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Many accounting firms are offering estate planning or wealth management services, but ironically, a lot of CPAs aren't necessarily ready for their own retirement.

One in every four CPA firms currently faces challenges related to succession planning, according to a recent survey by the AICPA Private Companies Practice Section and Succession Institute LLC. Eight in 10 expect succession planning to be a significant issue for their firms over the next decade, said the survey, "CPA Firm Succession Management: Multi-Owner Survey Report."

With the same survey finding that only 44 percent of CPA firms have a succession plan in place, it's clear many accountants have more work to do as it relates to planning for and funding their own retirements and those of their partners. Among firms that already have a succession plan as well as firms that lack one, a common expectation is that they will be able to sell the firm. Nearly half of the survey participants pointed to merging with another firm as their first choice of exit strategy. Solo practitioners, especially, are expecting that a buyout or merger will play a role.

"Considering that our profession has roughly 44,000 firms, with about 600 having 21 professionals or more, we believe that the merger market for small firms is about to heat up in the short term, and the marketplace is likely to get very soft towards the end of that five-year period because of the increase in the number of firms in play," the survey report said.

What are firms doing to make themselves more attractive in the event they decide to seek a buyer? The AICPA survey found owners are incorporating several approaches for preserving the value of the firm, boosting its profitability or making it more

management issues, smaller firms aren't putting to use the power of technology nearly as often as their larger peers.

"However, technology can be an even more powerful lever for the smaller firms who have limited personnel resources," the survey report noted. Leveraging technology helps boost efficiency and helps reduce time spent on repetitive, routine tasks, leaving more capacity for accountants to use their higher-level critical thinking and management skills.

The AICPA recommended that firms evaluate their current market position and make technology choices that will be most beneficial to their current position and desired future growth.

Technology can also play an important role in several of the other top tactics accounting firms are using to make their firms more attractive, valuable or profitable.

Streamlining workflow/processes was the second-most commonly cited tactic named by owners seeking to make their firms more valuable or attractive to buyers, with 65 percent of firms in the survey saying they are using this approach. One way to improve the workflow is to incorporate technology that helps auditors streamline preliminary analytics, for example, or that automates the process of providing business clients with data to benchmark their performance against industry peers.

Increasing fees or billing rates was a third approach firm owners said they're using to make their firms more attractive to buyers, with 65 percent of firms in the survey citing this tactic. Even if a firm isn't hiking fees, it can boost realization rates or accelerate the cash conversion cycle by integrating technology that allows them to serve clients more efficiently, going from initial client engagement to cash in the bank more quickly than less prepared firms.

Delegating, or handing off lower-level work, was a fourth approach and was named

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