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and compliance services, we find that most feel they don't feel comfortable providing performance- and strategic-based advisory services because their experience and ...

**Jim Boomer** • Jul. 16, 2019



Over the last several years using “trusted business advisors” to describe CPAs has become quite prevalent. While many CPAs feel a connection to this title, others would be better described as a trusted technical advisor, spending most of their time on compliance- and transaction-related services, which are rapidly becoming automated and commoditized. Rapidly advancing technology capabilities and cloud ecosystems have and will continue to eliminate much of the data entry of accounting and tax preparation.

When we ask practitioners why they continue to focus their efforts on transactional

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To become future ready, firms need to consider client wants as well as needs because clients are willing to pay higher fees for services that deliver greater value. So how can your firm make progress toward higher value services when your people don't necessarily have the experience and skills to offer advisory services? To get to the next level, you need to consider the Four Cs.

## **Capability**

First, consider whether you genuinely want to provide advisory services. Some CPAs do not, and that is fine. However, many firms that do want to offer advisory services are already doing so. Unfortunately, they're often giving away their most valuable advice because they don't know how to charge other than by the hour. Clients, on the other hand, recognize that CPAs often give away the most valuable advice while overcharging for compliance work.

When you look at it from that perspective, you will likely realize that you are capable of providing advisory services. However, you need to focus on packaging and pricing those services instead of offering it for free or at a deeply discounted rate packaged with compliance services.

## **Commitment**

To make a change, you must commit to leveraging technology that automates low-value work and frees up capacity to provide higher-value services. We've seen some firms give up on some technologies that didn't deliver immediate time-savings, but tools that allow clients to easily collaborate with your team and improve the client experience are of utmost importance.

It's easier to remain where you are and wait for compliance work to come knocking on your door than it is to compete for advisory services, but waiting will not get you

where you need to be. Commit to automating and outsourcing manual data entry

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may have heard the old story about the entrepreneur who was asked how he slept last night and replied, "Just like a baby, I woke up every two hours and cried."

Having the courage to leave behind the old paradigm is the difference between being edged out by the competition and becoming an irreplaceable advisor to your clients.

## Confidence

The importance of confidence cannot be overstated. It needs to become a part of your firm culture, but don't mistake confidence for arrogance. Changes in your service offerings require a change in mindsets, skillsets and toolsets. It also requires making difficult management decisions around governance, talent, technology and compensation. It's about focusing on the needs of clients to create opportunities for your firm.

You can start on your vision and strategic plan by asking the following questions:

1. Is your firm prepared to leverage automation and focus on advisory services?
2. Do you currently offer services that are no longer relevant or profitable?
3. What changes do you need to make to meet the needs and wants of your clients?
4. Who will be responsible for moving your firm in the right direction?

**Don't procrastinate.** The key to becoming a future-ready firm is to focus on helping clients improve performance and operate their businesses more strategically. This shift is impossible without embracing automation and technologies that reduce the amount of time that compliance services take. Work through the Four Cs to develop your plan for transformation now.

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