

# THE SEVEN KEYS TO SUCCESS IN CPA FIRM MANAGEMENT

**New and Exclusive Research  
into the Habits and Best Practices  
of Today's Highly Competitive  
Tax and Accounting Practice**

**EXECUTIVE PREVIEW REPORT**

**Conducted by  
Bay Street Group LLC  
and Capstone Marketing**

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## The Seven Keys to Success in CPA Firm Management

Bay Street Group LLC and Capstone Marketing, two leading marketing and market research firms to the CPA profession, have joined forces to conduct a ground-breaking and comprehensive investigation into the critical success factors for today's accounting firm.

The researchers have identified seven keys to success in CPA firm management, namely:

1. Leadership
2. Technology
3. Learning Organization
4. Marketing and Business Development
5. A Great Place to Work
6. Client Service and Satisfaction
7. Strategy Execution

The project is quantifying what has long been unquantified: How certain management practices correlate with success in accounting firms.

Thousands of CPAs are in the process of contributing their wisdom and experience to the one-of-a-kind project. As of November 2008, over 1,400 CPAs had already participated in one or more of five online surveys that had been launched. And several luminaries of the profession had been interviewed for their insights and guidance, including:

- ❑ Bob Bunting, former chief executive of Moss Adams, AICPA chairman, and chairman of IFAC.
- ❑ David Maister, one of the world's leading authorities on the management of professional service firms.
- ❑ Mark Koziel, Senior Technical Manager, PCPS/Firm Practice Management, AICPA.
- ❑ John Higgins, leading technology consultant to CPA firms.
- ❑ Jon Andrews, Partner, HRM FS, PricewaterhouseCoopers.

Bay Street Group LLC and Capstone Marketing are inviting participation in the research project through their own network of contacts and clients. In addition, survey invitations and top-line results are being published regularly at the Capstone Marketing and CPA Trendlines blogs, thus generating even more community awareness and gathering more responses.

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## PRELIMINARY FINDINGS

### *LEADERS GET RESULTS*

Early results are confirming the research hypothesis that the most successful CPA firms are distinguished by a few key characteristics. As part of the project, we are filtering the survey results to separate the “leaders” in the profession from the “laggards.”

The essential methodology involves sifting the thousands of survey responses by a critically important measure: Is the firm a “Leader” or a “Laggard?”

“Leaders” are firms that evidence above-par, even world-class, performance in the generally accepted metrics of practice management, such as:

- Revenue growth
- Profit margins
- Technical excellence
- Client satisfaction
- Staff morale and tenure
- Professional reputation and brand value.

“Leaders” clearly do things differently. And they clearly get superior results.

*See details on the following pages...*

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For more information, please contact:

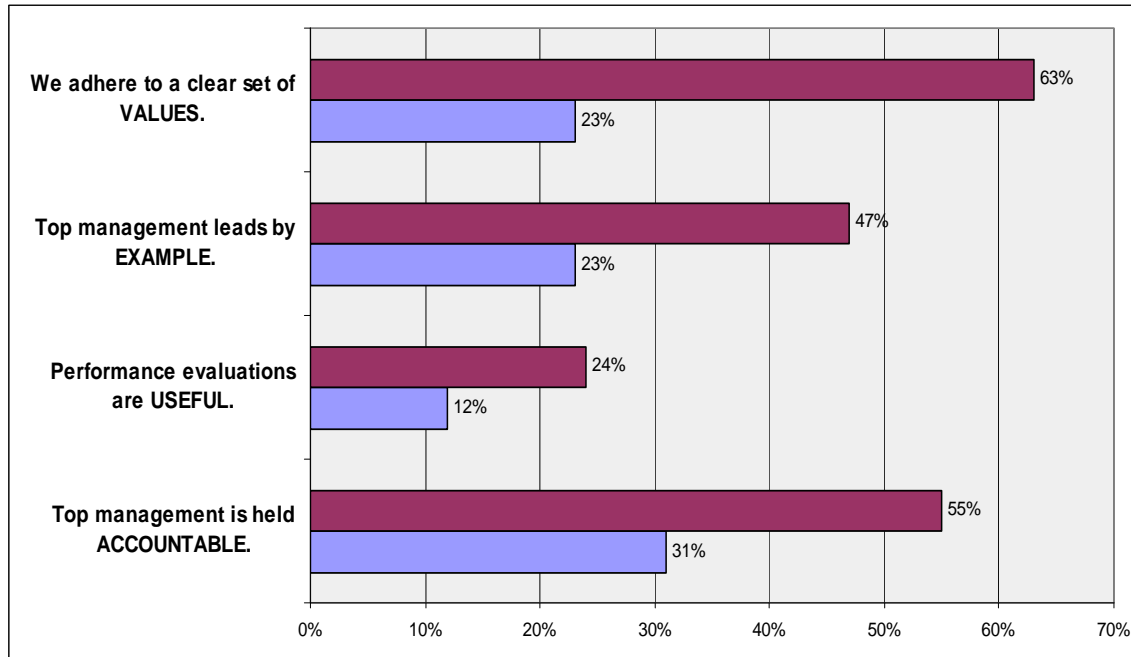
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## LEADERSHIP



Legend: Top line = Leaders; Bottom line = Laggards

***“We have developed a very good presence in our market and are committed as an organization to growth and innovation. We have some work to do in getting everyone in the firm on the same page.”***

**- Senior Executive  
Regional CPA Firm**

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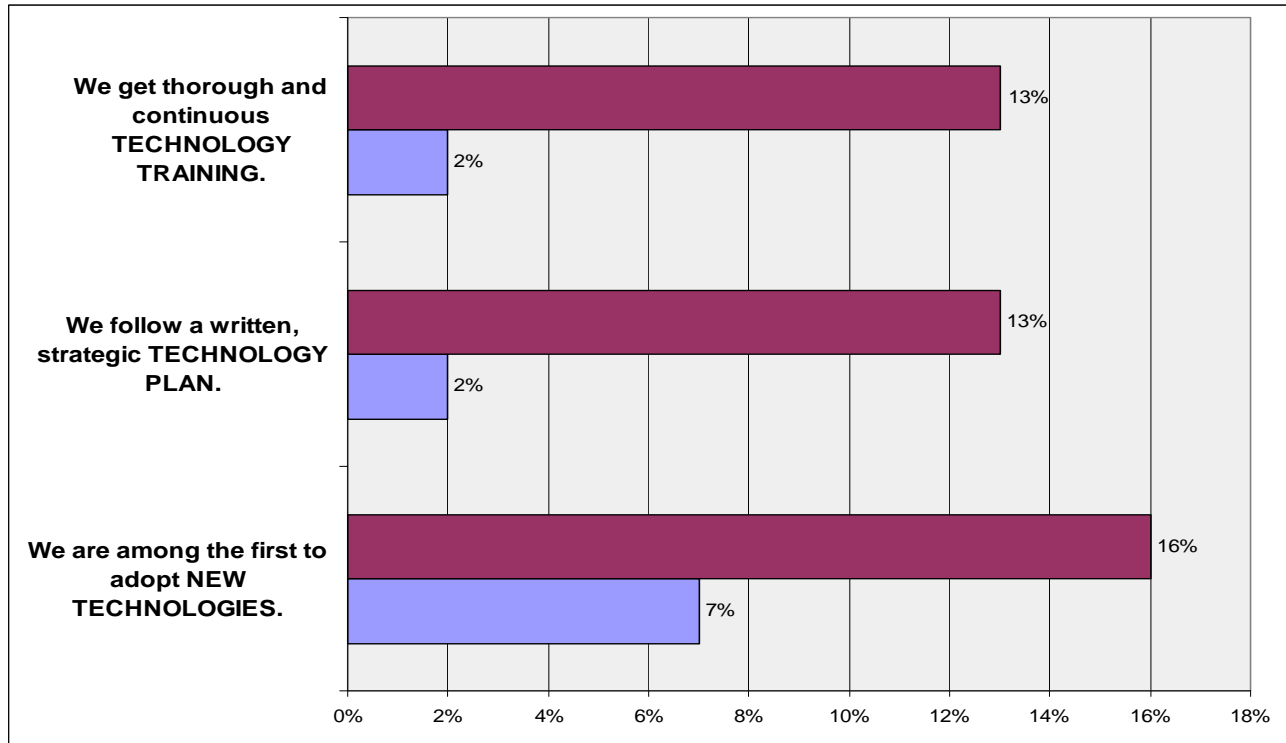
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## TECHNOLOGY



Legend: Top line = Leaders; Bottom line = Laggards

***“Technology is a “must have.” We need to always be ahead of the client. We need to drive technology with the client – (1) to improve their bottom line and you are solving their problems (one of the reasons they hired you), and (2) the implementation is an additional source of income for the firm.”***

**- Managing Partner  
Small CPA Firm**

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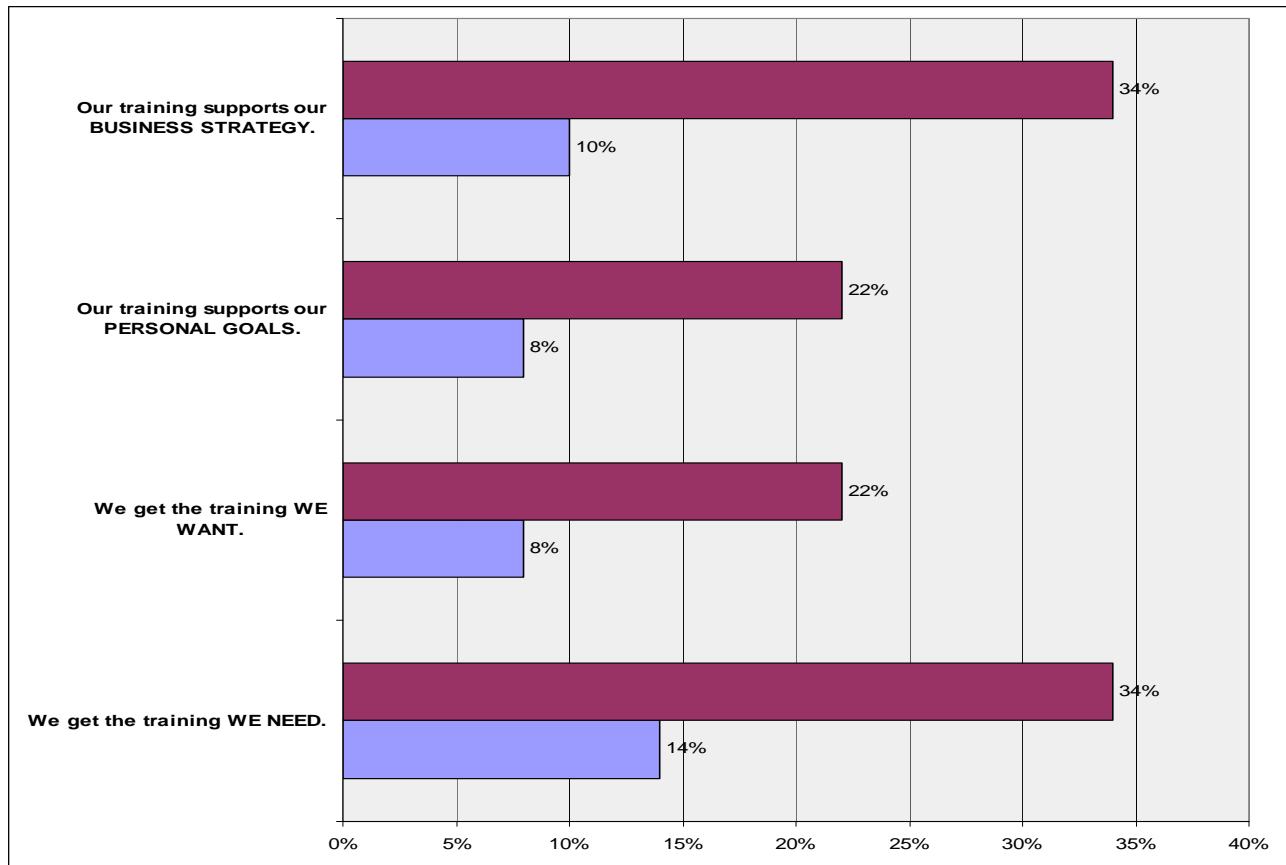
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## LEARNING



Legend: Top line = Leaders; Bottom line = Laggards

***“We have the potential to be better than we are ... To achieve the success we desire we need to continue to develop a more corporate style business model and put processes in place for consistent staff training and development.”***

**- Managing Partner  
Large CPA Firm**

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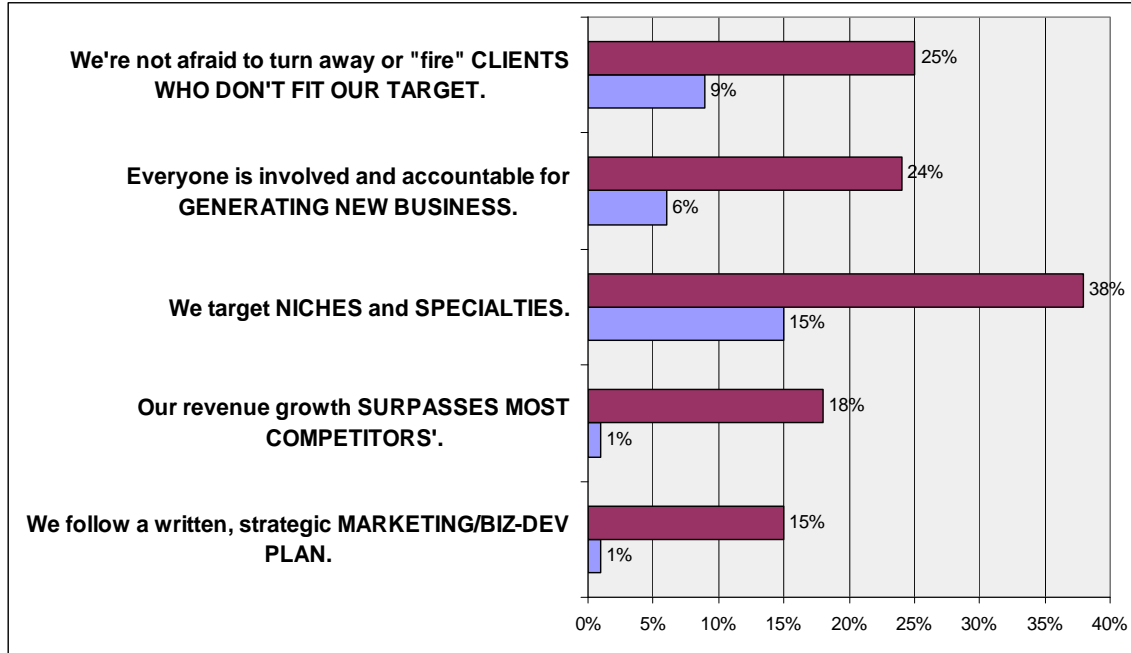
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## MARKETING AND BUSINESS DEVELOPMENT



Legend: Top line = Leaders; Bottom line = Laggards

***"We struggle to grow in a competitive marketplace with a lack of a marketing plan and no niche so we are left to fend for general clients which are hard to come by as a small player in a big market."***

***- Senior Executive  
Medium-sized CPA Firm***

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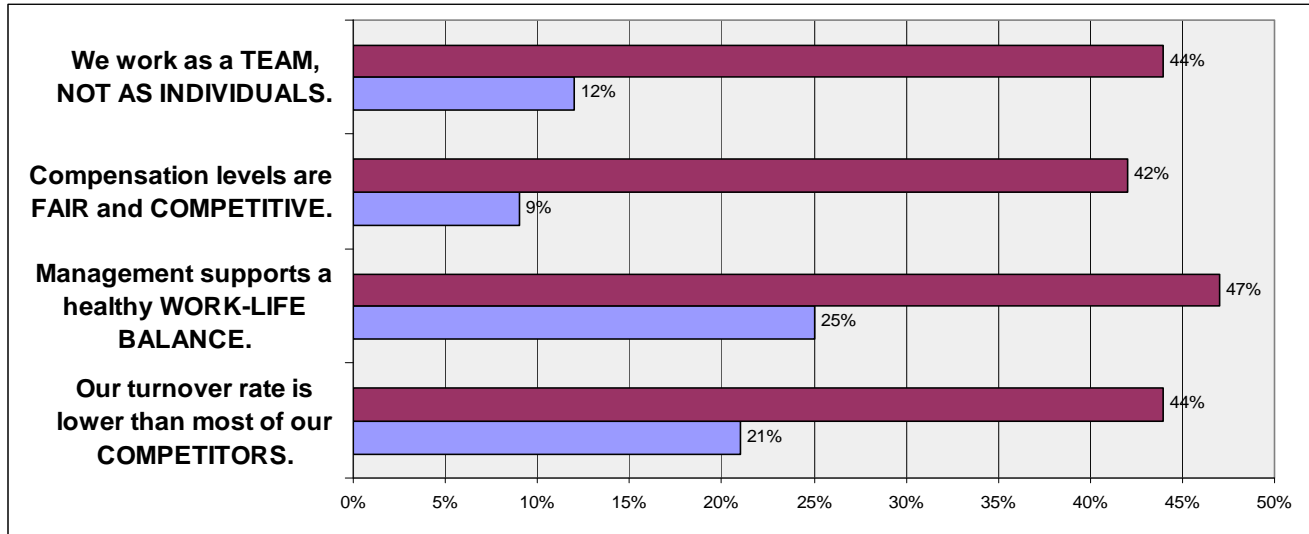
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## A GREAT PLACE TO WORK



Legend: Top line = Leaders; Bottom line = Laggards

*"I think we're very solid and we've been around for 28 years, but in many ways we are just now making the changes that will keep us striving for years to come."*

*- Managing Partner  
Medium-sized CPA Firm*

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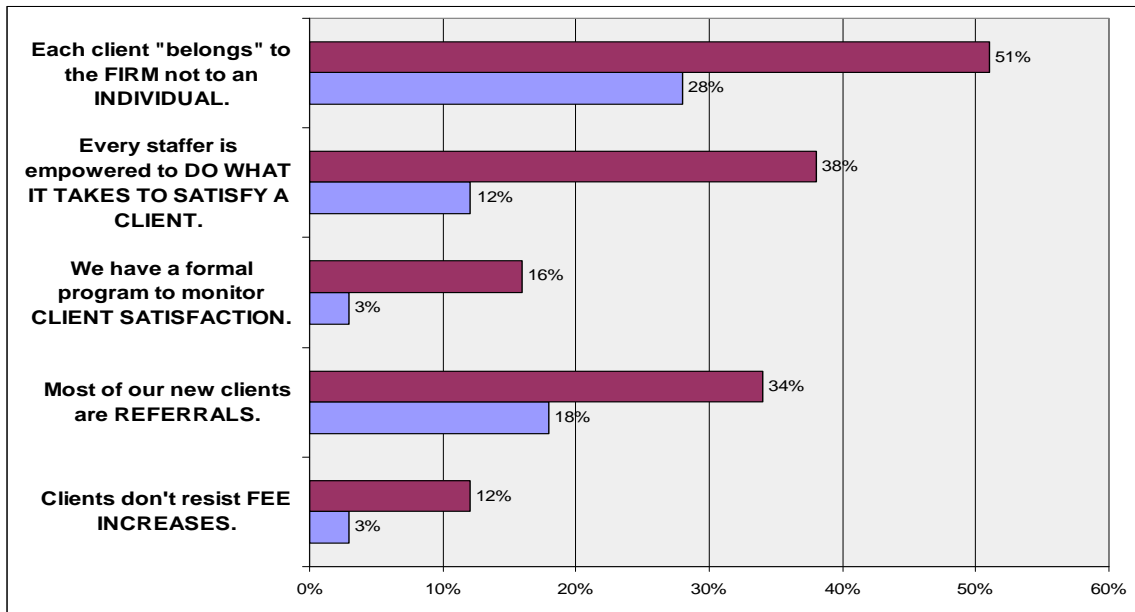
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## CLIENT SATISFACTION



Legend: Top line = Leaders; Bottom line = Laggards

*"We need to work on relationship management and proactive service. We could also benefit from cross-selling our services to existing clients."*

*- Partner/Senior Executive  
Medium-sized CPA Firm*

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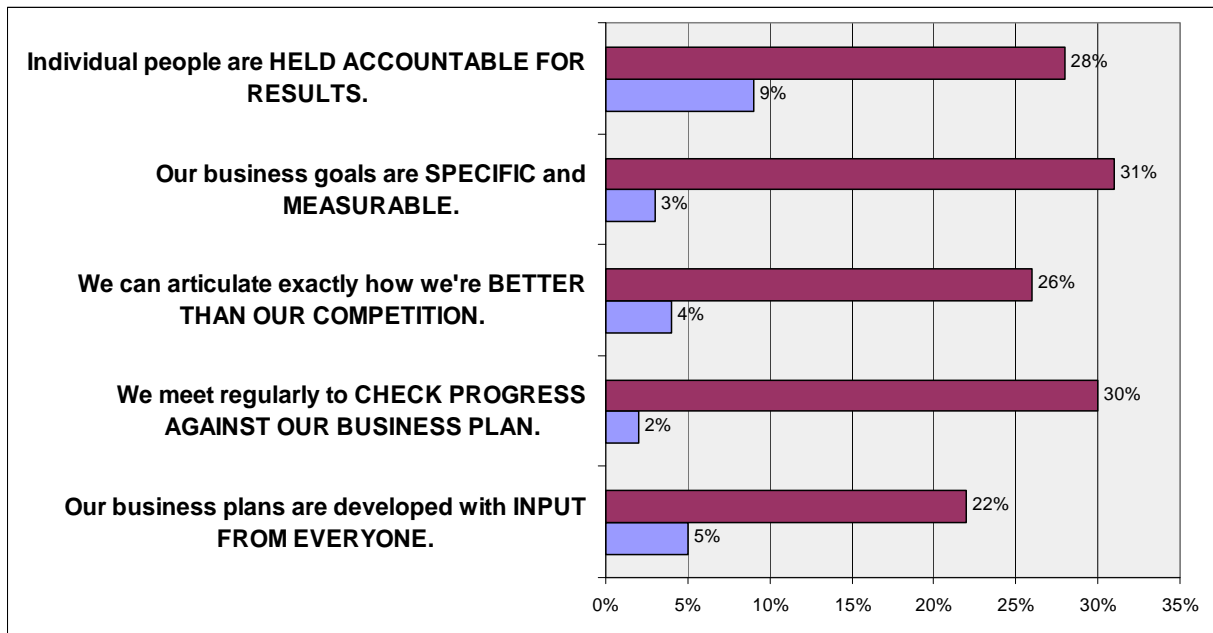
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## STRATEGY EXECUTION



Legend: Top line = Leaders; Bottom line = Laggards

***"We're struggling to agree on a strategy that's a driver instead of simply a collection of watered-down buzzwords."***

***- Managing Partner  
Medium-sized CPA Firm***

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## HOME PAGE

Visit the Seven Keys Research website here:

<http://cpatrendlines.com/seven-keys-research/>

## JOIN THE SURVEY PANEL; GET THE RESULTS

### RESEARCH QUESTIONNAIRES

The primary "Seven Keys to Success" questionnaire is available for participants online here:

<http://www.zoomerang.com/Survey/?p=WEB227U2CVB62E>

**Drill-down survey questionnaires are available to participants here:**

Leadership:

<http://www.zoomerang.com/Survey/?p=WEB228E6XGDMGK>

Client Service and Satisfaction:

<http://www.zoomerang.com/Survey/?p=WEB228BQ3CVGBZ>

Technology Planning and Adoption:

<http://www.zoomerang.com/Survey/?p=WEB227T89QT852>

Marketing and Business Development:

<http://www.zoomerang.com/Survey/?p=WEB227NJYWY3KA>

Great Place to Work - Job Satisfaction and Staff Development:

<http://www.zoomerang.com/Survey/?p=WEB228P4G9TY3T>

### Surveys to be launched soon:

Learning Organization

Strategy Execution

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## ABOUT THE RESEARCHERS

### BAY STREET GROUP LLC

*"Connecting People and Ideas... Turning Ideas into Growth"*

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Bay Street Group LLC provides actionable information, strategic insight, and results-driven solutions to the professional tax, accounting and finance communities -- and the vendors who serve them. Services include: Custom research and business intelligence, new product development and strategy, organizational alignment and improvement, and executive leadership training and team building.

Rick Telberg is president and chief executive of Bay Street Group. He is a veteran analyst, commentator, publisher, editor, and media professional. As Editor At Large for AICPA Media, he is the profession's most widely-followed commentator. He blogs at <http://cpatrendlines.com>.

### CAPSTONE MARKETING

[www.capstonemarketing.com](http://www.capstonemarketing.com)

<http://capstonemarketing.blogspot.com>

Jean Caragher is an award-winning, recognized industry expert with 23 years accounting marketing experience. Known as a knowledgeable, experienced, and tenacious marketing consultant to CPA firms Jean uses a practical, relationship-based approach to help CPAs achieve marketing success. Her approach is based upon her experiences as a CPA firm marketing director, a CPA association executive director, and her 10 years of consulting experience since forming Capstone Marketing.

Capstone Marketing provides a variety of services including:

- Brand Surgery<sup>SM</sup>
- Marketing Audits, Planning and Implementation
- Retreat Facilitation
- Training
- Marketing Director Recruiting

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