

Marketing Your Family Business Consultancy Through the CPA Portal

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Over the years many studies have shown that family businesses tend to trust their accountants above all other advisors. Several factors contribute to this uniquely strong bond. For one: an accountant's interaction with clients is frequent and recurring. More importantly, accountants typically tackle issues that are inherently tense for family business, such as compensation structures, estate planning strategies, gifting methodologies, family loans, and ownership structures. And while a family business owner may visit his or her accountant with the intention of discussing tax matters, more time is often spent unloading about problems with siblings, parents, children and key employees.

Family business consultants can capitalize on this phenomenon by targeting accountants as potential referrals sources. Simply stated: consultants are better equipped to take on emotional components CPAs face with their clients. But in order to effectively do this, family business consultants must sharply communicate the breadth of products and services they offer.

A path through difficult issues. With their front row views, accountants are positioned to detect impending family and business difficulties such as succession complications, long before they manifest as full-fledged crises. But despite this perspective, an accountant's training equips him only to deal with financial, legal and regulatory issues--not matters of the heart. Thus, family business consultant professionals who are able to navigate these emotional complexities can be a godsend to accountants struggling to help clients in this area.

A stronger relationship with the client. A family business consultant who helps a business owner solve his problems makes the CPA look better. The accountant is seen as not just technically proficient, but also as resource-laden, and the client bond is strengthened. The client is invariably grateful for the clarity provided by the consultant, and is appreciative to the accountant for his effort to provide added value.

More business. A family business advisor can help the CPA increase business by helping the family business get unstuck. Achieving alignment on management system improvements, ownership succession plans, and enhancing family member relationships clears the way for additional work such as estate planning, business entity restructuring, compensation and benefit redesign, and strategic tax planning. The additional revenue generated from the family business consulting process is considerable. Accountants, who generally need to sell work outside of tax season, should recognize that a family business consultant can create an easy sale of additional-yet-necessary services.

Be realistic about the adoption rate. While CPAs often have numerous client relationships that can benefit, the firm as a whole does not necessarily adopt niche or specialty services like family business consulting. Instead, a few progressive partners will usually experiment with a service and utilize a disproportionate share of the consultant resource. Targeting those progressive partners is critical to establishing a steady flow of consulting opportunities.

Build trust. After identifying the accounting partners likely to promote family business consulting services, spend time building trust. After all, the CPA is profoundly aware of the client's family problems and secrets, and if he or she is going to encourage the family business owner to expose these issues to another advisor, the trust level with the family business consultant must run deep.

Using testimonials. Referrals are obvious confidence-building tactics, but the marketing-oriented consultant will transcend the basics by offering to host an educational session or webinar for a small group of partners and staff or their clients. The accountants usually receive continuing professional education credits, the clients appreciate the information, and the educator is seen as a consulting resource. Alternatively, the consultant offers facilitation skills for an accounting firm-specific issue, a staff meeting or a planning session, so that accounting partners may observe the consultant's style and approach. Another tactic is to furnish the firm with an article it can use in its newsletter or in its post-tax-season marketing campaigns.

Include the accountant in the process. Consultants should include the accountant in as much of the family business consulting process as possible, so CPAs witness the impact the consultant has on the client's organization. And on occasions where it does not make sense to have the CPA sit at the table with the client, the consultant should individually debrief CPAs afterwards. Not only does the accountant appreciate being brought up to speed, but he can potentially help out if the consultant gets stuck. Furthermore, the CPA will have critical input related to the design of the consulting engagement based on their history and knowledge of past efforts in the family business.

In conclusion, strategically identifying the best CPA firm opportunities, providing them with chances to see the consultant's skills or knowledge in a safe setting, and including them in the process improves the accountant's problem-solving ability, enhances client relationships, and increases business. Their accountant's success in turn creates more opportunities for the family business consultant to be successful.

Lance Woodbury is a consultant to family-owned and closely-held businesses. Prior to forming his own firm, Lance Woodbury served in a number of consulting and leadership roles at the top 100 accounting firm Kennedy and Coe, LLC. From 1996 to 2009, he led its conflict resolution and family business consulting efforts, managed several offices and regions, led the firm's largest practice unit, and served on the firm's five-member management board and the human resource committee. Lance earned his MBA from Purdue University, his MS in Conflict Analysis and Resolution from George Mason University, and a BA in History and Government from Sterling College. He holds a Certificate in Family Business Advising from FFI. He is a member of the Association for Conflict Resolution and the Family Firm Institute. He can be reached at lance@lancewoodbury.com.

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