

Hello. It looks like you're using an ad blocker that may prevent our website from working properly. To receive the best experience possible, please make sure any blockers are switched off and refresh the page.

If you have any questions or need help you can email us

ADVISORY

From Transactional to Transformational: How to Activate Your Advisory Services

Here are three tips to help you understand, adopt, and grow your advisory services, and change your client relationships from transactional to transformational.

Oct. 06, 2022



By Kristen Keats, CPA + Renee Daggett, EA.

For tax professionals, “advisory services” is a term that can be both vague and intimidating. However, it’s highly likely that you’re already providing these services without even realizing it.

Think about this: If you’re completing a tax return for your clients and mention retirement plan options to them, that’s advisory work. If you’re exchanging business updates with a client and offer insights into tools like bookkeeping softwares or cloud technology, that too is an advisory service.

Simply put, advisory services means you act as an advisor to your clients in any way that goes beyond transactional tax compliance. While almost every tax professional does this, many, especially younger professionals who worry they lack expertise, have trouble identifying and embracing this work.

Here are three tips to help you understand, adopt, and grow your advisory services, and change your client relationships from transactional to transformational.

Build Your Client Community

Establishing your advisory role starts with building a culture of communication and support within your client network.

When starting out, small business owners often do not have a community to rely on to exchange ideas, discuss techniques, or get honest critiques on their practices. So, as someone who serves other clients in similar positions, they’ll look to you as a lifeline for real industry insights and actionable advice.

This is your opportunity to be a helper, and use your position as an advisor to answer questions on everything from tax compliance and financial planning to technology and human resources. You may not realize how much you know until you take stock of the business knowledge you’ve gained from simply chatting with your clients.

The more you can apply this transferable knowledge, the easier it will get to transform your relationships and anticipate what one client will need based on another. It will also make the value of your advisory services more pitchable to clients who think they only want tax compliance work.

Find Your Firm’s Culture

As you grow your confidence within your client network, it's crucial to be intentional about the culture you wish to foster in your own firm as well.

After two years of transition, first with leaving the office and now with combinations of remote and hybrid work, most firms have finally settled into their long-term working structures. Whether you run a small remote firm or a larger operation with an office, now is the perfect time to assess how your culture impacts your hiring and staffing goals.

While it's important that someone can reconcile a balance sheet or file a tax return, your focus should be on making sure they're a fit for your culture. If you want a culture that values advisory relationships, look for someone who is eager to connect dots and curious about expanding beyond compliance work.

Be intentional about your hiring, because while it may be tempting to make fast hires and get a seat filled, the wrong hire will end up costing you more, and could disrupt the cohesive culture you've worked so hard to foster. Remember that you can always train someone on skills, but you can't train them on whether they'll embrace your core values or not.

Transform With Technology

Technology is the glue that will ultimately enhance advisory efficiency for both your clients and your team.

For remote teams, using collaboration tools like [Loom](#) and [Miro](#) are so important to make people feel like they're working together, not alone. While you don't want to have too many meetings, these tools allow teams to easily meet with managers for 1:1s, departments, and the whole team. For client services, [QuickBooks Online Accountant](#) will allow you to manage and organize tasks asynchronously, all on the cloud.

If you don't consider yourself "tech-savvy," incorporating new tools may seem daunting. But in order to keep innovating your business and not be left behind, you need to be willing to embrace change. Move slowly but intentionally. When you find a technology solution you may work for you, vet it first and then slowly start to implement it in your firm (be sure this happens after tax season — don't start in January).

Be aware that whenever you're adopting something new, there will be a hump to get over. Anticipate this initial learning curve and set a timeline of expectations so you

don't become discouraged. Then, using this timeline, evaluate the technology and don't be afraid to draw a line in the sand when something is not the best fit for your firm.

You'll know you've found the right technology when collaborating with your clients and team members takes a few clicks.

Conclusion:

Crunching numbers is often the safe space for tax professionals, so it's no surprise that stepping into the shoes of an advisor can be daunting.

Remember that your knowledge base is so much broader than you realize, and that your current relationships have already set you up for success as an advisor and confidant.

When you focus on community, foster an advisory culture, and embrace the tools that make collaboration easier, you'll find your relationships level up from transactional to transformational.

=====

Renee Daggett, EA is the CEO of of [AdminBooks](#) and a former Intuit Tax Council Member. Kristen Keats, CPA is the owner of [Sherwood Tax and Accounting](#) and the founder of [Breakaway Bookkeeping and Advising](#).

Intuit, Inc. • Advisory • Tax • Taxes • Intuit • Article • Advisory Services • Firm Management • Intuit • tax firm • tax professional

CPAPA is registered with the National Association of State Boards of Accountancy (NASBA) as a sponsor of continuing professional education on the National Registry of CPE Sponsors.

© 2023 Firmworks, LLC. All rights reserved