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Enhance Client Retention with Practical Strategies

By Shannon Vincent, CEO, ReNew Group LLC

Erecting fences around clients and enhancing client retention activity is easily misplaced during a period where demand for your firm's accounting services are at an all time peak and it is the middle of tax season. The most frequent question we hear is, "how are we going to get all of the work done?" We suggest you need to be asking an additional question, "What are we doing to protect our annuity?"

We have facilitated numerous client advisory board sessions with clients of professional accounting firms and, in this article, you will learn our findings on what your best clients say they want from you. In other words, which strategies you must follow to protect your annuity.

To begin, let's define a client advisory board. A client advisory board is a process where a facilitator has a two-hour round table meeting with your firm's 'A' clients discussing the quality of service and the service offerings they are receiving from the firm. It's an extremely valuable and positive process that brings the firm much closer to its clients if the findings of the client advisory board are activated.

The ripple effect of Sarbanes Oxley and the shortage of accountants

The biggest impact we see driven by Sarbanes Oxley is a startling one: client service has become haphazard and clients in many firms are at higher risk than ever before. Client retention is so relevant to you right here and now. For example, do you know **precisely** what your clients want from your firm? If not, you could be wasting your time and theirs. Worse still, you entertain the possibility that your good clients start to seek an adviser who does understand them, whatever they perceive that understanding should be.

Firms of all sizes have benefited from the ripple but credible sources suggest the Big 4 will be further outspreading their arms for some of the work picked up by the regional firms. We believe this will have a reverse effect and firms of all sizes will find larger firms fishing for their best clients. However we believe if you provide quality service with multiple service offerings with each client you'll be able to retain the business.

What to do about it

There are five consistent themes clients tell us they seek in their accounting firm relationship:

1. Help me with my business
2. Take control
3. Protect me and advise me (don't sit on the fence, keep the regulatory bodies away from me)
4. Give me a better experience in dealing with your firm

5. Teach me

Help me with my business

The specific issues clients worry about are typically regulatory compliance (they do not understand accounting standards/tax codes and do not wish to, which is why they hire you); a general feeling that their accountant does not understand their business; if that were not bad enough, a sense that they do not understand YOUR business and the services you can provide; concerns about cash flow and a general lack of planning and goal setting.

All is not lost. Clients feel you can take steps to help them in all of the above areas, namely:

- Speaking the business owner's language
- Obsessively learning about your client's business and their key issues
- Focusing on cash flow
- Focusing on profit improvement
- Conducting annual meetings with clients to focus on strategic and financial matters (historical and future)

Take control

Clients repeatedly talk about wanting their accountant to open up and to 'play on their team'. Take the opportunity to divulge your personality and even a sense of humor; get to know your clients personally and let them know you that think about them when you are not together. Dispatch relevant information about developments you have noticed in their industry (get involved with trade associations for your top clients' industries). And keep your clients organized…they have concerns that they have so much to do to run their business and cannot handle it all on their own – they need your help.

Protect me and advise me

Clients want you to keep them out of the news and look after their assets with solid advice and recommendations. Put simply, gray area responses frustrate them: particularly, "It depends". They do not want you to be an extension of the IRS…so get off the fence, assist them take a position and give your clients well-researched, relevant, proactive and practical advice.

Give me a better experience

What do clients think about the experience they receive from their accounting firm? On the whole, it is not great reading. Classic examples that come up repeatedly are:

- I don't always get timely service and returned phone calls
- I don't want to do stuff last minute
- I am not as deadline driven as my accountant
- I'm not sure when I'm going to get my work back

- I'm not sure who works on my stuff and who to talk with
- I hear from my accountant once a year
- I hate getting charged for a ten-minute phone call
- Save up the bills. I don't want to pay a $200 bill. It's a waste of time
- I don't like surprises – taxes, bills, my accountant is out of town

All of these complaints are easily remedied by implementing performance standards in your firm. For example, return all communications within 24 hours (you don't have to know the answer) and set expectations with clients as to when you will get their work back to them. But before you do that, discuss with your own clients and team members to determine **specifically** how you might improve the experience they have with your firm. Run your own client advisory board to learn more.

Teach me

Your clients look to you to educate them on relevant and simple topics. Conduct seminars; send them interesting articles, either within a newsletter or excerpt of industry magazines; introduce your clients to one another and let them network.

They are also looking to you to let them know what services you offer and how they might be relevant. However putting that information on a website or in a newsletter is not sufficient – clients want you to sit with them and talk to them, individually and face to face. Become proficient at asking lots of questions to find out what your clients need…and want!

In summary, if you systematically approach your clients' needs with proactive and practical advice we're confident you'll retain more clients, secure annuity and continue to prosper.

About the author: Shannon Vincent is CEO and co-founder of ReNew Group (www.renewgroup.com), based in Oakland, California. ReNew Group is the leading provider of web-based client intelligence solutions for financial institutions, banks, insurance agencies, independent advisors, attorneys and accountants. Shannon can be contacted on 866-853-4952 or at shannon.vincent@renewgroup.com.