KCG KOLTIN CONSULTING GROUP

625 NORTH MICHIGAN AVENUE SUITE 1810 CHICAGO, IL 60611 (312) 662-6000 (855) AKOLTIN [256-5846] WWW.KOLTIN.COM

Allan Koltin was recently interviewed for ***Inside Public Accounting***'s series "Insights from IPA's Most Recommended Consultants". They had asked the 2016 '10 Most Recommended Consultants' for their thoughts on successful firms, leadership influences and advice for MPs.

What are common denominators in firms that are successful?

My answer here is all about the Big 4 (but not the Big 4 you're thinking of). The firs denominator is the ability to continue to grow. Growth is the great enabler that allows firms to improve profitability and provide additional growth opportunities for their staff. History has shown that when firms don't grow they typically lower the bar on client acceptance and hold on to low-margin clients, impacting everything from profitability to morale. The second denominator is the ability to recruit, retain and grow young talent while ensuring the firm has a health balance among rainmakers, client handlers and those with superior technical skills. The third denominator is great leadership. Not just in the CEO/MP role, but throughout the firm, whether it be professional management, industry teams or service-line leaders. The fourth denominator is partner alignment on everything from strategy to decision-making to providing a great culture for its people.

What advice do you offer to MPs?

First - Truly make the firm your No. 1 client and figure out what you need to do to go from working in the business to working on the business. *Second* - Don't worry about winning a popularity contest with your partners. Rather, gain their respect by making tough decisions and being the necessary backbone that the firm needs to continue to move forward. *Third* - Work hard to listen to and respect your partners. Don't forget the adage that it's okay to lose a battle if it means ultimately winning the war. In other words, you don't always have to be right and decisions don't always have to go your way.

How much life does merger mania have left in it? Is this going to go on forever? Three years, five years?

I find great humor in this question. I've been asked this for the last eight years and have answered it wrong every time. If you had asked me at the end of every year if the merger mania would continue, I would have said absolutely not because the firms that want to merge up have done so already and those that want to stay independent will, in fact, stay independent. And yet, merger mania hasn't ended. I believe the biggest reason is not so much because of the number of firms, but rather that the vast majority of mergers have proven to be successful. If mergers weren't working, partners in the acquiring firms would shut down their programs and we would see a rapid downward spiral in mergers taking place. One trend, however, that is on the uptick is the number of smaller firms now also growing through successful M&A.

What are the common denominators that lead to a successful partner retreat?

Having facilitated about 40 retreats a year for the past 25 years, you would think I could give you a pretty easy answer to this question. The truth is, a successful partner retreat can only be measured about three to six months afterward – it's all about the execution and the plan for implementation. That being said, I think a great retreat is one in which the partners are allowed to share their thoughts in an open and constructive dialogue. Ultimately, it's firm leadership's job to take the input and reach a decision on what and where the firm needs to go next. The toughest retreats for me are probably those in which no one wants to offend or hurt anyone's feelings, and decisions don't get made until there's absolute partner unity. This results in a watered-down decision that typically won't have a significant impact on the firm's financial future.

Allan D. Koltin, CPA, CGMA is the CEO of Koltin Consulting Group, Inc., a Chicago-based consulting firm that specializes in working with professional and financial services firms in the areas of practice growth, practice management, human capital, and mergers and acquisitions. Allan can be reached by cell phone at 312/805-0307 or via email at akoltin@koltin.com.