

Compliance Corner: Take Time to Plan for Your Business (December 2005)

By Linda Shirkey

December can be a wildly crazy month, as you prepare to close out your business year and take care of clients' last minute end of year needs; it can be a thoughtful month in which you take time to reflect on the year and look ahead; or a combination of both.

I have a planner client who sets December aside to review the prior year and plan for the next. He schedules no client meetings, works as much as possible from home, and works toward an all day staff meeting that occurs late in the month. The office is closed one business/market day a year, when a temporary staff person is brought in to take messages, and the entire staff meets off site.

The agenda for the meeting is:

- Review of the year's successes and failures
- An outline of what the principal foresees for the coming year
- Each person's presentation of his or her personal goals for the coming year
- Working session on integrating the personal goals with the plan for the firm

The end product of the meeting is a discrete set of actions each person will take to meet his or her personal goals, and an additional set of steps he or she will take to be part of the firm's success in the next year.

Although this may be more time or energy that you feel comfortable taking, it is a good model to aim for. Think about your Perfect Client—characteristics of new clients, why they came to your firm, your most profitable clients—could this be a market niche you can target, and if so, how? Look at your clients in terms of those you choose NOT to keep—a sign of a healthy company is one strong enough to fire clients.

Do you have the right people in the right positions in the company? Do you know where you are making or losing money, and why? Is your pricing competitive, well thought out, consistent? Could you charge more and increase your margins?

Take the time this year to plan for next, and have a very successful and satisfying 2006.

Linda Shirkey is president of Shirkey Consulting, a Houston-based firm that designs effective, customized compliance programs for financial planners, investment managers and hedge funds.