

SUCCESSION QUESTIONNAIRE

VISION = PLANNING = SUCCESSION = INDEPENDENCE

Do you want to continue as an independent Firm? Yes ___ No ___

If so, has your Firm developed its Vision and Mission Statements? Yes ___ No ___

Has your Firm developed its Firm's Core Values? Yes ___ No ___

Are you managing by adhering to the Firm's Core Values? Yes ___ No ___

Has your Firm developed a Strategic Plan? Yes ___ No ___

Are you monitoring the progress in achieving the Firm's Strategic Objectives? Yes ___ No ___

Has your Firm developed its Market Differentiators? Yes ___ No ___

Has your Firm developed position descriptions for functional and leadership positions? Yes ___ No ___

Are niche businesses developed and updated? Yes ___ No ___

Has your Firm created a culture of disciplined people, disciplined thought, disciplined action? Yes ___ No ___

Is your Firm developing future leaders? Yes ___ No ___

Has your Firm increased its training budget? Yes ___ No ___

Has your Firm instituted a Performance-Based Compensation Plan for the Partners? Yes ___ No ___

Has your Firm's Governance Agreements been updated and executed? Yes ___ No ___

Do you know the expected retirement date for each Partner? Yes ___ No ___

Do you know who will be the next Managing Partner? Yes ___ No ___

Does your Firm have a career path program? Yes ___ No ___

Has your Firm developed Partner Performance Standards? Yes ___ No ___

Does your Firm have a Partner Admission Selection Criteria Policy? Yes ___ No ___

Does your Firm conduct upward evaluations of the Managers and Partners? Yes ___ No ___

Do you know who will be your new Partners during the next five years? Yes ___ No ___

Has your Firm created multi-disciplined teams to work on the Firm's top clients? Yes ___ No ___

Does your Firm obtain feedback from clients via surveys? Yes ___ No ___

Has your Firm developed a comprehensive annual budget? Yes ___ No ___

Does your Firm budget revenue for each client? Yes ___ No ___

Are the Partners operating as a team? Yes ___ No ___

Are you building a specialized knowledge-based Firm? Yes ___ No ___

Has your Firm established annual goals for the following ten Key Performance Indicators? Yes ___ No ___

- | | |
|---|---|
| 1. Leverage | 6. Turnover |
| 2. Utilization | 7. Margin |
| 3. Realization | 8. Net Income |
| 4. Net Hourly Rate | 9. Technology Expenditures per Professional |
| 5. Days in Receivables and WIP for each Partner | 10. Revenue per Professional |

Has your Firm created a Marketing Culture? Yes ___ No ___

Has your Firm created a business development (sales) culture? Yes ___ No ___

Has your Firm identified its Strategic Alliances? Yes ___ No ___

Does your Firm have an effective mentoring/coaching program? Yes ___ No ___

Has your Firm joined an Association of CPA firms? Yes ___ No ___

Has your Firm upgraded your Quality Review and Inspection Program for the Audit and Tax Departments? Yes ___ No ___

Has your Firm developed a formal Succession Plan for a retiring Partner? Yes ___ No ___

Does your Firm host an annual State of the Nation with the entire Firm? Yes ___ No ___