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Take a Marketing Approach to Retain CPA Firm Staff

Marketing tends to be all about clients at CPA firms: obtaining clients, developing clients, serving and retaining clients. But marketing can and should extend to your firm's efforts to hire and retain staff.

Some CPA firms have become marketing-savvy in attracting new and experienced staff into the firm, but they shouldn't stop there. Instead, they should continue to market to existing staff for better returns and retention, says Troy Waugh, CEO of the Rainmaker Academy in Nashville, Tennessee.

Waugh is a long-time consultant to the profession with expertise in marketing and sales techniques. These techniques can and should be used to develop the strong relationships with staff that your firm has already forged with clients. He described this approach in a session at the Association for Accounting Administration's National Practice Management Conference in Providence, Rhode Island.

What staff want. It used to be that job security was the top concern of your firm's staff, followed in descending order by enrichment, work-life balance, and meaningful work.

Today that order has been reversed, Waugh explained, since CPA firm operations are dramatically different from what they were even 10 years ago. Meaningful work is most important to staff, followed by work-life enrichment, and job security is in last place. Smart firms are focusing on a better work

environment and strong relationships with their staff to keep their employees. And, Waugh reminded attendees, retaining employees will help your firm keep your clients.

CPA firm partners once focused primarily upon technical issues, but it is the people issues that are growing ever more

critical. Developing staff, developing clients, growing the business, and focusing on profitability are becoming a greater part of every partner's responsibilities. The emphasis on people is what your staff want—and what they will go elsewhere to find if your firm doesn't provide it.

Additional ideas from another leading consultant about what staff want and how the firm can respond and boost retention are in the accompanying sidebar.

Is your firm at risk of losing people? Or, to put it another way, how happy are your firm's staff and partners? Waugh suggests following the guidelines of consultant David Maister and ask them all annually: How much of your work do you love? How much do you tolerate? How much do you hate? Those who put more than 20% to 25% into the "hate" category will probably leave the

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firm. *Maister's rule of thumb*: Respondents should place 40% to 60% in the "love" category.

A lot of "hate" responses doesn't necessarily doom your firm—you can fix broken relationships. For firms with such responses, or those that are "feeling a lot of love"—and every firm in between—Waugh suggests adopting a planned approach to building relationships with your firm's staff.

How staff are treated by their immediate supervisor is the leading reason for their decision to leave, Waugh said. While other reasons may come into play, like compensation, "it would take more than a 20% pay increase to lure away a satisfied employee." A strong and positive relationship with

the immediate supervisor and other firm leaders is the best way to bind staff to your firm, Waugh explained. "When you work with a friend, it is much harder to leave."

What CPA firms and fine restaurants share.

Waugh's approach to retaining clients and staff follows a strategy he calls "five-star" service. The name is derived from the sort of premier service you expect from a five-star restaurant.

Five-star restaurants invest greatly in their relationship with the customer. This is a wise course for CPA firms seeking to build strong internal relationships, he said. "With little investment, a small error can lose the employee."

10 Marketing Ideas to Boost Staff Retention

Recruiting and retention are favorite topics in these days of staffing shortages. AOMAR likes 10 suggestions raised by consultant Steve Erickson at a session of the AICPA Practitioners Symposium in Phoenix, Arizona. They'll help you to focus your firm's internal marketing program as well:

1. Increase focus and efforts. How organized are your firm's recruiting and retention efforts? If you expect your firm administrator to do it all, it is time to reconsider. You need a plan, a consistent message, and accountability—true for any and all action steps at your firm. Get partners and existing staff involved and make the process ongoing. All the wisdom you apply to your external marketing should come into play here as well.

2. Build an employee referral network. Asking your staff for their suggestions for new staff is a compliment as well as a relationship builder (and a way to bring in new talent).

3. Differentiate your firm. This can seem tough at first, but remember that every firm's culture is different. The special relationships your partners and staff develop are one way to stand out.

4. Work on the "good" clients. No one likes to work with clients who are difficult, disorganized, and bad at paying the bills. This includes your staff CPAs (and your administration staff, too). When the partners trim such clients from your client list, they send a powerful message throughout the firm that your firm wants to work with quality clients and that staff will be working with those quality clients too.

5. Create a culture of success. Does your firm budget time properly? Do your staff have time to volunteer? These are

indicators of a culture that recognizes and rewards successful behaviors—again, part of a strong relationship between the staff and the firm.

6. Turn good intentions into performance. You know that your intentions are the best—but you have to show your staff what you are doing to improve the firm, to focus on excellence, and to reward it.

7. Define success. Without job descriptions, effective performance management, and, most of all, feedback, how will your staff know what success means at your firm?

8. Establish "reverse mentoring." Feedback and input from staff are great, but staff will feel more a part of the firm if they can offer ideas on how to do things better and can build their mentoring skills early.

9. Reduce internal competition for resources. The pressures of serving many partners are great upon staff CPAs and administration staff. This is a question of organizing the firm and making sure that you have systems for using resources—and that everyone follows the rules.

10. Eliminate negative talk. Address problems when they arise. Focus on the positives of your firm and on the opportunities for change to create a more optimistic environment. Try to eliminate such language as "We tried that once and ..."; "The partners won't ..."; or "That's just how it is." You'll be happier at work yourself if you do.

Steve Erickson (Albuquerque, NM) can be contacted at steve@steveericksoncpa.com.

He recommends that CPA firms develop a way to address five areas of stellar service:

1. Take the order. Hiring, orienting, and other first impressions set the tone (just as the atmosphere, table setting, and welcome and seating do at a fine restaurant).

2. Deliver the order. Presentation differentiates both restaurants and CPA firms: How does your firm deliver feedback? training? career development? mentoring?

3. Ascertain satisfaction. Ask how you are doing and listen to the answers.

4. Offer dessert. What comes at the end of a meal—dessert—is the last thing you remember about that meal. The simple thank you that should come after a staff person performs is “the most potent tool.”

5. Collect the check. The money is important, but so are other factors. Are staff engaged in meaningful work? Are staff being treated well by their immediate supervisor?

A mistake in service at a restaurant requires swift attention if the customer is to return. Apply this concept to your employee relations: If something goes wrong, work one-on-one to make it right.

Build accountability. This is clearly an approach that requires more than the firm administrator’s and HR manager’s involvement. Partners must be engaged and must understand the value in such an approach, as well as the potential rewards to the firm.

Many partners want to help, but they aren’t sure what to do. Waugh noted that many partners are much better as coaches, offering guidance in a specific area, than they are as mentors, which involves a broad range of skills and issues.

Helpful ideas:

- Match up mentors and mentees. If you let the staff pick the mentors, the same few partners will be chosen by all.

- Get partners help in learning how to mentor and train. A little guidance will bring better results.

- Make the most of what you have. Though the stereotypical view of CPAs as introverts is in many cases just that—a stereotype—Waugh says that even introverts can shine in a mentoring relationship. “An interested introvert can build better relationships than an interesting extrovert.” The reason: Introverts listen and understand better than extroverts in many cases. Put this to your advantage and engage even your quieter partners in the process. You will find they have much to give and to share with staff.

A broader issue for the success of internal marketing initiatives is firm-wide leadership and support, Waugh noted. “Many firms are overmanaged and underled,” he observed. Waugh offered five leadership guidelines to help with internal marketing (and also useful for any firmwide initiative being developed):

- **Self.** Lead yourself, or no one will follow you. Be credible, honest, trustworthy.

- **Strategic.** Are you going somewhere? Strategic direction is key.

- **Staff.** Coach, mentor, develop staff.

- **Systems.** What most people call management or “making the trains run on time”: IT, billing, marketing.

- **Synchronize.** This includes getting all the elements to work together “to create a technical elegant way of working.”

For more information:

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