

# A 4-Week Operational Reset for Professional Services Firms



REMOVE THE HIDDEN FRICTIONS AFFECTING PROFITABILITY, ALIGNMENT, AND LEADERSHIP FOCUS



## WEEK THREE WHAT GROWTH LOOKS LIKE WITH THE RIGHT SUPPORT

**Growth is a good problem to have. But growth also changes the internal dynamics of a firm.**

Hiring becomes more frequent. Teams expand. Expectations around promotion and development become more visible. Leaders begin thinking not just about the work in front of them, but about the capacity the firm will need six or twelve months from now.

At this stage, firms often discover that growth only feels smooth when the systems supporting talent evolve alongside the work. When they don't, progress slows.

### This is the Talent Drag.

**And it usually stems from structure rather than effort.**

Every professional services firm relies on **three internal talent systems**. These systems determine how people enter the firm, how they develop, and how work gets distributed across teams.

#### 1. The Recruiting System

**This system governs how new talent enters the firm.**

Leaders define the roles the firm needs, recruiting pipelines develop, interviews take place, and offers are extended. Ideally, this process aligns with projected workload and growth plans.

When the recruiting system operates well, open roles fill within predictable timeframes, and new hires arrive when teams actually need them. Recruiting becomes part of the firm's growth strategy rather than a reaction to short-term pressure.

#### 2. The Performance System

**The performance system determines how people develop inside the firm.**

It includes role definitions, promotion criteria, performance reviews, and compensation calibration across departments.

When this system is clearly defined, employees understand what advancement looks like and how their work contributes to long-term growth. Managers can evaluate performance consistently, and promotion decisions feel transparent rather than subjective. Without a clear performance architecture, development happens unevenly. Advancement expectations vary by team, and retention pressure tends to increase among the firm's strongest contributors.

#### 3. The Capacity System

**The third system governs how work flows across the firm.**

It determines how client demand is distributed among teams, how utilization is monitored, and how leadership decides when to add headcount.

When capacity planning is aligned with recruiting and performance systems, the firm maintains balance between workload and staffing. Leaders can anticipate growth needs rather than reacting to them.

### What Talent Misalignment Costs the Firm

**When these systems drift apart, growth begins to create tension, and you may begin to notice patterns like these:**

- Open roles remain unfilled longer than expected.
- Managers spend increasing time coordinating hiring efforts.
- Promotion expectations vary across departments.
- High-performing staff begin asking clearer questions about advancement.
- Certain teams carry heavier workloads while others remain underutilized.

Most growing firms encounter them at some stage. But together they indicate that the firm's **talent systems have not yet caught up with its growth trajectory.**

### Are Your Talent Systems Aligned?

Use the checklist below to evaluate whether recruiting, performance planning, and capacity management are operating together inside your firm.

#### Recruiting System: Talent Entry

Start by evaluating how your firm brings new talent into the organization. Ask yourself:

- Are recruiting priorities clearly tied to projected workload and growth plans?
- Do open roles follow a structured hiring process across departments?
- Are hiring timelines predictable, or do they vary significantly between teams?
- Does leadership maintain visibility into recruiting pipelines and upcoming needs?
- Are recruiting responsibilities clearly owned within the firm?

If recruiting operates informally, hiring often becomes reactive rather than strategic.

#### Performance System: Development & Advancement

Next, evaluate how the firm manages professional development and promotion.

- Are role definitions clearly documented across levels?
- Do promotion criteria remain consistent across departments?
- Are performance reviews conducted on a predictable schedule?
- Do managers receive guidance on evaluating and developing staff?
- Can employees see a clear path from their current role to the next level?

Without a defined performance architecture, advancement conversations become inconsistent and retention risk tends to rise.

### Capacity System: Workload Alignment

Finally, consider how work flows across the firm.

- ❑ Does leadership regularly review utilization and workload across teams?
- ❑ Are hiring decisions tied to projected workload rather than immediate pressure?
- ❑ Can leaders anticipate when teams will need additional support?
- ❑ Are staffing decisions coordinated across departments?
- ❑ Does the firm maintain visibility into long-term capacity needs?

Without capacity planning, growth tends to concentrate pressure in certain areas of the firm.

### How to Remove the Talent Drag

Removing the Talent Drag requires strengthening the infrastructure that supports growth.

#### 1. Establish Clear Recruiting Ownership

Someone must own the recruiting system across the firm. This includes defining role requirements, managing pipelines, coordinating hiring timelines, and ensuring recruiting aligns with projected workload.

When this is clear, the firm fills roles more predictably and avoids last-minute hiring pressure.

#### 2. Define Career Architecture

Promotion expectations should not vary by department. High-growth firms document role definitions, advancement criteria, and promotion timelines so employees understand how their careers can develop within the firm.

Clear career architecture supports retention and strengthens internal leadership development.

#### 3. Standardize Performance Planning

Performance reviews should follow a consistent framework across teams. This ensures that managers evaluate employees using shared standards and that compensation decisions remain aligned across the firm.

Standardized performance planning creates fairness and transparency as the firm grows.

#### 4. Align Capacity Planning with Growth

Finally, leadership must actively monitor workload and staffing levels across the firm.

Capacity planning allows leaders to anticipate hiring needs, distribute work effectively, and maintain healthy utilization across teams. When capacity planning aligns with recruiting and performance systems, growth becomes sustainable.

**READY TO EVALUATE  
YOUR TALENT SYSTEM?**

**Schedule a Talent Review**