time ago with the copies of his pipeline, and he grabbed a copy and opened his mouth to launch into that discussion, but Joe waved a hand sharply to cut him off.

“Just a minute,” Joe said. “Charles, how large is the opportunity?” From Charles’s casual demeanor, he didn’t think it was significant, but with Charles, who ever knew? Anyway, they needed the information for the spreadsheet.

“Hmm, let me see . . .” Charles said, his voice trailing off as he began adding in his head. Lips pursed, he gazed sideways at the ceiling for a few moments, then turned his attention back to the others. “Altogether, I think, it’s in the neighborhood of \$350,000,” he said, sounding for all the world as if he were talking about a *three*-thousand-dollar opportunity.

A stunned silence fell over the room, though again Charles didn’t seem to notice. Then a few partners began to steal glances at each other, as the same thought raced like lightning from one mind to the next: *He doesn’t get it. He really doesn’t get it!*

It was far and away the largest opportunity in the pipeline, simply dwarfing all the rest. But to Charles, in his blindness, they were all the same.



There was complete silence for a full half minute, and Kevin was the one to break it. “No kidding,” he said. “Tax and audit. And you were,

maybe, going to tell the rest of us sometime? You were going to bring in the tax partner? Me?"

"I didn't need you, Kevin," Charles replied, displaying his special gift for choosing words that rankled. "It's under control. It's on the verge, the very verge, of being closed."

"Charles, something that big, something in tax work, you should have brought me in, let me have some input."

"Aren't you listening, Kevin? I didn't need your input. Sarah Brandeis"—a senior tax manager who handled the tax work for a number of Charles's audit clients—"worked up the estimate for the proposal, and you know she's competent on estimating jobs."

Kevin sat back, not at all mollified but resolving to let it go for now. As it happened, he agreed that Sarah was capable of handling that task. He was still outraged, though, that Charles had failed to show him the courtesy of at least informing him about the prospect. He made a mental note to discuss the situation with Sarah.

Joe stepped in. "All right. Tiff, let's add that to our list." *The understatement of the day*, Joe thought.

"Right," Tiff answered. "Swanson Products. Three hundred fifty thousand." She looked up at Charles. "Current provider?"

"Diggs & Carey," Charles responded.

"Contact there?"

"Probably Jim Diggs himself. I'm sure it's their biggest client."

Tiff glared across the table at Charles's smirk. "Very funny, Charles. Contact—*your* contact—at Swanson."

"Taylor DiStefano."

Joe leaned forward. "Let's fill in another cell on this one, Charles. If you look at Tiff's original spreadsheet—have you got that?" Charles didn't, but Ben Spencer, seated next to him, leaned over and shared his copy. "You'll see, near the left, there's a cell for 'most recent activity,' and then on the far right, there's another one for 'next step.' Fill us in on those, please."

"Very well," Charles said. "Most recent activity was last Friday. I was given to understand by Taylor that I'll hear by the end of this week,

after their board meets. I suppose that satisfies both your cells, actually.”

“Today’s Wednesday,” Joe pointed out. “When do you plan to follow up?”

“There’s no reason to appear overanxious. I expect I’ll get a call from Taylor any day now.”

“I’d like to spend a few more minutes on this one, Charles, get a little better feel for it. This kind of opportunity is, needless to say, huge for a firm like ours. I’d feel more comfortable if I knew a little more about it—how it came about, why Swanson’s leaving Diggs, how we got the inside track on it.”

“Really, Joe, must we take up everyone’s time on this? Let’s do this: I’ll stop in to see you later today. We’ll go over all the specifics then.”

Joe took a moment to consider. He really wanted more details—now—but he did not want to force a confrontation with Charles in the presence of all the partners. On balance, it was probably wiser to let it go for now.

“All right, Charles, I’ll expect to see you later today to go over this in detail. For now, since Ty’s list has been back here for some time”—Joe picked up the stack of copies and passed them around the table, feeling an optimism he hoped he was warranted—“let’s find out what our business developer is bringing to the table.”

Ty Lays an Egg

“So, Ty,” Joe said. “Tell us what you’ve got.”

As every eye turned to Ty, he leaned back sideways in his chair, arms draped casually to the side, a look of unbearable arrogance on his face. “Check,” Ty said. “Given what we’ve seen so far, Joe, I think you’ll find that Ty’s right up there, in terms of leads.”

Another teaching moment for the partner group, Joe thought. “The word ‘lead’ has a very specific meaning, as you know, Ty,” he said. “So that’s great. Let’s take a look at them.”

"There's a lot of stuff here," Jake Billings pointed out, with what sounded like awe in his voice. "What, looks like twenty or so in all."

"Twenty-one," Ty announced proudly.

As everyone took a moment to study Ty's "pipeline," a lead weight came to rest in the pit of Joe's stomach. Ty's list bore only a cursory resemblance to the document Alex used, the one Joe had mocked up for Tiff. Each listing contained the name of the prospect, a telephone number, and most but not all had a contact name. Most had a dollar amount, and some of the amounts were impressive—assuming the leads were legitimate. There were no dates, however, to reflect either past activity or future plans. And the category headed "Next step" was populated almost entirely with social engagements. The next move on all Ty's leads, it seems, was to feed them or entertain them.

"Okay," Joe said bravely. "Let's run through 'em. We'll start at the top with Wellington Brothers . . ."

Wellington Brothers, it transpired some time later, was the pinnacle of Ty's achievement for the day, and even it caused a bit of a ruckus. "Wellington Brothers! I knew there was somebody I forgot!"

Sixteen heads swiveled in unison toward Durwood Poole. "I knew there was a bona fide lead I was working! Yes, Wellington Brothers, Chad Jenkins. Played golf with him last month."

"Last month?" Ty said. "I met with Chad for breakfast last *week*, and he didn't say anything about playing golf with you."

"Don't know about that," Durwood replied. "I'll check my calendar, but I'm sure it was last month . . . unless it was, let me see, might have been a couple of months ago . . ." Durwood's voice trailed off as he trained his attention on the ceiling. Around the room, there were head shakes and shrugs. Everyone knew Durwood was a whiz with numbers, but he could otherwise be quite forgetful. It was altogether possible that the remembered golf date had taken place ages ago.

"Well, the point is, again, that the two of you didn't join forces," Joe observed. "So let's, one more time, look at this as a learning experience, and more underscoring of the reason for the pipeline."

"Ty, where does the Wellington effort stand?"

After a few minutes, it developed that there wasn't much of an effort of any kind under way with Wellington. Durwood had played golf, and Ty had had breakfast, and both were essentially social outings.

That set the tone, and 20 minutes later, the final trace of smugness had been wiped from Ty's face. His "leads" looked good to him, but once the group had dived into the details, they had vanished like the morning dew. Every single "lead" was unqualified. Not one had a definite target closing date, and the "next step" for all them followed the same theme.

"I'm playing golf with him next week."

"I had lunch with him yesterday, and I think it'll be a go."

"I think I can score T-Wolves tickets for them—they love their hoops at that place!"

It's all about entertainment, Joe thought wonderingly. Finally he put a stop to it. "Ty, let's pin this down. Frayton Industries—Are they actually looking for a new firm?"

"Well, no," Ty admitted, "but I think that could change."

"Braxton Enterprises—how about them?"

"I'm working on it," he said in a pained voice.

Joe squinted at the list again. "Here's another big one . . . ninety thousand dollars. Thousand Lake Realty. Status on them?"

"They're thinking about making a move."

Joe tried to keep the exasperation out of his voice. "Ty. I know the CEO at Thousand Lake. They've been with the same CPA firm for as long as I can remember. Do you have a reason—not hope, but a *reason*—for thinking they might move?"

"Yeah, I met with their new marketing guy—we had dinner last week at the club—and he's gonna get me introduced around to the execs."

"Ty, that's not a lead, that's a wing and a prayer!"

Feeling doomed, Joe nonetheless decided to try one more. "Wolfe-Stout Industries?"

"Working on it, Joe. And I think it might come through . . . any day now." Ty's voice had taken on a petulant, defensive tone, and partners

were beginning to shift in their chairs. Joe realized it was time to shut down this line of inquiry, but Tiff, in her innocence, did not.

“All right,” she piped up, “when you add all these new leads of Ty’s onto what we had before, that brings us to . . . Now wait a second, I think I may have misadded . . . I want to double-check this . . .” Tiff’s voice trailed off, and now half the partners were gazing at the ceiling or shaking their heads. *This must be what the ninth ring of hell feels like*, Joe thought.

“Tiff, no need,” he said miserably. “Just leave it the way it was.”

He leaned back into the numbers. “That’ll bring us,” he summarized, “to about one-point-one million in the pipeline.” As he looked around the table, he saw satisfied nods and smiles. “Fifty-nine opportunities in all, with an average ‘opportunity size’ of just under nineteen thousand.

“Our firm generates around twenty-two million in revenue a year, so this represents about five percent of annual revenue.” More smiles and nods, as partners looked at each other in congratulation. He decided to drop the bomb.

“Whoa, slow down a sec. That may sound great to you, but there’s something you don’t know. The highest-growth firms of our size have *twenty* percent, not five, in their pipeline at all times.” He gave the news a moment to sink in. “That means that to be high growth, we need to have roughly four times the leads we have now.” He paused again, then added the clincher. “Even modest-growth firms have ten percent in their pipelines.



“We’ve got our work cut out for us,” he finished frankly. “What’s more, I’m sure many of you noticed that the lion’s share of the leads came from just a few niches, from a handful of partners. That needs to change too.”

“So what you’re telling us”—Frank put in, leaning forward, elbows on the table—“what we know now that we didn’t two hours ago, is that this firm is *not* doing all that well. So how is that supposed to help?

Doesn't this just undermine our efforts, our enthusiasm? Isn't doom and gloom counterproductive?"

Judging from the astonished looks on many faces around the table, Joe knew he wasn't the only one marveling at the enormous irony of Frank Pierce—naysayer supreme—complaining that the meeting's tone was too negative. "No, Frank," Joe said firmly. "The first step to getting where we need to be is understanding where we are now, both strengths and weaknesses. In this case, ignorance is definitely *not* bliss."

To cut off any further discussion along this track, Joe concluded, "Anyway, here's what I want you all to do. Go back and think about this—your business opportunities—some more. Think about every last prospect you know of: anything that's been hanging out in the back of your mind, that note that you stuck in your drawer last month, everything. Then we'll get together again soon and put together a true, complete inventory. That'll give us a better take on where we stand."

Joe picked up his papers, stood, and strode from the room alone. When he reached his office, he closed the door and collapsed into his desk chair. After a moment, he leaned back and began massaging his temples, then reached into his desk drawer to grab some aspirin. He had a headache, but what's more, he was depressed.

Tiff's Big Surprise

Joe rubbed his temples and tried to think—tried, that is, to think of something positive to think about.

Why not be honest about it? he thought. Things were clearly worse than he'd realized. His partner group consisted of a bunch of Lone Rangers who showed little interest in working together. It was clear that there was no effective leadership structure, and the people who spoke loudest generally had the least to say. *It's as if we've been asleep at the switch—and that includes me—for years now, and this whole firm has been coasting on past glories.*

Joe was keenly aware that the infrastructure in place did not support growth. He winced as snippets from the just-concluded meeting flashed

through his mind: Tiff bungling the addition on a spreadsheet, then fumbling for a calculator and trying in vain to carry out simple addition in her head. Ty, with his head full of jargon ("That's a suspect!"), yet completely unable to see that every single "lead" on the laundry list he called a pipeline was a suspect. Tiff, the marketing director they laughed at. Ty, the business developer no partner took seriously. Were they wrong? Joe asked himself. Based on what he'd just seen, he had to concede that there was merit in the disdain.

He sighed. He remembered a comment Alex had made about the importance of having highly qualified business development and marketing people on staff. "Can you imagine one of our clients having no vice president of sales? There'd be nothing but a bunch of sales people running around."

His reverie was broken by a knock. He looked up to see Tiff stepping into his office.

"I just wanted to check in with you and tell you how fantastic I thought our first pipeline meeting was. Wow! There's so much more to this, and it's so exciting!" she enthused.

Tiff was carrying a small parcel, and she started to open it, then stopped. "When I got back to my office, this was waiting for me, and the timing is just so perfect!" she chirped. "I just could not wait to come and show you. In every conceivable way, Crandall & Potter is ready to move ahead. Look what I've got!"

Tiff opened the box with a flourish and proudly produced . . . a water bottle. A deep-blue plastic water bottle embossed in white.

"Isn't this sooooo cool?" she asked, holding the bottle up and turning it this way and that, as if to admire it by catching imaginary rays of sunlight on an imaginary glass surface. "It's Crandall & Potter's new logo! On this sleek new bottle, with a new ergonomic design for sure, easy handling, even with sweaty hands! *And—just—in—time* for the unveiling of the new C&P!"

Joe reached inside to try to muster some thread of enthusiasm, but it simply wouldn't come. So he leaned forward, frowning, and said, "That's fine, Tiff, fine. But . . ." Tiff's face fell, and Joe felt the familiar

tug of guilt, as if he were this young woman's father, for heaven's sake, and it was his job to cheer her every effort.

"The thing is, Tiff, the changes we're making here are going to go much, much deeper than a new logo or another freebie for the clients. And, since you're here right now, this gives us a great chance to talk. I'd like to start by going over the changes I see coming in your role."

Tiff dropped to the edge of a chair, wariness writ large on her face.

Joe caught himself trying to be reassuring. "It's nothing bad; nothing's wrong. In fact, just the opposite. With the changes I have in mind for this firm, your role is going to become much greater. I want you to be a key player in the future—hey, you may not even recognize your job six months from now!"

"Tiff, when I was in Philadelphia, I met this amazing woman—actually, she was just part of an amazing group of partners and top staff at a CPA firm that used to be a lot like us, and now they're setting the world on fire. They do things very differently there, Tiff, and we're going to model our growth after theirs.

"This morning's meeting was just the beginning. I haven't even begun to outline all the changes I have in mind for you . . . Tiff?"

Joe's focus had shifted from Tiff's face as he spoke, and when he looked back, he could see that her face had blanched. "Tiff."

"I'm okay, Joe. It's just—this is a lot to take in at one time. I thought . . . I thought my job was to provide marketing support." Her voice sounded plaintive. "That's what I was hired for, *trained* for. So I guess I'm wondering . . . what else did you have in mind for me, exactly?"

Joe's spirit plummeted. It seemed increasingly clear that Ty had been a bad hire; was he now stuck with a second one as well? Maybe not, he told himself; Tiff had performed well enough in the job that existed earlier. Was she capable of thinking strategically, though? That's what they needed from her—what they had to have—in order to get to the next level.

Ergonomic water bottles! Yikes!

There was another knock at the door, and Joe looked over quickly, thankful for a graceful ticket out of this conversation.

Jackie was standing in the doorway with a sheaf of papers in her hand. "I've got those segment numbers for you, Joe. I can come back, but you said you wanted them ASAP."

"No, that's right; come on in. We were just finishing up here."

He turned his attention back to Tiff. "Let's let this go for now, and we'll come back to it later, okay? Just give what I said some thought."

Tiff nodded uncertainly, picked up her package, and slipped quietly past Jackie and down the hall.

Time for a Change

Joe gazed at the document Jackie had handed him. It was not good news. The revenue stream was just as out of balance as the leads were.

Revenue from audits made up fully 30 percent of the revenue stream. And in charge of audit was . . . Joe groaned. The firm was well covered in terms of delivery of audit services. Where strategy was concerned, though, the sad truth was that *nobody* was in charge of audit, nobody was responsible for crafting strategic direction in the segment or looking out for its financial health. Nobody was in charge of a segment that represented a full third of their revenue!

Joe shuddered, all too easily imagining Alex's reaction. He could hear the conversation in his head:

Alex: Who has strategic ownership of that segment?

Joe: Well, no one person specifically; we treat it as an "at large" responsibility.

Alex: So how are strategies for the segment developed?

Joe: The partners get together and look at the numbers, then decide where we need to go from there.

Alex: How effective is that in terms of generating an actual strategy, then implementing it?

Joe shook his head glumly. He knew how it was done at Alex's firm, because he'd been there and seen it. Alex's segment leaders actually

owned revenue and profit responsibilities, and they were accountable for the direction of their segments. Everyone who carried out the work might not report to those leaders, but they still managed to achieve a very strong staff function, and there was no uncertainty about the chain of command.

At C&P, of course, Charles had by far the largest chunk of audit revenue. If Joe named Charles, the natural choice, as audit segment leader, Charles would assume responsibility for 30 percent of the firm's revenue. *Ye gods, what a scary thought!*

Still, might even Charles be better than having no one own it? Joe thought back to Charles's performance at the pipeline meeting, and he honestly wasn't sure.

Then he acknowledged the other part of the problem: Charles had no desire to be responsible for strategic direction; with him, it was all delivery, no strategy or growth. That failing, of course, was clearly reflected in the firm's current plight. How many top 100 firms, Joe wondered, completely missed the boat on 404 work? Or on SAS 70, another outgrowth of auditing changes?

He remembered something he'd heard Alex repeat more than once. "Delivery is *today's* work; strategy is *tomorrow's*." So simple, and yet light-years beyond where they were.

How did Charles respond when you challenged him to step up to the plate? Joe thought again ruefully of that conversation about 404 work. "It's not what we do, Joe," Charles had said, managing to convey a hint of pity that Joe had not managed to figure that out on his own. "Trust me, we don't need to go there."

Charles had been wrong, of course, and his head-in-the-sand approach—his resistance to change, really—had cost the firm dearly. At the Chicago meeting, Joe had heard one person after another describe the gigantic growth their firms had achieved through work in 404s and the related efforts—SAS 70, fraud and forensics, internal audits—that had followed.

How does Charles always get his way? Joe wondered. He knew that where ongoing work was concerned, people acceded to Charles because

of his formidable technical expertise. But Joe also knew that quality assurance had gotten out of hand, and realization was down.

These were not, unfortunately, issues that held any interest for Charles. Moreover, whenever such matters were broached, Charles would summon up the spectre of Enron and Arthur Andersen, driving the fear of God deep into every single partner.

Joe spent a moment thinking about that. He knew operating from fear was never the right way to go, yet Charles wielded fear like a weapon to stave off all challenges.

Had Joe been just as much a slave to fear on his own, for his own unfathomable reasons? If so, it was time for a change in more ways than one.

Bombs Away!

Joe looked up to see Charles sidling into his office. Terrific! he thought. This may be just the right time to broach the subject—after all, he came to me!

It was late Monday morning, five days after the tumultuous partners' meeting, and Joe had spent every one of those days deep in thought. One key to his firm's future direction lay in choosing the right people for strategic responsibility. And the audit segment was key, making up, as it did, about a third of the firm's business. Was Charles up to taking on strategic ownership of the audit segment? Could he be made to understand what an honor it was? Would he agree to do so? Finally, if he did, could he carry it out enthusiastically?

A positive answer, Joe knew, could mean a huge leap forward, but his practical nature made him acknowledge that the path was littered with perils. First, Charles might not appreciate the nature of the responsibility. Being involved in every detail of audit delivery was a far cry from developing the segment, a task that required a different set of skills. (Joe even questioned whether Charles wanted to possess skills other than those that made him guru of audit.)

Second, even if Charles took on the new duties, there were no guarantees about how he would handle them. Even if I can persuade him that it

makes sense to step up to a greater leadership role and be more of a team player, Joe wondered, does he even know how? Is that something you can teach?

Well, he decided, nothing ventured, nothing gained. He leaned forward to survey the audit guru, who sat casually, one leg draped over the other, an elbow propped on one arm of the chair. Charles was speaking. "Joe, I'm afraid I must come to you once more on behalf of my auditors, who are again being ridden roughshod over. I understand the firm is looking at moving the break room to the other side of the floor, and I want to discuss it with you.

"My auditors are upset, Joe, and I believe they have a legitimate grievance. This move seems to be favoring the tax department yet again." Joe sagged against the back of his chair, mouth slack with disbelief, but Charles took no notice. "Last year the tax department was the first area chosen for remodeling. Then they got an extra bathroom on their side. Now this. Are you trying to run off all the auditors?"

Joe was momentarily at a loss for words. Talk about sweating the small stuff! he thought. I need this guy to apply himself to the growth of the audit department, and he's tracking break rooms and bathrooms! Holy Morticia!

Joe took a moment to collect himself. "That's a valid point, Charles, and I'll keep it in mind. Certainly, no, there was no intention to slight the auditors in any way. While you're here, though," he continued, "I want to follow up with you on a different subject. You know that I've determined to try to take this firm in a new direction. That's why we had our first pipeline meeting last week, and that's what, well, what everything here at Crandall & Potter is pointed toward these days.

"But I've got one big gap." Joe gazed intently at Charles, hoping to see his intensity returned, but Charles seemed just as nonchalant as when he'd dropped carelessly into the chair.

"You know how hugely important the audit segment is to this firm," Joe plowed ahead. "And because it's so important, heck, crucial, to us, choosing the right person to head it up is key."

At last Charles was beginning to look mildly intrigued. "I'm in charge of audit, Joe," he said placidly.

"Audit delivery, yes, Charles, certainly, but I'm speaking in terms of growth. I need to name someone as segment leader in audit, and that person will have real ownership . . . of everything, from driving revenues and profits to determining"—Joe remembered just in time that he'd decided to avoid using the word "strategic" with Charles—"um, overall direction for the segment. You know how it is . . . this firm is getting too large for me to think about the strategic direction"—*Blast it!*—"and financial health of all the service lines and industries. I need to share that responsibility with you partners, and *you* have to tell *me* where we should be headed, not the reverse."

Joe plunged forward with his presentation, though Charles's deadpan expression had alarm bells ringing loudly in his head. "Who else knows that segment the way you do, Charles? Who else has the command? Not only the technical command, but the knowledge of who we are and what we are, from our services to staffing, plus the whole range of clients, top to bottom.

"Just look at the client you pulled in last week, Swanson Products. That's a huge feather in our cap, not to mention the enormous revenue enhancement it brings, and there's no one else who could have handled it, brought it off, the way you did." Joe could tell that he was slipping badly, anxious as he was to secure Charles's agreement—to something, anything. He knew he was speeding up nervously as he went along, but he also felt like he was speaking into a void. He knew he shouldn't press, that the lack of response was a clear message in itself, but somehow he couldn't let go of his need to press on and, well, get someplace with this.

Charles started to shake his head slowly, but Joe plowed ahead anyway. "All right, I know, Kevin will be part of that, since it's audit and tax work. But, still, you're key here, and I want you to think about taking the lead—"

Joe stopped as he noticed the frankly impatient look that had come over Charles's face.

“You know, Joe, if it’s really important to you to talk to me about that, I will, but you know my fundamental view on such matters. I’m a technician, one of the very best in my field. I am not a rainmaker; that’s not what I went to college to become. Why should my time be wasted on such trivialities as strategic planning and growth?” Charles shrugged. “I’m not a rainmaker, and I don’t intend to become one.”

Joe’s mind was in a whirl. Is it possible, he asked himself, that this guy doesn’t realize what he’s done? He’s just finished blowing off, in one short sentence, an assignment his firm’s managing partner labeled key!

Joe sat back in his chair. “You want to take a pass, huh?”

“Oh, absolutely,” Charles replied serenely. “You know, maybe this is something we should go out of house for. Maybe hire some young blood, somebody who’s trying to break into the business. That might work, yes,” Charles said, his sight trained on a spot above and slightly to the left of Joe’s head. “Let them spend their time playing with spreadsheets keeping track of projects.”

“Charles, I hardly think you understand,” Joe protested. “This position, audit segment leader—this person will head up the entire audit operation.”

“Not me,” Charles replied complacently. “They won’t head up me. I’ll just carry on with my work as usual. And they certainly won’t have any say in quality control or audit methodologies.”

Joe sat for a moment, nonplussed. Then he was struck by the realization that this was, in effect, his answer. He had tried to nominate Charles for this responsibility, and Charles had passed. So the solution would have to come from another direction, and it would.

“All right, Charles,” he said. “I appreciate your being so frank with me.”

“Not at all,” Charles said, standing and starting for the door. Then he stopped abruptly and slapped his forehead. “Oh, one other thing . . .” He dropped back into his chair and heaved a small sigh. “Referencing what you mentioned just before. I’m afraid I have some rather disappointing news in that regard.” Joe sat back in his chair, his

mind already racing forward with the problem of finding an audit segment leader and expecting to hear, well, perhaps that Charles's secretary needed some unscheduled time off to attend to family matters, or that the soda machine in the lunchroom was leaking again.

"It looks as if we didn't get Swanson after all."

There was complete stillness for a few moments, as if the very air had been suctioned out of the room. Then Joe cocked his head slightly to the right, certain he could not possibly have understood right. "Say that again?"

"We didn't get the client we discussed. Swanson Products. Audit and tax engagement. It didn't work out."

Joe still didn't move, and Charles stood to go. "So I suppose we'll need to take it off your pipeline list. Shall I e-mail Tiffany about that?"

Not in the Bag after All

Joe could feel his face flushing, and he fought for words and the control to deliver them. "What happened?" he finally managed.

"Well, I heard from Taylor DiStefano earlier this morning, and our price was too high."

Joe sought to maintain a level tone of voice. "Charles, last week you said, both in the partners' meeting and privately with me later that afternoon, that that opportunity was well in hand." Joe had no need to consult his notes; the details were seared into his brain. "You said, when we talked, that you expected it to close within two weeks at the outside. There was *no* sense of urgency on your part, Charles, no sense that any additional attention was needed. My goodness, you practically shoved Kevin and Ty out of your way. Not only did you fail to consult them at any point, but you *insisted* at the meeting that involvement from Kevin would be superfluous.

"Remember that meeting, Charles? You said all that was lacking was formal approval by the Swanson board, and that they'd be meeting by week's end to confirm it. You said it was on—your words—'the very verge of being closed.' When I checked back with you last Friday

afternoon, you said you'd talked with Taylor again, and everything was still on target. Dash it, Charles, *you said it was in the bag!*"

"Well, clearly, Joe, I was mistaken. Really"—and here Charles took the opportunity to straighten in his chair and square his shoulders—"I don't quite understand why you seem so, well, to be frank, so almost hostile about it. It was a job. We thought we had it. We didn't. We'll get another. Life goes on."

Joe sat back in his chair, unbelieving. He would not have thought, were he not seeing it himself, that one of his most senior partners could be so blasé about losing such a huge opportunity.

He gathered himself and spoke with difficulty. "All right, that's all, Charles. Oh, one more thing. When did you find out?"

"Taylor called me a little while ago . . . but I also ran into him on the course Saturday morning, and he sidestepped my suggestion of lunch after we'd finished our rounds. I must say that did give me brief pause."

"Did you consider phoning Ty at that point? Or calling Kevin in? Or doing *anything* to see if we could save this, if you thought it was going down?"

Charles gazed at Joe, incredulous. "You're actually suggesting that Kevin—or, worse, that lummoxy Tyler—could have succeeded where I did not? Honestly, Joe, I wonder about you sometimes."

And with those words of wisdom, Charles betook himself out of Joe's office and set off for his own.



The news spread like wildfire. Up and down the halls, over desks and lunch tables, everyone from filing clerks to partners was buzzing over the news.

Charles had let the cat out of the bag while Joe was still sitting in his office considering options. Charles had mentioned it to his secretary and dashed off an e-mail message to Tiff, and just like that, the word was out.

Reaction was swift, and sharp. By two o'clock, many of the senior partners were huddled in a corridor near Kevin's office. He'd been

barricaded behind his desk, working on a tax opinion, and had run into Frank Pierce when he stepped away to carry out a personal errand. Frank had delivered the bombshell, and the group of partners had mushroomed. Now there were eight in all, including Kevin, Frank, Harold Brumlow, Ben Spencer, Durwood Poole, Smith Smoot, and Matthew Hanover. Eric had been the last to join the group, arriving a few minutes ago.

"This is preposterous!" Harold was saying. "Why, he said it was all sewn up! He said it was in the bag!"

"What he actually said," Eric pointed out, "if I remember correctly, is that it was well in hand, and that he felt quite confident about it."

"Well, then, he was wrong, wasn't he?" Harold sneered.

"The problem isn't so much what he said or didn't say," Kevin declared, "it's how he went about the whole thing. He didn't consult me, and a big piece of the work is tax, which is my area."

"That's true, Kevin," Durwood Poole put in. "But it's also hardly surprising. Charles never talks to anybody. Why would he start now?"

"That's a good point," Matthew said. "We maybe should be looking at this as a communications problem. So then the question becomes, How can we communicate more effectively with each other? Can we put a better system in place for that?"

"That's nonsense!" Frank snapped.

"I have to agree," Ben said. "Doesn't matter if you're using BlackBerries or tin cans with string, Charles isn't going to bother. He goes his own way. Always has."

"I think so too," Kevin said. "Just look what started this. An enormous opportunity, really just outstripping everything else on the horizon, and he kept it hidden in the audit department."

"Then maybe the problem is really management," Harold mused. "Don't we pay our managing partner to *manage the partners*? Isn't it his job to make things go smoothly?"

"I'm not sure that's fair," Eric put in. "Joe followed up on this as soon as he found out about it, last Wednesday. What was he supposed to do, *order* Charles to cooperate with Kevin and Ty?"

“Ty!” Harold snorted. “Give me a break! What earthly difference would that clown have made? With his *pinkie ring*!” he spat.

Eric opened his mouth to speak, but stopped as he spotted Charles heading toward the group. “Hello, Charles,” he said with a shake of his head. “We heard about Swanson. Tough luck.”

Charles waved an arm in dismissal. “There’ll be others.” He started to step on past the group, but Durwood placed a hand on his arm.

“Charles, we’re trying to put some perspective on this thing. This was a huge opportunity for the firm. I think I probably speak for all of us when I say we’d come to count on that business, based on your assurances last Wednesday. It might help if you could provide some insight into what went wrong.”

Charles tilted his head to the side as he regarded his fellow partners. “Well,” he said judiciously, “I don’t have a great many details. Taylor DiStefano gave me to understand that they simply decided to stay with Diggs & Carey, not to make a move after all.”

“But why? Why did they so decide?”

“He said our price was too high, and Diggs & Carey dropped their price dramatically.”

“But I thought they weren’t happy with Diggs & Carey. That’s what you said,” Frank pressed. “Didn’t you say that?”

“Yes. That’s true.” Charles looked and sounded exasperated. “Look. Taylor told me they’d had some issues with Diggs & Carey in the past, and they didn’t think they could be resolved, and then it turned out they could be. And were. So that’s all there is to it. There was nothing we could do.”

“But we were so close,” Kevin growled. “And we could have adjusted our price too. Did you have any idea it was falling apart?”

“Not really,” Charles said. “I did run into Taylor Saturday morning at the club, and I suggested lunch, and he demurred. Really, I thought that was quite a gesture on my part. You know how much I detest business lunches. So I truly did go quite the extra mile.”

“If you had an idea on Saturday, you could have called me,” Kevin insisted. “Maybe we could have done something together to head this

off. At least we might have found out it was a price issue and had a chance to respond.”

“There’s also Ty,” Eric pointed out. “Why didn’t you give Ty a call? The gladhanding thing—that’s supposed to be his bailiwick.”

Charles looked at Eric as if he’d grown horns. “Surely you’re not serious. Call in Blond Boy to help on one of *my clients*?”

“They weren’t your clients yet,” Eric reminded him. “They were prospects, and that’s Ty’s specialty.”

Charles could feel a consensus building against him. He should have called Kevin, he should have called Ty—what difference did it make? He hadn’t called anybody, and so what? That was simply the way he did things. Didn’t they all know that?

Still, it looked as if bold action was in order here. Charles decided quickly. “What difference would it have made?” he demanded harshly. “You all know Ty. You know how little he brings to the table. Look at the situation! A very large, privately held company, very sedate, very old school, with highly complex tax and audit issues—and they thought they wanted to make a change. Thought they wanted to bring in somebody new. Can any one of you imagine Ty being helpful in that situation?”

Sensing he’d struck gold, Charles took the opportunity to move his eyes around the circle, taking in each partner in turn. “No, I thought not,” he concluded. “Ty may be good at gaining admission to popular sporting events, but as a serious colleague in this field, he’s a joke.” With that, Charles strode off.

After a moment, murmuring set in among the partners. But all fell silent when Ty turned a corner and came ambling into view. “Hey, guys. What’s going on?” He stopped and then gave a little shrug and a laugh. “Hey, where’s the funeral?”

Looking for a Fall Guy

At last Eric broke the silence. “Um, you haven’t heard?”

“Heard what?” Ty asked.

“Swanson fell through,” Eric said succinctly.

“You’re kidding, right?”

“We don’t kid about things like that, Ty,” Kevin said ominously.

“Wow,” Ty breathed. “I’ll bet Joe is having one sweet conniption right now.”

Silence descended again as the partners stood uncomfortably, studying their shoes. “How’d it happen?” Ty finally asked.

When no one answered immediately, Eric again stepped into the gap. “Apparently they decided not to leave their old firm. We were told our price was too high.”

Ty chuckled as he leaned one shoulder against the wall. “That’s always the reason they give—but there’s almost always more to it than that. Well, Joe better drag out that old pipeline, don’t you think, guys?” Ty kidded. “And get out the old red ink pen?” No one laughed, and Ty straightened up. “Do you think I should go talk to him?”

“It’s a little late for talking now,” Smith pointed out. “The business is lost. The time for talking was last week, when Charles was trying to pin down the engagement. That’s when you should have been able to talk. To make a difference. To help Charles win this one.”

“Hey, buddy, I totally agree. Totally,” Ty chirped. “Tell you what I’ll do. I’ll go talk to him now.”

“To Charles?” Kevin asked. He couldn’t believe he’d heard properly.

“Sure. Now’s the best time in the world for it. Make him see his mistake. Point out that if he’d brought Ty in, which he should have as we all know, it might have turned out differently. Ty could’ve helped save his bacon. See you guys.” And with a jaunty salute, Ty sauntered off down the hall, this time, purportedly, in search of Charles. But then they saw him stick his head into the business center office and duck through the door. Since he was carrying no papers to copy or transmit, the likelihood seemed high that it was a social detour.

“Our business developer,” Harold said savagely. “He understands nothing! Brings nothing! He *is* nothing!”

Eric saw the looks that were going round the circle and the nods being exchanged.

“And look how much we’re paying him!” Harold added.

“That’s a point,” Frank allowed.

“What a mess,” Kevin said with disgust. “Joe and his bright ideas. He’s the one who hired Ty. He’s the one who came up with this grand new scheme. It sounded pretty terrific last Wednesday. What does it feel like now, boys?”

They looked at each other, and more nods were exchanged.

“Yep, that’s about it,” Kevin said.



Finding Joe’s door closed, Kevin knocked sharply and then opened the door and entered without waiting for an invitation. Eric followed. Eric lowered himself into a chair, but Kevin strode to the edge of Joe’s desk and rapped a knuckle on the desktop.

“This issue with Swanson Products,” he began balefully. “This is a disaster for Crandall & Potter, Joe, and it absolutely needn’t have been.”

Joe nodded. “I agree totally, Kevin. Why don’t you have a seat and we’ll talk about it.”

“We’ll talk, standing or sitting,” Kevin grouched, but he dropped into a chair nonetheless. “I don’t know who to be angriest with—Charles, for hiding this enormous opportunity under his coattail until it was too late. Ty, for being worthless on something like this. Or you, for running the ship that just struck the iceberg.”

Joe took a deep breath and let it out slowly. “All right, I understand your frustration with Charles. I feel the same way; he mishandled this completely. Of course it’s vintage Charles all the way, but that hardly makes it easier to swallow. And you can blame me if you want. But what’s Ty got to do with it? He was left out in the cold as much as you were.”

“The point,” Kevin said angrily, “is that I *could* have helped, had I been given the chance. Ty *couldn’t*.”

“Explain,” Joe said curtly.

“I assume you mean explain about Ty. All right. We were just standing in the hall talking with Charles about what happened, and he made a point I consider apposite. Granted, Ty was left out of the loop—but would it have made any difference if he’d been in?”

“Think about this company, Joe. Swanson Products. They’re as conservative as they come, they’re midwestern business royalty. They behave, in everything, including negotiations, like complete gentlemen. *They don’t wear pinkie rings!*”

“Now hold it a second,” Joe said testily. “Ty makes an effort to match his personal attire to the client at hand.”

Kevin waved away the objection and continued. “Their tax issues are complex, and they don’t negotiate at basketball games. In fact, they are the polar opposite of everything Ty is—they’re not flashy, they’re not surface, they’re not glib. Honestly, Joe, you’ve met these guys. If you were Charles, would you have wanted to go into a meeting with them with Ty at your side? I’ll be honest, I don’t blame him for leaving Ty out.”

“He left you out too,” Joe said pointedly.

“Yeah, and that’s wrong. But I think it’s about time to face facts. Your Boy Wonder business developer is a disaster!”

“Can we try to keep this a little less personal?” Eric put in. “Focus on the issues?”

“This is the issue!” Kevin snapped. “Business developer is a big job, and we have a nincompoop filling it!”

“And the partners are nincompoops too?” Joe responded. “It wasn’t Ty who hid this in his skirts, Kevin. Partners are supposed to know better.”

“You’re right, Joe, Charles made a mistake. But he’s Charles, for heaven’s sake, and it’s exactly the kind of mistake we all know he’s going to make—will *continue* to make. My goodness, if Charles sits in that partner’s chair for fifty more years, he’ll handle opportunities the exact same way for fifty more years. He’ll never change.

“Ty’s a different matter. He’s an employee—one with a high-sounding title, but an employee just the same. And I maintain, and I think most of the partners will be with me on this, that Ty is not suited to the

position he holds in this firm. Respectfully, Joe, I suggest that it's time to make a change."

Hoping to furnish Joe with additional information before he committed himself, Eric spoke quickly. "Joe, I have to say that I think the trend is moving in that direction—"

But Joe cut him off. "No one's being fired right now. We're at the beginning of a long process of evaluation and change. We are not jumping the gun by making a scapegoat of Ty."

Kevin's face twisted. "Especially not since Ty happens to be your guy, right, Joe? You hired him, your credibility's on the line, and you couldn't possibly have messed up. Right. Well, we'll see. We'll see how things play out."

"But I've got a tip for you, Joe. You're the one who set up that meeting last week to go over new prospects. You're the one who flushed out this Swanson thing and made it the centerpiece for growth. You're the one who told us how much new business we need to have in our 'pipeline,' and you're the one who said that, even with Swanson under our belts, we were still coming up short."

"And now we've lost Swanson! So somebody's going to take the fall for this, they've got to. And here's the news flash: The partners will line up behind a fellow partner. As far as Ty is concerned, consensus is building that he's a joke. So we'll see who has the last laugh."

Kevin stood without another word, turned on his heel, and departed.



Joe looked at Eric, who was shifting uncomfortably in his seat. "Well, maybe he's right, and maybe he's not," Joe said. "I can't believe Charles will be able to deflect all the criticism about Swanson onto Ty."

"He already took a pretty fair crack at it," Eric said, taking a few moments to fill Joe in on the impromptu meeting in the hall. "It makes sense—in practical terms anyway. Who wants to be mad at Charles? Who can afford to be? Whereas Ty is a natural target. And honestly, Joe, he doesn't help his case much."

“You too, huh?” Joe snapped.

“Come on, Joe, be fair. I told you what happened in the hall. He just doesn’t seem to get it. He almost thought it was funny. Or maybe he felt vindicated; I don’t know. But the way to respond to a huge opportunity going up in smoke . . . making jokes about the MP taking a red pen to the pipeline? It’s like he doesn’t get the enormity of the situation.

“You saw Kevin back off at the meeting last Wednesday. He was really annoyed that he’d been left out, but his response was, Okay, so long as the opportunity’s in hand, I’ll step back. The business came first and his ego second. If you could’ve heard Ty today, you would have seen that he had it absolutely backward. It was okay that the business was lost, because he had his yuks. Ho ho, they should have called in Ty; he could’ve helped save the bacon! I don’t think you would have liked it very much, Joe.”

Eric took a deep breath and finished his thought. “But even more than that, when Charles was talking, when he was saying that Ty would’ve brought nothing to the table, there was this moment when the partners all looked at each other, and you could just see it clicking with every single one of them. Charles made some crack to the effect that Ty can get tickets to ball games, but he’s useless in serious, complex opportunities. I think those partners agree, and I’d bet the others will too.

“I think you need to face facts, Joe,” Eric said simply. “I think Ty is a liability.”

“Great,” Joe said glumly. “Before I had one liability—Charles and his stubbornness and narrow-mindedness. Now I have two.”

“I’m Licked”

Joe walked to the window and gazed out for several minutes, trying to fight the feelings of hopelessness that were coursing through his body.

I thought I could do this! he told himself. I thought I had the tools and the leadership skills!

And maybe I do. But maybe it’s just too far along in the process. If only I’d gotten started last June . . .

Joe shook himself out of his reverie. Speculation was idle and completely useless at this point. The issue was, what to do next? He started ticking off the major issues—Ty's perceived deficiencies, Charles's obtuseness, the lost opportunity at Swanson, the firm's understocked pipeline, the mutiny Eric had hinted was brewing among the partners . . . and oh, yes, Joe added, let's not forget our marketing director and her confounded water bottles. He slumped in his chair and found his eyes drawn to the phone. *I can pick it up right this minute and get help*, Joe thought. *Alex promised as much when we talked that last evening in Philadelphia.*

Joe hated to ask for help; it felt so much like failure. He recalled the look of skepticism on Alex's face and the words that had accompanied it. "You still think you can take it on single-handedly. You think you can slay this beast," Alex had said.

You were right, Alex, Joe thought as he reached to pick up the phone. *You could see it right then. I'm licked, and I need your help.*



"It takes a fair amount of confidence to be able to own up to your limitations," Alex said. "We'd all like to think we have all the answers."

"Seems I have hardly any," Joe replied honestly.

"I don't know about that," Alex chuckled. "You've decided to bring me in, and I'd have to say that's the right call."

"How do we get started?"

"Didn't you say your annual off-site meeting is coming up soon?"

"Right, it starts two weeks from this Thursday."

"Where exactly do you hold it; how far from Minneapolis? I assume all the major players will be there, right? What kind of agenda have you put together so far?"

"Whoa, slow down," Joe laughed. "Let's see. We always go to this little resort in Stillwater. It's about—oh, no more than an hour outside Minneapolis. We're pretty lucky that way; there aren't many places up here where you can play golf in late October!"

“Agenda—well, the meetings generally follow the same format. Part of the time—most of it, really—is spent relaxing together, you know, to renew the bonds that can fray over the course of a year. This year, I think that may be especially important, in light of recent developments. There seems to be a rift growing between some of the partners and the key staff, in particular our business developer.

“Let’s see,” Joe went on. “We spend some time focusing in on strategic planning—you know, where we’ve been, where everybody expects the next year to take us. We flesh out differences in outlook among the partners, play some more golf . . . you know how it goes, Alex. These things run pretty much to form, don’t they?”

“In all honesty, I have to say, Joe, that this one probably won’t—run to form, that is. But here’s a better way to put it: This year’s meeting will establish a *new* form, set the stage for the new direction you’re mapping out for Crandall & Potter.”

“Fine,” Joe replied. “Let’s see, what didn’t I address yet? Oh, yes, attendance at the retreat. All the partners will be there, of course, along with Jackie Brown, our COO.”

“And your marketing and business development people, of course,” Alex added.

“Well, no,” Joe replied. “Just the partners and Jackie.”

“Those two need to be there,” Alex said firmly.

“The partners are not going to like that,” Joe protested. “They like to think of this as their time alone—you know, like a little bit of a ‘thank you’ for their work all year long.”

“Then they’ll have to go without being thanked this year,” Alex said dryly. “This is important to the firm, Joe. This is the annual strategy meeting, not a party.” Joe was silent, and after a pause that stretched out to half a minute, Alex asked, “Who’s managing this enterprise?” He then added, more lightheartedly, “Listen, Joe, there will be some tough calls ahead, guaranteed, but this is *not* one of them. This is one of the easy ones. *You* decide who comes.” He then added, rather unpromisingly, Joe thought, “Trust me, by the time we’re under way, gripes like this will be the least of your worries.”



A few minutes later, it was all set. Alex had graciously agreed to come west to facilitate the retreat, and Joe had agreed to lay the groundwork according to Alex's detailed instructions. As Alex began to outline some of the preparations, Joe felt the first pangs of misgivings.

"There's gonna be real resistance, Alex," he said. "These partners are used to packing up their golf clubs and driving over to Stillwater for two and a half days of golf and fine dining, with a little idle chatter thrown in to salve their consciences about the write-off. They're going to resent the notion of having to do any real work."

"That's not all they're going to resent," Alex replied candidly. "Which leads me to this: I think it might be wise for you to take a couple of days to go over all this again before you make any final commitment. This course of action, once you embark on it, is irrevocable. You won't be able to turn back; you won't even be able to change course much to speak of."

"And it won't be easy; that I can guarantee."

Joe felt the need for some reassurance. "You've done this before with other firms."

"I have," Alex said, "more than once. And I'll be honest and tell you that it's likely to be difficult and strenuous. There'll be times during the weekend when you'll be extremely uncomfortable, and there'll be times when you may wish you'd never started."

"That's hardly encouraging," Joe said.

"Yes, but that's not the whole story. First there's the issue of how much choice you really have, and the answer is not much, if you want to turn your firm around. The impetus doesn't have to come from me, of course, but some skilled guidance is going to be needed for you to do that. The events of the past week bear that out, I'd say. You gave it your best shot on your own, and you learned you need help. There's no shame in that, Joe; we all need to call in experts from time to time."

"The rest of the story involves the likely outcome, both ways—with and without changes to your firm. Without changes, you know the

score. Crandall & Potter is behind its competitors, and the gap keeps growing every day.

“With changes, though—that’s the pot of gold at the end of the rainbow. That’s what makes it all worth it—the agonizing over the need for change, the dodging all the darts that’ll come your way, the making tough decisions and sticking to them.

“If you do all that, then you’ll get the reward. You’ll have Crandall & Potter on a solid foundation, with a forward-looking plan. And you’ll have the right people in place to carry out the plan. I haven’t forgotten what you told me Al Potter meant to you, the responsibility you feel to him. If you follow through all the way, Joe, at the end you may feel like you’ve walked through hell, but you’ll also feel Al Potter smiling down on you from heaven. Hold onto that, because you’ll need something to hold onto.”

“Is that the way you felt about your father?” Joe asked.

“It is,” Alex replied. “I knew his methods and way of doing business were nothing like mine, but the old gives way to the new. He wanted the firm he founded to prosper, and he wanted me to prosper with it. I’m sure Al Potter felt the same way about you.”

Joe sat for a moment, amazed to find that he felt close to tears.

“We’ll do it, Alex,” he said at last. “I’ve thought about nothing else for days.”

“Terrific,” Alex said warmly. “We may have to grind some gears to do it, but together, we’ll shift this business of yours into overdrive.”