

# practice resources

## CSPs, ASAP

### Use client-service plans to boost retention and wallet share

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#### How does your firm court an important new prospect?

Typically, it's a significant, multi-disciplined undertaking. It might involve considerable face-time for firm leaders and industry or functional experts to carefully listen to the prospect's needs, and to educate the prospect about the firm's slate of services and capabilities. Important clients deserve no less. Why wouldn't a firm embrace a process that can reinforce and deepen its relationship with an important current client?

The benefits of developing and implementing client-service plans are widely publicized and almost universally recommended by most industry experts. Yet, for some reason, many firms fail to institutionalize the concept. Why? We're not sure.

In our experience, the long-term benefits of CSPs far outweigh the investment of time. To capitalize on the benefits, the firm must:

- ▶ Have a process in place to measure client satisfaction and estimate the firm's wallet share.
- ▶ Target the right clients — those with the highest potential for additional services or who are most vulnerable to competitors.
- ▶ Select the right number of clients to prevent the process from becoming overwhelming.
- ▶ Supplement the current client-service team with industry or functional specialists to have a fresh set of ears in the room.
- ▶ Make sure the process is a client-facing interaction, not an internal paper chase.
- ▶ Act on lessons learned from the process — to enhance client-service and resell the client on the firm.
- ▶ Measure results in increased client satisfaction, client retention and increased wallet share, and tie some portion of incentive comp to these vital metrics.

#### DO YOUR HOMEWORK

A firm would not approach an important prospect meeting without planning — and a CSP meeting is no different. Start by deciding

who should be on the team. Firm participants should be senior members of the client-service team and include an industry expert and at least one functional specialist. The client-relationship partner can fill one of those roles, but not both. Involving a firm member who is well-versed in the firm's capabilities is a plus, but make sure the firm team doesn't outnumber the client team.

Before meeting with the clients, the firm team should convene to educate all members about the client. Review the results of the latest client satisfaction survey, recent financial performance, company history, industry information, and issues recognized by the client-service team. Also make sure all team members are aware of any views the client may hold about professional service firms or the firm in particular. Effective planning for a CSP meeting requires two to three hours from each team member.

Assign roles for the client meeting. Select a facilitator, a timekeeper and a scribe. The relationship partner should not fill any of those roles, so they are free to focus completely on listening to the client. The team should prepare some open-ended questions that will lead the client to talk about their business.

Some firms attempt to charge the client for the meeting. In our experience, we have found that to be a barrier. A firm wouldn't ask important prospects to pay for the time to scope the work and present a proposal. The same holds true for a client-service plan. We find the time invested in these meetings typically pays for itself in additional projects from current clients.

#### LISTEN UP!

A CSP cannot be effective without meeting with the client. This important meeting will take two or three hours. The client team should include key decision-makers. It should always include the chief executive.

Start the client meeting with brief introductions, then review the purpose of the meeting: to better understand the client, how to better serve their needs, and to establish a framework around how the client wants to be served by the firm.

Next, sit back and listen. This is the client's meeting to talk about their business and their needs, not an infomercial about the firm. Listening to the client and their point of view is the firm team's critical role.

#### MUCH TO GAIN, LITTLE TO LOSE

Done properly, the client-service plan process has many benefits. The client will likely identify several additional service opportunities for the firm. These may require follow-up, but clients often directly ask for the firm's help during the meeting or request a proposal for specific projects.

During the process, the client will re-establish how they want to be served. Technical expertise is a given. If you don't exhibit it, expect to be fired. Service attributes go beyond expertise and include the soft aspects of client service, such as frequency and nature of contact, the makeup of the client-service team, how firm personnel interact with client personnel, and client expectations about response time and delivery dates. These are key aspects of client satisfaction and client retention.

Although listening is the key role of the firm team, there will be opportunities during the meeting to more fully educate the client on the firm's capabilities. The process exposes the client to additional firm personnel beyond the immediate client-service team. This creates an opportunity for the client to "resell" themselves on the value your firm brings to them.

#### FOLLOW UP!

A final key component of the process is to play back to the client what the team heard during the meeting. Feeling heard and understood is a critical contributor to high client satisfaction. We recommend sending a follow-up letter to the client to document what you heard, the key service attributes the firm is willing to commit to, and any other commitments made during the meeting.

Are CSPs worth the effort? We think so. A CSP for an important client is a valuable use of that "black hole" known as non-billable time. Plus, one of the best ways to build client loyalty is to deliver unexpected value — value that doesn't show up on a bill. The CSP is a great example of how a firm can do this. **AT**

## M&A WATCH

### MINNESOTA

#### KDV Wealth Management merges in Nies Financial

*Details:* Nies Financial Group, a financial firm based in Sartell, Minn., has joined KDV Wealth Management, a regional financial services and CPA firm. The merger is expected to broaden KDV's portfolio of expertise, services and clients.

Nies Financial Group CEO Royce Nies will continue serving clients through KDV. His group is one of a growing number of financial firms with ownership nearing retirement age and exploring succession plans. "The industry has changed," said KDV Wealth Management CEO Dave Hinnenkamp. "Today, we have more independent financial professionals that own smaller firms throughout this community and nation. As the Baby Boomers begin to retire, consumers will hear about more ownership changes at local financial firms and likely more mergers like this that allow customers to receive seamless services."

### OHIO

#### Skoda Minotti acquires technology services firm

*Details:* Accounting firm Skoda Minotti has acquired information technology firm Computer Troubleshooters Independence, increasing the size and capabilities of Skoda Minotti's growing Information Technology Services Group.

Computer Troubleshooters' staff complements Skoda Minotti's existing offerings with a range of IT capabilities, including managed services, Internet phone service, mobility solutions, backup and disaster recovery, cloud computing, hardware support, troubleshooting and repair, software installation and support, software troubleshooting, virus protection and Internet security, networking, custom software development, and training.

The members of Computer Troubleshooters' leadership joining the firm are Brian Rosenfelt, who will serve as a senior manager in the Skoda Minotti Information Technology Services Group, and Tom Suhadolnik, who will serve as an engineer in the Skoda Minotti IT Services Group.