

# Taking Your Firm from **Transactional to** **TRANSFORMATIONAL!**

Our 3-step guide to help get you there.

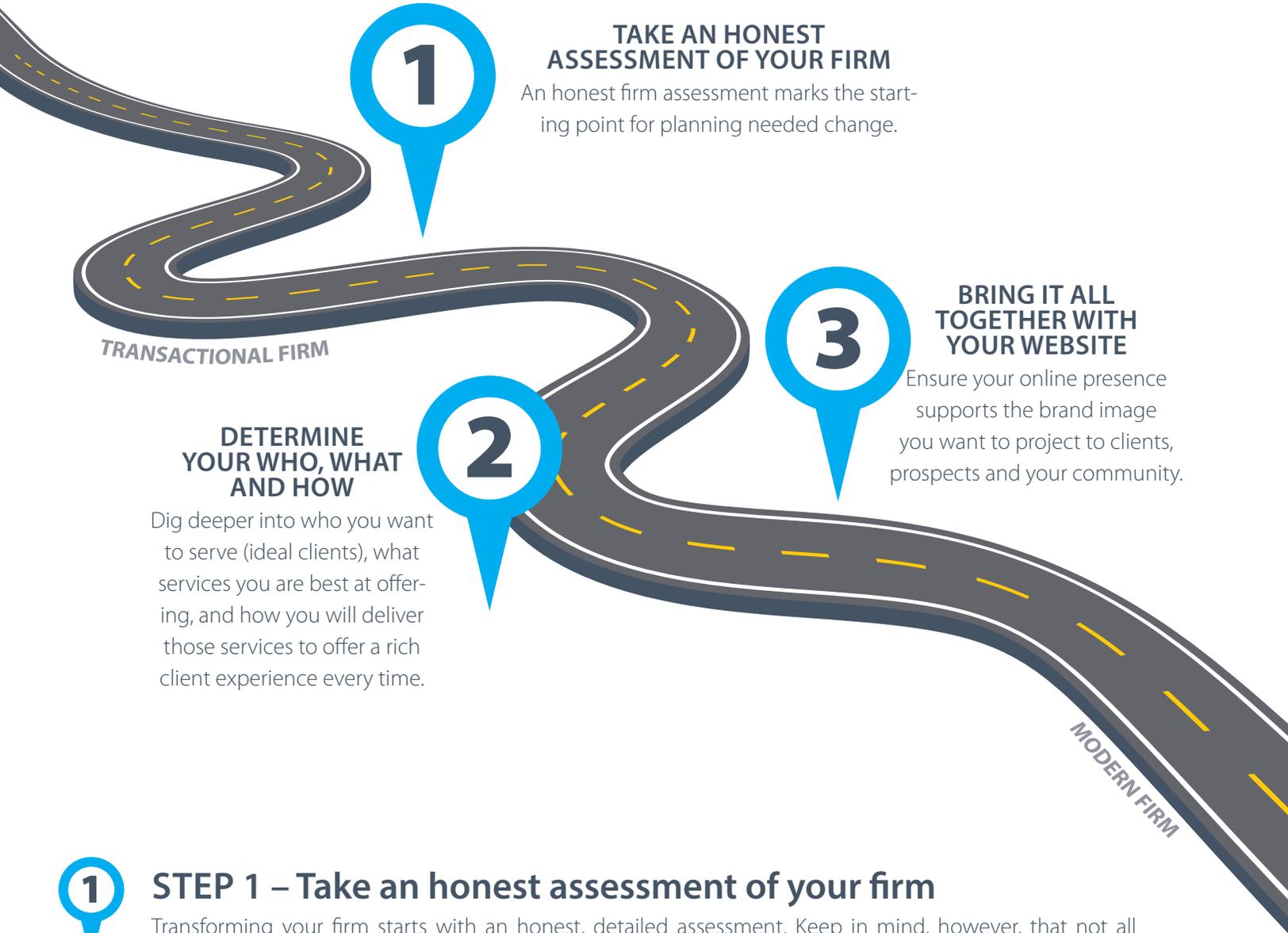
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Many firm leaders have experienced a point in their lives when they felt stuck. Stuck in old technology... stuck in an old business model...that feeling of simply being behind the times. No doubt that everyone, at one point or another, has felt this way. The rate of technology change alone can be overwhelming, not to mention ongoing challenges with staffing and keeping up with new laws and mandates. Toss in the current trend toward advisory services, and you, like many others, may feel as if you will never get out from under the traditional (and out-of-date) transaction-based business model.

The fact is that the rate of change shows no signs of slowing. But that can't be an excuse to stay "stuck." To compete in today's competitive landscape, you have to keep moving forward—you have to be transformational. From firm culture and web presence to technology infrastructure and business model, it's critical to stay ahead of change and build a Modern Firm™. Those who have mastered the art of transformation have abandoned the transactional, old-school way of working and are building thriving businesses. This includes offering higher-value advisory services, developing a base of ideal clients, building a legacy that lasts well into the future, and ultimately, living the life they want to live—the core elements of a Modern Firm.

## **3 steps to transformational**

The journey to build a Modern Firm starts with a clear vision of where you want to go. This means first identifying where your firm is currently. Until you understand your challenges and the areas in need of transformation, you can't begin to plan and implement change. Our 3-step guide was designed to give you a starter map to get you moving. Or more importantly, to get you moving in the *right* direction.



1

### TAKE AN HONEST ASSESSMENT OF YOUR FIRM

An honest firm assessment marks the starting point for planning needed change.

3

### BRING IT ALL TOGETHER WITH YOUR WEBSITE

Ensure your online presence supports the brand image you want to project to clients, prospects and your community.

2

### DETERMINE YOUR WHO, WHAT AND HOW

Dig deeper into who you want to serve (ideal clients), what services you are best at offering, and how you will deliver those services to offer a rich client experience every time.

1

## STEP 1 – Take an honest assessment of your firm

Transforming your firm starts with an honest, detailed assessment. Keep in mind, however, that not all assessment tools are created equal. You'll want to use a tool that enables you to evaluate multiple areas within your firm—for example culture, technology, business model and brand—to name only a few. Additionally, the best assessment tools offer a scaled approach—allowing you to score each area on a scale; for example: 0.0-4.0 (just like the GPA model you remember from school). **This offers firms a far better mechanism to measure progress over time—rather than using a binary assessment tool that simply allows for yes-or-no answers.** This is important because firm leaders should be consistently evaluating progress to ensure they stay on track and continue to move forward on the road to total firm transformation.

A well-developed, scaled assessment tool will offer questions that allow you to score your firm's performance in several areas. For example, questions on "Business Model" may include the following:

### **Onboarding**

- 1) We have implemented a defined, standardized onboarding process that is applied to every new client.
- 2) Our onboarding process offers full visibility across departments and roles.
- 3) We have a dedicated onboarding team in place who adhere to defined, measurable standards for client experience.

### **Service Offerings**

- 1) We've applied fix-fee pricing to our product set.
- 2) We have defined our products and educated all staff on our product set.
- 3) We have processes in place to move existing clients to our product set.

An important point to make as you assess your firm is that creating a Modern Firm is not just about technology—though this is certainly an integral part of the bigger picture. It's also about how your culture, business model and client touchpoints come together to create an overall modern organization...the type of business that is enticing to today's clients and staff. In short, if you are going to conduct a firm assessment that offers you useful, insightful information, you have to assess every aspect important to your overall operation.

To help you conduct a thorough evaluation of your firm, you can start with the Rootworks GPA Tool™. Access the GPA Tool by registering for a free account at <https://rootworks.com/register>.



## **STEP 2 – Determine your who, what and how**

After you've completed your initial firm assessment, it's time to dig deeper and start defining the type of firm you want to operate. **1) Do you want to build a business that is scalable and doesn't rely on you to be there all the time? Or 2) Do you want to keep doing things the way they've always been done... working in your firm day in and day out?** Progressive firm leaders choose option 1, understanding that to grow and prosper they must build a business that does not rely solely on them. To accomplish this, your firm needs to get to a point where it is running at peak efficiency—using only the best, most powerful cloud applications. Where you are serving your ideal clients. Where you are offering only the services at which you are most adept.

So where do you start?

You start with your who, what and how:

- Your “**who**” represents your clients—those you want to serve and are best at serving...your *ideal* clients.
- Your “**what**” represents your services—those you are best at performing.
- Your “**how**” represents delivery—that is, how you deliver your services to ensure the best possible client experience. Your “how” is where technology plays a major role.

To start you down the path of defining your who, what and how, consider the following questions and actions for each:

## Determine your **WHO**

### Who are your four best clients?

List the characteristics your four best clients have in common.

### What industry niches are you currently serving?

### Of these industries, which are you best at serving?

Now, summarize this information to determine the type of client you both *want* to serve and are *best* at serving. For example, a firm may find that their ideal clients are those with revenues over \$1M, who are locally based and within the dental and veterinary niches. Once you identify your “who,” you can make strides to onboard only your ideal clients. This will set your firm up to be much more scalable. Not to mention that when you build a client base of those you enjoy serving, it makes for a much more positive firm culture.

## Determine your **WHAT**

**What services do you currently offer?** Please, list all.

**Circle the services you are *good* at offering.**

**Now, circle only the services you are *great* at offering.**

Be honest in your assessment of your “what.” The goal here is to get down to a list of services that you are truly great at performing. Getting to a focused area of expertise will further move you down the Modern Firm path.

Now, summarize this information. What services made the cut? For some firms, the answer may be to focus almost entirely on outsourced accounting and advisory (monthly) services and annual business tax preparation and planning. It’s all about getting down to the services you are truly great at and building your business around those services. Again, this moves you closer to true scalability.

## Determine your **HOW**

**What software/applications are you currently using to process compliance work?** Include software suites on your list.

**Do you have clients who still use desktop software, and if so, are you supporting them via a hosted service?**

**What internal applications are you using to support staff communications (e.g.: Slack for internal chat)?**

**What applications are you using to support client communications (e.g.: Zoom for video conferencing)?**

Determining your “how” requires you to get up close and personal with technology...several technologies. Your core technology stack should support end-to-end digital processes so work flows across departments and staff efficiently. And for clients still using desktop applications (and everyone has these clients), your firm should also provide a hosted alternative for such popular applications as QuickBooks®.

Additionally, you also have to consider the best technologies to support efficient internal staff communications and day-to-day client communications. Email is no longer the core communication tool within Modern Firms—it’s both inefficient and lacks proper security. Modern Firms have moved away from email for the most part, having implemented “client experience” platforms that support highly secure client document and communications exchange, and Slack to support instant messaging between staff members.



## **STEP 3 – Bring it all together with your website**

The days of websites serving only as a business’s online marketing tool are over. Modern Firm leaders understand that their website is the new “front door” to their firm. A single location for serving their clients within a collaborative, secure environment. To move from transactional to transformational, an advanced website platform is required to bring it all together.

For firms that have determined who their ideal clients are, the services they are great at offering, and have identified and implemented the right technology infrastructure to support a cloud-based operation...a website is the final core piece of the Modern Firm puzzle. Your website should serve as home base for your clients, offering a platform to upload data and collaborate with your staff. Your website must offer a superior client experience every time. Consider the key elements of a Modern Firm website:

- **Client Center**—This is at the heart of the user experience, offering a secure, scalable online space where clients can easily access the content, data and services they need, while offering the firm the

flexibility to grow as technologies evolve.

- **Mobile-friendly**—If your website is not designed to support mobile access, then you might as well not have a website at all. Offering clients the ability to work with you from their laptop or on any mobile device is key to ensuring a rich client experience.

- **Lean and Mean**—Today's users are all about visuals. Your site should be lean in copy, offering enough to tell your story while allowing visuals to do the rest. Consider investing in higher-end images and video to support your professional, modern brand.

## Start your transformational journey today!

Transforming your firm doesn't happen overnight. It takes time, patience and planning. However, the value of moving away from the old, transaction-based way of doing business and into a more modern model is immense. Consider getting to a place where you attract your ideal clients—those monthly, higher-value advisory clients. Where you've built a cloud technology infrastructure that allows staff and clients to collaborate via access to real-time data and documents. Where you are running at peak efficiency. Where you are confident that your business will run smoothly with or without you as part of the daily process.

The time has come to move away from being a technician in your firm—where firm operations rely on you being there all the time! Build a business that's modern. One that allows you to be a leader, not mired down in transactional work. It can be a reality. This 3-step guide can get you started in the right direction to transforming your firm into something great! Into something modern. A firm that will last well into the future and secure your legacy.