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leading edge firms are taking steps now to understand what's ahead and...

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By Chris Farrell, CPA.

Firm leaders today have big challenges ahead. In addition to staffing challenges and ever-changing compliance regulations, leaders need to ensure their firms keep up and remain attractive to current and future generations of clients. It's tempting to rely on familiar tools and processes that have worked in the past, but leading edge firms are taking steps now to understand what's ahead and ensure that their teams are moving to solutions that will work today AND into the future.

Forewarned is forearmed: The Millennials are Coming

The biggest thing to be aware of is that the actual demographic of most firms' client

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clients do. A secondary implication is that since the remaining 25% of the workforce will be made up of other generations (a mix of X, Boomer, and Z workers), solutions chosen must work across generational demographics. Ease of use and convenience will be key.

What makes millennials different from other clients?

First and foremost, they are highly entrepreneurial. It's not uncommon for a millennial entrepreneur to start and run several businesses, as they are generally comfortable with taking risks. Currently, millennials are the fastest-growing segment of small business owners in terms of starting their own, or acquiring an established business – and in a recession, this only accelerates. Firms that create a great environment for millennial business owners may find that they get several engagements from each owner, and possible referrals as well.

This demographic also has a tremendous amount of power when it comes to spending and making decisions. Millennial-owned businesses have a collective spending power that in 2022 exceeds \$150 Billion US. In the US alone, there are currently more than 78 million Millennials. By 2025 Millennials will be making the majority of B2B decisions including who they choose for their accounting firm.

Personally, they are conscientious, they work hard, and they want all the information to be available at their fingertips. They shop around and they read reviews. So when they choose an accounting firm, it means they have done their homework and they like what they saw on the firm's website and in social reviews.

But perhaps the biggest difference between a millennial client and a Gen X or Boomer client is that they are tech-savvy and expect their professional service providers to keep up. They have little tolerance for outdated technology – especially solutions that they can't use easily on their mobile devices. They need solutions that can keep

up with their innate drive to HUSTLE. Mobile access is considered table stakes. They

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their firm is offering currently. Taking a [Client Experience Assessment Quiz](#) can help to uncover strengths and hotspots so they can be corrected.

Implications for Firms

The biggest implication is that firms need to pay attention to the experience they give their clients when working digitally with the firm. It needs to be secure, easy and mobile-enabled. For many firms, the digital client experience offered still consists of email and a portal. This approach will not work for clients who are on the go all day with just their smart phone in hand. To be prepared, firm leaders should look for secure solutions that enable the firm to be a seamless part of their client's days instead of a readblock or speed bump. Mobile is considered table stakes with millennial clients.

Ensuring that tech solutions are modern, secure, and mobile-enabled will go a long way towards meeting the basic expectations of current and future clients.

Accounting firm leaders should take inspiration from today's Banks. To compare the effect of an excellent client experience with a poor one, simply think of the digital experience customers get from their banks today, then recall how banks used to serve us. Instead of having to make time to "go to the bank" modern banking apps have completely reset how consumers work with their banks. Being able to do everything from an easy-to-use mobile banking app is now the baseline for choosing a bank. It's time the accounting and tax profession gave their clients the same modern, seamless and secure experience.

Security remains a top concern

Another consideration is security. Moving clients away from insecure methods like emailing unencrypted attachments and texting photos of sensitive documents will be increasingly important when serving a predominantly mobile client base. Choosing

a solution that makes security automatic and seamless will set the firm apart from

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Millennial clients will choose their firms based on the experience they offer. [Liscio](#) is an example of an all-in-one modern mobile “accountant app” that was built from the ground up to be secure and easy to use no matter the age of the client. Firms benefit from having a single source of truth for all client communications, documents, signatures, etc, and everyone can get more work done because of the speed of response and high adoption rates from clients.

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Chris Farrell, CPA is cofounder of [Liscio](#), Inc. and serves as its Chief Executive Officer. Chris has more than 25 years of experience in the accounting, finance and software industries. Prior to Liscio, he co-founded and led SpringAhead and Tallie where he served as Chief Executive Officer. He also served as the Chief Financial Officer of Occam Networks, the Corporate Controller of C-Cube Microsystems and as an auditor for Arthur Andersen. He holds a Masters degree in Business Administration from UCLA's Anderson School of Management and received his CPA license in California.

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