

# Achieving Market Leading Practice Profitability



## Our Top 10

Jim Thomas – PDW Group (UK) Ltd.

# Core Philosophy



Overall  
Business  
Success

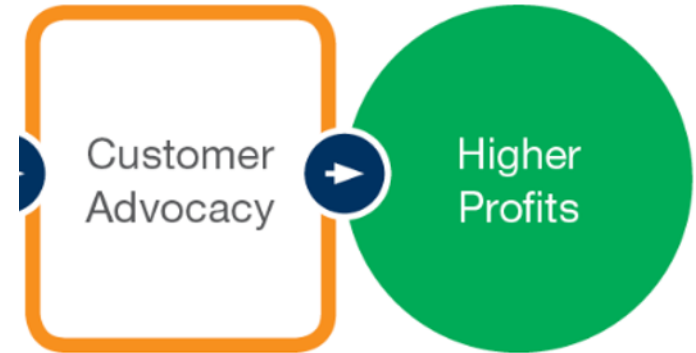


Higher  
Profits

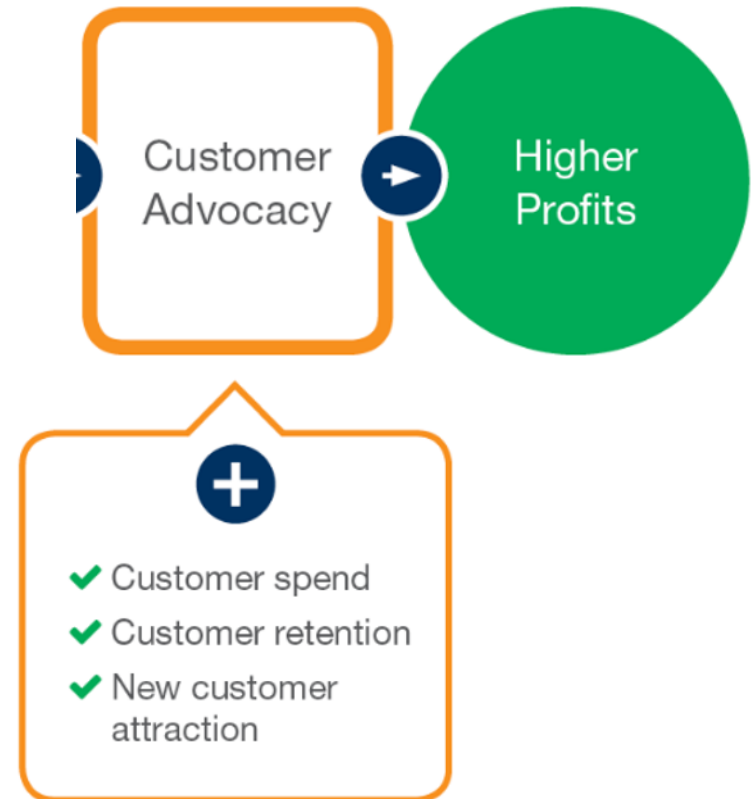
# Our Core Philosophy



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# Core Philosophy







**HAPPY CUSTOMERS**



Overall  
Business  
Success

# But How?

# 'Service Quality'?

People &  
Behaviour

Systems,  
Processes,  
Policies, Tools,  
Environment



# Your Challenges?

# Building your Business

## Our Top 10

# #1 Organisational Identity

People need to relate...  
....they need to belong.

Our  
Values

Our  
Purpose

Our  
Culture

Our Rituals &  
Terminology

Our Brand

# A Word about Culture...

**“ Collectively  
Acceptable  
Behaviour”**

“...to transform the behaviour & performance of people, teams & organisations”



- **Be Brave**
- **Be Generous**
- **Be Great**
- **Be Human**
- **Be There**

# #1 Organisational Identity Score?



# #2

## The Right People

“Get the right people on the bus sitting in the right seats; get the wrong people off the bus, before you figure out where to drive it”

Jim Collins, Good to Great

# The 'Right' People?



# The 'Right' Seat?



# The 'Wrong' People?



# #2

## The Right People Score?

# #3 Market Clarity

What Do You Sell?

Who else sells it?

Who do you sell it to?

Who else do you want to sell it to?

What client problems do you solve, or client opportunities do you help to realise?

Why should I buy it from you?

How do you supply it?

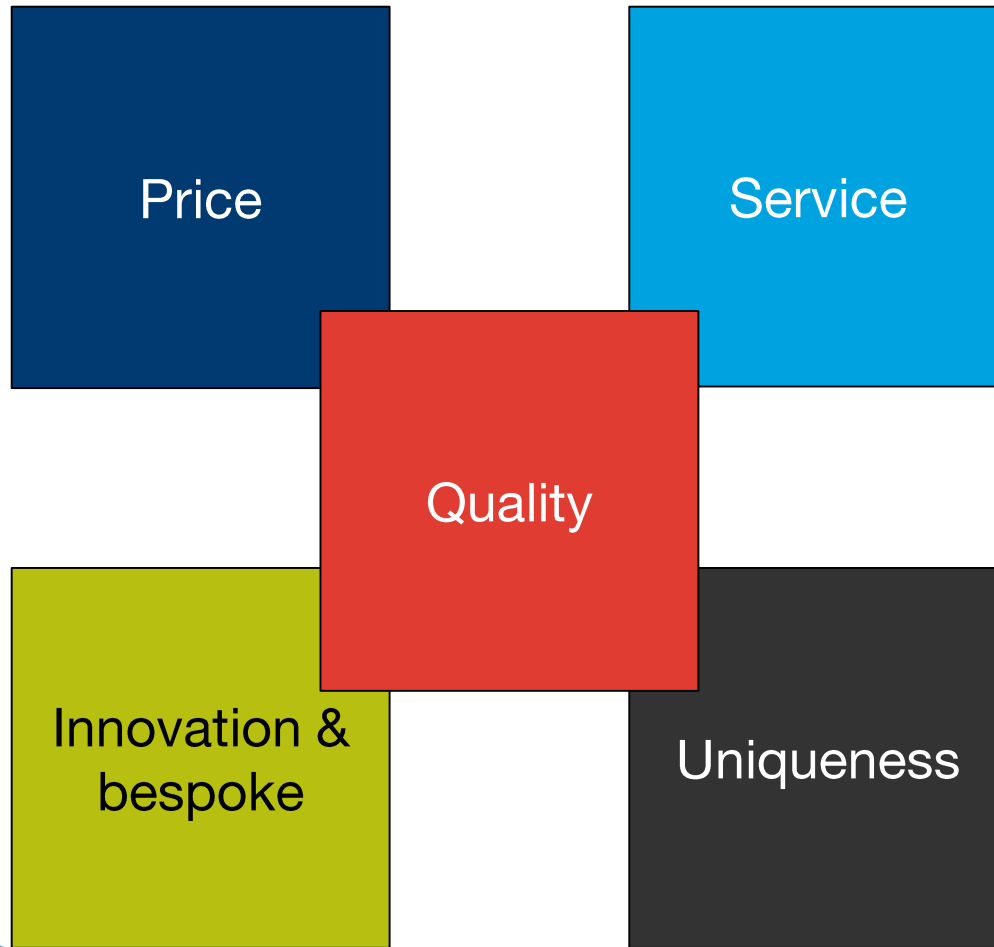
Why might I buy it elsewhere?

How do you currently create demand for it?

What else do I buy that you don't supply?



# What's your angle?



# So be Crystal clear on...

- ✓ Your product/service portfolio
- ✓ Your current and future target clients
- ✓ How your product/service benefits your clients
- ✓ Your firm's differentiators
- ✓ Where and how your target market thinks, mixes, behaves, buys, etc

# External Factors

**P**olitical

**E**conomic

**S**ociological

**T**echnological

**E**nvironmental

# #3 Market Clarity Score?

# #4 Leadership

Leadership is about enabling others whilst you're present, and leaving a lasting impact when you're not.

Great leaders bring about behaviours and performances in others that are greater than if the leader was not there in the first place.

What leaders do is important, but what they are seen to be doing is much more so.

# Three Fundamentals

Set the Vision,  
Direction, Targets  
and Plans

Resource the  
Business

Day to Day  
'Enable' the People

# Enabling Others?

- Spending time building trust and engagement
- Agreeing relationship ground rules
- Giving praise and positive messages
- Giving clear corrective messages and rationales
- Flexing own style to the needs of others & the situation
- Removing blockages
- Role modelling



# Good to Great – Level 5 Leadership



Seek to find people better than you....

...don't be a genius with a thousand helpers.

# #4 Leadership Score?

# #5

## Vision, Direction, Plans & Expectations

# Where is this business going?



- Financial and market goals
- Strategic imperatives
- What will it be like?
- Paint a picture

# ..and where do I fit in?

## ➤ My Role now

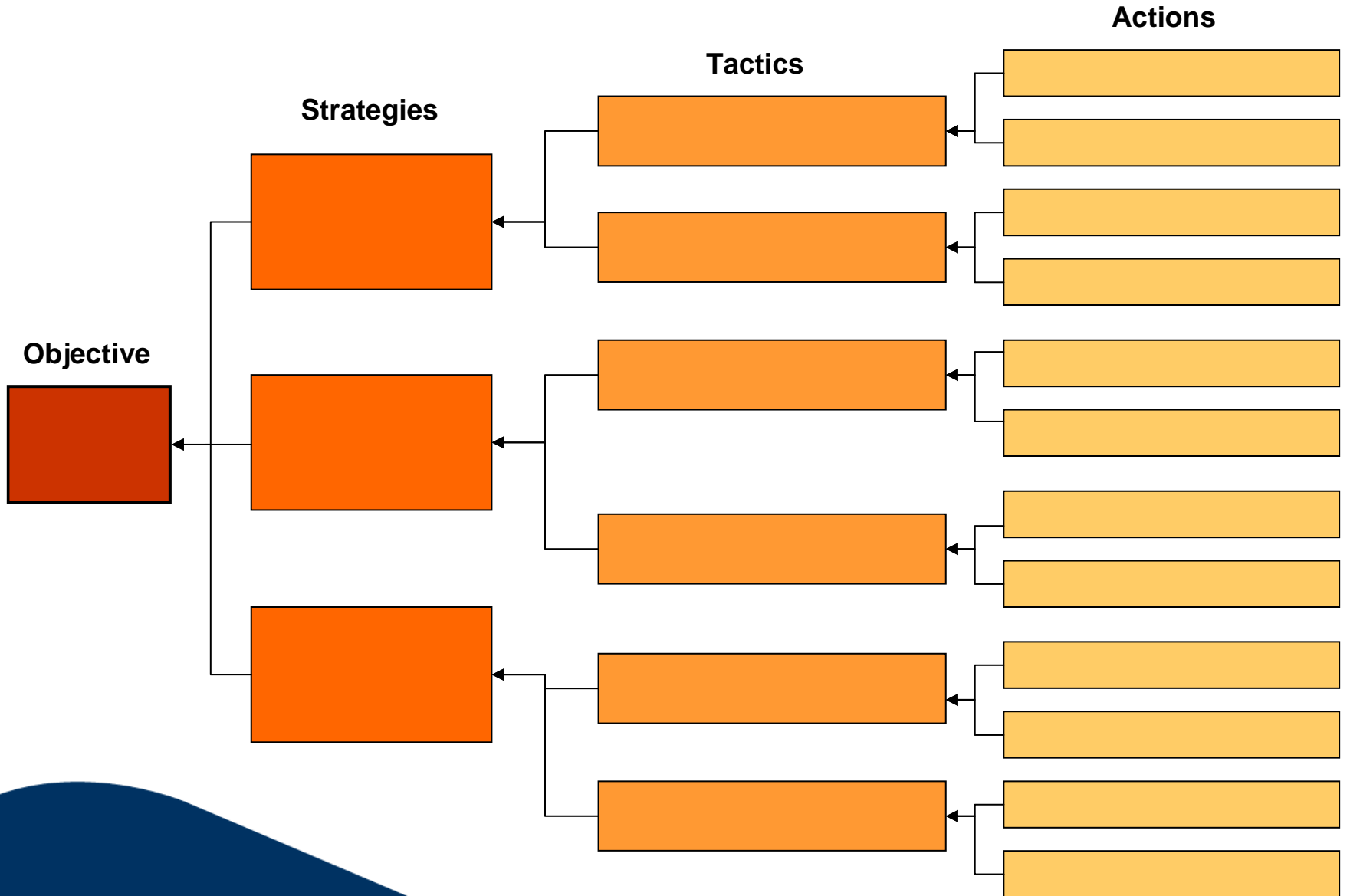
- Purpose
- Accountabilities & boundaries
- Relationships
- Targets/objectives & standards
- Measures of success

## ➤ My Future Opportunities

- My career goals
- My opportunity here?
- Milestones and deliverables

# A 12 month plan

- Where are we now?
- Where do we want to be in 12 months?
- How will we get there?
  
- How will we measure success?
- What are the uncontrollables that may affect us?
- What are our contingencies?





#5

# Vision, Direction, Plans & Expectations Score?

# #6

## A Defined People Strategy

# A People Strategy is not...

Recruiting to fill headcount

Salary budgeting

HR Policy or employment law

# It is...

“A set of specific prioritised choices about where and how to invest in people for the purposes of achieving the business’ strategy”

## It Includes...

Workforce  
size

Workforce  
location &  
type

Cost  
base  
available

In house  
or out  
sourced?

Skills &  
expertise  
needed

Performance  
Definitions

Employee  
Proposition

# It provides direction on how we will...

Engage and retain our people

Maximise the performance of our people

Fulfil the potential of our people

Attract the best new people

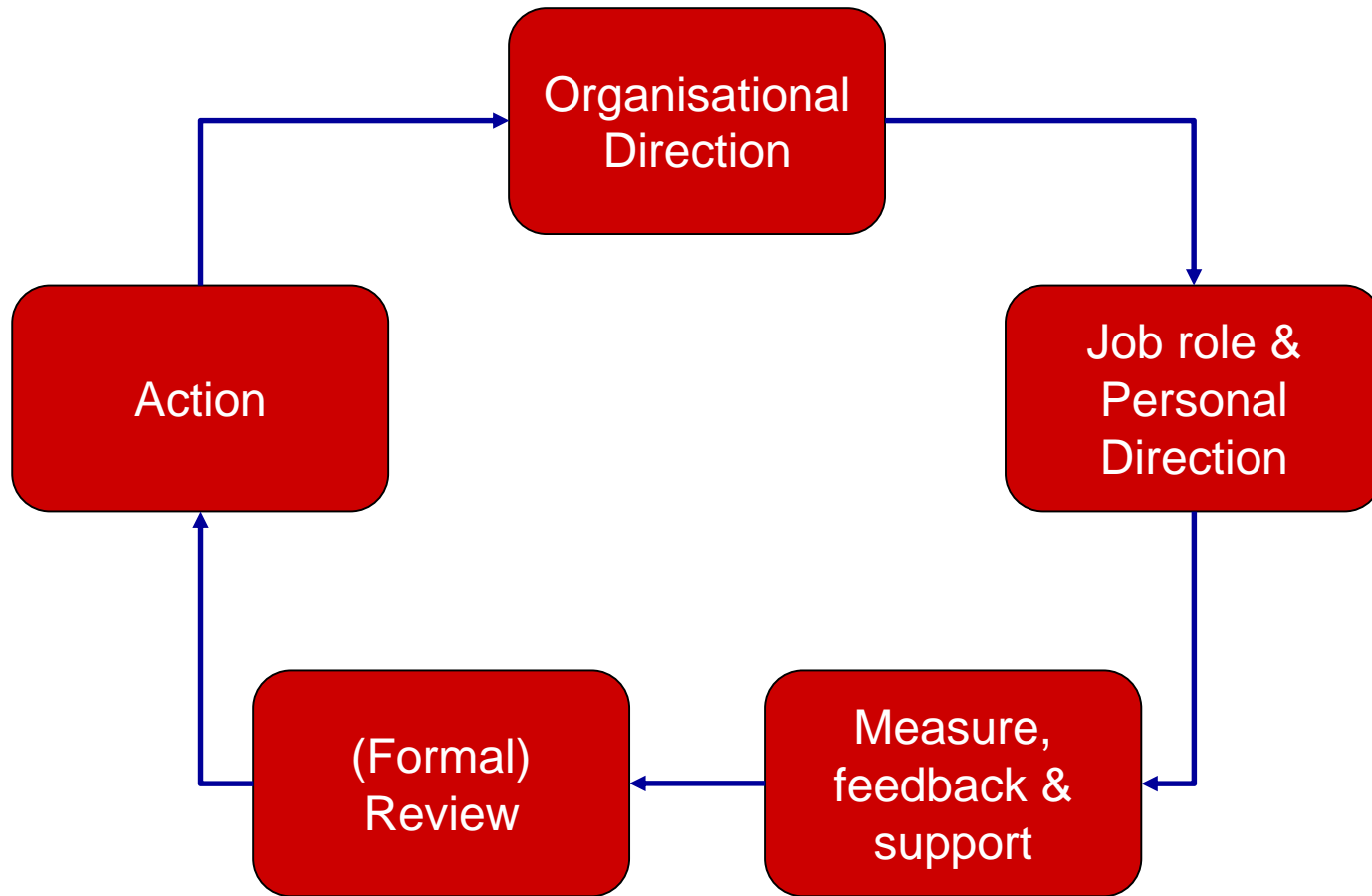
Maximise our people return

# #7 Great Performance Management





# Great Performance Management



# Agree & Take Action

**High Performer/Great** 

**On Target/Good** 



**Below Target/Standard**



# The Four Performance Essentials

Understanding and Appreciation

Competence/Confidence

Support, Resources & Time

Motivation

# Agree & Take Action

**High Performer/Great**



**Maintain**

**On Target/Good**



**Stretch**

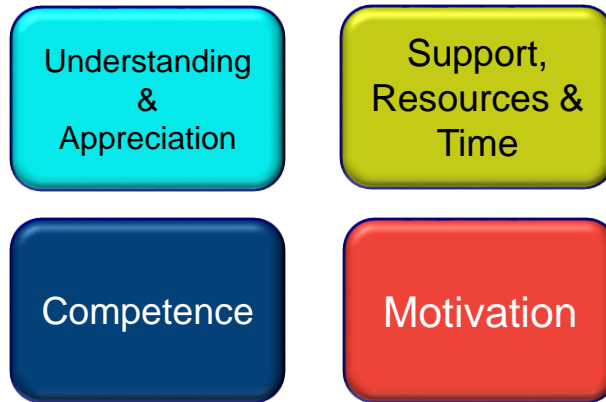
**Below Target/Standard**



**Develop**

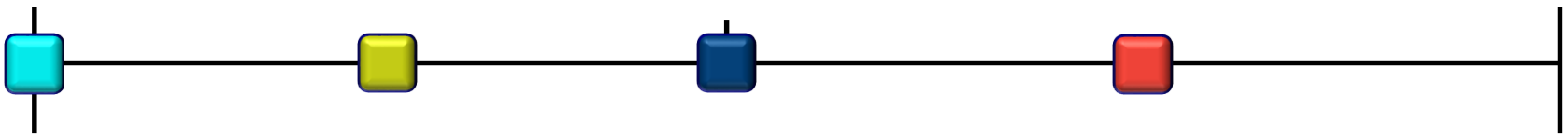


# Accountability?



Business

Person



# #7 Great Performance Management Score?

# #8

## A Focus on Client Advocacy

# What's an Advocate?



# Why Advocates?

Partner not  
supplier

Work  
Volume

Better  
Relationships

Less fee  
Sensitive

Keep their  
promises

Quality  
Insights

And Not Forgetting!

Your FREE  
Marketing  
Department!

# So Ask Yourself...

- How many advocates do you have?
- If you know what your clients think, how do you use that information?
- If you know what your clients think, how do you use that information to influence your strategic business decisions?
- How much do you know about what your clients REALLY think of your organisation?

And how do your clients' views affect your strategic business decisions?

# 5 Pillars of Advocacy

Demonstrate  
Added Value

Clear  
definitions &  
actions

Relationship  
Investment

Demonstrate  
Understanding

Keep your  
Promises

# What's a Client Advocacy Strategy?

“Putting client opinion at the centre of your business activities and strategic choices...”

# Implementing An Advocacy Strategy

- Promote it internally
- Make it important, make it a KPI
- Give accountability for it to key people
- Make it everyone's business
- Measure it properly
- Act on the feedback results
- Communicate outcomes internally & externally
- Recognise it and include it in reward structures

# #8

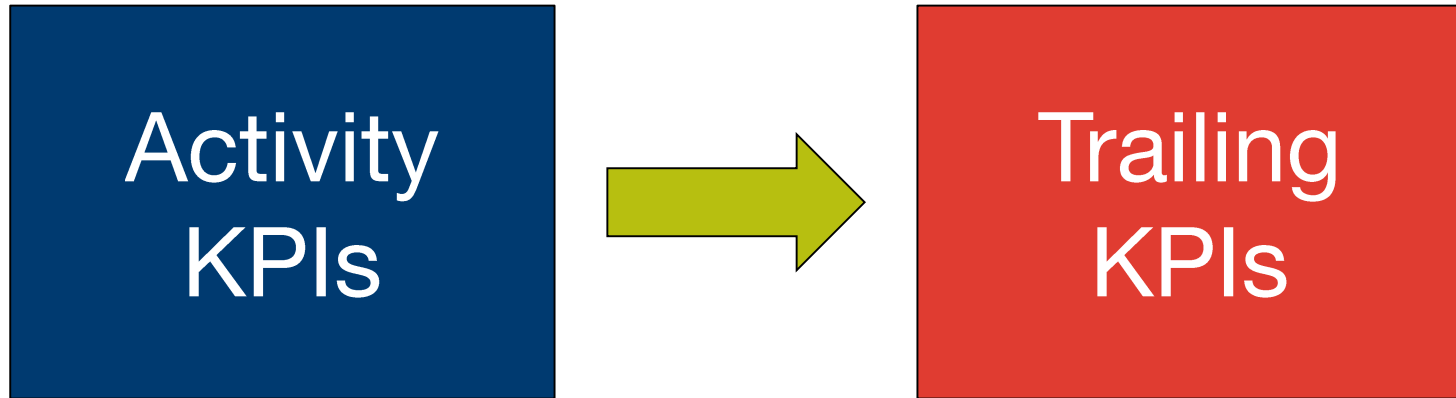
## Client Advocacy Score?

# #9

## Robust Management Information



# KPIs



# Client Drivers

KPI	This Year	Last year	% Var.
No. Trading Clients			
Average Fee per client			
Service Line penetration			
Number of client transactions			
Client advocacy %			

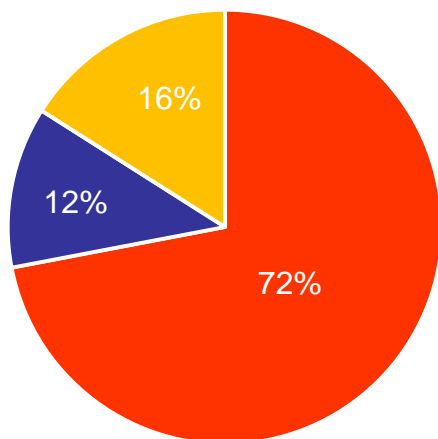
# New Business Drivers

KPI	This Year	Last year	% Var.
Number of new enquiries/leads			
£ Cost per lead			
Enquiries by lead source			
Number of proposals provided			
Number of new clients won			
Average 1 <sup>st</sup> Year fee			

# People Drivers

KPI	This Year	Last year	% Var.
People churn %			
Absence %			
Employee engagement %			
% Competency gaps			
Internal / External Moves ratio			
Vacancy rate %			

## 2017 £ Revenue Split



- Current client & service
- Current client new service
- Newly won prospects

## 2017 Overview

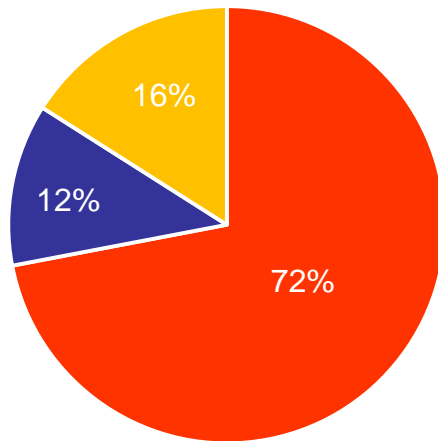
### Current Clients

- Av Current Client Fees: £4,000
- Total Clients: 210
- Total Client Fees: £840,000
- Average transaction size: £1,800
- Transactions per client: 2.2
- Av Number of Service Lines: 1.8/5

### New Clients

- Av New Client Fees: £3,000
- Total New clients: 53
- Total First Year Fees: £160,000
- Number of enquiries/leads: 125
- Conversion ratio: 2.4:1
- Marketing Cost per lead: £200
- Total Marketing Cost: £25,000

## 2017 £ Revenue Split



- Current client & service
- Current client new service
- Newly won prospects

## 2018 Strategy

### Current clients

- Service line penetration
- Fee/revenue levels
- Recovery/Efficiency/COS

### New Business Development

- Generate more leads
- Improve conversion ratio
- Drive first year fee levels
- Reduce lead generation cost

# #9 Management Information Score?

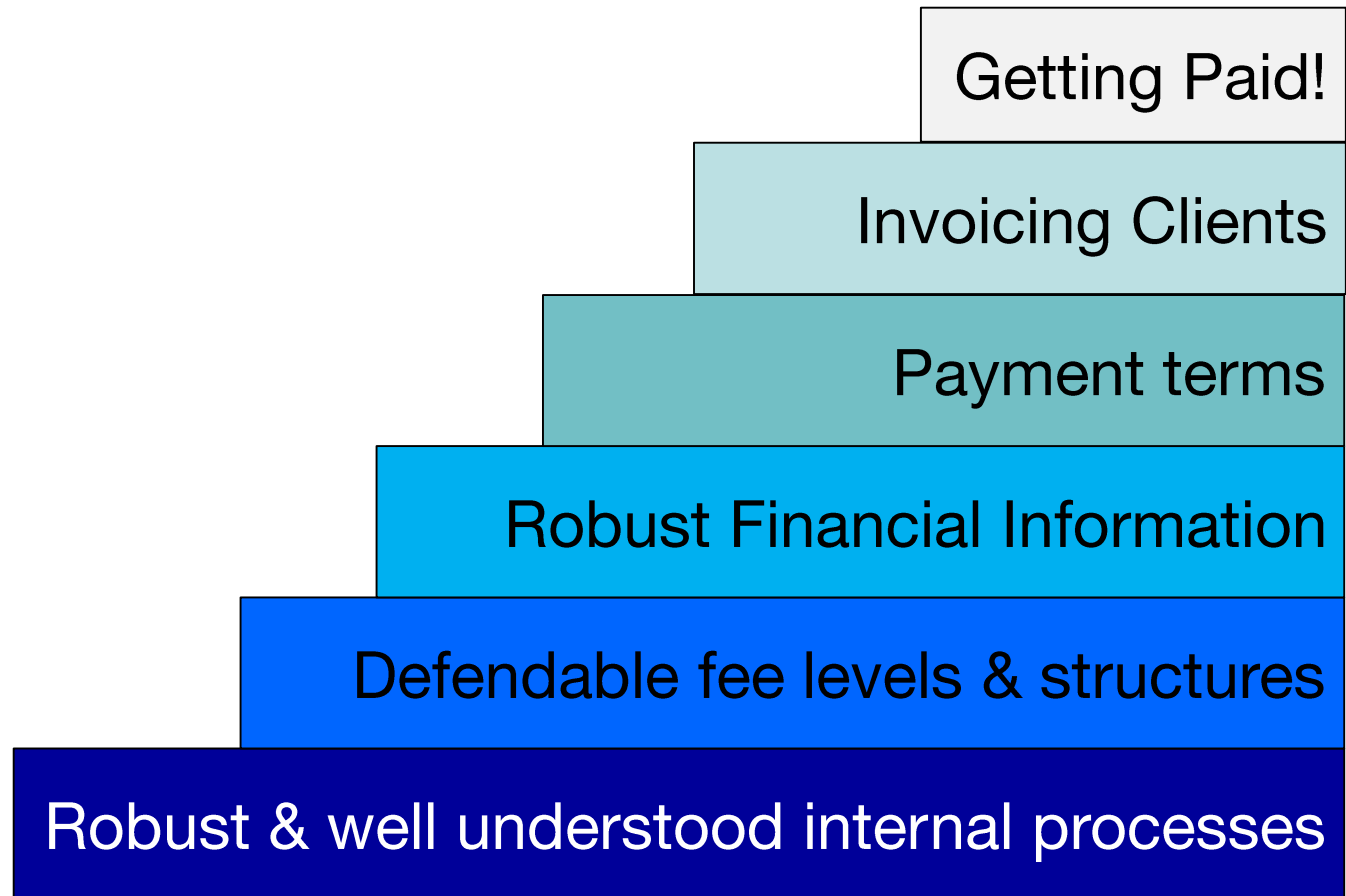
# #10

## Effective Financial & 'Revenue Management'



# Discipline!

# Strong Foundations



# ROI

Retained  
Profits

Capital  
Employed

# #10

## Effective Financial & 'Revenue Management' Score

# So all in all...

