



SOCIETY OF ACTUARIES

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# Set Realistic Goals for Your Strategic Practice Development Plan

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- If you were asked to provide the reason for the “failure” of some of your firm’s previous practice development efforts, how often is the reason tied to unrealistic goals or lack of training?
- When you try to open a conversation with your team about practice growth, do people tell you they can’t buy in because you expect too much?
- Does your strategic growth plan focus on one year or more than one year? Are you working with a five-year plan, a 10-year plan? The most common mistakes made by profes-



sional and financial services firms when they plan for growth of the firm is setting unrealistic goals, and having no training or support. In fact, if your firm is typical of most, you have recognized a need to build your business and have done some reading on the subject. You know the consequences of not continuing to build your business—and yet you have trouble getting buy-in.

If you are like some firm owners or senior partners, your avid determination that the future of the firm depends on unified and heroic action immediately is approaching mania. You might be trying to convince your team that you must double the size of the firm in the next six to 12 months. This is not the correct tone.

The tone should be that practice development needs to be part of everyday activity, not just during slow time.

Unless you are just starting out, or you have done little to grow your business in the past, doubling the size of any business in a very short period of time is simply unrealistic. Practice growth takes time, under normal circumstances. You need to maintain a dual focus for your team: build the practice and keep current clients happy. In fact, if you don’t keep current clients happy, you are probably setting the stage for a big step backward. However, your comfort zone is usually in deliverables and customer care so you never seem to get around to working on building your book.

## WHAT ARE REALISTIC GOALS?

Practice development goals for your firm must be realistic. Realistic goals command the support and buy-in of members of the team because there is a reasonable expectation that they can be achieved. For example, an unrealistic practice development goal would say that the size of the firm (measured by number of clients) will be tripled in one year. A realistic practice development goal would say that the size of the firm (measured by number of clients) would increase by three clients per professional member of the team. This might feel like a stretch to members of the team, but under most circumstances, it would not be impossible or unrealistic. Some people feel that you should always set goals high—however if they are set at an unbelievable level, then people take no action moving towards them.

The attributes of realistic practice development goals for a professional or financial services firm include:

- You can honestly say the goal is reachable or attainable.
- The goal says exactly what will be accomplished and how it will be done.
- The goal will provide specific and complete details, including budget, resources, scheduling, completion date, who will do what, etc.

- The goal will be measurable and it will state both what will be measured and how it will be measured. There will be a defined way to measure and evaluate success.
- The goal will be situated in time. There is a reasonable expectation that the goal will be achieved by a specific date.
- The goal will be actionable. Realistic goals state expectations that can be achieved by the actions of members of the firm.

Setting goals for your strategic practice development plan will outline what the firm's owners and leaders expect to accomplish with a view to closing a gap between where the firm is at present and where the firm needs to be at a particular point in the future. Your goals will outline how you plan to move the firm from point A to point B.

What kind of practice development tools and techniques will help you move the firm toward strategic practice growth? How do you want the firm to grow? Do you want to build a niche? Do you want to buy another firm? Do you want to find new partners? Do you want to add services and create products?

When you set goals to achieve your practice development strategy, you will probably have in mind some specific ways you want to develop the firm. You might, for example, be very clear that you do not want to bring in any new partners. You might also be clear that you want all members of the team who are not partners in the firm to begin to develop an area of expertise—risk analysis, corporate tax issues, energy specialists, manufacturing experts, etc. You might decide that in order to help these junior professionals develop knowledge and skill in these areas, you will direct all work that comes to the firm in these areas to these junior professionals. You might also designate a senior partner to oversee their work and mentor them as they develop the desired expertise. This is the content of goals.



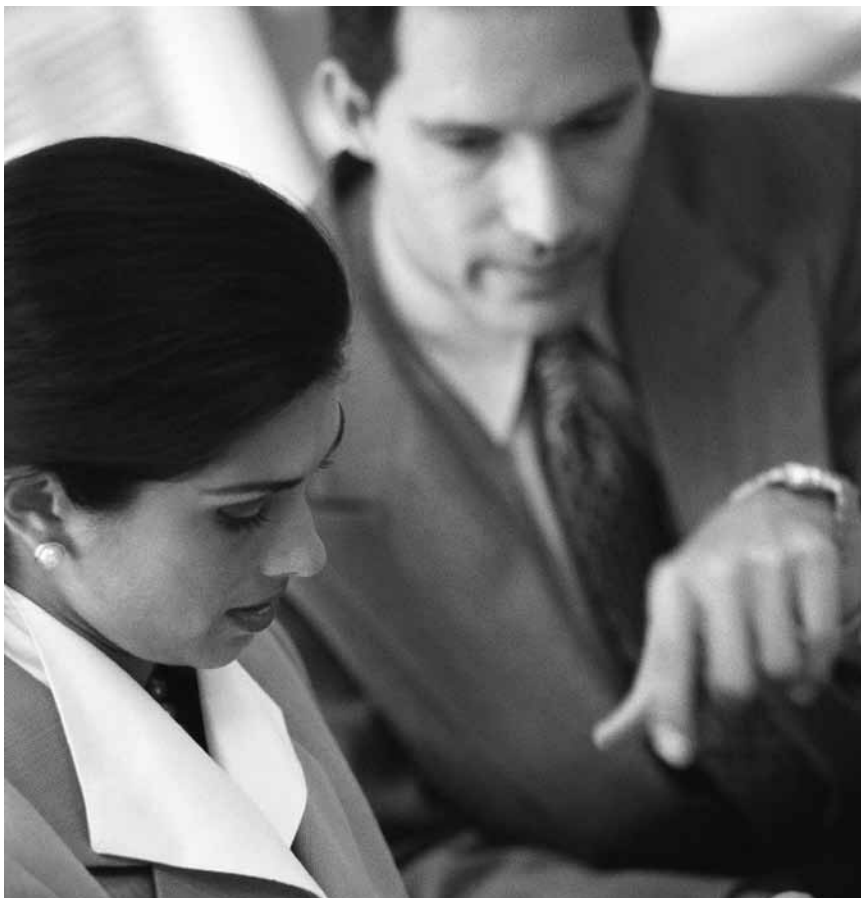
If your goals are relatively simple and clear, you might need to write only a statement of the goal and share it with those responsible for implementing it and those affected by changes or the process of implementation. On the other hand, if some of the goals are complex and involve a number of steps and the involvement of a number of people, you might find it helpful to write action plans for them. Action plans simply outline the steps to be taken by each individual, with target dates and accomplishments. Complex goals will also outline how the work of each individual touches upon or feeds the work of others.

Another thing to talk about is who is going to hold others accountable and at what points will there be check-ins.

When you set realistic goals for your strategic practice development plan you essentially chart a course to a destination. Realistic goals provide the destination coordinates and indicate where the reefs and

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other dangers are located. They also indicate safe routes from where you are to where you want to go. A good strategic practice development plan will be successful if the goals are realistic and clear to everyone involved in achieving them. Good goals equal solid success. Good goals get all of the ships and all of the captains, along with their crews, safely to the safe harbor of the designated destination.

**About David Wolfskehl**

*David Wolfskehl is president and CEO of The Practice Building Team, a member of the DGW & Associates Family of Companies. The Practice Building Team helps professional services firms accelerate their growth. To learn more, please visit our website at <http://www.tpbtteam.com>. David has been an entrepreneur and a guide for entrepreneurs throughout his adult life. In addition to the Special Report: How to Grow Your Practice in 2010, David has just released a new Special Report: How to Quadruple the Value of Your Business in Three to Five Years. Learn more about this compelling report at <http://www.tpbtteam.com/resources/special-reports/item/81-how-to-quadruple-the-value-of-your-firm-in-three-years>. ●*