

CPA AUSTRALIA PODCAST



Pathways to partnership

Intro:

Hello, and welcome to the CPA Australia Podcast. Your weekly source for accounting, education and career and leadership discussion.

Keddie Waller:

Welcome everyone. It's my pleasure to introduce you today to CPA Australia's Podcast, pathways to partnership. Our podcast today is going to provide you with the insight into the three very different pathways [inaudible 00:00:30] in public practice have taken, to become partners in their different areas. It's my pleasure to introduce you to Katie Timms, Director of RSM Australia. Katie is a director of the business advisory division in Perth. She has been with RSM since 2005, and specialises in superannuation, commencing her work in 2000. She has significant experience in all areas of self-managed super fund, including administration and compliance, [inaudible 00:00:57] acquisition, and tax-saving strategies, as well as structural assistance and estate planning. Welcome Katie.

Katie Timms:

Thank you.

Keddie Waller:

We also have with us today, Hugh Zimmerman, CPA, Director at Galluccio & Griggs. He started his career in the commercial finance sector in 1992, with BankWest, after completing his Bachelor of Business in 1990. Since then, Hugh has worked across several prominent accountancy firms, including PKF Australia, BDL Australia, bringing extensive knowledge and esteemed reputation to the Galluccio & Griggs team in 2015. Hugh was a garnet small business administration and taxation matters, accounting and bookkeeping, software, [inaudible 00:01:40], and planning. Start-ups [inaudible 00:01:42] business structuring, sufficient planning, buying and selling businesses or capital assets, [inaudible 00:01:48] performance review and improvement. Welcome Hugh.

Hugh Zimmerman:

Thanks Keddie.

Keddie Waller:

And finally we have James Wyrewenaden, partner of Prestige [inaudible 00:01:57] Chartered Accountants. As a CPA and registered tax agent, James decided to embark on creating his own chapter in the accounting world, without all of the internal politics. His partnership with fellow [inaudible 00:02:08] Salim Pradhan, was established in 2011, out of a client's back office. Organic growth, capital [inaudible 00:02:16] client-base acquisitions, has allowed a suburban start-up to develop into a city of

fringe practice, where the partners have created a culture rewarding both entrepreneurship and client contribution. Welcome James.

James Wyrewenaden:

Thanks Keddie.

Keddie Waller:

So we're going to have a bit of a conversation today, and talk about the different ways that you have all come into this sector into public practice, and the way you moved through your careers into becoming partners. And I'm going to be asking you as an introduction, if you can share a little bit about your journey to becoming a partner or a director at your practice. So if Hugh, can I ask you to please start?

Hugh Zimmerman:

Thanks Keddie. I've had an interesting pathway to my partnership. I worked for many years in a number of smaller and mid second-tier size firms. And I guess, at some point I made the decision that I wanted to make a career in public practice. Now obviously to keep a career, I had aspirations at some point to become a director or a partner. And one day woke up and thought to myself, well how am I going to that? The firm that I was working at the time, I made a decision that it was not going to be the firm that I was going to be a partner in. And so I needed to look for an alternative option. And for me, I ended up having a conversation with a recruiter, and he basically said, "Look, if you're interested in a partnership, then I can put your name forward to various practices, and you can interview those practices, and if you're comfortable, you can proceed with a transaction to acquire equity into the partnership."

Hugh Zimmerman:

And that's exactly what happened. I spent probably two years looking at different practices. I had a particular set of things, criteria that I needed to meet to identify a practice that was going to be good for me. And I think it's important to do that, because not every practice is the same, and not all pathways to partnership are [inaudible 00:04:40]. And so, it pays to do your due diligence, not only to see that the firm has a good client mix that you are suited to, but also the culture of that firm is something that you're going to thrive in. There's nothing worse than walking in somewhere and you don't feel like you belong. And now, six years later I'm a director in Galluccio & Griggs, and we're now actually having a conversation about one of our long-term staff, and what they need to do to step up to become a director.

Keddie Waller:

Hugh, it's a really good insight, and I think taking a key point out of that around the culture and ensuring you've got that fit, is really important about that next step in your career. Really insightful, thank you. James, could I ask you to go next please?

James Wyrewenaden:

Thanks Keddie. So my pathway was slightly different to Hugh. It was more traditional to start, so effectively I worked for a couple of practices. One was a [inaudible 00:05:38] firm, and another larger organisation in the city. Both of those were good firms, good culture, good people that worked there, but I had a different sort of idea where I wanted to go. It was more based on the fact that those practices and the culture and what they had to offer I suppose was a little bit different to what I always envisioned a practice to be, where we would then provide additional benefits to staff, which I obviously

didn't get that opportunity working for both organisations, was always the ability to grow inside the firm, by internally stepping up to a partner level or a director level was quite limited.

James Wyrewenaden:

So 2011, there was two colleagues of mine who we actually worked together as graduates. We've always kept in touch. We all had our own journey, our own pathway where we put our careers forward. We met up, we basically, it's quite interesting I think, we actually met up for just a few beers on a weekend, and we're all in the same boat, we're all have the same experience working for very similar firms. And we just decided one day that look, maybe this was the time to do it, it wasn't anything that was pre-planned, it was just two guys, it was actually three of us at that point, but two main partners then. And we just put together a plan. We sort of identified our strengths and weaknesses, what direction we'd be going and how that culture would work. And then we all basically left the practices where we left, we had a break for six months, there was travelling in between that time, and from there we basically established a start-up practice.

James Wyrewenaden:

It definitely was inside of a client's back office, which felt like a bit of a boiler room at one stage. But after about six months, there was an opportunity to buy a small book of fees, through a contact of ours. That happened in January 2012. From there we basically grew that client list about threefold, and then from there we took on some staff. But we really did change the culture at that point, it was all about contribution, it was all about empowering staff to be entrepreneurial, to basically run a micro business with inside of another business, in order for them to grow their own list to basically stand on their own two feet, without guidance and without processes and procedures.

James Wyrewenaden:

Then there was another acquisition a couple of years back, and that had basically allowed us to step into a different type of level, different type of staffing, and then basically along the way, we've been able to gain traction, basically diversify, change our culture as we see fit, and empower our staff. Staff work remotely. Some staff actually run their own job flows where they see fit, as long as they sit in a framework. So it was a different start-up, it was not your traditional start-up where you would buy an established practice, it was very raw, it was very, I suppose a bit of a gamble at one stage. But we all had nothing to lose, everything to gain. And we just basically didn't look back, and here we are now.

Keddie Waller:

And James again, true start-up in every sense of the word, but the word culture and you're really embracing that, and especially with your staff. You can see that it's a strong and important consideration when you're going through, regardless of your pathway. Really insightful, thanks James. Katie, how about your [inaudible 00:09:52] sector?

Katie Timms:

So my path is different to both James and Hugh as well, we've all kind of taken a different tact. I actually started out in Regional Western Australia at a what I consider now a small firm, but in that town it was not considered a small firm. But what I discovered when working there is, my passion in accounting wasn't for tax, it wasn't for business, it was for [inaudible 00:10:21] which what I do now, it was for working with retirees, and it was something that I really wanted to pursue. And unfortunately the firm that I was at, it was kind of not viewed as something that required a specialist or someone really willing

to dedicate all of their time to it, it was kind of just a bolt on for existing client services. And so when I relocated from that town to Perth, I guess I kind of looked for something a little bit bigger in with the thought in mind of that, I didn't really want to be a tax accountant my whole life, this was really an area that I wanted to specialise in.

Katie Timms:

And that's kind of how I've ended up at RSM, now it was perfect. I don't like to say I was lucky, but I was, I was incredibly lucky, because I came in at a time where they needed someone to specialise in that space, and where that's taken me now is, I'm the National Director of Superannuation here. So I have had the ability to, I mean, there's no time to do anything but that these days, but the size and scale of the firm really allowed me to just dedicate everything to that interest, to that passion that I had. And I guess the other way in which I've been lucky, is that I managed to find myself a mid-tier firm that has its basis in Regional Western Australia, so that's the culture of the firm. I think we're 98 years old or something now, we're an old firm, which is I suppose in [inaudible 00:11:51] we'll talk about that a little bit later as well.

Katie Timms:

But we have not a big firm mentality. It's a firm that, our previous chairman would greet every graduate on day one, and knew everyone's names, and I'm pretty sure he's obviously rehearsed them, as we got bigger and bigger. But the culture of the firm was one that, it didn't feel like a big firm, it's size has let me to really find my passion and work in the space that I wanted to, but the culture of the firm where you still were working with people who really care about their clients, where the client is the most important thing, where you're developing long-term relationships with clients. So I was lucky to find that firm, I don't think a lot of the other firms really do have that kind of passion.

Katie Timms:

And so, and I guess the other thing that I was lucky about, was that my [inaudible 00:12:48] and my interest for the specialisation was a gap that was needed, and it did let me drive through a path to partnership, maybe younger than I would have done at another firm. I mean, as I say, I really do hate to say lucky, because [inaudible 00:13:07] work, let's be honest, but at the same time the firm did give me the option to get to partnership, younger than what I maybe would have done. So, a little bit different to the path from the others, but [inaudible 00:13:18] hard work than any of us have put in, that's for sure.

Keddie Waller:

Yeah, and it's a great point, the three of your stories really does showcase the different ways that you can come into public practice, and move into a partnership or a director role. And Katie, one of the things you spoke about was that specialisation and the passion for that specialisation, and credit to you to move into a partner role at a younger age than most people probably even think about or even plan as part of their careers. You spoke a little bit then about the structure of the firm, and we did have our research report last year, My Firm My Future, and looking at the changing structures within the accounting profession, and the firms. Could you talk a little bit about your current structure, and how you've seen that evolve?

Katie Timms:

Well just to give everyone a little bit of background, because we're a mid-tier but not often that well-known. We are actually an international firm, so we have a international footprint as well. I feel like I

should know exactly what number we are, but we are about number six or seven internationally in terms of the member network. We are fairly big, even within Australia we've got 29 offices across the country, we've got over 100 partners. Then we have salary partners, plus then we principals partners, then we have associate directors. So, our structure is, we're a big firm. And it's something that's really exponentially grown, probably since I've been here. As I said, the firm started in Regional Western Australia, and slowly we've crept our way across the country, and we really are in every [inaudible 00:15:01] now, except in Tasmania and Northern territory.

Katie Timms:

But with regards to a genuine partnership, so we have what's called a no-good role model partnership. So, when I retire there's nothing for me to sell, I'm not selling it on to anyone else. The firm considers itself a bit of a, well the partners consider themselves custodians for the future. So a lot of what we're trying to do is, A, look after clients, but B, make sure that we're providing opportunities for our people to come through. We're representing the capital in all of our goodwill for the next [inaudible 00:15:37] to come through, and when we walk away, we walk away with our small amount of partner capital that's been put in and that's all.

Katie Timms:

So it is a little [inaudible 00:15:46] to have smaller firms will operate in that space, but at the same time, try getting 100 partners in a room and because that's what we do, well pre-COVID. We would have national partner meetings twice a year, and getting 100 people in a room, or with very strong opinions about where they think the firm could be going. And it's difficult, that's a difficult thing to do. It's a fun experience I can tell you what, but at the same time it's one of the ways that we really try to hold onto that culture in that we are partners. Yes we have an executive board that deal with these strategic matters, but every partner has a vote, every partner has a voice, which is a really important way that we keep ourselves from not getting too big, I think.

Keddie Waller:

So a big firm with a small practice mindset and culture, by the sounds of it, which is it seems to be working well, and making sure you get that buy-in. And James, if I could ask you to compare that to your structure of your practice, and how that's changed?

James Wyrewenaden:

Definitely. We've definitely haven't had 100 partners in a room, I don't think my office would even fit even 50 people. But we're very different. Obviously we come from a traditional model, based on equity basis. Now even though our practice here, there is a partnership contribution, what we've done differently is that each partner has an equal share, regardless of what type of work they bring in, because we believe that, obviously strengths and weaknesses with different partners. Some partners are technical, some partners are sales driven, some partners are very good in the HR space. So we all feel a contribution is given at 110% of what we do, yet we are an equal share partnership. So at the moment now, is two partners in the practice. We are going through the motions of junior partners that will be coming on in about two or four years, depending on some KPIs around that.

James Wyrewenaden:

And our practice is really based on performance, so with our staff, they do share in the performance of the practice. They are able to contribute, but what I do like about what we've done, I mean this is similar

to other small practices, just the pure flexibility we have. If we need to make a change, we can roll that change out, at least within a in a day, if we needed to. A lot of the discussions we have on a partnership level are actually done outside the office, so they're done at, we have like a partners lunch, or we do a partners weekend. We strategize, we work out exactly what is best fit for the staff, for the practice, for our clients. But also then what works for us. Obviously inside that is also our estate planning and succession planning that we also build into that, as part of the equity base.

James Wyrewenaden:

But also, you know what, me and my business partner are very good friends. We have an open-door policy, our staff literally can hear everything we speak about in a lot of the operational side of the business. We don't keep anything off the table, and if there's any issues, usually inside the practice, the good thing about being I suppose small and nimble is that we are able to make those changes. So we are a traditional model, based on I think the flexibility and the ability to manoeuvre as the market changes and if there's any opportunity that presents themselves, obviously as we are a great business, that we can latch onto, and take that bull by the horns, so to speak.

Keddie Waller:

And I think again, the things you were just talking about there, James, the empowering of your staff and that open collaboration and that culture. So again that's coming through as an important consideration. So even though you're talking about your structure, how that still influences how your practice operates and your staff. Really interesting. Hugh, how about your practice?

Hugh Zimmerman:

Similar to James, is we're a goodwill model. So to become a partner, you get some skin in the game and buy into it. That usually means buying out a share of one of the retiring partners, which is exactly what I've done. Going back to selecting a firm, one of the dangers of when you're buying into a equity firm, is that you're generally going to be buying out to the retiring partner, who you probably can get on famously for. But what's going to really be important, is there are partners who are going to remain in that business, you've got to be able to forge a working relationships with them. And listening to what Kate just had to say about, do you want to get 100 partners in Rome, I've got no doubt that would be like herding cats in our firm, which is a four-partner firm.

Hugh Zimmerman:

It sometimes feels like it is herding cats, trying to get four people in a room to agree. And I guess the point to be made out of that is, when you are in a business where you are not a sole practitioner, it's all about relationships. Relationships with your clients, relationships with your staff, and relationships with your colleague co-director. And one of the hard things I think in any partnership is, what stage of life people are at. Because if you're at the retirement phase of your life, the things that are going to be important to you are completely different to someone who maybe have a young family.

Hugh Zimmerman:

So, very much you need to have a certain element of diplomacy. And you also need to have a fair bit of empathy, because obviously people are going through different things in their lives, and you may not have experienced those things, so it's an opportunity to watch and learn or strengthen the relationship. Now I mentioned we're a four-partner firm. At our practice, we are what I call a flat structure. We have four directors, we have 12 accountants and three admin staff. Now, in the account we don't operate in a

silo, we operate where all the accountants work through all the directors, so all accountants have exposure to working with the different directors.

Hugh Zimmerman:

Each director has their strengths and weaknesses, and each director has different styles, how they get things done. And by exposing the staff to all of that, we believe strengthens the relationship that we have with our staff. Just mentioning, what Kate said about being a custodian for the next generation of partners. I think any accounting practice is going to be in the sense that, I am certainly preserving a client-case for the next generation. And I'd certainly like to make sure that there's value in that client-base when I fly [inaudible 00:23:22] the practice, and implement my succession plans.

Hugh Zimmerman:

So, we own the business of building relationships, and we go out and we wear many hats, not just technical tax. We involve ourselves in the running of clients businesses, listening to [inaudible 00:23:45] clients as a confidence. Sometimes you have to hear their personal problems. We are also involved very much in the estate planning side of things for clients. One whether that'd be succession or deceased estates. And going back to the structure by having our staff working for the different directors, what it does is, it allows us to spread the [inaudible 00:24:13], that people get more exposure to things that they may not normally be exposed to. And our staff in a lot of respects are as important as our clients, so we need to grow them because we need to grow our clients.

Keddie Waller:

No I think, interesting comment you made in there, Hugh, about you're not just a tax accountant, and I think one thing that we've definitely taken out of COVID is the important role of the professional accountant. Regardless of the crisis or the type of advice that you provide, whether it be accountant, tax, business advisory, super new agent or specialising, I think the one thing I consistently hear from members such as yourselves at the moment is that, you also apply the role of a councillor and confidant. And it's a really important skillset. And I can hear from the tone and the different stories that you've all told, that's a really important part of the role. Hugh and James, you both spoke about, and Katie spoke about the next generation, and how you're looking at the considerations around that. What advice would you have for emerging practitioners who are looking to plan their move into practice and move into a director [inaudible 00:25:24] into a partner role. What should they be doing and how should they prepare? So James, I might start with you.

James Wyrewenaden:

So it's a good question, because we've all sat at our desk, we've all kind of played it, okay what that next move is. What do I have to do to be able to take that next leap? And I think the first thing is, on a personal level, I think you need to satisfy yourself that this is what you actually want to do. It's not only that is like going down to the shops and buying something, you can just return it. It's a dedication to a, it's essentially also a lifestyle, t's a dedication to your clients, to your staff, to your business partners, all the other stakeholders that become part of a bigger machine.

James Wyrewenaden:

So I think with that, it's understanding where you are on a family level, your friends, your interests. And getting an understanding of where that would tie into, what kind of a [inaudible 00:26:28] partnership that you want to do down with, whether or not it's something that's traditional, whether or not it's a

start-up or whether or not you'll say, are part of an existing business. And second to that, you got to look at obviously your funding and your resources, that's also going to drive exactly what you can and can't do. Whether or not that something where you are looking at taking over a retired practice [inaudible 00:26:55] base, whether that's over a long period of time or whether or not it is a upfront purchase within inside a bigger framework.

James Wyrewenaden:

I also think, you also have to look at yourself as well. Essentially going into practice, you're going to be selling yourself, so what do you need to do on a personal level to give yourself the best opportunity? And that may be undertaking a few changes, a few short courses to get that confidence up, the ability to do something that you are not comfortable doing, or doing things that you normally haven't done for years. And also I'd say, just your outlook as well. Where you're going with the next say, five or 10 years. Is it something that you want to be part of a growing practice, or is it something that you want to keep as a sole practitioner.

James Wyrewenaden:

So I suppose there's a lot of different areas that you can go down. I think a lot of that is looking at what works best for yourself at that point in time, where you feel your career, you want to go with your outlook and the future. So I think there's a lot of planning you need to do, just like any other client planning, it's always that forward planning that needs to happen early on.

Keddie Waller:

Sounds to your point, self-reflection and thinking ahead and being organised to know where you want to go. It sounds like really important tips. Katie, as someone who moved into a partner role, probably [inaudible 00:28:38] than most people, what insights would you pass on?

Katie Timms:

It's funny, I was sitting here giggling to myself. When I was listening to James say, the importance of planning and making the decision. And I was the complete opposite of that, and his advice is actually the best advice that I would give to anyone else. Because as I say, I kind of joined the firm wanting to specialise, I was able to step into a gap that they had, and I was allowed to build this service line nationally, to be what I wanted it to be. And that was just my focus, and partnership just came as a result of that. And I never really had to sit down and thought about it, I wasn't driving for partnership, I was driving for this, my baby of this practice that I wanted to create. And I think I had a bit of a, I was a long-term principal, which is kind of a junior partner at the firm.

Katie Timms:

And then when I was 32 I made partner, and it was kind of a bit of a ooh, this is actually a change, and of course when it was offered I said yes, I did everything that I was required to do, but I hadn't put in much thought as to what that actually meant. And I probably struggled a little bit as a result of that, in that adjustment to what being a partner means. And not so much from a business level, but from a personal level. It does require sacrifice. I think one of the best things that people can do before becoming a partner is actually do resilience training or to really have good self-care habits, before you take that step up, because it's, as I think James said, you kind of sell yourself a little bit. It's usually, the reason you're a partner because it's something you believe in and you give so much of yourself to it.

Katie Timms:

And before you do that, you haven't got the good boundaries around, or boundary level, which is what I didn't have, I was that person working seven days a week, risking burnout. And I think if you don't have the ability to put the boundaries in or to make sure that you've got good habits and good self-care, it can burn you out. It can make it a much less enjoyable experience. So for me, in addition to all of the great advice that James gave, and I know Hugh will give as well, physically around the business side of things. For me the thing that I would recommend for people, is making sure that you can look after yourself before you take that step forward, because they're hard skills to learn later on.

Keddie Waller:

So definitely, passion led to your opportunity, but the take-out would be that to make sure you've got that ability to have the self-reflection and take care of yourself as well. So I think that's a really important tip, not just probably talking about pathways to partnership, but just in general when working in public practice about having that ability. Hugh, I know you're very passionate about public practice, and about the sector and about helping the next generation come through. What insights and tips would you add to what James and Katie have spoke about?

Hugh Zimmerman:

Look, I think James articulated it very well. And Katie, the believing in yourself and the passion resonates with me as well. The pathway to partnership, I'm a great believer that there are infinite ways in life to achieve what you desire. And so once you had chosen the path, or once you've made the decision that you want to become a partner, the advice that I would give here is, the first thing is you got to believe in yourself, you've got to have faith that you can do what you're endeavouring to do. And if you have doubt, then you maybe need to work on one of those areas that you're doubting on, whether it's skilling up, or putting yourself in environments that will give you experience to build that skill. Now being a partner isn't all rosy, and I'm a great advocate that it's easy to become a partner, it's very difficult to exit from a partnership.

Hugh Zimmerman:

So when you are thinking about becoming a partner, you've got to have a certain level of maturity, in the sense that you've got to be able to believe in yourself. You've got to be able to take the good with the bad. Someone I used to work for once said to me that the best practice model, is a practice that has no clients and no staff. And what he meant by that is that you will forever be dealing with issues arising from either your clients or your staff, there is no perfect client, no unicorn clients we call them. And that means sometimes you might make mistakes, and that means sometimes people may leave you who you've put a lot of time and effort into it. So you have to be resilient, and you have to be able to mentally overcome those things that you might consider a setback.

Hugh Zimmerman:

So yes, as Katie said, you've got to have that balance in your life, you've got to have that resilience. The other thing I would say is, no one should ever be alone, and in practice, Australia has thousands of other practitioners, and it has thousands of directors and partners. Now most of those are going through an experience which will be similar to the journey that you'll take. So don't be afraid to knock on a door or ring someone up and ask for their advice, or hear their story. Because people generally take an interest in you and will be there to help you, if you can let them, explain to them that you are keen to be a partner. And my advice to younger people who are looking to move forward in their career is, at an early

age, if you make that decision, then let people know, because how people deal with you will be based on what they understand to be your expectations.

Keddie Waller:

Hugh, I think that's a really great point, and especially talking about the breadth and depth of our profession. One thing that we talk a lot about in public practice, is that we really are a community, and nine times out of 10, if not more, everyone in this profession is looking to help and support each other and their peers. So having those conversations and looking for that support early, I think are fantastic tips. And not only when you're looking to move in the next step of your career, and I think in any stage of your career, it's great to have that support and we're very lucky to have such a great community of public practitioners.

Keddie Waller:

Katie and Hugh and James, you've all spoke about the importance of being prepared to move into a partnership or a director role. One other thing I was wondering is, what type of training or professional development do you think that your peers should be considering if they're looking at moving into a partner or a director role? Katie, I know you spoke a little bit about the importance of resilience and self-care. Is there anything else you'd add to add?

Katie Timms:

That's actually a really good question. I think maybe not so much training or professional development, but I also think mentors are incredibly important. And that's not just mentors from maybe within your firm, or within your business, but also outside of that. I think the ability to have someone that is outside of your space, challenging your thoughts, making you think of things a little bit differently, is a really, really important thing to have. And whether that's before you make the decision to become a partner or why you're on that path, I think actually some of my staff have gotten mentors from outside, to try and encourage them to just think about things a little bit differently. We tend to get a little bit of group-think, the longer you work together and you all tend to think the same way.

Katie Timms:

And I think having someone challenge those thoughts outside of the business, is really, really important, even on that progression through, because they will make you think about things like, as we thought about the decision to become a partner is a big one. They'll actually challenge that thought, hopefully they're a good mentor, they'll make you think about what it is you really want, they'll make you think about how you're approaching issues or circumstances. So to me, I mean I think look, having the technical, obviously that's really important, that all of that is there. But I think having that outside mentor on your path, is a really important tool that'll help you approach it a little bit differently.

Keddie Waller:

I'm not sure if you're aware, we have actually introduced a mentor programme in CPA Australia, and we're looking to expand that to public practice next year, so there is that opportunity as you said, to have that outside level for your firm or outside practice. Hugh, how about you, what sort of training or professional development do you think that people should be looking at?

Hugh Zimmerman:

Look I think, not talking about technical skills, because I think really everyone's going to come to the conclusion they can or they can't do it. But you will need to have skills that will lend themselves to be diplomatic. You'll need to be comfortable speaking, whether it's in small groups, or sometimes you need to speak in front of people. You'll need to speak in front of staff. So you'd want to probably work on some public speaking skills. The other thing is, you can get experience in management, not just by being a manager in your current job. You can get involved in community groups, sporting clubs, and that will give you a window into what is required to manage a business or manage something.

Hugh Zimmerman:

And it's also a great way to source clients, because one of the things you're going to have to do, is be able to sell yourself and install confidence in people, that you're going to be able to do their job. I absolutely agree with Katie on the mentor, and mentors, they're not necessarily people you're going to work with. My mentor at the moment is a partner that I [inaudible 00:39:17] up. I meet with him regularly and we talk about the practice and if I have issues or client matters, then I'll bounce them off him before I act. And that's the other thing, learn to make a decision. Understanding what risk is.

Hugh Zimmerman:

Now a lot of the things you can do, can be provided through your member organisation CPA, whether it be courses, whether it's the articles that are being published or the [inaudible 00:39:51]. And the other thing I would say is, talk to like-minded people, build a network. Now if there are discussion groups within CPA, and if there isn't then don't be afraid to start a discussion group. Because you'll be surprised how many people are like-minded out there, wanting to do what you want to do, but they just don't know where the voice is or where the form for that is.

Keddie Waller:

It's a really great point, Hugh. We do have through lots of discussion groups, and different committees, to not only to attend to and get involved in, but lots of different programs as well. So we are certainly focusing public practice on how we can best support members in their different roles. So if you're not sure what's available, the best thing I can recommend is to get engaged with your local division. They're a great source of what they can do on the ground to support you, and of course come back to the public practice, same with CPA. James, one of the things you just spoke about then, was that ability to sell yourself, and that was something you spoke about earlier as well. [inaudible 00:40:52] a start-up, any sort of training and professional development or other skills that you'd be recommending?

James Wyrewenaden:

There is a few. Now, when I started, obviously you're on your own, there's no traditional partner that you can leverage off and they can sit through a meeting with you. You're basically on your own. It's you and the client, and it's you and your business succession at that point in time. Because obviously you want to transact with that client, you want to bring them on, you want to do your 110% effort with that client, and you want that client to believe in you. Because at the end of the day, we're in a technical field, that clients instils all their trust into someone. And like Hugh and Katie said, you become basically their mentor on some non-financial issues, and issues around family, around business ideas, around a variety of aspects. So, a couple of ideas that, things and idea was a did linguistics course, where basically you learn about how to speak to your clients in difficult situations, when basically you're on your own.

James Wyrewenaden:

A good way to get an understanding, sometimes it's actually quite astute clients, and they will throw the curve ball at you. And it's not about not understanding or not knowing the question, it's about how to best answer that question without providing any data where you say look, I haven't got that in front of me, I don't know what to say, it's more about those, there's help that you need. Second to that is email writing. There's a lot of correspondence these days is through digital platforms. I mean, we love to speak to clients face-to-face and over the phone, but a lot of the correspondence is through emails, especially when you meet and your clients were referred. You don't know them as much as what you would like to, and you're getting to understand that person, there's a lot of emails going forth. So to understand, is write an email that's clear and concise, and gets across your point view, without waffling too much, and trying to oversell yourself, is quite important.

James Wyrewenaden:

So look, attend as many seminars as you can, speak to your peers. Like Hugh said, your practitioners, your mentors, friends, with really good people around you, and learn as much as you can. Look, I think all the guys would agree is, that you learn right up to the end of your career. You're consistently learning, you're consistently bettering yourself. And I think part of that foundation level is to do as many short courses for things that you may want to tidy up for yourself earlier on, and continue that professional development. And like Hugh said, there's a lot of data on with the resource centre with CPA, and there's a lot of worksheets, there's a lot of templates and tools. And if you see that resource hub that's good value.

Keddie Waller:

Really good tips and insight, and I think communication and that ability to understand and communicate with your clients in different mediums and different situations is really important. And also just as important, I assume, James, with your staff as well, which sounds like it comes through with your culture. I'm going to finish with this last question, I'm going to ask each of you, knowing what you know, your experience and how you've arrived to your different points in your career. What would be one tip you would each say that you would look back on and actually say to someone who's looking at moving into a director or a partnership now. What would be one thing that if you knew then, that you could talk and pass that on now? Katie, I'll start with you, if that's okay.

Katie Timms:

Gosh, that's a really good question. I mean, I think one thing that we've all spoken about today, is the importance of culture. I remember someone once said to me that partnership is a relationship, and the most important decision you'll ever make in a partnership is, are these people that you actually want to be in a relationship with. And for me, that is the tip, that is the thing that I would encourage everyone to think about, before they're looking at making that step to a partnership, whether it's the firm they're at, whether it's they're looking at, like Hugh dis, say I would like to be a partner, and looking for opportunities for where that might happen. And for me, obviously I have so many partners, and some them are people that I see once a year.

Katie Timms:

So for me the decision was really, is this a firm that has a culture that I want to be in a relationship with? Which is a strange thing to think about, but this is a place where you spend a lot of your time, and it's the culture that feeds into not just your fellow partners but your staff, your relationship with clients. The relationship component comes through with everyone that you're dealing with, from the top right down

to the bottom, and out to clients. So for me, that's the one thing that I would encourage everyone to ask themselves is, is this a firm that has the culture that I would like to be in a relationship with forever? Because as the guys have said, it's not easy to get out of a partnership once you're in there. It is like a marriage, and so it's a really important question to think about before you take that step in.

Keddie Waller:

I love that quote, Katie, partnership is like a relationship, and do you want to be in a relationship with that firm? I think that's a really wise insight. Thank you. James, one tip from yourself?

James Wyrewenaden:

I would say the biggest tip I have is desperation, don't be too desperate. If there's one thing about starting a practice, especially from what my background of that, you're fresh on the strip, you got no client list that you've inherited or you've purchased and you've got that goodwill that's being passed through either the exiting partner or the kind of partner that you're buying some equities in. Clients will come, give it time, you don't have to go out there and take on every single client, you've got to really be specific in what you're looking for, because those initial clients will lay the foundation to what other clients refer. If you've got some very good clients at the start, good clients refer good clients.

James Wyrewenaden:

So don't be too desperate. Grade your clients, grade your processes, make sure that you've got all your procedures and your checklist done early, so that as you do grow you're not going back and scrambling to say, hey look, we got to get this done, and get that done. So take your time, it's a career, it's something that you'll be doing for a long time. And like Katie says, it's like a relationship, you got to work at it, it grows in time, it changes it more. And you don't want to become too desperate out there where you just take on every single client just because they present themselves. So that will be my advice.

Keddie Waller:

And James, I think the fact that you spoke about you started your practice with yourself, and at the time in one of your clients' back office, really is testament to that. Your message is then, that you don't need to be desperate, with that planning and foresight and where you want to go that you'll achieve it. You've just got to be focused and dedicated. Hugh, if you can finish with your tip please.

Hugh Zimmerman:

Look, I'm assuming that you believe in yourself, and you think you've got the technical skills, and you've got the people skills as well. But one of the things that you also need to possess, is you've got to understand that you are going to become a business person, and you are going to run a business. Now, the business obviously is selling services, but you still have to manage the business, you have to manage the cashflow, you have to manage the quality of the clients. So, you really need to start thinking like a businessman, and you need to understand what is worth something and what is not worth something. And to be able to distinguish between the two. So you don't waste time and you don't waste effort chasing something that's not going to add value. So if you haven't thought about what it takes to run a business, then start thinking that way.

Keddie Waller:

And Hugh, I think that is a great lead and a thing to talk about is that, we hear that part a lot that people expect just because you're a professional accountant that you automatically know how to run a

business, but as you've spoken and as we've had the insights from everyone today, it's very different skillset and a different element that you really need to learn and invest in. And just to quickly talk about CPA Australia and looking at and building some things, like the My Firm My Future E-learning framework, which is focused on business advisory, so we're really trying to support members build that skillset.

Keddie Waller:

And Hugh, being involved with our public practice programme, again really trying to focus on that knowledge and insight and skills that you've got to set up and run a successful business. So Hugh, thank you for your insight as well as James and Katie. Look, I think the thing that I've taken out of our chat today is that, Katie, James and Hugh, you've had three very different pathways into public practice and becoming a partner or director. Katie, you spoke about the importance of self-care, and really being able to ensure that you can take care of yourself before making that decision. James, talking about selling yourself and having the plan and being organised and that dedication. So once you decide on that path that you really go down there.

Keddie Waller:

And Hugh, just the insights you gave there about being or understanding that it does mean you're going to be running a business, and you need to be equipped and understand it and be dedicated to that. I sincerely would love to thank each and every one of you for joining us today, and really sharing your insights. I think they've been really invaluable in that your peers are going to get so much out of it. So Katie, James and Hugh, thank you so much for joining us today.

Hugh Zimmerman:

Thank Keddie.

Katie Timms:

Thanks Keddie.

James Wyrewenaden:

Thanks Keddie.

Outro:

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