CPA Firm Success Metrics: Understanding Practice Economics

Facilitated by:
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November 14, 2013
Poll #1

- What answer best characterizes your reason for attending this web seminar? (Pick One)
  - I want to improve my personal knowledge of firm metrics
  - I want to get better at explaining firm metrics to others
  - I want to understand the risk of metrics manipulation
  - I want to understand what metrics are right for my firm
  - All of the above
Our Agenda

• First we’ll ask the question “Why Measure?” and explore the reasons and need for CPA firm success metrics
  – We’ll also take a look at the importance of benchmarking your firm’s performance and the top three sources of comparative data

• Next, we’ll gain a deeper understanding of the various CPA firm success metrics, like net income per partner (NIPP), fees per partner, margin, leverage, realization, chargeability, utilization and more
  – Along the way, we’ll identify the integration between the various metrics, the risks that people will manipulate them and the need to focus on the right metrics for your firm
  – We’ll also discuss ways that you can influence firm profitability in the way you manage your people and engagements
Why Measure?
We Like Performance Measures

- And we advocate the use of performance measurement and performance-based promotion and compensation
- We believe everyone should be accountable for their contributions to the firms
- Contributions can vary depending on each person’s role
- For those in a billable role, they need to contribute fees that cover their costs (usually at a multiple of 2-4 times)
- Measures should focus on both current production and the development of “future capacity” for the firm
- The key is to measure the things you care most about having occur
- And then tie rewards to the behaviors and measures you most want to see
The Leadership Development Model

Ownership

CPA success metrics are used to set goals and monitor, evaluate and reward performance.
But Be Careful!

• Some measurement missteps we see include:
  – Measuring **too many factors** so people are unsure as to which one to focus on or are able to pick and choose which ones they’ll care most about
  – Measuring **the wrong things** or on things that are not what you want people to do or focus on
  – Not understanding the things that influence measures, so **misinterpreting your statistics**
  – **Manipulating measures** aimed at “looking good” while not actually “doing good”
When All Boats Float... (Economically)

• Engagements roll in the door, almost by themselves
• Big business developers and/or billers are overwhelmed and need to share the work with others
• A&A services grow and drop money to the bottom line
• Centralized services are valued – “get someone in here to do this stuff for me, so I can serve clients!”
• The pie grows and most are generally satisfied with their “uptick” in earnings
• In better economic times, measures tend to be more people focused – people recruited, trained and retained
In Low Tide (Economically)...

- Engagements complete and aren’t renewed
- Audit erodes as optional services are eliminated and clients merge or fall away; the “steadiness” of tax carries the day
- Fee pressure emerges or worsens
- Almost everyone feels an ebbing of their hours and projects and some may begin to “hoard”
- Centralized services feel like a cost burden and people may feel less important
- The pie shrinks and the struggle can turn to finger pointing and alienation
- In this environment, financial metrics can turn into “weapons” used to “prove” performance or a lack thereof
Benchmarking

- As we explore the metrics and “levers” that affect your firm’s profitability and success, we’ll provide comparative data from these three sources
  - The amounts reported in the 2013 IPA and Rosenberg surveys – which are mostly comprised of 2012 data from firms – and the 2012 AICPA survey
  - We have great relationships with all three survey providers and both respect and like them – we are not impartial about these guys!
  - We like to think of IPA as the “bigger firm” survey, Rosenberg as the “mid-size firm” survey, AICPA as the “smaller firm” survey
  - While these surveys are similar in most respects, it is not always possible to get an “apples-to-apples” comparison between them - you have to look deeper to see what is included or excluded from numbers
  - We have also included our own opinions about what the data may mean or where we think these surveys fit
- To form your own full opinions, seriously consider inputting to and subscribing to these surveys yourselves!
The Data Gatherers

- 2013 Inside Public Accounting Annual Survey and Analysis of Firms
  - www.insidepublicaccounting.com
- The 2013 Rosenberg Map Survey
  - www.rosenbergassoc.com
- AICPA PCPS/TSCPA National MAP Survey - 2012
  - www.aicpa.org/pcps
Big Picture: It Isn’t All About Numbers!

- Don’t lose sight of the most important measures!
  - Are you happy?
  - Do you enjoy your work?
  - Are your people fulfilled?
  - Are you making a difference for others?
  - Do you want to come to work each day?
  - Are you challenged and growing?
  - Are you challenging and growing others?
“A true measure of your worth includes all the benefits others have gained from your success.”

Cullen Hightower
What Should We Measure and What Do They Mean?
Poll #2

- Before we “dive in”, let’s gauge your current understanding of the various CPA success metrics (Pick One)
  - I need to start from the beginning
  - The terms are familiar but I’m not sure what they all mean
  - I understand the metrics but not how they drive profits
  - I’m ready to teach this course
  - Other
The Mother Of All Financial Measures

• Let’s first focus on the most important financial measure of all
  Firm revenue
  – Firm expenses
  = Net profit

• If your firm, department, or engagement is making money overall, something is likely to be going well

• But it doesn’t mean things are perfect
  – You could be short-staffed, skimping on important investments like training, mentoring, succession planning, etc.

• But, it is still important to keep your eye on the “big prize” while measuring and managing the “small stuff”
Poll #3

What do you think is the most important CPA success metric? (Pick One)

- Leverage
- Realization
- Utilization
- Net income per partner
- Other
What The Experts Say

• According to some industry experts, the most important factors affecting Net Income Per Partner (NIPP) are:
  – The 2013 IPA Annual Survey and Analysis of Firms (Based on data from 2012)
    • Leverage (ratio of staff to partner)
    • Utilization (ratio of charge hours to total hours)
    • Billing rates
  – The Rosenberg 2013 Survey (also based on 2012 data)
    • Fees per partner and per person
    • Leverage (ratio of staff to partner)
    • Partner billing rates
What The Experts Say

– August Aquila, CEO of Aquila Global Advisors, LLC
  • Billing rates
  • Gross profit margin
  • Pricing structure
  • Engagement staffing (leverage and utilization)

– Chris Frederiksen, CEO of The 2020 Team
  • Billing rate multiplier
  • Charge hours
  • Partner billing rates (which he feels should be 1.75 times the manager rate)
  • WIP and AR as # of days in production

– David Maister, *Managing the Professional Services Firm*
  • Leverage x Utilization x Billing Rate x Realization x Margin
NIPP

• Partners/owners are running a business to make money
  – A foundational tenant is that NIPP is an important measure and equals net income divided by the total number of partners

• NIPP is a tricky measure as you have to be sure you know what you’re looking at
  – If partner “salaries” or draws are taken out at the expense line, then NIPP is what the partners accrue IN ADDITION to their draws, so partner compensation is a combination of the two
  – Some firms represent NIPP before partner draws, so their number may be higher but you have to be sure you know what’s included

• When NIPP is less than the prior year, partners will make adjustments
  – Most groups recognize they’ll make less when the economy is down, but one objective of the business is to maximize NIPP
• In the 2013 surveys:
  – IPA indicates NIPP as up 2.2% overall for firms participating in both 2012 and 2013
  • All firms reported growth in NIPP, except for firms in the $20 to $30 and $30 to $50 million bands which had declines of 3.1% and 0.9%, respectively
  • Firms with revenues in the <$75 reported “flat” year growth in NIPP, while firms with revenues < $3 million experienced 6.7% growth in NIPP from 2012 to 2013
  • The average NIPP for the Best of the Best was $944,859 compared to $852,360 for 2011, an 11.0% increase
  • In general, many firms are experiencing faster growth in expenses than revenue, perhaps “gearing up” for anticipated revenue improvement in 2014 and beyond
NIPP

• In the 2013 surveys:
  – Rosenberg indicates NIPP was up about 5.5% overall (vs. 1.7% in 2012)
    • 6.7% increase for firms >$20 million (9.1% increase for 2012)
    • 12.6% increase for firms from $10-20 million (2.8% decrease for 2012)
    • 2.5% increase for firms from $2-10 million (0.4% increase for 2012)
    • No change for firms <$2 million (1.1% decrease for 2012)
Margin

- Another way of looking at and comparing firm profitability
- **Calculated as net income divided by net revenue** (for the firm as a whole or for an office, service line, or engagements)
  - If your firm is making $1,000,000 against revenues of $3,000,000 your margin is 33%
  - Again, can be tricky to get apples-to-apples comparison depending on what expenses are included in the calculation of net income
- According to the 2013 IPA survey, margins have continued to be challenged, but are improving
  - With overall revenue growth averaging 2.8% in 2013 vs. 2.8% in 2012 and 0.5% in 2011, margin improvement is to be expected
    - Best of the Best averaged 7.0% revenue growth while Top 100 averaged 5.3%
  - Top 25% NIPP firms reported average margin of 32.5%, while all other firms reported average margins below the “magic” 30% threshold
    - Best of the Best averaged 32.2% margin, while other firms ranged from 24.2% to 29.3%
Fees Per Partner

• The 2013 IPA survey has fees per equity partner as:
  – $2,142,423 for firms >$75 million ($2,072,384 for 2012)
  – $788,830 for firms <$3 million ($918,081 for 2012)
  – $1,499,739 average for all non-national firms ($1,529,702 for 2012)
  – $2,943,486 for their 25 Best of the Best firms ($2,582,371 for 2012)

• The 2013 Rosenberg survey has fees per partner as:
  – $1,987,501 for firms >$20 million ($1,795,339 for 2012)
  – $1,565,617 for firms from $10-20 million ($1,415,693 for 2012)
  – $1,069,798 for firms from $2-10 million ($1,059,491 for 2012)
  – $598,681 for firms <$2 million ($584,224 for 2012)

* Comparison of 2013 vs. 2012 is challenging due to increase in overall number of survey participants with most at smaller firm < $15 million level
Fees Per Partner

- AICPA PCPS/TSCPA MAP 2012 survey has fees per partner as:
  - $1,310,505 for firms >$10 million ($1,476,836 in 2010)
  - $ 887,865 for firms from $5-10 million ($1,043,617 in 2010)
  - $ 661,736 for firms from $1.5-5 million ($715,453 in 2010)
  - $ 483,573 for firms <$750K-1.5 million ($512,674 in 2010)
Fees Per Person/Professional

• The 2013 IPA survey has fees per professional ranging from:
  – $252,859 for firms >$75 million ($259,992 for 2012)
  – $175,125 for firms <$3 million ($175,444 for 2012)
  – $212,659 average for all non-national firms ($214,702 for 2012)
  – $266,230 for their 25 Best of the Best firms ($264,836 for 2012)

• The 2013 Rosenberg survey has fees per person (includes admin) as:
  – $186,847 for firms >$20 million ($174,112 for 2012)
  – $175,918 for firms from $10-20 million ($171,787 for 2012)
  – $162,548 for firms from $2-10 million ($160,278 for 2012)
  – $142,325 for firms <$2 million ($148,463 for 2012)
Fees Per Person/Professional

- AICPA PCPS/TSCPA MAP survey has fees per professional as:
  - $222,077 for firms >$10 million ($221,164 in 2010)
  - $202,725 for firms from $5-10 million ($194,361 in 2010)
  - $197,119 for firms from $1.5-5 million ($193,033 in 2010)
  - $178,397 for firms <$750K-1.5 million ($186,210 in 2010)
Leverage

- According to Edi Osborne, CEO of Mentor Plus, leverage is less about how we leverage time, but more about how we “spend” our resources
- **This measure is typically calculated as the number of professional staff divided by the number of partners**
- Sometimes also calculated as the number of staff billable hours divided by the number of partner billable hours on a job
  - For example if you have 3 accountants who billed a total of 140 hours together on a job and 1 partner who billed 38 hours on that same job, your leverage is 3.0 based on headcount or 3.7 based on hours
- The 2013 IPA Best of the Best reported average leverage of 11.3 professionals per equity partner, ranging from 8.6 > $75 million to 4.6 < $3 million
- The 2013 Rosenberg survey had it at 7.7 for firms over $20 million, 6.2 for firms $10-20 million, 4.5 from $2-10 million and 2.5 < $2 million
Leverage Example

**With Leverage**

- Engagement estimated at 10-12 hours, sold for $3,500
- Partner delegates:
  - Management and final deliverable review of 4 hours to a manager at a rate of $220 ($880)
  - Data gathering, analysis and deliverable production of 6 hours to a senior at $125 hour ($750)
  - Works 2 hours at various points on the project at $400 hour ($800)
  - Total billable time incurred is $2,430
  - Write up is $1,070

**With Less Leverage**

- Engagement estimated at 10-12 hours, sold for $3,500
- Partner feels only she and a manager can and should do the work
- The work is completed as follows:
  - Partner does management, final deliverable review and various points of client contact for 7 hours at a rate of $400 ($2,800)
  - Data gathering, analysis and deliverable production of 5 hours to the manager at $220 hour ($1,100)
  - Total billable time incurred is $3,900
  - Write-off of $400
Leverage Example

With Leverage

Partner
Manager
Seniors/Staff

With Less Leverage

Partner
Manager
Seniors/Staff
Leverage

• The trade offs of leverage include:
  – **More leverage** may mean more teaching, more corrections, more “re-do” as people come along and are developed – this can “cost” more in the short run but can pay “dividends” in the long run in terms of succession, more partner time for business development, and even retention
  – **Less leverage** may mean less high level talent time spent on business development, practice management, client relationships and people development while getting the work out
    • Partners and managers can be seen as hoarders or bottlenecks
    • Younger or less experienced people can feel stifled or not maximized
    • Succession planning is likely to be challenging
Poll #4

• Why don’t we delegate more to other team members? (Select One)
  – Think we can do it faster/better so why rock the boat?
  – Don’t want to take the time to teach / instruct
  – Afraid of time on the back end for “cleaning it up”
  – Don’t want to be responsible for mistakes of others
  – Other
Billing Rates

- According to IPA’s 2013 survey, average equity partner rate was $315 per hour for all firms surveyed, compared to $317 for 2012 and $312 for 2011
  - The IPA survey show average partner rates ranging from $291 for Great Lakes firms to $341 in the Northeast
  - Partner rates also vary based on firm size, with average rates of $409 for firms >$75 million, $343 for firms from $20-30 million and $236 per hour for firm’s with <$3 million in net fees
  - IPA has manager rates at $214 for all firms, $198 for the Great Lakes and $240 for the Northeast, $282 for firms >$75 million, $225 for firms from $20-30 million and $169 for firm’s <$3 million

- The Rosenberg 2013 survey looks at equity partner billing rates based on market size. For firms located in markets with more than 2 million people rates range from $231-$407, compared to $179-$275 for markets of less than 250,000 people
  - Average NIPP also ranges higher with larger population - $399,750 vs. $269,661
Staff Profitability

• This is a formula that differs by firm

• But the typical way of viewing staff profitability is:
  – Dollars billed
  – Less: salary and bonus
  – Less: benefits, CPE, etc.
  – Less: share of overhead costs, technology, etc.
  – Less: hours not billed to clients (utilization, chargeability)
  – Less: write downs and write offs (realization, collectability)
  – Equals profits earned

• Many staff do not understand this formula, so do not fully understand the magnitude of not meeting billing goals or not producing truly collectable charge hours
Billing Rate Multiplier

- Many firms still establish their standard billing rate per hour using a billing rate multiplier
  - Calculated as a staff person’s salary expressed as an hourly rate times the multiplier to get the standard billing rate

- Billing rate multiplier benchmark data
  - 2010 Rosenberg shows 4.4 times for firms with over $20 million, 4.2 for firms from $10-20 million, 3.9 for those from $2-10 million and 4.0 for firms under $2 million
  - Not provided in 2011 - 2013 Rosenberg surveys

- It is important to understand how your firm establishes its billing rates and the multiplier formula
Billing Rate Multiplier - Illustration

**Assumptions:**
- Annual salary and bonus of $88,000 ($40 per hour)
- Total hours worked of 2,200; chargeable hours 1,320 (60%)
- Benefits and share of overhead equal to 75% of salary cost
- Desired profit margin of 30%

**Billing rate multiplier:**
- Gross revenue – $154,000 “hard costs” = 30% Gross Revenue
- 70% of gross revenue = $154,000
- Gross revenue = $220,000
- Gross revenue / charge hours = $165 per hour standard billing rate
- $165 per hour standard rate / $40 per hour salary rate = 4.1 multiplier
Realization

• Calculated as net fees billed divided by gross fees accrued
  – Incur $10,000 in “gross” time on a job and bill $8,500, our realization is 85%

• It tells us how well you’re doing in realizing cash for the time (and other costs) you accrue on your jobs
  – But it doesn’t necessarily mean you have higher overall profitability or income for the firm
  – Realization varies by service line and by firm size

• Benchmarking surveys have a typical realization rates in the 85-90% range
  – The 2013 Rosenberg survey has realization ranging from 83.2% for the highest 25% of firms to 88.3% for the lowest 25%, with larger firms having lower realization (and 31% higher billing rates and 65% higher NIPP)
  – IPA realization ranged from 85.4% for firms in the top 25% NIPP, to 83.2% for firms in the bottom 25% NIPP, with an overall average of 83.4%
  – AICPA ranges from 80-98% with larger firms also having lower realization rates
Realization

• The things that negatively affect realization include:
  – Inexperienced staff billing too much time on a job compared to planned scope
    • But you have to develop people and train staff and if all you measure is realization, this will discourage your team from doing so!
  – Fixed fee jobs that overrun without an agreement to get a scope change
  – People putting a lot of administrative time into a job – which can be fine to calculate the total cost of serving a client, but the firm has to decide that this is the standard in order to get consistent realization measures
Realization

• The things that falsely inflate realization include:
  – “Hiding” or “eating” time actually incurred on a job and putting it to another charge or non-charge code
  – Billing charges you can’t collect and looking more realizable until the bad debt write off occurs
  – Billing rates that are too low
“The trouble with measurement is its seeming simplicity.”

Author Unknown
Utilization

• Calculated as total charge hours divided by total work hours
  – For example, if you charge 1,350 hours and you work 2,200 total hours, your utilization is 61.4%

• It tells us how well the firm is using its chargeable resources – a lower percentage may mean you have excess capacity or too many people for the amount of work sold

• Recent benchmarking surveys have the average being in the 62.2-64.6% range for IPA, with the Best of the Best at 69.2%
  – The 2013 Rosenberg survey also showed staff utilization of 66-68%
  – The 2012 AICPA survey showed 62-77% staff utilization

• Utilization varies by service line, firm size and position in the firm – with more firm management, administration and business development responsibility, utilization percentages decline
Utilization

- The things that drive utilization down include:
  - A lack of work sold – in most firms, during poor economic times, audit utilization has been down
  - Poor scheduling or someone being on the “do not use” list and being passed up for work
  - Team members with skills that don’t match the work sold
  - Billable resources not making billable work a priority or taking initiative to have their plate is full of billable work

- The things that can falsely inflate utilization include:
  - Hoarding work, especially if you’re a partner or manager who controls work flow to make your numbers look better
  - Over-worked “MVP” resources whose numbers look great, but there may be frustration or “burn out” that’s building
  - A lower total number of hours worked comparatively, so the percentage is high but the overall effort in other areas is off
Chargeability

- Many firms may not focus as much on personal utilization percentages, but instead on a number of charge hours per person or by level
  - IPA’s 2013 survey has the average for staff at 1,398 hours vs. 1,421 for 2012; for partners charge hours average 1,086 in 2013 vs. 1,049 for 2012; in the Best of the Best firms partners charging an average of 1,119 hours vs. 1,060 for 2012
  - Rosenberg’s 2013 survey has the average for staff at all firms ranging from 1,465 to 1,525 and for partners from 1,093 to 1,325 (with generally higher partner charge hours in smaller and mid-size firms)
  - AICPA shows an average for all firm sizes at 1,221 hours per partner
## Capacity Plan Example

<table>
<thead>
<tr>
<th>Name</th>
<th>Billed Hours</th>
<th>Non-Bill Hours</th>
<th>Total Hours</th>
<th>Gross Fees</th>
<th>Net Fees</th>
<th>Realization</th>
<th>Realized Hours</th>
<th>Salary at 3 multiple</th>
</tr>
</thead>
<tbody>
<tr>
<td>Janice Brown</td>
<td>1,125</td>
<td>1,100</td>
<td>2,225</td>
<td>$185,625</td>
<td>$175,500</td>
<td>95%</td>
<td>$156</td>
<td>$58,500</td>
</tr>
<tr>
<td>Russ Smith</td>
<td>1,097</td>
<td>1,052</td>
<td>2,149</td>
<td>$186,490</td>
<td>$184,296</td>
<td>99%</td>
<td>$168</td>
<td>$61,432</td>
</tr>
<tr>
<td>Theresa Lacey</td>
<td>1,250</td>
<td>1,150</td>
<td>2,400</td>
<td>$212,500</td>
<td>$190,000</td>
<td>89%</td>
<td>$152</td>
<td>$63,333</td>
</tr>
<tr>
<td>Julia Webster</td>
<td>1,350</td>
<td>1,200</td>
<td>2,550</td>
<td>$337,500</td>
<td>$303,750</td>
<td>90%</td>
<td>$225</td>
<td>$101,250</td>
</tr>
<tr>
<td>Brian Anderson</td>
<td>990</td>
<td>1,280</td>
<td>2,270</td>
<td>$153,450</td>
<td>$146,520</td>
<td>95%</td>
<td>$148</td>
<td>$48,840</td>
</tr>
<tr>
<td><strong>Totals</strong></td>
<td>5,812</td>
<td>5,782</td>
<td>11,594</td>
<td>$1,075,565</td>
<td>$1,000,066</td>
<td>93%</td>
<td>$170</td>
<td>48</td>
</tr>
</tbody>
</table>

**Utilization:** 50%
Other Metrics

- **A/R and WIP**
  - This is calculated as either the number of months of WIP and A/R as of a certain date or as percentage of net revenue.
  - The IPA 2013 survey shows average billed and unbilled receivables as a percentage of net revenue ranging from 20.6% to 24.2% depending on firm size, with the Best of the Best averaging 22.0% of net revenue (25.7% for 2012).
  - Rosenberg’s 2013 survey had this as ranging from 2.9-3.6 months depending on firm size.
  - This equates to 24-30% of net revenue.
Other Performance Measures

• Don’t forget other possible measures of success and firm performance, such as:
  – Learning ladders or specific training completed
  – Additional technical expertise or certifications earned
  – Offices opened or managed
  – Practices developed or managed
  – New business developed
  – Existing clients “up-sold” or “expanded”
  – People trained, mentored or managed
  – Specific administrative responsibilities managed
Other Performance Measures

• Many don’t want to establish goals around these because they feel “soft” or difficult to measure
  – But they can be measured using tools like a sales pipeline report, tracking the number of mentoring meetings and requesting forms be completed at each meeting and more

• Examples:
  – Brought in X new audit clients worth $XX,XXX by XX/XX/XX
  – Developed procedures and best practices associated with estate and gift tax service line that are approved by the Tax Department Head and rolled out to all Tax staff by XX/XX/XX
  – Completed the performance reviews by June 30, XXXX and all quarterly performance mentoring meetings for Bob Smith, Julie Webster and Scott Anderson turning in mentoring forms by the close of each Quarter
Next Steps
What Can You Do?

• Share any insights you gained with others in your firm
• Consider inputting and subscribing to one or more of the surveys
  – Most supply the data geographically and by firm size so that you can get a more reflective group to benchmark against
• Evaluate obvious areas where your firm’s performance varies and then explore changes you might make to move the needle closer to those of the top performers in your peer group
  – Remember that numbers can sometimes mask significant deficiencies in long-range investment in culture and future capacity
  – It’s possible to look great now, but not be operating in a sustainable manner – look hard at the impact changes will have on your firm – especially to culture – before making them
Poll #5

What one thing will you do now that you’ve participated in this course? (choose only one)

- Study these materials in detail for greater understanding
- Share what I’ve learned with others in my firm
- Determine how my personal success is measured
- Find out what metrics are most important for my firm
- Other
Thank You!

• Contact us at any time!

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Resources
ConvergenceCoaching Resources

- ConvergenceCoaching’s **web site** includes information at:
  - [www.convergencecoaching.com](http://www.convergencecoaching.com)

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- Visit our **blog** for posts on these topics:
  - [www.convergencecoaching.com/blog](http://www.convergencecoaching.com/blog)

- Visit our **learning center** for access to additional courses:
  - [http://www.convergencelearning.com](http://www.convergencelearning.com)

- Visit us on **Facebook**:
  - [http://www.facebook.com/convergencecoaching](http://www.facebook.com/convergencecoaching)
Benchmarking Resources

• 2013 Inside Public Accounting Annual Survey and Analysis of Firms
  – www.insidepublicaccounting.com

• 2013 Rosenberg MAP Survey
  – www.rosenbergassoc.com

• 2012 AICPA PCPS/TSCPA National MAP Survey
  – www.aicpa.org/pcps
CPA Firm Metric Resources

- “Get Results: Improve Your Accounting Firm Processes Using Lean Six Sigma,” by Dustin Hostetler

- “Manage Time, Leverage Talent,” by Edi Osborne

- Managing the Professional Service Firm by David H. Maister

- “Managing the Professional Services Firm Book Review”
  [http://www.thefreelibrary.com/Managing+the+Professional+Service+Firm-a015786976](http://www.thefreelibrary.com/Managing+the+Professional+Service+Firm-a015786976)
CPA Firm Metric Resources

• “Metrics of Greatness,” by Gary S. Shamis and Jay N. Nisberg

• “Selling Professional Services? It's All About Leverage,” by Barbara Bix
  http://www.marketingprofs.com/7/selling-professional-services-all-about-leverage-bix-edwards.asp

• “Strategic Management of Professional Service Firms,” by Bente R. Lowendahl

• The Firm Of The Future by Ronald J. Baker

• “The Firm Of The Future,” article by Ronald J. Baker
  http://www.journalofaccountancy.com/Issues/2008/Nov/The%20Firm%20of%20the%20Future)
• Avalara
  – Avalara provides cloud-based, automated, end-to-end compliance services for accounting and tax professionals and businesses of all sizes, including sales and use tax calculation, exemption certificate management, filing and remittance, and other related services
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