

HOW I GREW MY PRACTICE FROM NOTHING TO OVER \$6 MILLION IN 5 YEARS

Part 3

Despite Hollywood portraying accountants as nerds, geeks, and financial manipulators, I personally believe accountants can make a difference in the world. Underneath your shirt/top is a special suit with a big 'SA' logo ... the **Super Accountant**.

It's in your DNA.

Perhaps you don't realise your powers just yet. I'm here to tell you that you can make a difference in the lives of business clients. You are the super hero, but clients just don't know you have such powers!

OK, perhaps I'm bringing a little humour to the argument, but in fact my message is sincere. I'm here to help you unlock that potential and take you down a path most accountants will only dream about. But, first, you need to work on yourself.

In Part 3 of this series we're going to help you find more time.

Accountants are busy people, overloaded, and in many cases bored. Bogged down with compliance deadlines and bored of the same routines year after year after year. Unappreciated.

It's time to make a change.

In my case, yes, I grew my Practice at an amazing pace (ranked #1 fastest growing firm in Australia), moving from a rank of #10,000 to a Top 50 position over a period of 5 years. But more interestingly, I reduced my productive hours from over 1,000 hours to less than 200 hours. I picked up my kids on Wednesdays after school at 3.00pm. I did not go to the office on Thursday. I exercised on Tuesday and Friday mornings. I decided never to sit in a traffic jam ever again! I changed my whole weekly schedule. I took more holiday breaks.

This series is not about me, it's about you. What do you want for your life and your Practice?

My purpose in this Series is to provide you, step by step, with proven strategies to grow and improve your Practice, and make a difference for your clients. In my previous blog posts I delivered Lessons 1 to 5, answering the question *"How I grew my Practice from Nothing to over \$6million in 5 years"*.

- Lesson 1** Find a compelling reason for change – the 4 D's.
Dissatisfaction. **D**esire. **D**etermination. **D**iscipline.
- Lesson 2** Develop new habits, starting with your reading. Commit to self-improvement. If you want more, you'll need to get better.
- Lesson 3** Become a brilliant Implementer
- Lesson 4** Keep it real. Every business and every Practice needs improvement
- Lesson 5** Create a clear, focused vision

Let's move on to Lesson 6. How can you make more money with less effort? Accountants are incredibly busy people, often stretched to the limits with deadlines and serving the needs of clients.

I'm loathe to use the phrase *time management* to describe this section as it's become a cliché. One of the best resources I can recommend to you is Stephen Covey's Habit 3 *"Put First Things First"*. This comes from his book, *The 7 Habits of Highly Effective People*. It's seriously good stuff. There is also an entire book with the same name devoted to this topic.

The Peter Ritchie story

Before we get into the *"how to's"*, let me share a quick story that had a memorable impact on me early in my career. Like many of you, I make donations to those in need. I never hand over money to door-knockers, and as you might expect, I take a strategic approach to making donations. I focus on

children (the helpless), and I focus on credible organisations that don't charge big fees or commissions (meaning the money goes to the cause, not the administration).

Anyway, my firm sponsored a charity auction evening for children with MS (multiple sclerosis) and Peter Ritchie was the special guest speaker. I remember bidding for, and purchasing, a red player autographed **Sydney Swans** football jersey (Australian Rules football).

Peter Ritchie AO (Order of Australia, a bit like 'Sir Peter'), was an accountant working in a Chartered Accounting firm in the 1960's. In 1971, he was the founding employee of McDonalds Restaurants in Australia, and undertook training in the United States.



Did you know that Australia was the first 'export' country for McDonalds outside the United States? As the story goes, the Americans used Australia as a test case cause it was on the other side of the world, and if things didn't work out, then chances are no-one would ever know! No doubt for the same reasons, the first *McCafe* was opened in Melbourne in 1993.

In fact, McDonalds Australia lost money for many years, before Peter Ritchie as Managing Director turned the business into an 'overnight' success. Of course, it was hard work to build the brand. Later, he helped establish McDonald's in most of the countries in Asia and the Pacific including Hong Kong, Singapore, Malaysia, Indonesia and New Zealand. He was a founding Board Member of McDonald's Hong Kong, Malaysia and New Zealand. Remember, he's a *Super Accountant*!

Anyway, after all this success, on the evening of the Charity fundraiser, he talked about his greatest regret in life. There was silence in the room. How could such a great success story carry regrets? He said he worked hard for decades climbing the corporate ladder, but literally missed his children growing up. His regret was not attaining balance in his life.

With that story in mind, let's move on with Lesson 6.

The CCTV

I'm pragmatic. I want to make an impact on you. I want you to get results. I want you to be happy and have a rewarding professional life. I want you to take action, so let me paint a picture. Imagine that a video camera is installed in your office. It's in the top corner and directed at you and your desk.

Imagine that we record your every movement from the time you arrive at your office in the morning, till the time you leave at night. What would we observe? I'm sure as we play this back you'll notice certain habits and you may even cringe. Human behaviour naturally falls into set daily routines. We are creatures of habit (good and bad). The question is '*what routines?*'. Some routines are good and some are literally a waste of time.

We need to recognise our bad habits and routines and make changes. This comes back to Lesson 2 'Develop new habits' (e.g. reading habits and content outside of tax and accounting standards!).

For example, how do you start your day? A cup of tea or coffee? A chat with the staff? Read the newspaper. Do you then sit at your desk, check your email, check your appointments and return phone calls? Is this the best approach? How to improve?

The First Step

Stephen Covey talks about separating activities into 'Urgent' and 'Important'. That concept works for me. When the phone rings, we answer it. It's certainly urgent, but is it important? Usually not. The phone often distracts us from important tasks.

The smart question to ask yourself is therefore: '*What is important?*'

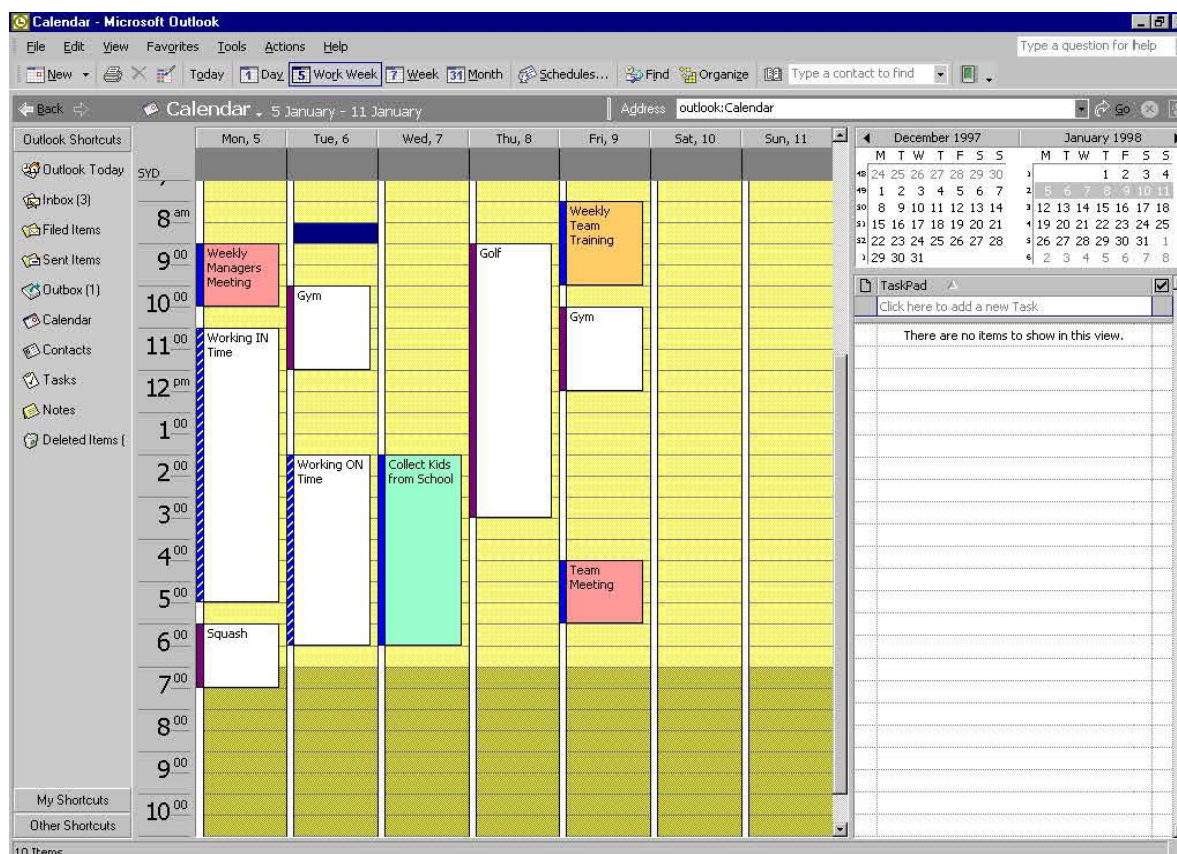
The answer is fundamental. It starts with Lesson 5 "Create a clear, focused vision". How can anyone possibly make good decisions day to day unless they know where they are heading, and then implementing those activities that have been ranked and prioritised i.e. Lesson 3 "Implementation".

Here's a habit I developed with my calendar. What is most important in your life (not urgent)? Family time? Losing weight and getting fit? Growing the Practice? Implementation of your Strategic Plan. Whatever it is for you ...

At the beginning of each year I blocked out segments of my calendar for important personal events. School holidays. Football events. Concerts. My fitness program. Birthdays (wife and children). Family holidays, etc. Most importantly, I allocated time for the annual strategic planning process, implementation and review (also known as 'Working 'ON' your business).

Fridays, I blocked time for internal meetings and social time with my team.

Over the weekend, I set goals/objectives for the week ahead, and blocked my calendar for the most important activities. Here is a screenshot from my calendar from 1998 (time slots blocked out in advance):



This 'time management' process became a routine, a habit. By the way, working 'ON' time means strategic work to build my Practice. Working 'IN' means productive time working on client matters. These terms came from reading Michael Gerber's *'E-Myth Revisited'*. The blank spaces in my calendar were for everything else that my secretary and staff used to fill for me!

Other habits that changed my life: ... I cut back on watching TV during prime time. I sat down for dinner at least 5 nights a week with my family. I read more, particularly online content. I love movies and quality television, but I took control of where and when I watched, and cut out commercials (a one hour TV show is actually 41 minutes of real time).

Once you set these priorities, it's easy to develop the habit of saying 'no'. 'No' is a powerful word. It's a discipline based around doing what is important in your life, not what is urgent.

Delegation is another powerful time management tool. It's too important to quickly gloss over it here, but learning the art of effective delegation will make a huge difference to your professional life.

Strategy #101

Let's get very specific. I want to leave you with arguably the most powerful strategy of all that will change your professional working life. If you have an established Practice, then I literally guarantee this strategy can double the size of your Practice and your income over the next 3 years. I'm not exaggerating.



While it takes some serious mental effort to implement, the benefits are immediate. You will instantly make your Firm *more* profitable, and you will free up a huge chunk of your time. Happy days!

Strategy #101 is about client selection and it's a huge step towards extracting the gold hidden inside your Practice.

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It's one of the most powerful strategies that an Accountant with an established Public Practice can ever apply. I hope you agree.

By all means share this post with your partners and email me if you have any questions or comments. You can print a PDF version by clicking this link: **Part 3** (Lesson 6).

Until next time, have a great day!

Cheers,

Marc

9 November 2015

Suggested Plan of Action

1. **Lesson #6** – Take control of your calendar by planning ahead and blocking out important activities. As Peter Ritchie recommends ... get *balance* in your life. No regrets.
2. Read Stephen Covey's Habit 3 'Putting First Things First' from his book *The 7 Habits of Highly Effective People*.
3. Working ON the Practice. Lock-in time for important activities like Practice improvement
4. Download **Strategy #101** by clicking this [link](#).