

practice resource

The Seiler success formula

A consistent approach, even as conditions and markets change

BY GALE CROSLEY

Seiler LLP is a 53-year-old firm headquartered in Redwood City, Calif., which, like many Baby Boomers, has worked hard to resist the perils of aging and to remain relevant. The effort has paid off handsomely.

With 15 partners and about \$33 million in annual revenue, Seiler has become a seasoned star with no signs of losing its luster.

I first met Jim DeMartini when presenting to a managing partner group. Every time I asked the audience if they had implemented a best practice for growth, his hand went up. I said to myself, "I need to meet this guy!"

What are Seiler's secrets to achieving significant growth in challenging — and changing — times? A wide-ranging conversation with DeMartini revealed a number of strategies, including the following:

- ▶ An unchanging vision of the firm as a high-value resource that is worth the investment;
- ▶ A conviction that business development is a skill that can be learned;
- ▶ A compensation system that encourages and rewards teamwork over individual accomplishment; and,
- ▶ A focus on internal growth, rather than acquisition.

CONSISTENT VISION

Seiler had always served high-net-worth individuals and privately held companies, especially those in real estate-oriented, multi-generational family enterprises. But when the California real estate bubble started to burst in the late 1980s, Seiler refused to sit on the sidelines and let the market take its course.

Instead, the firm got proactive, using its favorable geographic location to go after Silicon Valley high-tech clients. Although its niche industry expanded beyond real estate into technology, Seiler continued to target high-value clients and to position its services accordingly. That consistency was key to

succeeding in a new marketplace. And succeed it did, growing nearly two-and-one-half times its size between 1999 and 2010.

From the outset, the firm's founder, Don Seiler, structured his company as an up-market firm with distinctive offerings and a price structure not intended for the masses. The firm has been as selective about its clients as it has been about those who service them, according to DeMartini.

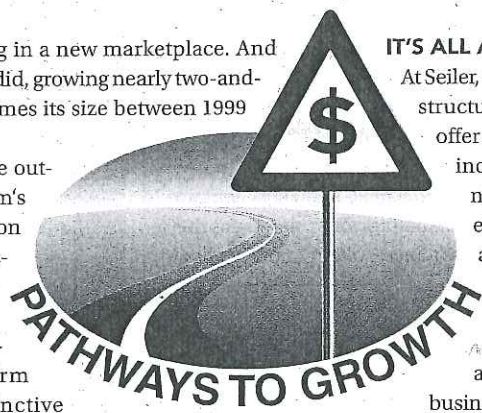
That positioning is also evident in the firm's thoughtful approach to expansion. Business development is seen as a growth strategy that relies on carefully cultivated, solution-oriented relationships. DeMartini explained: "When you build business development skills, you can support, defend and maintain a high-value strategy." Seiler CPAs become expert trusted advisors, keenly aware of their clients' businesses and challenges, and intimate with the families and relationships in which they take place.

In the world according to Seiler, attracting and keeping business are two sides of the same coin. It's a view not shared by some firms that are focused on compliance to the detriment of relationship-building.

Business development and client service skills are systematically collected and passed on to younger members of the firm. Managers and young partners learn by watching and doing in a way that encourages mentoring and skill transfer.

Several years ago, DeMartini and his team jump-started this process by focusing on a select group of partners, managers and principals, many of whom are now in the third and fourth years of an intensive business

development leadership training initiative. In addition, Seiler established six niche-marketing groups, which actively involve more than 40 team members in business development activities.



IT'S ALL ABOUT THE TEAM

At Seiler, clients are served by carefully structured teams whose members offer technical expertise in areas including tax and estate planning, as well as service-oriented skills like problem-solving and communications. Interaction extends beyond the president or founder of a client company to include all members of the family business.

"Clients may be a bit surprised by our approach at first," said DeMartini. "But they soon come to prefer having a dedicated team at their service, rather than an individual." There are multiple benefits of this strategy, chiefly summed up by the phrase "More brains on board" — a dedicated corps of experienced, accountable individuals solving problems in a collaborative manner.

"Team members build upon one another's strengths," DeMartini noted. "Also, the team structure means that there is always someone on-call and available to the client; all e-mails and calls are returned the day they are received."

Seiler's compensation system encourages and rewards team performance. Members of the firm are assessed on their long-term value to the organization, not on their most recent acquisition of a promising client. Equity ownership is based on career performance as well.

While some might see this as an unusual approach, Seiler's leadership views it as an authentic reflection of the firm's values and structure.

CULTURE COUNTS

Today, Seiler employs about 140 individuals working in two locations — Redwood Shores and San Francisco. The firm is on a solid trajectory of growth, which, as it has in the past,

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M&A

COLORADO Blytheco acquires

Details: Laguna Sage reseller Blytheco acquires SFA Technology, a Logix reseller and management consulting firm. Its CRM practice is part of its growing national presence. Blytheco represents Sage products X3, MAS 90, MAS 95, BusinessWorks, SalesLogix, HRMS and MIP Next. SFA Technology's Denver office, Patrick Cherry will be directly participating in his base of 25 client

GULF COAST

LaPorte Sehtz expands

Details: Louisiana LaPorte Sehtz Roman expands its presence in Houston. CPZlotnik & Kermali firm will retain the LaPorte name and add Houston. LaPorte's offices in Rouge and Covington. The transaction was completed. The total staff of 160 exceeds \$23 million.

LaPorte president "Ted" Mason notes gas industry special dimension to his firm's development and would also complete ana practice, enable support business e recovery efforts in

HBZK dates back in tax, audit, and ing services for oil and construction firms. real estate development retail operations, and tions. As part of the cipals Harold G. Hibanfill, Naushad A. Hidalgo will becom

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is expected to develop internally, rather than through acquisitions.

DeMartini explained: "We've created a homogenous culture with high levels of client satisfaction and very low rates of client and employee turnover." This distinctive firm personality and client group means that mergers with more traditional firms are less likely to succeed than organic growth. Building from within also helps ensure that the firm's younger members will have a place to thrive

and to apply the Seiler strategies.

As the firm leaders position it for the future, the policies and practices that have fostered robust growth and client loyalty will continue. But in keeping with an approach that's made this firm a market leader for more than five decades, Seiler will keep a sharp eye on the market, the industry, and the families and businesses it serves.

If changing conditions warrant, look to this long-established, yet youthful firm for an effective, proactive response.

The sidelines are not a place you'll ever find Seiler! AT