



## How to retain and attract clients of the type you want

*By Colin Dunn*

An August 2009 study by Bay Street Group ([www.baystreetgroup.com](http://www.baystreetgroup.com)), a New York based organisation providing custom research for the professional tax, accounting and finance community, found that business owners are likely to change accountants for the following key reasons (the 684 participants in the study were asked to select all that applied):

1. Poor client service and attentiveness (60% of participants would consider leaving for this reason)
2. Affordability – price and fees (52%)
3. A requirement for new or different services (36%)
4. Existing firm not proactive enough (36%)
5. Bad personal chemistry (32%)

It follows that if business owners would LEAVE their existing accountant for one or more of these reasons, then they would be looking for a potential new accountant to display these same traits.

Let's take each of these issues in turn and address each in an action plan:

### **Poor client service and attentiveness**

More people said they would leave for this reason than any other. Yet this is the simple stuff – and it mostly boils down to a lack of communication with clients. Here are three pragmatic things you can do that will make a dramatic impact on your clients' perception of your service and attentiveness:

1. Focus on improving turnaround time – and more importantly, tell the client when their work will be completed. If you can turn work around in ten days, let the client know. If it's three weeks, again, let the client know. Then deliver on it. Importantly, if the client hasn't brought in all the information you need, someone in your firm **MUST** tell the client straight away otherwise they will assume that you have started the job.
2. Offer ad hoc contact through the year. This policy very rarely gets abused. Don't focus on the hour and a half that might clock up in time from inbound phone calls. Focus instead on opening the lines of communications with the clients. I often hear from accountants that their clients miss critical opportunities because they don't call before they make important decisions. That's because the client's perception is that the clock is ticking – so remove that barrier. Opportunities to better serve the client to the benefit of both parties will present themselves.

3. Visit your clients. Go out to their premises and ask them to show you around. Drop in if you are passing. This is the easiest and most effective way of differentiating yourself from other accountants AND showing the client that you care. Business owners like nothing more than for someone to show an interest in their pride and joy – their business.

### **Affordability – price and fees**

It is interesting to see that over half of the participants in the Bay Street study cited price and fees as a potential reason for leaving their accountant. Several prior surveys have suggested that price is way down the list. The majority of respondents in the Bay Street survey were likely to have been US-based where consumer sentiment has sunk to significantly lower levels than it has in Australia since the economic downturn. This has likely lifted the percentage citing price and fees as a major reason for changing accountants.

Irrespective of the reasons, it is clearly more important than ever that you focus squarely on value and outcomes, not processes and inputs. Many accountants find this difficult because much of the work they do is very process focused. They also tend to suffer from a self esteem issue, feeling that the work they do is of limited value to their clients. Yet even the most basic compliance assignment has multiple value points for a client. For example:

- Keeps the client out of gaol
- Provides peace of mind
- Keeps the tax office at bay
- Appeases financiers
- Provides the basis for new financing
- Offers opportunities for business planning
- Helps with insurances
- Enables benchmarking.

You can come up with many more specific to each of your clients if you put your mind to it and involve your team. So before you start any job for a client, ask yourself 'where's the value to the client here?' And then make sure you articulate your answer to the client.

### **New or different services**

Sadly, in many cases, good clients leave firms because they did not know the firm could provide the services that they needed. So it's incumbent upon you to ensure that all of your key clients are aware of everything you can do. Don't be pigeon-holed – and you will be if all you've ever done is tax and accounting and you never talk with your clients about anything else. I have conducted 61 client advisory boards for accounting firms (a roundtable discussion with the firm's best clients to gather input and direction for the firm) and every single time at least one of the clients discovers something about the firm's service offerings that they did not previously know. So don't leave it to chance.

### **Insufficient proactivity**

This is an old chestnut but as relevant today as ever – in fact, perhaps even more relevant in today's economic uncertainty. My sense of it is that this issue will escalate in coming months. During boom times, firms have benefited from special projects brought to them by their clients (and as such, there is likely to be a perception on behalf of those clients that there is plenty of contact with and from the accounting firm). As businesses put special projects on hold until there is more certainty in the economic outlook, there is more of a need than ever for the accountant to initiate contact with clients.

A simple yet effective idea is to list your top 20 clients and brainstorm with your team the issues they are likely to be facing now with which they might need some help. Do some research on their industry; look at trends; determine how the economic downturn has impacted their industry (either positively or negatively) and look for opportunities. Then call each client with a simple dialogue:

“John and Mary, my team and I have been thinking about your business and we've come up with a couple of ideas that I'd like to run by you that may be of benefit to you and your business. I'm in your area on Thursday – could I drop in at 10am for a chat, free of charge?”

### **Unfortunate / mismatched personal chemistry**

A dreadful client for me could be a dream client for you. Behavioural profiling such as DISC is commonly used when hiring employees, so why not extend that to clients? Many accountants, under the DISC system, are 'high C', meaning they are by nature cautious, restrained, logical, analytical and precise. If you fit this profile and you have a client who is 'high I', meaning they are impulsive, influencing, enthusiastic and talkative there's a high likelihood that you will drive each other to distraction. There are two ways to handle this; either study and practice DISC or a similar technique so that you can better understand your clients' behavioural traits and relate with them in a more effective way; or find someone else in your firm with a similar behavioural pattern and introduce them to the client.

### **It all comes down to trust**

I would suggest that all of the issues discussed come back to enhancing the levels of trust you have with your clients.

Released in September 2009, the BRW/ANZ Private Business study found that business owners need help increasing sales, protecting margins, managing cash flow and managing costs. All of these are areas where accountants should be offering strong advice and intervention. Yet research by Cameron Research Group (survey size: 775 SME owners, September 2009) revealed that half of those surveyed view their accountants as tax experts only and are more likely to 'go it alone' or talk to other business owners before consulting their accountant. So it's more important than ever to be on the front foot with clients.

It's my strong opinion that accountants who are classified as 'rainmakers' are not great salespeople per se; in fact what they are outstanding at doing is building trusting relationships with their clients so that clients more readily take their advice when it is offered. The focus MUST be on the client at all times. Set yourself realistic timeframes and schedule sufficient activity with those clients with

whom you genuinely want to work more closely to give both you and the client the opportunity to build the trust you both need. That way you'll have genuinely fulfilling, longer lasting and mutually beneficial relationships with your clients and you'll set yourself up to attract more clients just like them.

**End note:** Colin Dunn is a director of ReNew Group Pty Ltd, based in Queensland. ReNew Group helps professional service firms market and promote their services. We do that by helping you to identify what your clients need, develop a range of services to address those needs and then build strong relationships with clients to help clients acknowledge their needs and engage the firm to assist.

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