

ACCOUNTANCY BUSINESS DEVELOPMENT

DEVELOPMENT OF A BUSINESS ADVISORY SERVICE ENTERPRISE


Paper 500-002


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1. Adding Value To Knowledge

Knowledge in itself does not increase your bottom line. Systems need to be introduced which will add value to the knowledge that has been gained by your personnel through the sale of a new product or service to clients or new clients.

The accountancy business should be divided into "product development teams" which are then encouraged to develop a new product or service that can be sold by the accountancy business. This is adding value to the knowledge that the team members have gained through attending conferences, seminars and reading articles.

All of this knowledge is no good to a professional firm unless someone turns it into a product or service that can be sold!

You will not add profits to your bottom line if your accountancy business develops knowledge, but then waits for a client to come and ask a question about that knowledge.

Knowledge is going out of date at a very fast rate.

If you are going to invest in obtaining knowledge then, as quickly as possible, a new product or service should be developed to sell that knowledge to the market. This will require:

- an identification of the new product or service
- a Systems' Manual to be developed for that product or service
- a Quality Assurance Procedures' Manual to be produced to support the new product or service
- appropriate staff training for all personnel to be involved in the delivery of the new product or service
- appropriate training for the other members of the team who may be asked about the new product or service e.g. receptionists who should be trained to be the "Director of First Impressions"
- preparation of marketing material to advise the market that your firm is now in a position to deliver this new product or service
- updating web page to highlight that the new product or service is available
- issuing of media releases
- conducting seminars on the new product or service
- monitoring the actual performance of the new product or service to ensure that it is in fact generating profits

2. Development Of A Specialist Advisory Firm

There is a need to identify the new services to be supplied by the business to meet the markets requirements. This will include products/services:

- Computer training for clients' staff
- Planning days for clients
- Business Plans
- Business Diagnostics
- Due Diligence Reviews
- Virtual Chief Financial Officer Services
- Corporate Advice Relative to Crowd Funding For Authorised Entities
- Corporate Advice Relative to Eligible Businesses for Investors to Obtain a 20% non-refundable Tax Offset on their Investment
- Preparing Documentation for Fund Raising from Investors and Crowd Funding Investors
- Customer Advisory Meetings
- Market Evaluations
- Market Focus Groups
- Business Coaching
- Business Round Tables
- Business Angels Submissions
- Venture Capital Raising
- Assisting clients to become "investment ready"
- Austrade:
 - * Export Market Development Grant Application
- Special relationships with banks for loan facilities for particular industries whereby your firm handles all of the loan negotiations and monitoring of the loan for a fee
- Government grant applications including:
 - * Entrepreneurs' Program:
 - Business Evaluation
 - Business Growth Grant
 - Research Connections
 - Accelerating Commercialisation
 - * Skills Development Grant
 - * Research and Development Rebate Claims
 - * Natural Disaster Grants and Loans
- Benchmarking of the client's business against their peer (groups)
- Assignments for various State government departments
- Private schools
- Charities and Churches
- Family businesses
- Succession Planning
- Corporate Governance Training
- Internal review of businesses
- Estate planning
- Industry specialisation:
 - * food retail
 - * retailing
 - * tourism
 - * professionals
 - * farming
 - * grazing
 - * manufacturing
 - * building
- Risk Management Reviews

- KPI/Ratio analysis Reviews
- Wealth Creation Planning
- Personal Property Securities Register Due Diligence System

3. Need To Examine Time Management Strategies

You will need to examine time management strategies to free up time if you are going to create a business advisory services enterprise.

These strategies will include:

- Improved delegation to obtain better overall management.
- Implementation of improved systems such as:
 - * interview notes
 - * action plans
 - * meeting agendas
 - * minutes of meetings
- Insisting on an interview for each client, either in person or by telephone, so as to improve note taking and the recording of work to be undertaken in order to improve the delegation process.
- Improve communications throughout the firm and with clients.

4. Develop Your Game Plan Now!

- Ensure that your website incorporates details of non-compliance services that you're offering to clients and prospects.
- Utilise the computer technology for the development of a virtual Chief Financial Officer service for individual clients.
- Conduct a complete review of every aspect of the accounting business.
- Review your processes. What improvements or changes can be made?
- Review your communications. Where can improvements be made?
- Instigate a process for needs reviewing each of your clients utilising the SME Needs' Analysis.
- Utilise the Mentoring and Coaching Modules to "mentor" your clients on the services that you can provide.
- Include each of your clients' professional affiliates and prospects in your database for the despatch of the Business Plus+ newsletter (produced by ESS BIZTOOLS) to market your accountancy business.
- Each month, telephone selected clients in relation to articles in the Business Plus+ newsletter which you think might be appropriate for them to determine whether they'd like to have a conversation with you in relation to particular items, which could lead to a work assignment.
- Utilise the seminar/webinar programme within ESS BIZTOOLS to present seminars/webinars for your clients.
- Be proactive in the promotion of government grants for your clients.

- Utilise or subscribe to ESS BIZGRANTS so you can process a grant report for each business client as part of the annual accounts preparation process so you can present a report to your client on potential grants that have been identified for which that client may be eligible.
- Despatch the monthly "Improving Your Bottom Line" articles to your clients and make contact with a number of your clients each month to ascertain their interest in having further conversations and potentially having work undertaken within the areas identified in that month's "Improving Your Bottom Line".
- Utilise the opportunity for updates each month by participating in the ESS BIZTOOLS' Members webinars.
- What should be the benchmarks for your practice for:
 - * answering telephone calls?
 - * returning telephone calls?
 - * responding to facsimiles?
 - * responding to emails?
 - * updating your website?
 - * answering letters?
 - * conduct of information seminars?
 - * marketing strategies?
- Review the work processes. Could some of the work be undertaken by different personnel so as to improve the value being supplied to the client? Should some of the work be subcontracted?
- Review your services.
 - * What services should the business be offering?
 - * When are you going to start to sell packaged services?
 - * What team training needs to be undertaken so that you can deliver these new services?

5. Adding Value Services

Review the type of services you would introduce to add value. These would include:

- Facilitating Planning Days - do you have a suitable room in which to conduct planning days or do you need to factor into your quotation the hire of a board room or other suitable room?
- KPI Monitoring - have you established a system to identify the Key Performance Indicators for that particular industry? Have you a system to obtain benchmark information on that industry so that you can objectively comment on the client's performance?
- Quarterly/Monthly management meetings should be held. This will require the introduction of a system relative to:
 - * confirming to the client the meeting is going to be held
 - * the venue
 - * preparation of an agenda
 - * ensuring that all of the reports required for submission to the meeting are prepared, analysed and distributed to the client to give the client sufficient time to read the material prior to the meeting

- Wealth Creation - If you are going to have an annual wealth creation session with the client a system needs to be introduced to alert your financial planner, either internal or external, that the wealth creation meeting is to be held indicating the date, time and venue and agreeing on the information to be supplied to the financial planner by the accounting business and by what date, so that the financial planner can prepare an in-depth informative report for discussion.
- Risk Management - A system will need to be introduced to prepare a schedule of potential risk management contingencies that may affect different businesses so that, on at least an annual basis, you can objectively review with the client potential risk management areas that affect his/her business.
- *Personal Property Securities Act* and Personal Property Securities Register – Systems need to be introduced to ensure that small/medium enterprises are aware of the risks of not registering various transactions and events on the Personal Property Securities Register.
- The accountancy business should maintain files on potential risk management contingencies that could affect the industry classifications of your clients e.g:
 - * Drug and food manufacturers - procedures relative to extortion attempts.
 - * Video stores - procedures relative to armed robberies.
 - * All businesses - procedures to attempt to intercept any potential defamatory material before it leaves the business premises.
 - * Natural disaster strategies – a large number of natural disasters in recent times have emphasised the need for businesses to be very alert to conditions within their insurance policies, backing up computer systems and removing the backups from the business premises or backing up in the cloud, evaluating the location of the business to see whether it is a disaster waiting to happen.
- Research and Development - A system needs to be introduced to ensure that all of the government announcements on research and development and detailed notes prepared by AusIndustry and the Australian Taxation Office and other government agencies relative to the various grant schemes and taxation deductions available for research and development are readily available as they apply to that particular industry group. This includes Entrepreneurs Program applications. For further information, refer to ESS BIZTOOLS papers in [Sections 014 - Australian Government Grants and Assistance](#) and [Section 140 – State and Territory Government Grants Assistance](#).

6. Nothing Will Happen In A Vacuum

If you are serious about the development of a business advisory services enterprise, then you must ensure that appropriate systems are put in place to ensure that all team members are properly trained and briefed on the new product or service to be introduced.

7. Increasing Charge Rates

The establishment of a business advisory services enterprise will enable you to review your charge rates to ensure that they now reflect the value of the extra services being provided to clients.

Systems should be introduced to improve the areas in which clients judge you, relative to charge rates, including:

- accessibility of team members;

- initiative of team members in being real management personnel and not just "number crunchers";
- throughput of work and meeting deadlines; and
- presentation of the final product or service. If you are going to claim that you are an expert and utilise that to justify a higher fee, you have to be conscious of the package presentation to the client. Is it of the required standard?

Did the product or service achieve what the client wanted?

What was the client's feedback on the performance?

All of these items need to be implemented into an appropriate system for the recording of performance data and feedback to ensure that an excellent service is being presented to the client.

8. Have A Go!

Think back on the changes that have occurred in technology and work practices over the last ten to fifteen years. What changes are going to occur in the next twelve months to three years? You have to be willing to experiment. You have to be willing to have a go. You have to be willing to fail now and again - but it's better to have tried, experimented, failed and then learnt from that failure - then not to have tried at all.

AN IMPORTANT MESSAGE

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