

Move Out of the Comfort Zone and into the RedZone

By Joseph A. Tarasco

Wikipedia defines the “comfort zone” as a “behavioral state within which a person operates within boundaries that create an unfounded sense of security and will tend to stay within that zone without stepping out of it. To step outside a comfort zone, a person must experiment with new and different behaviors.”

The number of partners and managers in the CPA profession who fall into the definition above has reached epidemic proportions and is at the root of the succession planning problem and a significant reason for massive consolidation in the CPA profession. A typical CPA firm “comfort zoner” has the following profile:

- is considered to be a good accountant;
- does little to no marketing;
- is a good generalist; and
- is a mediocre supervisor and manager who works long hours and is liked by clients, but is not considered a “trusted advisor.”

Many comfort zoners are loyal employees who have been with the firm for many years and are at the top of the pay scale for their position in the firm. These professionals have the potential and talent to achieve greater degrees of success; however, they are not motivated to “experiment with new and different behavior” necessary to contribute to the firm’s succession plan and take the firm to the next level of success. Similarly, in many cases, firm management is not motivated to assist them in moving out of their comfort zone. This combination of behavior can be deadly to succession planning and a firm’s ability to remain independent.

Comfort zone culture

While founding and entrepreneurial partners play a key role in defining a firm’s culture through their

actions and leadership, all firm partners and staff contribute to the organization’s culture. Significant problems occur when a firm experiences a majority of comfort zoners in its professional ranks, which normally translates into a top-heavy organization that has plateaued technically and in its ability to grow and deal effectively with its competition. It is not unusual to see 50 to 60 percent of partners and managers in a CPA firm stuck in their comfort zones. They have a sense of security as they deal daily with staff and clients within certain boundaries of their comfort zone in which they prefer to remain. Many do not even realize they are operating in this manner because their working environment has become routine and repetitive for an extensive period of time. Numerous partners and staff in comfort zones can become a culture, which, as time goes on, may be irreversible and detrimental to a firm’s future.

Comfort zoners often make excuses for not attaining higher levels of performance and professional development. These excuses become part of their conditioning and defense mechanisms to stay in their zone. There is no choice but to have firm management motivate and assist them in moving out of their comfort zone and putting them in a position to contribute to the firm’s future succession plan.

Transitioning from the comfort zone to the RedZone

There is a large demand for partner-potential quality staff in today’s marketplace, and firms can no longer rely on recruiting experienced staff to fill the voids in their succession plans. Moving existing professionals out of their comfort zones to higher levels of success is imperative to building the staff pyramid and to providing the leverage necessary to increase value and profitability.

How can firm management change the culture and move comfort zoners towards the RedZone (*i.e.*, a

zone in which their performance can be enhanced and their skills optimized)? Here are five ways to begin the transition:

1. Institute a performance management system for partners and staff, including a system of accountability with key performance criteria (competency models) and progressive goals and objectives to achieving higher levels of performance.
2. Require partners and managers to regularly delegate work and clients down the pyramid and to take on challenging work with more complex clients.
3. Set practice development goals and objectives that will require partners and managers to engage more profitable, quality clients each year.
4. Institute a more balanced “up-or-out policy” (retaining only those staff who have the potential to become a partner) to motivate professionals to attain higher levels of success within the firm and in the profession.
5. Have mentors perform a personal SWOT analysis (*i.e.*, strengths, weaknesses (for professional growth and success), opportunities, threats (to professional growth and career)) for each partner, manager, and supervisor-level professional.

Institute a performance management system for partners and staff, including a system of accountability with key performance criteria (competency models) and progressive goals and objectives to achieving higher levels of performance. The performance management system should reward those who demonstrate higher levels of technical and professional competencies each year, including practice development, management and supervision, leadership, client service excellence, innovation and creativity, and contribution to firm profitability. The program should include quarterly mentoring and evaluation of the implementation of performance objectives. Continual monitoring and assessment will assist comfort zoners to reach the RedZone at a more rapid pace. A performance management program provides the tools, assistance, organization, and guidance necessary to move toward the RedZone.

The performance management program should include continuous training and coaching in soft skills, higher levels of technical skills, and new service/niche development. Each person should have a personal training curriculum to support greater

competencies and to overcome deficiencies in performance. If implemented correctly, a formal performance management system is the best way to encourage and motivate comfort zoners to build their confidence and encourage self-development.

Require partners and managers to regularly delegate work and clients down the pyramid and to take on challenging work with more complex clients. Motivate employees to achieve RedZone performance by scheduling them with the types of clients and projects that will enhance their skill level, creativity, and innovation in client service. Working with the same clients and performing the same services each year supports and reinforces the comfort zone culture.

Set practice development goals and objectives that will require partners and managers to engage more profitable, quality clients each year. Provide them with practical practice development training in the areas where they have the most potential to succeed. It is essential to the growth of the firm that comfort zoners contribute to the practice development effort even if it is writing articles, assisting with proposals, or contributing content for newsletters.

Institute a more balanced “up-or-out policy” (retaining only those staff who have the potential to become a partner) to motivate professionals to attain higher levels of success within the firm and in the profession. The comfort zone culture became more pervasive once the “up-or-out” policy became less prevalent in the CPA profession. A common result of too many comfort zoners is a “top-heavy” firm leading to significantly less leverage within the pyramid and a huge obstacle in growing the firm and providing opportunities to over achievers.

Have mentors perform a personal SWOT analysis (i.e., strengths, weaknesses (for professional growth and success), opportunities, threats (to professional growth and career)) for each partner, manager, and supervisor-level professional. This will allow them to discover where they stand in their firm, their profession, and their future and also indicate any comfort zone problems. Evaluating strengths and opportunities will assist employees in building a path out of their comfort zone and help them to gain the confidence necessary to achieve a higher degree of professional success. It will also assist them in detecting and preventing any weaknesses and threats. Performing a personal SWOT

analysis will encourage the process of following a methodical, well-directed, and organized path out of their comfort zones.

Do not let the comfort zone culture dictate your firm's destiny. Most CPAs start to be successful professionals the day they move out of their comfort zone. Move your professionals into the RedZone and out of the comfort zone and encourage them to score higher levels of success more often.

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