

Activating Client Feedback, the Data Lifecycle, and CRM for Accounting Firm Growth

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Agenda

- **Introductions.** What's going on in CRM and why does that make client feedback and NPS so important?
- **Breaking down the silos.** To leverage your client feedback data you need to connect the dots between systems and processes.
- **What is NPS** and how do firms need to prepare for it?
- **Why does this matter** and how do you move forward?

Aligning our strategy with yours

Core WA Focus:	<h2>Business</h2> <h3>Development & Acceptance</h3>	<h2>Business</h2> <h3>Operations & Billing</h3>	<h2>Business</h2> <h3>Intelligence & Performance</h3>		
Software: Ours & Partners'	<ul style="list-style-type: none"> • CRM • Deal/Funnel • Pricing • Intake • Conflicts • Terms & Risk 	<ul style="list-style-type: none"> • FMS/PMS • Workflow • Security • Time Capture • Bill Creation 	<ul style="list-style-type: none"> • Analytics • Reporting • Data Architecture • Resource Mgmt • Project / Objective Mgmt 		
<h2>Consulting Services: Expertise, Guidance, Execution</h2>					
<ul style="list-style-type: none"> • CRM Best Practices • Risk Mgmt. Strategy 		<ul style="list-style-type: none"> • Business Strategy (or "strategic consulting") • Billing Best Practices 		<ul style="list-style-type: none"> • Intelligence Strategy • Implementation & Execution 	

Six critical CRM trends

1

THE ROLE OF CRM HAS SHIFTED

A strategic move—increasing focus on technology solutions over service

2

ANALYTICS AT THE FOREFRONT

Integration and broader use of firm data (both in and out of CRM) to inform action

3

ADOPTION ISSUES, ADDRESSED

“Zero Entry” models, including AI, driving accountant use and providing greater context

4

CLIENT EVALUATION IN CONTEXT

Tighter alignment of business development with acceptance and intake processes

5

BETTER BUSINESS DEVELOPMENT

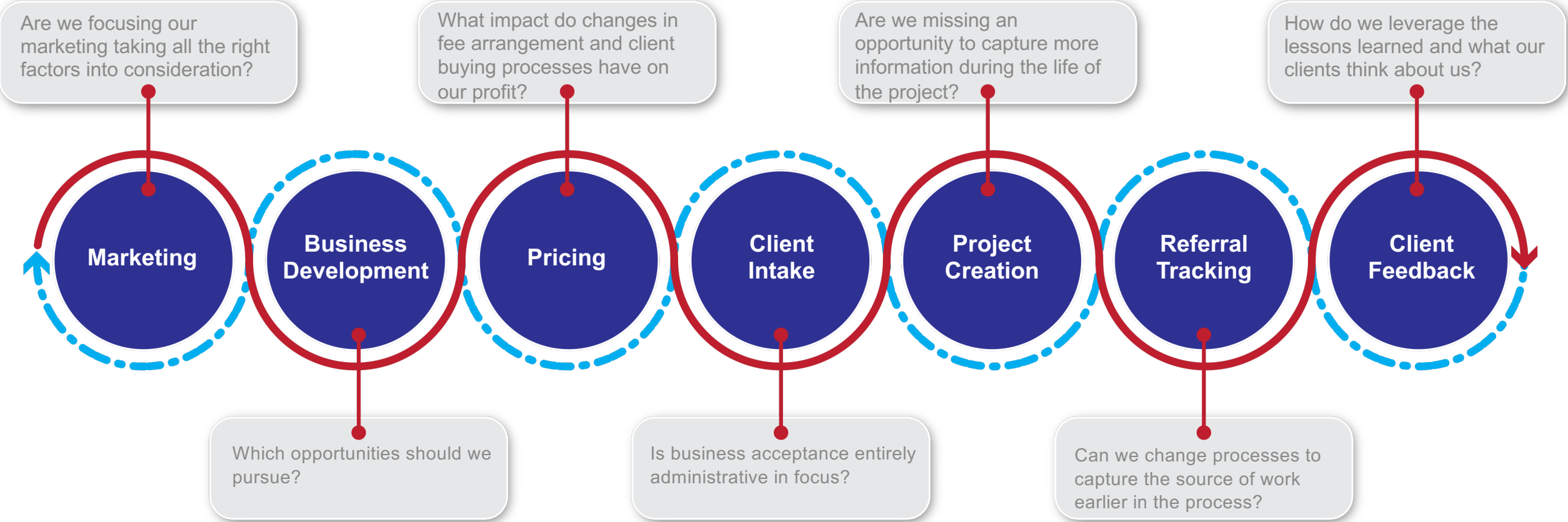
Firm experience and pitch management increasingly included in CRM strategy

6

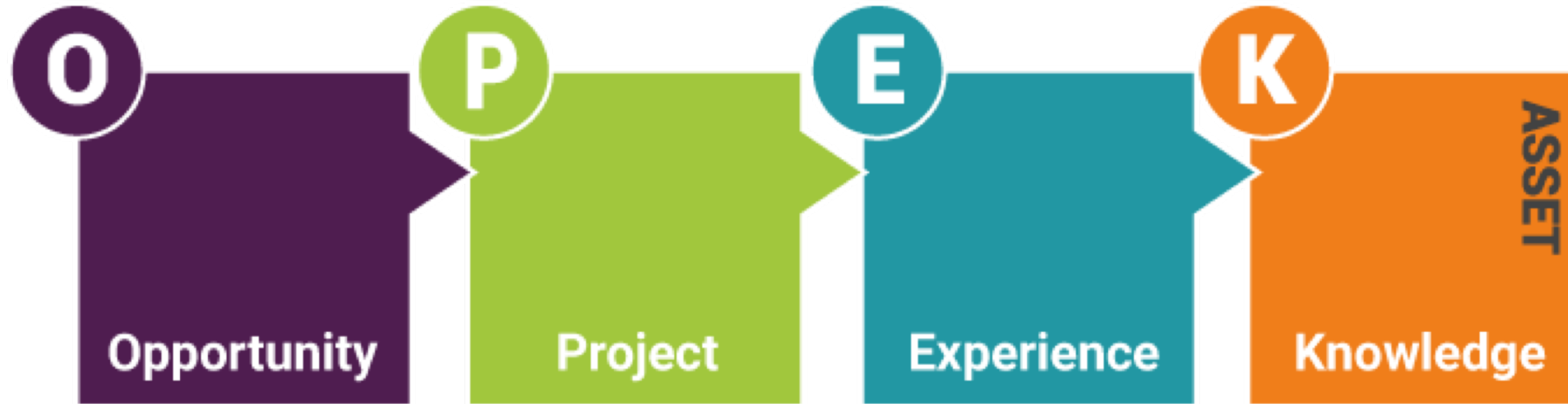
‘CLOSED LOOP’ CLIENT LIFE CYCLE

Integrating client feedback and health KPIs for greater awareness and active response

Managing the data life cycle



Managing the flow of data



- Understanding how data can be captured throughout its life cycle is critical to being able to build solutions to leverage the firm's data
- The feedback we get from clients is that the data exists but it's just not easily accessible
- Firms often create "gates" in the process e.g. client intake or invoicing at which to gather more data but this is counter-productive to good workflow practice
- Client feedback is a critical part of learning about the work that you have done for a client and that feeds your overall knowledge

About ClearlyRated



Est. 2003

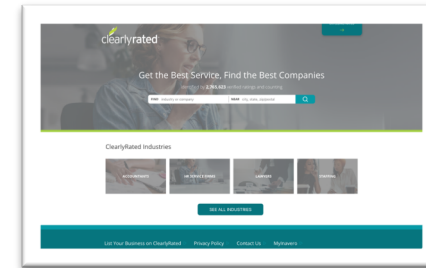
Focus on professional service providers since 2007

We believe it's **good business** to place the client experience at the heart of your firm's growth strategy.



Annual award program for client service.

Recognizes firms that have demonstrated exceptional service quality based exclusively on ratings provided by their clients.

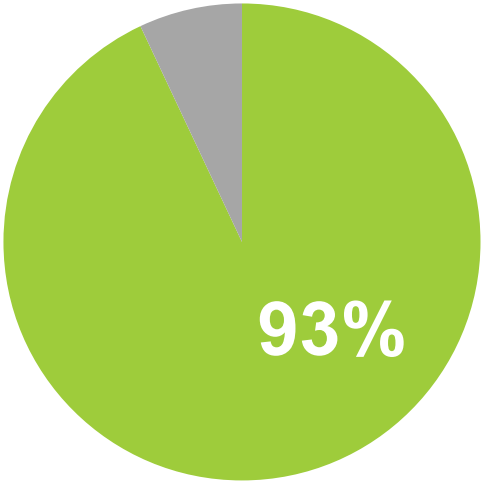


Launched July 2018

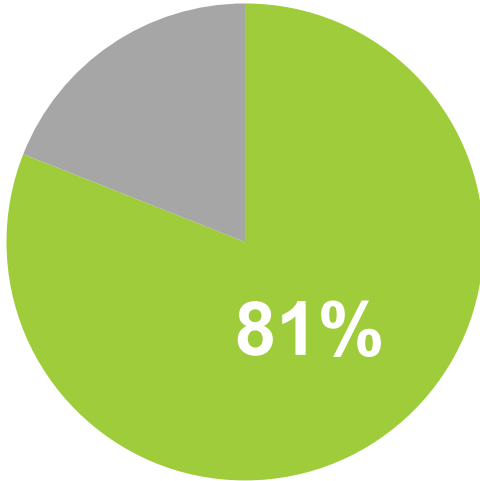
Online service provider directory that translates client satisfaction scores into online ratings and testimonials.



Clients are *ready* to be asked for their feedback



93% of accounting firm clients say it's important to have an open channel of communication to provide feedback to their firm.



81% say that when asked for feedback, their perception of their accounting firm is positively impacted.

SOURCE: ClearlyRated 2019

Digital surveys are a highly productive use of resources

Net Promoter Score (NPS) question

NPS Driver Questions

Satisfaction Survey

Based on your most recent experiences, how likely would you be to recommend [brand] to a friend or colleague?

Not at all likely | Extremely likely

0 1 2 3 4 5 6 7 8 9 10 Don't Know

Have any issues you've had been resolved within 24 hours?

Yes
 No
 N/A

Does [brand] submit multiple qualified candidates that match your requirements?

Yes
 No
 N/A

Does [brand] submit candidates who would be a good culture fit for your team?

Yes
 No
 N/A

Does [brand] submit candidates within the expected timeframe?

Yes
 No
 N/A

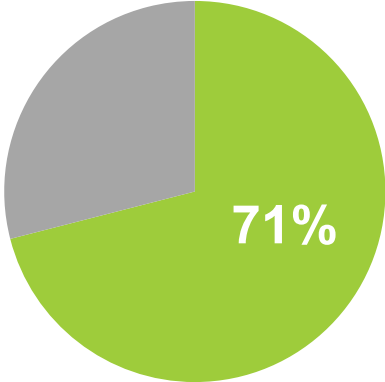
Does [brand] set realistic expectations regarding the open positions you have them work on?

Yes
 No
 N/A

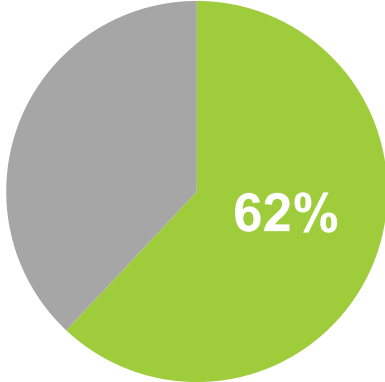
What is the primary reason behind the rating you provided?

What, if anything could [brand] do differently to increase the value you receive working with them?

Submit Survey



71% of accounting clients say they are more likely to take the time to provide feedback through a survey than in-person.



62% of accounting clients say they are more likely to be candid with their feedback in an online survey than in-person.

SOURCE: ClearlyRated 2018

Net Promoter® Methodology

How likely are you to recommend our firm to a friend or colleague?

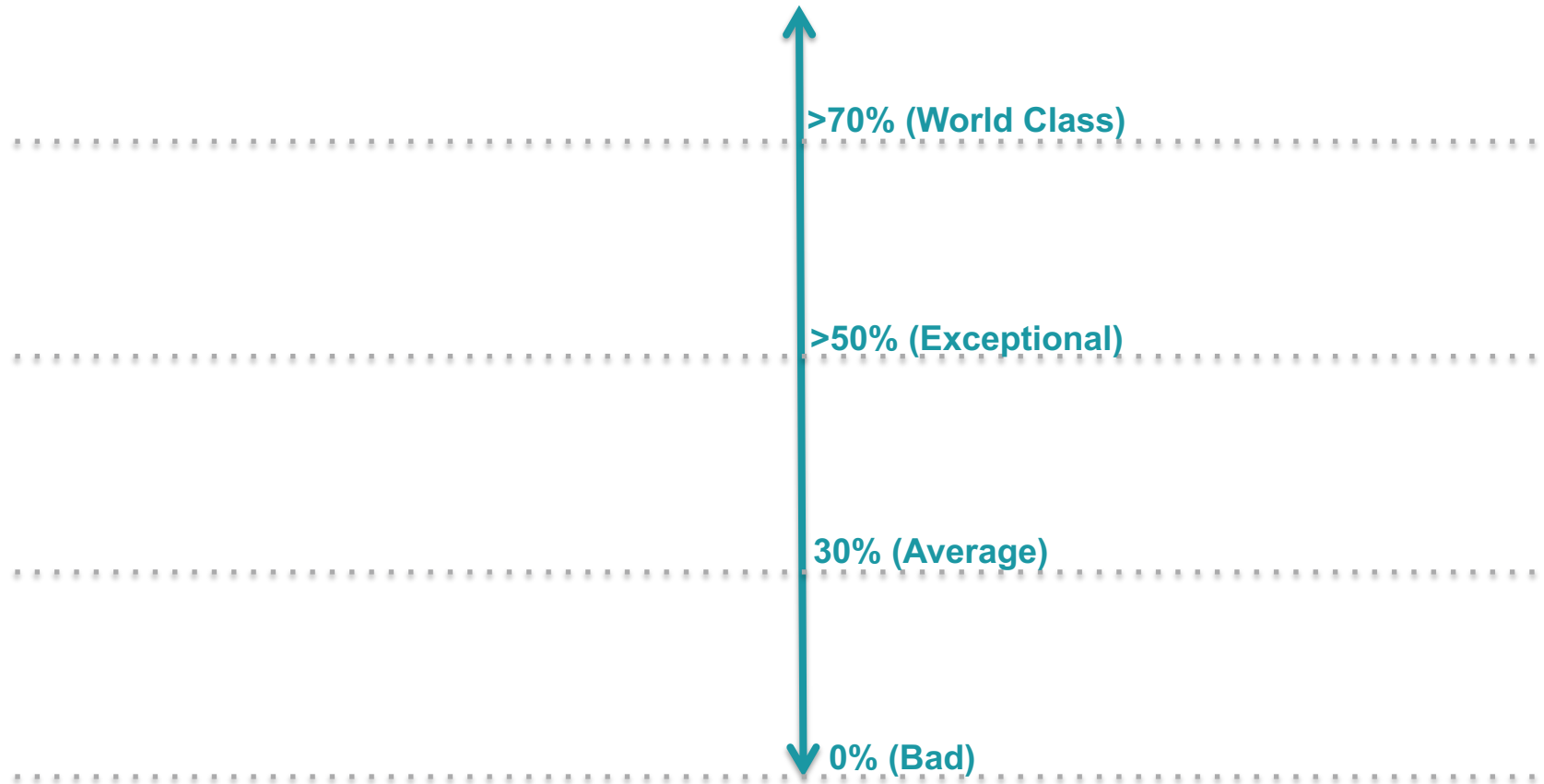


$$\text{Net Promoter® Score} = \% \text{ Promoters} - \% \text{ Detractors}$$

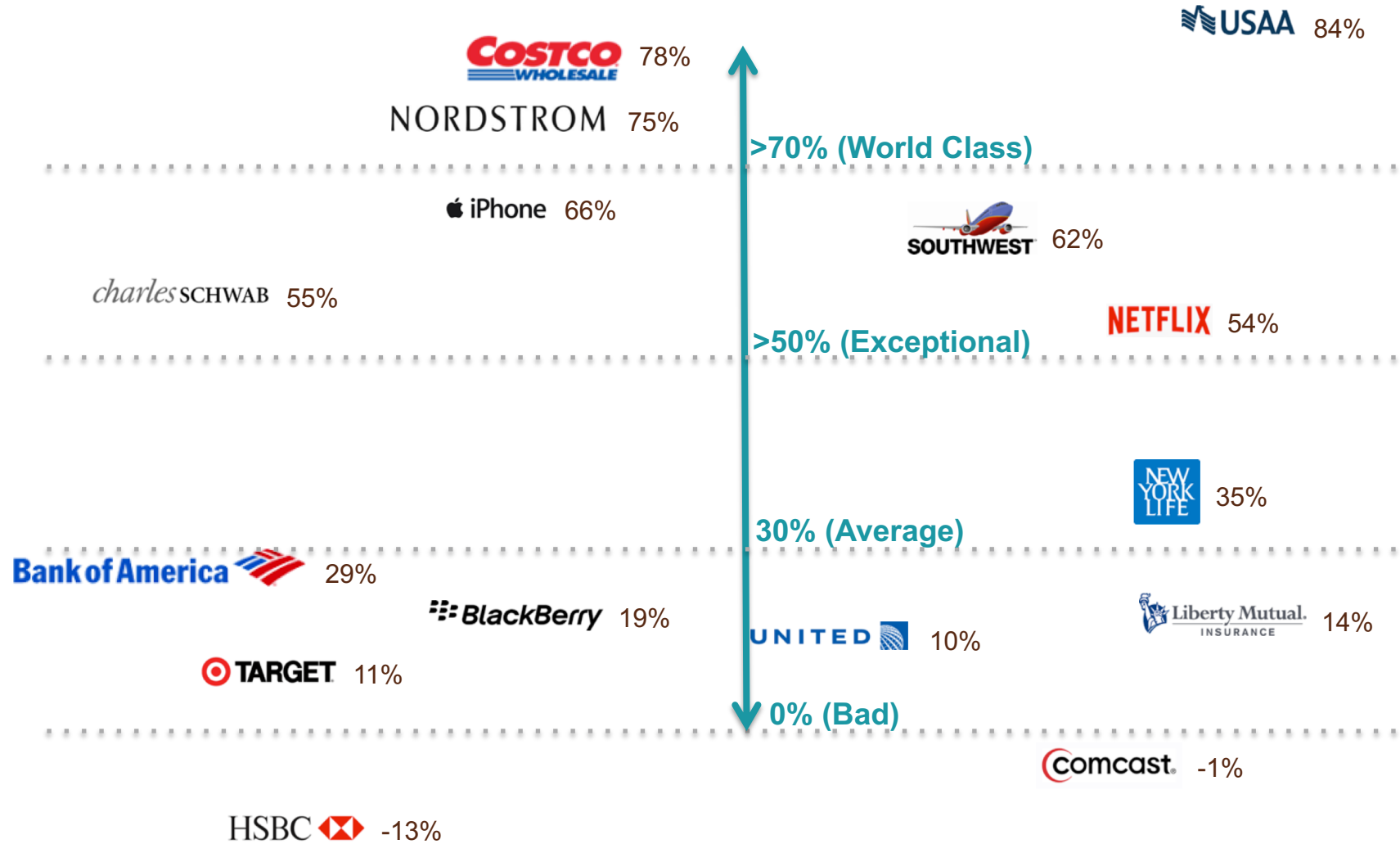
Why Net Promoter® Score?

- Directly tied to growth strategy for service firms – **referrals**.
- Single metric to **benchmark** against the industry and across other world-class service quality organizations.

Global NPS Standards



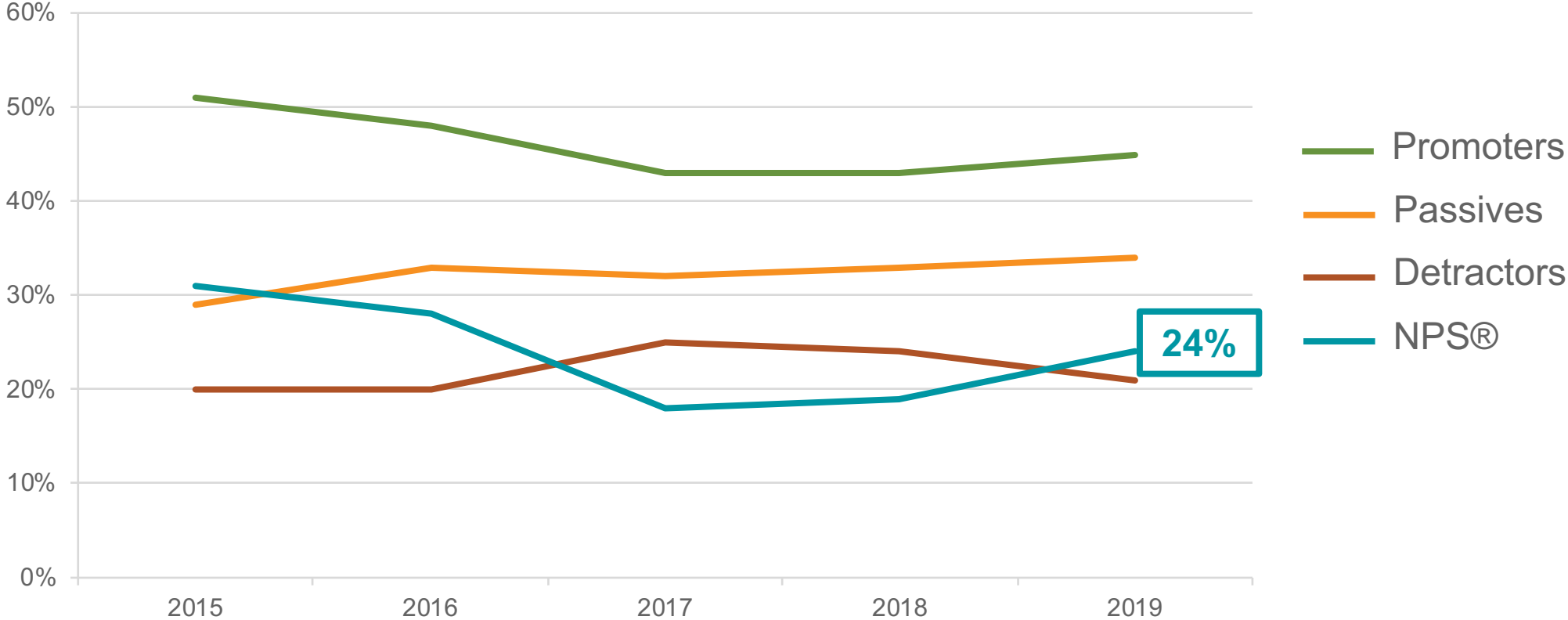
NPS Across Industries



Why Net Promoter® Score?

- Directly tied to growth strategy for service firms – **referrals**.
- Single metric to **benchmark** against the industry and across other world-class service quality organizations.
- Creates service **awareness** and makes service quality an **accessible** goal across the organization.
- Measures **loyalty behavior as a proxy for client perception** – helps client remove their own bias about what constitutes “good” or “great” service.

Accounting Industry NPS® Benchmark



SOURCE: ClearlyRated 2019



Measure the client experience.
Build online reputation.
Differentiate on service quality.

Why you should care about Promoters vs. Detractors

Compared to Detractors, Promoters of their primary accounting firm are...

More committed to only using their current primary accounting firm

2x

more likely to be fully committed

More likely to plan an increase in annual spend with their primary accounting firm

39%

more likely to increase spend

More likely to provide a testimonial for their primary accounting firm

6x

"very likely" to provide a testimonial

More likely to share an online, public review for their primary accounting firm, if asked

42%

more likely to provide an online review

SOURCE: ClearlyRated 2019

NPS Drivers

 = % impact on NPS when “Always”

The firm delivers high quality, error-free work.



The firm is proactive in their approach to helping me.



The firm has a thorough understanding of my needs.



The firm’s services are a good value given the cost.



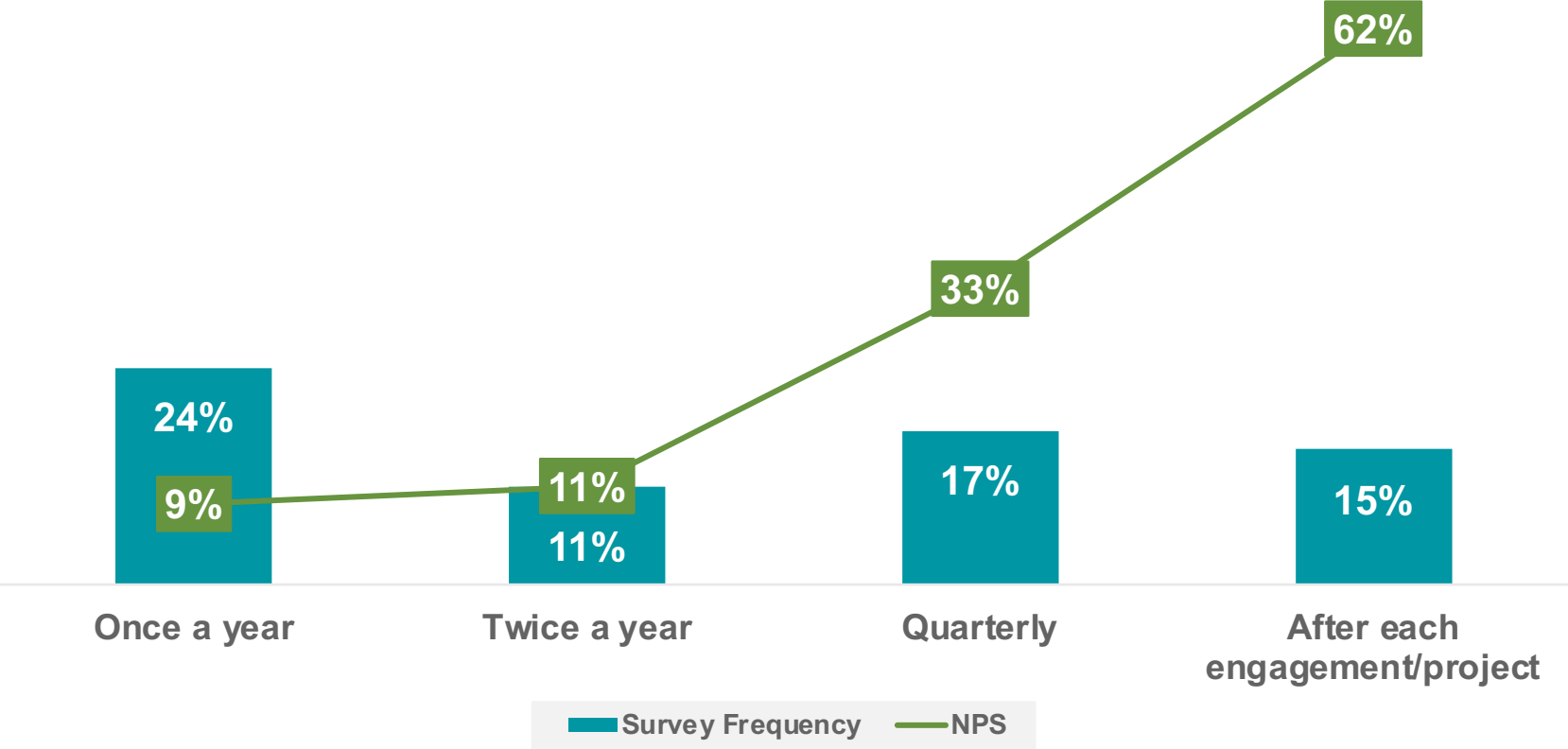
Contacts at the firm return my phone calls and emails within 24 hours.



The firm delivers within the timeframe they say they will.



NPS increases as survey frequency increases



88%
of accounting clients
are willing to complete
a satisfaction survey of
10 questions or less

yet only...

67%
of accounting clients
are currently being
surveyed

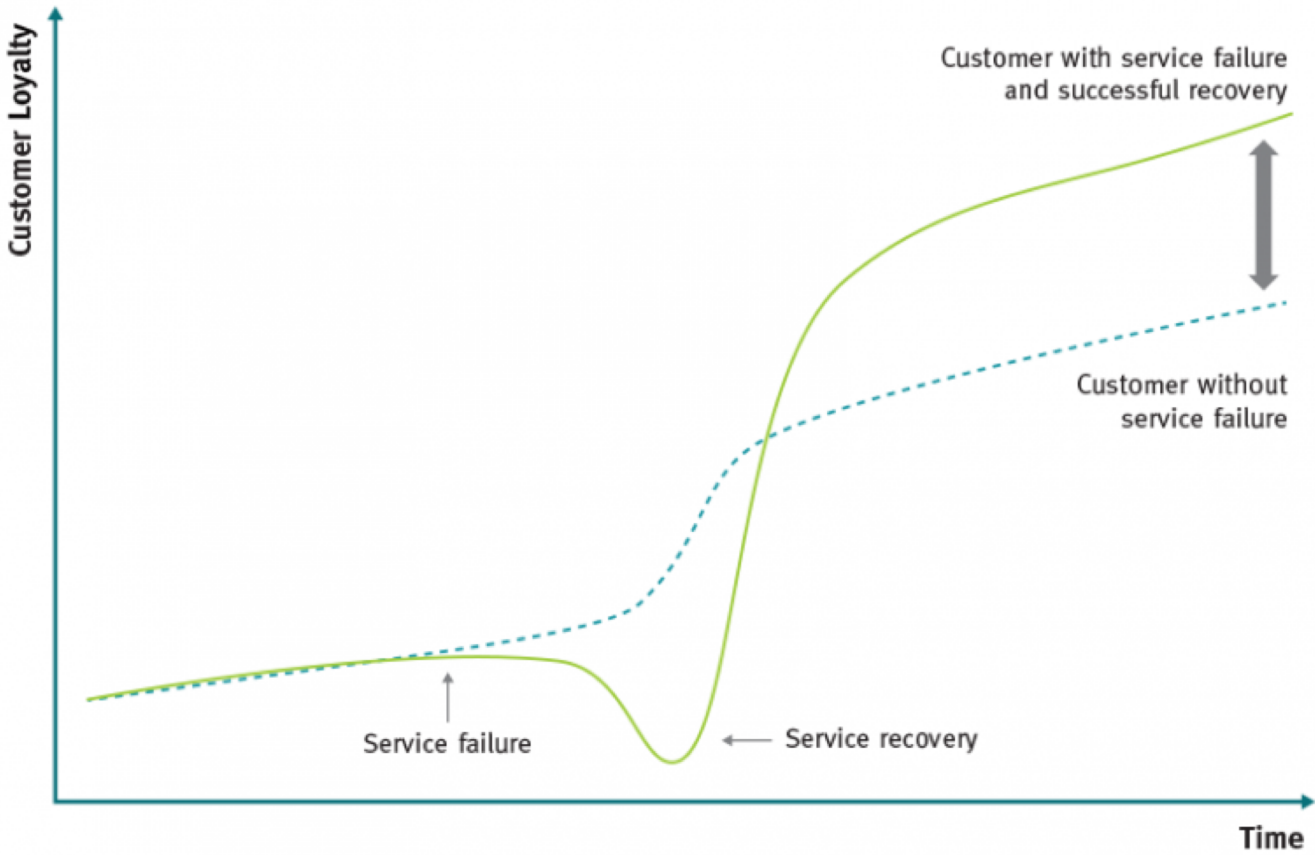
SOURCE: ClearlyRated 2019



Measure the client experience.
Build online reputation.
Differentiate on service quality.

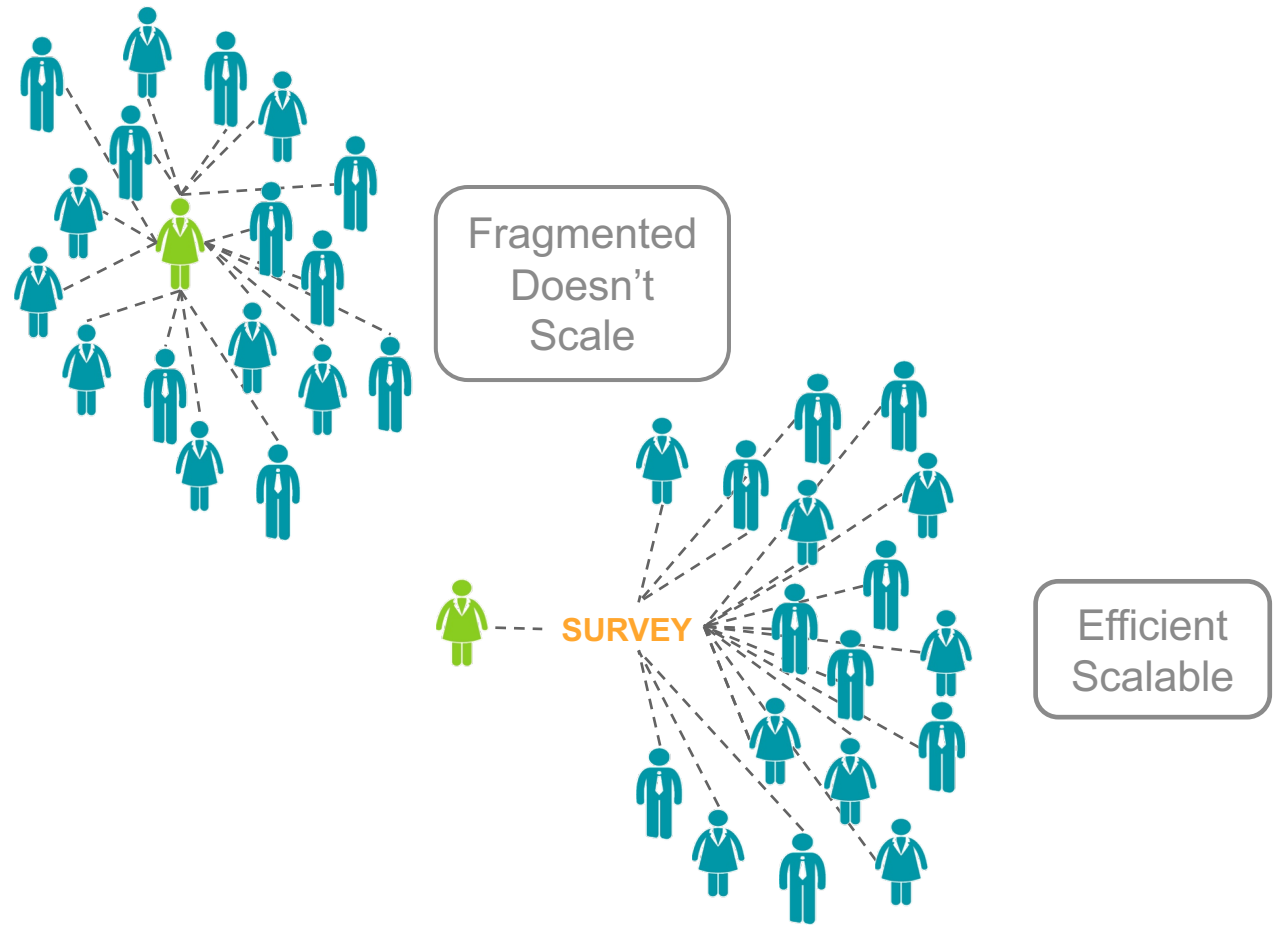
Common missed opportunities to maximize the ROI of your survey initiative...

- Avoiding conversations with less-than-happy clients.



Common missed opportunities to maximize the ROI of your survey initiative...

- Avoiding conversations with less-than-happy clients.
- **Not “scaling” access to client feedback internally.**



Common missed opportunities to maximize the ROI of your survey initiative...

- Avoiding conversations with less-than-happy clients.
- Not “scaling” access to client feedback internally.
- **Not taking action on the feedback.**

80 / 20

↑
80% of your time should be spent responding to and taking action on feedback.

↑
20% of your time should be spent on designing and implementing a survey.

Common missed opportunities to maximize the ROI of your survey initiative...

- Avoiding conversations with less-than-happy clients.
- Not “scaling” access to client feedback internally.
- Not taking action on the feedback.
- **Not having a strategic plan in place to capitalize on positive feedback.**

Promoters of their accounting firm are **6x more likely** to provide a testimonial and have stated their **willingness to refer**



“Not my clients.”

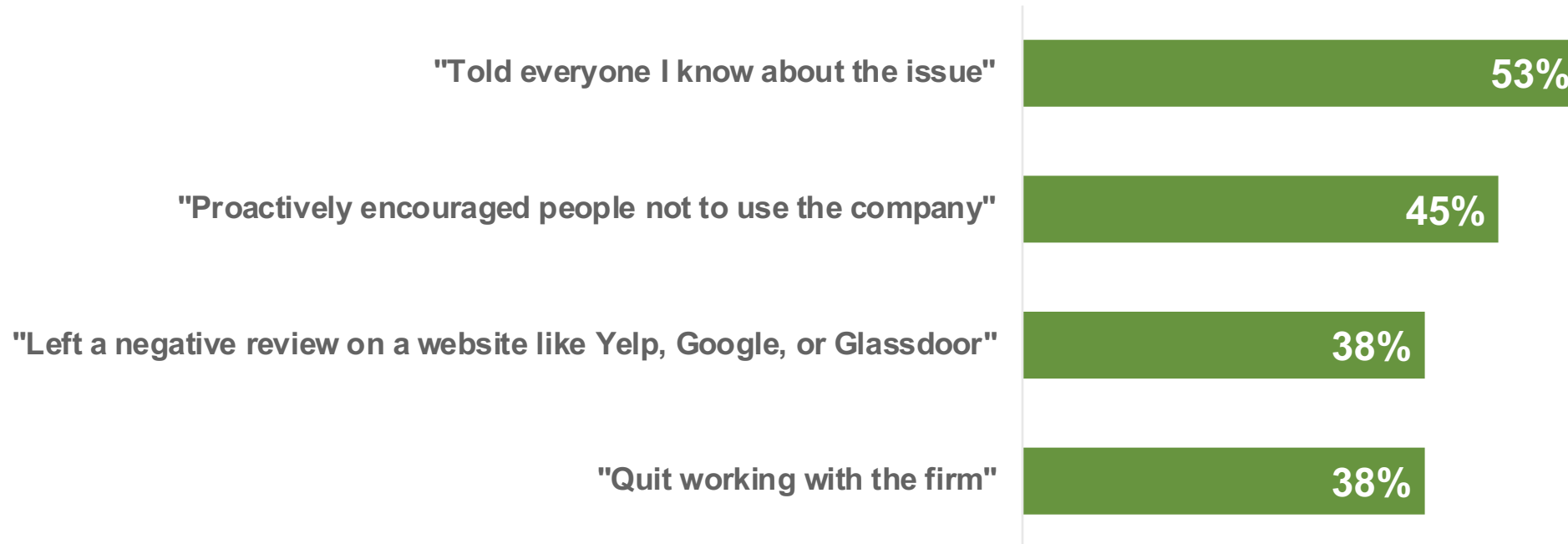
24% of accounting clients report having experienced a service issue with their firm.

SOURCE: ClearlyRated 2019



Understand what's at risk with service issues.

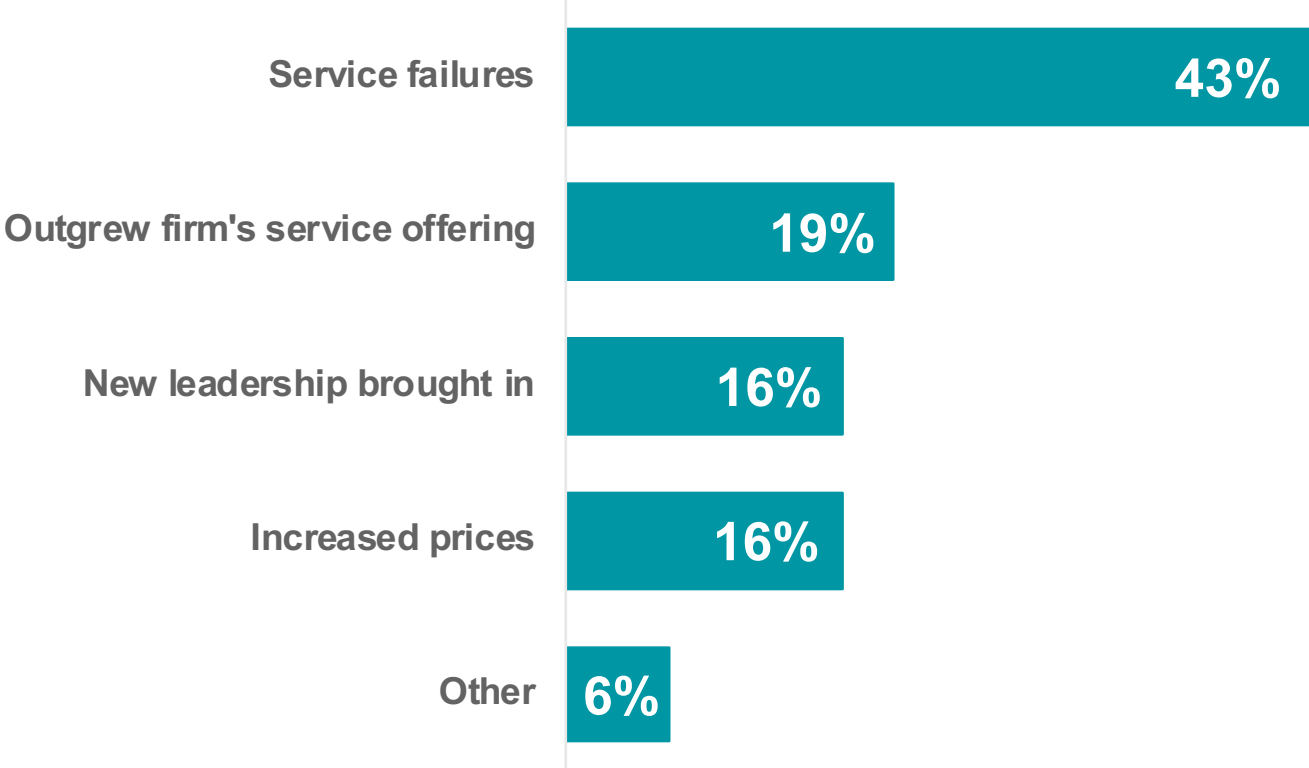
Due to an issue you had with your primary accounting firm, did you do any of the following?



SOURCE: ClearlyRated 2019

If every firm offers great service, why is it the leading driver of client attrition?

Thinking back to the last time you changed your primary accounting firm, what was the primary reason you ended the working relationship?

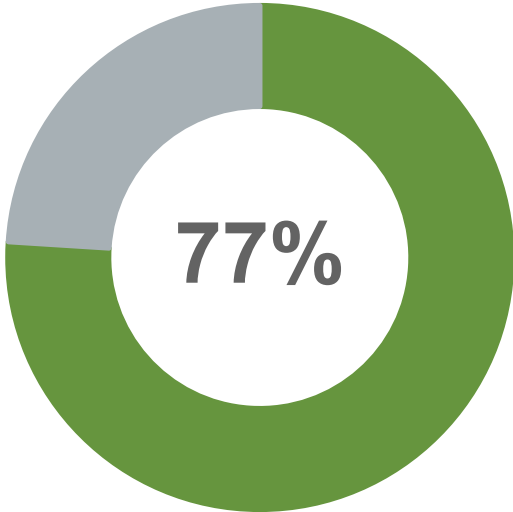
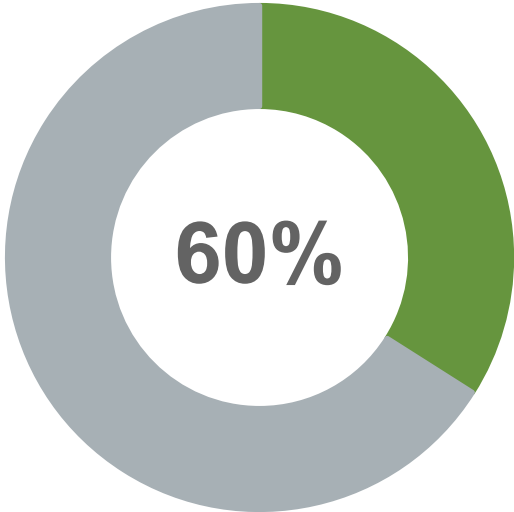


SOURCE: ClearlyRated 2019




The client experience impacts revenue

3 in 5 clients are clients who are “satisfied” with their current provider, but are open to exploring other options.



3 in 4 clients would consider working with a new account firm that is recommended to them.

SOURCE: ClearlyRated 2019



Why and how should firms implement feedback programs?

1

Executive Support & Champions

Make sure that there is complete support to implement and action a program of feedback. Identify champions internally to drive the program forward.

2

Define the KPIs and measure them

No program of client feedback will be effective unless you create goals and metrics and you are willing and able to measure them, even if you don't like the results.

5

Respond & Act

It's important to plan, before you start, how you are going to respond and act on the feedback that you get so that you're not caught off guard. Feed the results and your actions from previous surveys into the next ones and see if your results improve.

4

Listen to what your data is telling you

You might not like everything that you hear, but your clients are the ones that can very often cut to the chase and tell you the things you need to improve on.

3

Communication

Make sure that everyone understands why we are doing this, what the goals are and what is expected of them

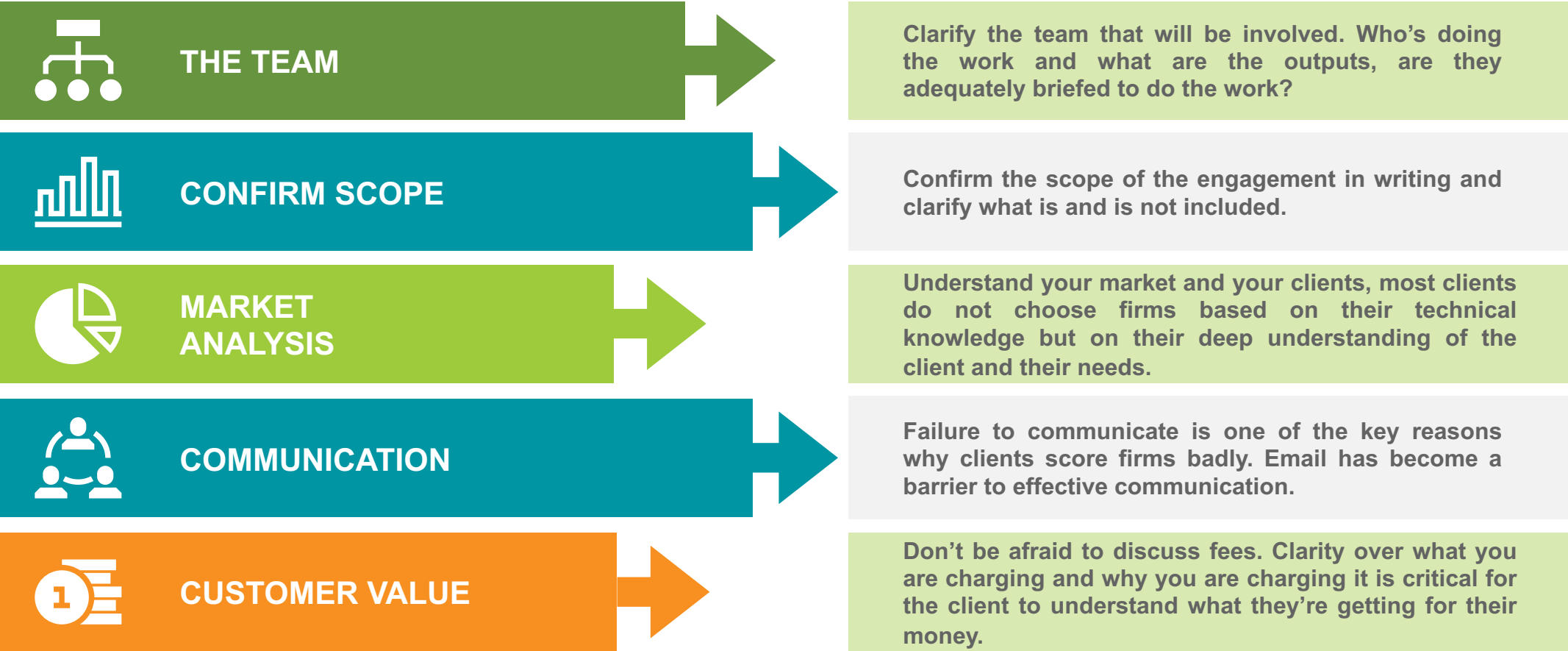
Customer value management vs CRM

Customer Value Management is a measure of a company's clients' view of the perceived value for money delivered by your products and services compared to that of your competitors. The key is understanding the "value" your customers derive from you rather than the value you derive from them, which is often the focus of CRM

The measuring of customer value management in other industries has a proven link to being able to predict buying behaviors and how to define go-to-market strategy i.e. if you can understand how you are perceived and the criteria used to make buying decisions you can respond to them more effectively

Studies show that there is a direct correlation between the value that your clients perceive in the services that you provide and their willingness to recommend you to others. Despite what those in a "people" focused business might tell you, client relationships and buying behavior is just as much SCIENCE as it is ART!

What generates value?



Behaviors that generate good feedback



Having the client's best interests at heart, not always being motivated by the near-term sales opportunity

1

2

Nurturing the relationship by having an in-depth understanding of the client's business needs



Being prepared to share the client with others in the firm and potentially other firms if it's in the interest of the client

3

4

Working with the client to create goals and targets for the work that is being undertaken and KPIs to determine if the work was successful



Sharing information with colleagues so that everyone in the firm understands what the client needs. Effective communication inside as well as outside the firm.

5

The steps to effective segmentation



Putting segmentation to work



PRODUCTS AND SERVICES

CRM systems lack value without understanding the role that contacts have in awarding work for your products and services and the reasons why they do or don't award you that work.

CLIENT VALUE

Integration with finance to understand the value of your clients and how to cross-sell has typically been the focus of CRM, but why do your clients choose your firm, what is the value they get? Consistency? Economies of scale?

ENGAGEMENT

Understanding the way in which clients want to engage with you. Face-to-face meetings are very important to some clients, whereas not wasting money on travel is something that might motivate another.

TIMING

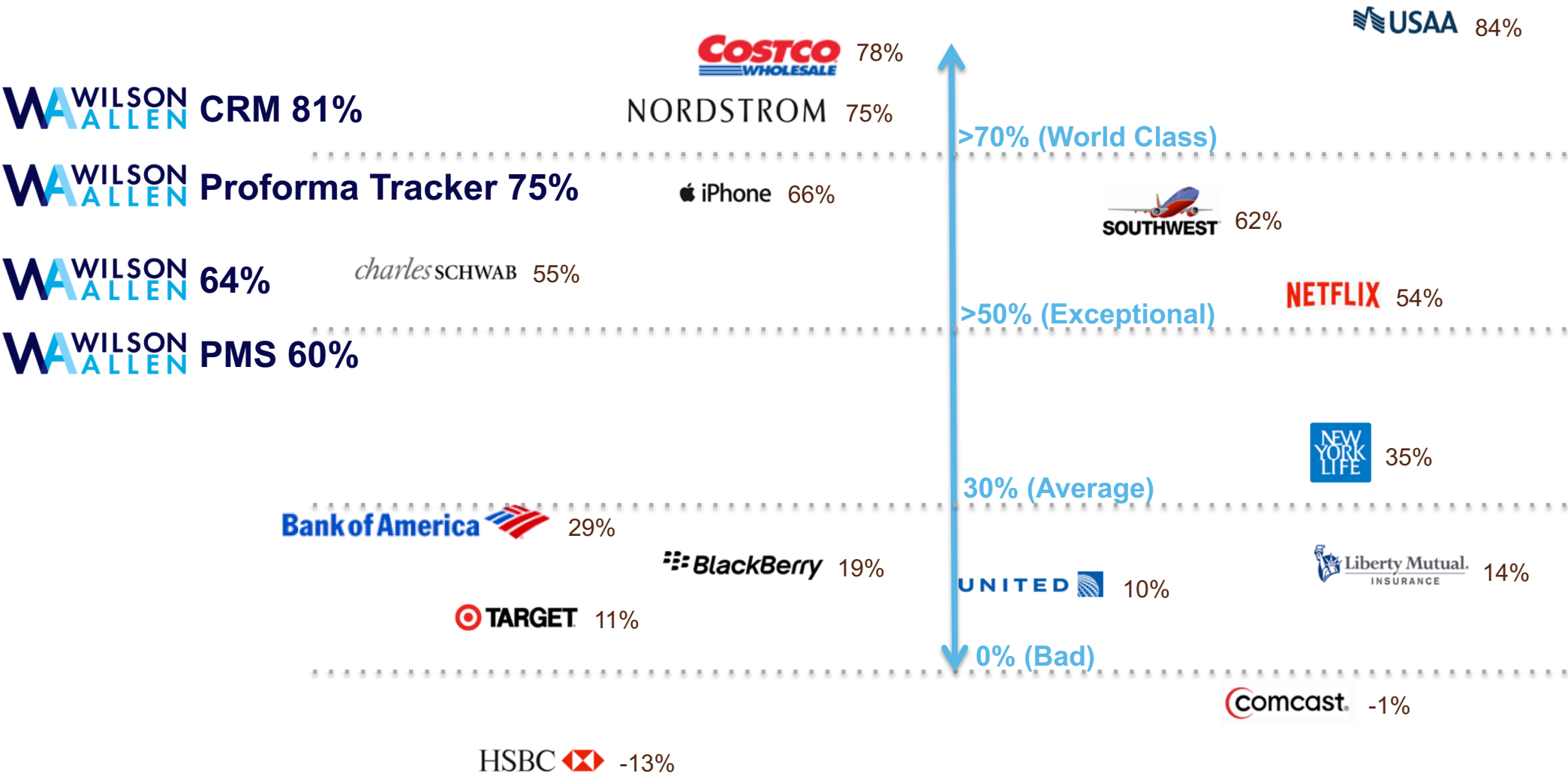
Timing is everything, feedback often reveals how important the timing of responses and interactions is to your clients. The smallest reduction in service levels can have a very negative impact on client feedback.

Measuring feedback

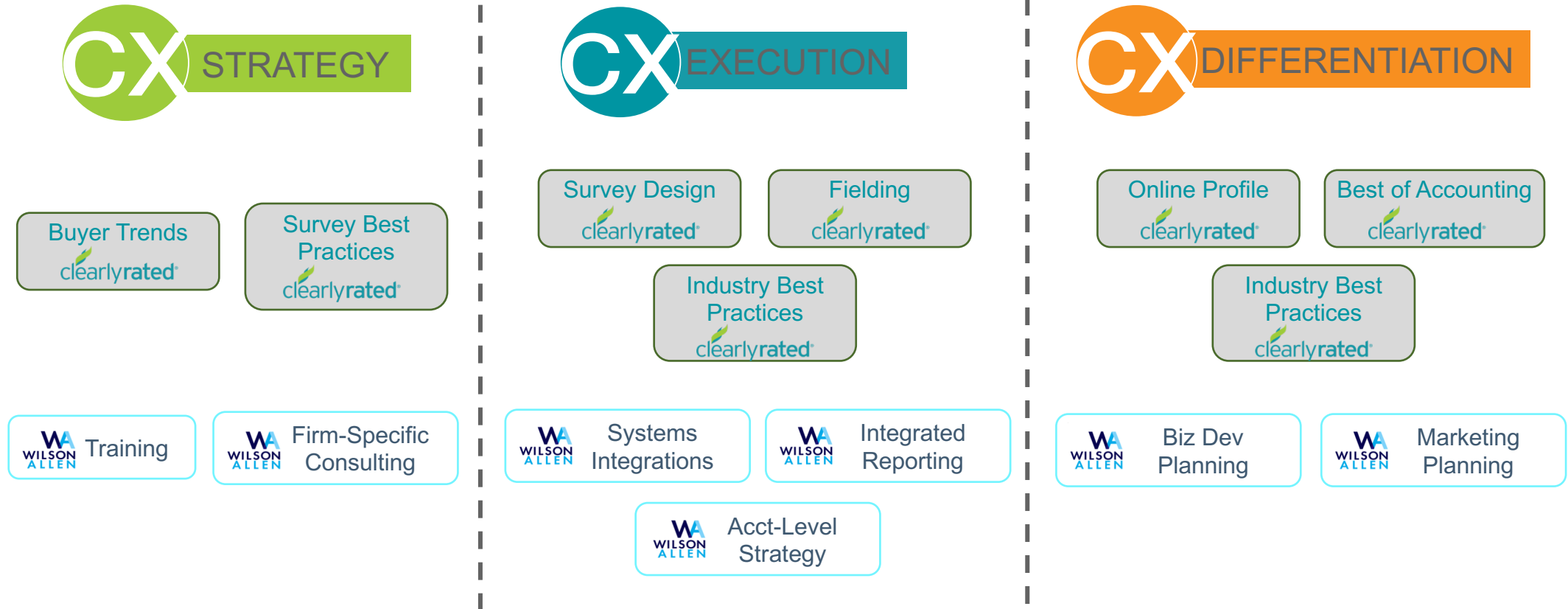
Client	Acquisition Cost	Risk Evaluation	Performance	Client Feedback
Client 1	High	High	20% Dir Margin	Poor
Client 2	Low	Low	20%	Strong
Client 3	Moderate	Moderate	20%	Mixed

- What are we driving? Near term profitability? Lifetime client value?
- Probably not. Probably utilization but...
- How do we price without a full picture?
- How do we staff without a full picture?
- How do we have a strategy without a full picture?

Wilson Allen NPS – February 2019



Harnessing Client Feedback with Wilson Allen and ClearlyRated



Questions?

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