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But making this leap requires a different set of tools than those used for ...

Sandra Wiley • Dec. 11, 2020



Technology is commoditizing traditional accounting firm services, decreasing billable hours and motivating firms to build their advisory and consulting service offerings. But making this leap requires a different set of tools than those used for transactional and compliance services. The good news is, you don't have to go it alone or start from square one.

What is advisory?

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advisory, you sometimes don't know the answers.

When I coach or provide consulting services to accountants, sometimes I spend an hour doing nothing but listening and taking notes. Advisory is about the process of collecting and collaborating with clients in real-time. At the end, I start asking questions and guiding clients to consider new solutions to their problems. That can be uncomfortable for CPAs who have been trained to find and deliver the right answer, so to be effective in advisory, you need to get comfortable being a little bit uncomfortable.

Step 1: Find the right mindset

As with so many initiatives, advisory requires the right mindset. Right now, your team may not feel ready to jump into advisory.

In many firms I work with, people in the client accounting group have excellent relationships with the firm's existing clients – and they may or may not be CPAs. When I talk to them about advisory services, they get a panicked look in their eyes. They say, "I don't want to be an advisor. I just want to take care of my clients."

It's exactly that willingness and passion to take care of clients that translate well into advisory. We need to show them how to really provide value. That's when they get excited. We can teach them advisory skills and figure out any capacity and workload issues. So if you have people who are willing, seize the opportunity you have in front of you.

Step 2: Listen and ideate

A common question we hear from CPAs wading into advisory services is whether they should follow their clients' direction or lead and tell their clients which way to go. The answer is both.

You always need to listen to your clients first so you can know their dangers,

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Step 3: Facilitate

Some firms are great at coming up with ideas, but that's unfortunately where it ends. Your clients need you to help them bring that idea to life. What can you do to make it happen?

Even if your client must do most of the work, your role is to facilitate and coach them.

In our company, the specific tools we use to deliver these engagements virtually are:

- Zoom for video conferencing
- Conference.io for polling
- Miro for a virtual whiteboard and brainstorming

It can really be that simple! Just replicate what you would have done on-site and find the tools to do it virtually.

Step 4: Iterate

One of the arguments we occasionally hear against advisory services is that advisory services are one-off engagements while transactional and compliance work is recurring. In fact, nothing could be further from the truth!

Part of a successful advisory engagement includes providing ongoing accountability to your clients, measuring their progress, and figuring out the next steps. Providing ongoing accountability to your clients and pushing them to reach their goals is much more valuable than simply giving them an initial idea, and it inevitably leads to ongoing work.

Step 5: Educate

As your firm builds out its advisory service offerings, it is crucial for everyone in the

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team in these conversations, people will be more aware of your services and how they might be relevant to different clients.

One of the easiest ways to educate clients about the services you offer is simply picking up the phone and talking to them. You need to empower your team to have these conversations. For example, when team members discuss tax returns and financial statements in March, they might ask clients whether they're interested in a break-even analysis. With existing clients, you already have that relationship, so you're halfway there.

Just keep in mind, this education process isn't about how much money you can bring into the firm. It's about how much value you can bring to your clients. When you help your clients become more successful, the money will follow.

The professionals in your firm today have great skills, but they need new skills to become trusted advisors for their clients. Everyone should be reading, upskilling and participating in training programs to develop their advisory and consulting skills – not just new team members. For years, CPAs have been selling themselves as trusted advisors to their clients. Now is the time to be proactive in living up to that promise.

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Sandra Wiley, President of Boomer Consulting, Inc., is a leader in the accounting profession with a passion for helping firms grow, adapt and thrive.

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