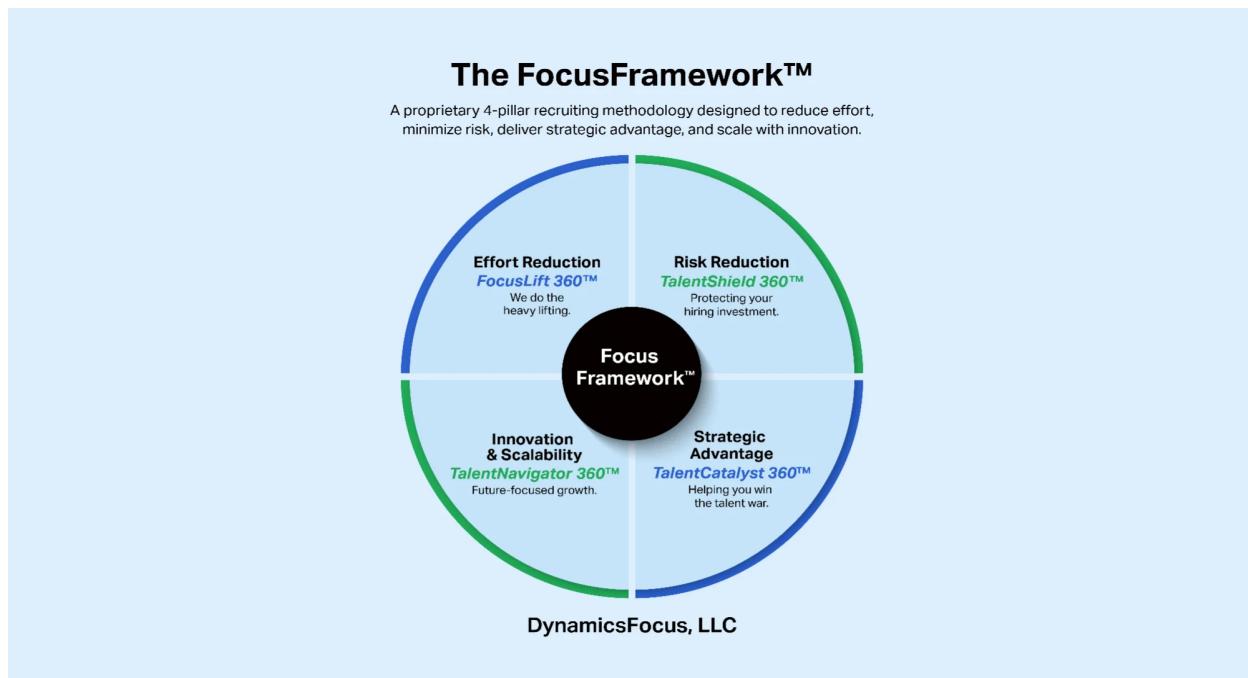


The Partner Firm Acquisition Playbook

How PE/VC Firms De-Risk Leadership Transitions and Accelerate Growth in Microsoft Dynamics & NetSuite Consulting Practices

Strategic Guide to Executive Placement and Practice Team Development



Brought to you by DynamicsFocus, LLC

Executive Summary

The Challenge: Your firm acquires a Microsoft Dynamics or NetSuite implementation partner. The founder-CEO resists change. The CFO lacks PE experience. Practice leaders are billable consultants, not managers. Six months later: revenue decline, consultant attrition, client dissatisfaction.

The Root Cause: Partner firms are built on founder relationships and technical delivery—not scalable leadership or operational excellence. Most acquisitions inherit 'leadership debt' that threatens value creation.

This Playbook Delivers:

- Pre-acquisition leadership capability assessment frameworks
- 90-day post-close executive transition roadmap
- C-suite replacement strategies (CEO, CFO, COO)
- Practice leadership evaluation and upgrade plans
- Sales leadership transformation approach
- RPO solutions for rapid practice team expansion
- Four flexible engagement models (Retained, Engaged, RPO, Contract)
- FocusFramework™ methodology for reducing risk and accelerating results
- Real-world case studies with proven ROI

Part 1: The Hidden Cost of Leadership Gaps in Partner Acquisitions

The \$4.7M Leadership Mistake

A PE firm acquired a 45-person NetSuite implementation partner for \$22M (1.8x revenue). The founder-CEO agreed to stay for 18 months. Six months post-close:

- **Founder-CEO disengaged:** Stopped attending client meetings, resisted PE reporting requirements, undermined new initiatives
- **CFO overwhelmed:** Lacked PE experience, couldn't produce accurate utilization reports, missed revenue recognition issues
- **Practice leads ineffective:** Top billable consultants promoted to management but had no leadership experience, team management skills, or sales capability
- **Sales leader departed:** VP of Sales left for competitor, taking 3 top account executives and \$2.8M pipeline

Results:

- Revenue declined 18% (\$2.2M)
- EBITDA margin compressed from 22% to 14%
- 12 consultants departed (27% attrition)
- Implementation quality suffered, client satisfaction dropped
- Emergency leadership replacement cost \$450K
- Business disruption and lost opportunity: \$2M+

Total Impact: \$4.7M+ in value destruction

The problem wasn't the business model—it was leadership incapable of operating in a PE-backed environment.

Why 71% of Professional Services Acquisitions Underperform

According to Deloitte's 2024 M&A Trends in Professional Services report, 71% of acquisitions fail to achieve projected EBITDA targets in Year 1. Top drivers:

- Inadequate leadership transition planning (79%)
- Founder dependency and lack of management depth (68%)
- Inability to scale beyond founder relationships (61%)

- Weak financial controls and operational discipline (57%)
- Sales leadership gaps post-acquisition (54%)

The fundamental issue: Partner firms are built for delivery, not growth. They lack the leadership infrastructure required to scale under PE ownership.

Part 2: The PE/VC Partner Acquisition Leadership Framework

Understanding Leadership Capability During Due Diligence

Critical Assessment Areas:

1. C-Suite Evaluation

- **CEO/Founder:** Willing and capable of transitioning? PE-friendly mindset? Successor identified?
- **CFO:** PE reporting experience? Accurate utilization tracking? Revenue recognition competency?
- **COO (if exists):** Operational excellence background? Scalability focus? Process-driven?

2. Practice Leadership Assessment

- **NetSuite/Dynamics Practice Leads:** Managing vs. doing? Sales capability? Team development track record?
- **Industry Vertical Leads:** Client relationship ownership? Revenue accountability? Scalable model?
- **Technical Architecture Leads:** Mentorship capability? Quality standards enforcement? Methodology adherence?

3. Sales Leadership Viability

- **VP/Director of Sales:** Structured sales process? Pipeline management discipline? PE growth expectations?
- **Account Executives:** Retention risk? Compensation alignment? Non-compete enforceability?

4. Consultant Bench Strength

- **Senior Consultants:** Flight risk assessment? Loyalty to founder vs. firm? Compensation competitiveness?
- **Mid-Level Consultants:** Promotion readiness? Skill gaps? Training needs?
- **Junior Consultants:** Development pipeline? Mentorship availability? Retention factors?

The 90-Day Post-Close Leadership Roadmap

Timeline	Key Activities	Leadership Focus
Days 1-30 ASSESS & STABILIZE	<ul style="list-style-type: none">• Meet all leaders 1:1• Document skill/mindset gaps• Identify flight risks• Secure client relationships• Review org structure	Assessment and relationship building
Days 31-60 PLAN & RECRUIT	<ul style="list-style-type: none">• Define target org design• CEO transition plan• CFO upgrade strategy• Practice leader development• Sales leadership evaluation• Launch executive searches	Strategic planning and recruitment initiation
Days 61-90 EXECUTE & TRANSITION	<ul style="list-style-type: none">• Close Priority 1 hires by Day 75• Announce leadership changes• Transition founder• Establish PE reporting• Implement new sales structure	Execution and stabilization

Part 3: DynamicsFocus Service Offerings for Partner Acquisitions

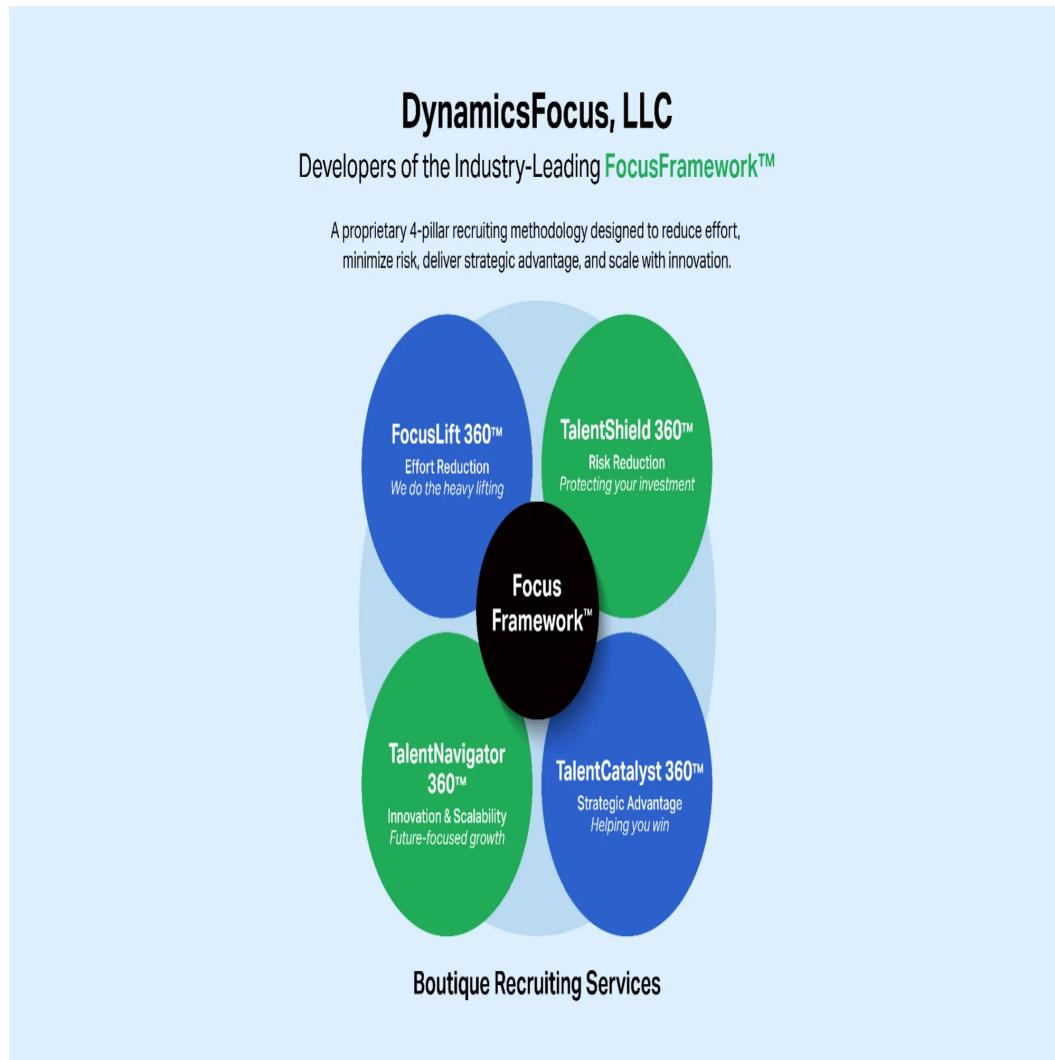
PE/VC firms acquiring partner organizations need specialized recruiting expertise. We offer four engagement models designed for professional services M&A scenarios, all supported by our proprietary FocusFramework™ methodology:

The FocusFramework™ is our proprietary 4-pillar recruiting methodology that reduces effort, minimizes risk, delivers strategic advantage, and scales with innovation. Every engagement—regardless of service model—benefits from this proven approach that has helped PE/VC firms successfully navigate complex leadership transitions and practice buildouts.

Choose Your Engagement Model

Service Model	Best For	Key Benefit	Fee Structure
Retained Executive Search	CEO, CFO, COO, VP Sales replacements	100% passive talent access, confidentiality	3-part payment
Engaged Recruiting	Practice leaders, senior consultants	Minimal upfront cost, fast fill	Small engagement fee
RPO Services	Building new practices, scaling teams	30-40% cost savings, dedicated resources	Monthly retainer
Contract Resources	Interim leadership, surge capacity	Immediate deployment	Hourly or block rate

Part 4: The FocusFramework™ Methodology



FocusLift 360™ – Effort Reduction: *We do the heavy lifting*

TalentShield 360™ – Risk Reduction: *Protecting your investment*

TalentCatalyst 360™ – Strategic Advantage: *Helping you win*

TalentNavigator 360™ – Innovation & Scalability: *Future-focused growth*

Every engagement—regardless of service model—is powered by our proprietary FocusFramework™ methodology, designed to reduce effort, minimize risk, deliver strategic advantage, and scale with innovation.

1. Effort Reduction (We Do the Heavy Lifting)

FocusLift 360™

- **Search Led by 25-Year Recruiting Veteran** – Every search is conducted personally by a seasoned industry expert, not a junior associate.
- **White-Glove Service** – We handle 90% of the hiring process (sourcing, screening, interview scheduling, negotiations).
- **Pre-Vetted Candidate Profiles** – Every candidate is skill-validated and benchmarked before reaching you.
- **Social Media Recruiting Package** – We promote your opportunity and company story to maximize visibility and candidate engagement.
- **Video Interview Presentations** – Clients receive recorded video interviews of top candidates for easier evaluation if desired.
- **Rigorous Reference Checking** – Candidates are thoroughly reference-checked prior to presentation.
- **Hands-Free Onboarding Support** – We guide candidates through resignation, transition, and onboarding to reduce client workload.

2. Risk Reduction (Protecting Your Hiring Investment)

TalentShield 360™

- **Unconditional Financial Guarantee** – 100-day NO Questions Asked to protect your hiring investment.
- **Culture & Retention Screening** – We pre-screen candidates for long-term cultural fit, not just technical skills.
- **AI-Powered Personality Assessments** – Advanced behavioral analysis to ensure strong team and culture fit.
- **Offer Negotiation Shield** – We manage offer stages to try and ensure acceptance without unnecessary friction.
- **Candidate Experience Guarantee** – Every candidate leaves the process with a positive impression of your company's brand.
- **Reverse Recruiting Services** – Clients are given exclusive first access to select top-tier candidates entering the market before anyone else knows.

3. Strategic Advantage (We Help You Win the Talent War)

TalentCatalyst 360™

- **Long-Term Partnership Focus** – We're invested in your ongoing growth, not just a one-off placement.

- **Passive Candidate Recruit Focus** – Targeting the 75% of hidden talent not responding to job boards or other recruiters.
- **International Candidate Reach** – Access elite talent across North America and globally.
- **Compensation Benchmarking** – Market insights to ensure your offers are competitive.
- **Strategic Hiring Advisory** – Guidance on team structure, role design, and scaling strategy.
- **Practice Builder Expertise** – Placing leaders who can build and scale new service lines or practices.
- **Market Intel Reports** – Insights on where competitors are sourcing and retaining top talent.
- **Evangelist Approach** – We act as brand ambassadors, selling your story to elite talent.

4. Innovation & Scalability (Modern, Forward-Looking Solutions)

TalentNavigator 360™

- **Specialized Expertise** – Focused exclusively on Microsoft Dynamics, NetSuite, CRM, Data Analytics, BI, and AI talent.
- **Recruitment Process Outsourcing (RPO)** – Scalable recruiting support to rapidly build or expand delivery teams.
- **Proactive Pipeline Building** – We curate a pipeline of talent even before openings arise.

Part 5: Executive Leadership Replacement Strategies

Option 1: CEO Transition & Replacement

When to Replace:

- Founder unwilling to embrace PE operating model
- Lack of scalability mindset or growth orientation
- Client dependency concentrated in founder
- Resistance to financial controls and reporting
- Cultural misalignment with PE expectations

Ideal CEO Profile for Partner Acquisitions:

- **Prior PE-backed professional services experience** (non-negotiable)
- **NetSuite or Dynamics partner background** (understands delivery model, client dynamics, consultant management)
- **Proven track record scaling \$10M-\$50M firms** to \$50M-\$150M+
- **Strong sales orientation** (growth-focused, not just operations)
- **Cultural fit for consultant-led organizations** (can lead technical talent, not just manage)
- **M&A integration experience** (bolt-on acquisitions, practice consolidation)

Compensation Benchmark:

- **Base:** \$250K-\$400K (depending on firm size)
- **Bonus:** 40-60% of base (EBITDA and revenue targets)
- **Equity:** 5-15% (vesting over 3-4 years)
- **Total Cash Comp:** \$400K-\$650K+

Timeline: 60-90 days from search initiation to offer acceptance

Option 2: CFO Upgrade for PE Reporting

When to Upgrade:

- Current CFO lacks PE experience
- Unable to produce accurate utilization reporting
- Revenue recognition issues (especially project accounting)

- Weak financial controls and budgeting discipline
- No experience with quality of earnings or due diligence

Ideal CFO Profile for Partner Firms:

- PE-backed professional services CFO experience (mandatory)
- NetSuite or Dynamics GP/BC financial management (understands ERP + services)
- Utilization tracking and project accounting expertise
- Revenue recognition for professional services (ASC 606 compliance)
- Due diligence and add-on acquisition experience
- Financial systems implementation (scaling infrastructure)

Compensation Benchmark:

- **Base:** \$180K-\$280K
- **Bonus:** 25-40% of base
- **Equity:** 2-5%
- **Total Cash Comp:** \$225K-\$390K

Timeline: 45-75 days

Option 3: Practice Leadership Development or Replacement

The Practice Leader Challenge:

Most partner firms promote their best billable consultants to practice leadership roles without evaluating:

- **Management capability** (leading vs. doing)
- **Sales competency** (selling is different than delivering)
- **Strategic thinking** (growing the practice, not just executing projects)
- **People development** (mentoring, training, retention)

Two-Path Strategy:

Path A: Develop Existing Practice Leads (If potential exists)

- Provide executive coaching and leadership training
- Pair with experienced PE-backed services leader (interim or advisor)
- Reduce billable expectations to allow management focus
- Set clear 90-day performance milestones
- Evaluate at Day 90: promote or replace

Path B: Replace with Experienced Leaders (If gaps too large)

- Recruit from larger NetSuite/Dynamics partners or Big 4
- Prior experience managing 15-30+ consultant teams
- Demonstrated P&L accountability
- Sales and client development track record

Ideal Practice Leader Profile:

- **10+ years NetSuite or Dynamics consulting** (credibility with technical teams)
- **5+ years people management experience** (led teams of 15-30+)
- **Direct sales responsibility** (\$3M-\$8M annual quota)
- **Implementation methodology expertise** (quality, standardization, scalability)
- **PE-backed services experience preferred**

Compensation Benchmark:

- **Base:** \$160K-\$220K
- **Bonus:** 30-50% of base (utilization, revenue, margin targets)
- **Equity:** 1-3%
- **Total Cash Comp:** \$210K-\$330K

Timeline: 45-60 days

Option 4: Sales Leadership Transformation

The Sales Leader Problem:

Partner firms often have weak or non-existent sales leadership:

- **Founder-led sales** (not scalable, not transferable)
- **Consultant-led sales** (delivery focus, not growth focus)
- **Transactional VP of Sales** (order-taker, not hunter)
- **No structured sales process** (CRM underutilized, pipeline unclear)

Post-Acquisition Sales Priorities:

- **Secure existing pipeline** (prevent defections post-close)
- **Evaluate sales leader viability** (PE growth capability?)
- **Assess account executive retention risk** (compensation, non-competes)
- **Implement disciplined sales process** (CRM, pipeline management, forecasting)
- **Build predictable new business engine** (not dependent on founder)

Ideal VP of Sales Profile for Partner Firms:

- **NetSuite or Dynamics partner sales leadership** (5+ years)
- **PE-backed professional services sales experience**
- **Proven new logo acquisition track record** (\$5M-\$15M annual sales)
- **Structured sales process implementation** (CRM, stages, metrics)
- **Team development and scaling** (hired, trained, led 5-10+ AEs)
- **Complex solution selling** (enterprise deals, \$200K-\$1M+ TCV)

Compensation Benchmark:

- **Base:** \$150K-\$300K
- **Commission:** 50-100% of base (at plan)
- **Accelerators:** 1.5-2x for overperformance
- **Total On-Target Earnings (OTE):** \$300K-\$600K

Timeline: 45-75 days

Part 6: RPO for Rapid Practice Team Expansion

When to Use RPO for Partner Acquisitions:

- **Building new practice areas** (e.g., adding AI/Copilot practice to Dynamics partner)
- **Geographic expansion** (opening new markets, building regional teams)
- **Scaling existing practices** (NetSuite practice from 12 to 30 consultants over 18 months)
- **Post-acquisition talent backfill** (replacing departures, upgrading talent)
- **Portfolio-wide recruiting** (hiring across multiple partner firm acquisitions)

Seven-Component RPO Model for Partner Firms:

1. Dedicated Recruiting Team

Specialized in NetSuite/Dynamics consultant recruiting, embedded with your HR and practice leadership, understands technical skills, certifications, and implementation methodologies

2. Consultant Sourcing & Engagement

Access to 87% passive candidate market (employed consultants not on job boards), relationships with Big 4, top-tier partners, and implementation specialists, pre-built pipelines BEFORE roles open (40-50% faster time-to-fill)

3. Technical Screening & Validation

Hands-on technical assessments (not just resume claims), module-specific expertise validation, client-facing skills evaluation

4. Cultural Fit for PE-Backed Environments

Behavioral assessments for high-performance cultures, adaptability to change and growth expectations, alignment with operational discipline

5. Interview Coordination & Offer Management

Streamlined scheduling (minimize disruption to billable work), feedback synthesis and debrief facilitation, competitive offer structuring and negotiation

6. Onboarding & Retention Support

Resignation and counteroffer mitigation, notice period engagement (maintain commitment), 30/60/90-day check-ins (reduce early turnover)

7. Vested Partnership Pricing

30-40% cost savings vs. traditional per-placement fees, predictable monthly budget, transparent cost-per-hire metrics, scalable model (1 role or 50 roles over 18 months)

Case Study: Scaling a NetSuite Partner Post-Acquisition

Client: Mid-market PE firm, acquired 35-person NetSuite implementation partner for \$18M

Challenge:

- Needed to scale from 35 to 65 consultants over 18 months (growth plan)
- 8 consultants departed in first 90 days post-close (23% attrition)
- Weak internal recruiting (HR generalist, no ERP recruiting experience)
- Competitive market (NetSuite talent wars)
- Traditional per-placement fees would cost \$750K+ (30 hires @ \$25K avg fee)

Solution:

- 18-month RPO engagement
- 2-person dedicated recruiting team (1 senior, 1 sourcer)
- Targeted passive consultant pipeline development
- Standardized role profiles (Functional Consultant, Developer, Solution Architect)
- Monthly retainer with vested partnership model

Results:

- **28 consultant hires** across 18 months (mix of Functional, Technical, Architects)
- **Average 38 days to hire** (vs. 75+ days previously)
- **92% retention at 12 months** (industry average: 78%)
- **Total investment: \$465K** (38% savings vs. traditional fees)
- **Achieved 62 consultants** by Month 18 (97% of growth target)
- Operating partner praised quality, speed, and partnership approach
- **Renewed for Year 2** with 15-20 additional hires planned

Part 8: Compensation Benchmarking for Partner Firms

Executive Leadership Roles

Role	Base Salary	Bonus Target	Equity	Total Cash Comp
CEO	\$250K-\$400K	40-60%	5-15%	\$400K-\$650K
CFO	\$180K-\$280K	25-40%	2-5%	\$225K-\$390K
COO	\$170K-\$260K	25-40%	2-5%	\$210K-\$365K
VP of Sales	\$150K-\$300K	50-100%	1-3%	\$300K-\$600K (OTE)

Practice Leadership Roles

Role	Base Salary	Bonus Target	Equity	Total Cash Comp
NetSuite Practice Director	\$165K-\$250K	30-50%	1-3%	\$215K-\$375K
Dynamics Practice Director	\$165K-\$250K	30-50%	1-3%	\$215K-\$375K
Technical Practice Lead	\$160K-\$210K	25-40%	1-2%	\$200K-\$295K
Industry Vertical Lead	\$170K-\$230K	30-50%	1-2%	\$220K-\$345K

Consultant Roles (For Reference)

Role	FTE Salary	Contract Rate
NetSuite Solution Architect	\$145K-\$195K	\$150-\$185/hr
NetSuite Functional Consultant	\$110K-\$165K	\$110-\$140/hr
NetSuite Developer	\$120K-\$165K	\$125-\$160/hr
D365 Solution Architect	\$140K-\$190K	\$145-\$180/hr
D365 Functional Consultant	\$110K-\$165K	\$105-\$135/hr
D365 Technical Consultant	\$115K-\$155K	\$120-\$150/hr

Notes:

- Adjust +15-25% for high-cost markets (NYC, SF, Seattle, Boston)
- Adjust +10-20% for urgent/critical fills
- Equity percentages assume \$15M-\$40M enterprise value at grant

Part 9: Next Steps for PE/VC Firms

Four Ways to Engage DynamicsFocus:

Engagement Type	Best Use Case
Executive Search (Retained)	CEO, CFO, COO, VP Sales replacements—confidential, mission-critical
Engaged Recruiting	Practice leaders, senior consultants—fast fill, minimal upfront cost
RPO Services	Scaling practices, building new teams—30-40% cost savings, dedicated resources
Contract Resources	Interim leadership, surge capacity—immediate deployment

Start With a Complimentary Partner Firm Leadership Audit

What You'll Receive (72-Hour Turnaround):

1. C-Suite Capability Assessment

CEO PE-readiness evaluation, CFO financial controls and reporting capability, Sales leadership viability analysis

2. Practice Leadership Gap Analysis

NetSuite/Dynamics practice leader effectiveness, management vs. delivery capability, sales and business development competency

3. Consultant Bench Strength Review

Flight risk identification (especially post-close), skill gap analysis and training needs, compensation competitiveness assessment

4. 90-Day Talent Roadmap

Priority 1 leadership replacements (timeline and approach), practice team development or upgrade plan, sales team retention and recruitment strategy

Delivered as: Confidential executive summary with actionable recommendations

Contact Information

Bryan Ray

Founder & Managing Partner

DynamicsFocus, LLC

Web: www.dynamicsfocus.com

Email: bryan@dynamicsfocus.com

Specializing Exclusively in Microsoft Dynamics, NetSuite, and AI Talent Acquisition

Because partner firm acquisitions succeed or fail based on the leadership and talent behind them.