



What Your Clients Want

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What your clients want

There are non professional people in the market place charging business owners between \$2,000 and \$3,000 per month for business advice and business coaching – that's between \$24,000 and \$36,000 per annum with an average hourly rate of between \$310.00 and \$460.00.

In comparison to accountants, business advisors and business coaches are generally not qualified academically, have no discernable length of time in an aligned profession and most of them don't have a full understanding of the impact that their advice and coaching has on the financial stability of their client's business.

The challenge for me is a simple one ... you are driving your clients toward these mostly non qualified people in droves and it needs to stop if you truly care about your clients.

I have been directly involved in the provision of business services throughout the world for the past 15 years and no matter the country - Australia, New Zealand, USA, South America, Canada, United Kingdom, France, Malaysia and Singapore – one thing has been very clear to me: business owners want and need support and they are willing to pay for it, are hungry for it and will even go to non qualified people to get it.

As any accountant knows, the value of your accounting practice lies in your client base. Happy clients just keep on coming back! But what if they came back and purchased a further \$20,000 to \$30,000 of services with you over the next 12 months ... what difference would that make to your accounting practice?

So to make sure yours do, what do you need to do?

Marketing experts say you need to satisfy their needs. If you give them all they need, and more, they have no reason to go elsewhere, especially when you have built up a solid track record with them over time.

But what if you failed to take heed of the one thing that could have made all the difference as far as ensuring the future prosperity of their business is concerned? What if other accounting firms in your area were taught how to service profitably and effectively your clients in the areas outside of compliance? What if you missed a golden opportunity to turn your clients into clients for life simply because you didn't think laterally enough?

Let me explain ...

Every business in Australia uses the services of an accounting firm at least once a year. And they regard them as valued team members as well. You see, not only is it vital that their business dealings are accounted for properly and meticulously, they also respect the views and opinions of their accountant, perhaps more so than any other advisor they may have.

Why is this the case? Simply because accountants are professionals who have to meet a minimum academic level of education to be admitted as members of that profession. Furthermore, being a profession, it has a set of guiding principles and a code of ethics to regulate the activities of its members.

You as a member of the accounting profession will be doing all you can to deliver exceptional accounting services to your clients. Wouldn't you expect other trusted advisors to do the same?

Of course you would.

How would you feel if you knew that most of your valued clients are turning to non-professional and unqualified advisors to seek guidance instead of coming to you? What if your most valued clients were to become business coaching members of another accounting firm in your area? What could the ramifications of this seemingly innocent course of action be on your business?

Think of it this way: could your accounting practice survive if you were to lose 50% of your client base?

Interesting question, isn't it?

The reality is that this could quite easily happen. You see, it has become accepted practice in business today to engage the services of a business coach. In fact, it is in vogue to make use of other types of coaches too; like executive coaches, management coaches, motivational coaches and performance coaches to name but a few.

Coaching is one of the fastest growing professions in the world today. Some recent estimates put the size of the industry at over a billion US dollars annually.

According to a report in the Vancouver Sun dated 26 July 2008, large organisations have begun implementing coaching programmes on a widespread basis. This, they report, is beginning to be seen as a competitive advantage and one that acts as another lure or incentive to get prospective employees to join the organisation.

So where are all these coaches coming from? How qualified are they?

Yes, you are probably thinking the same thing we did ...

Let's take a quick look at this important industry for a moment.

According to a global survey of coaches that was conducted by Pricewaterhouse Coopers in late 2006, this is what the coaching industry looks like:



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The approximate annual worldwide revenue produced by coaching is US\$1.5 billion

- 52% of coaches said their clients expected them to be credentialled
- It is conservatively estimated there to be 30,000 coaches worldwide
- Full-time coaches earn on average US\$82,671 a year
- 53% of coaches have acquired an advanced level of education

Let's now look at the business coaching industry in Australia. According to a research paper entitled Business Coaching: Challenges for an emerging industry by Clegg, Rhodes, Kornberger and Strilin, distinguishing characteristics of the business coaching industry in Australia include the following:

- most firms in the industry are young and small
- most are not exclusively dedicated to coaching
- most have a poor appreciation of the industry in which they operate

The authors of the study say these firms have the following challenges to overcome if the industry is to develop further:

- they need to define standards of service and performance
- they need to develop a more coherent understanding of the nature and benefits of business coaching
- they need to establish robust businesses that can take leadership in growing and developing the industry

So what does this mean for your business? It could very well mean that your business is more vulnerable than you think. You see, if only half the coaches out there have further education (and who knows if that education is business-related) then the future of your business may depend on the skills of non-professional advisors or unqualified individuals who are selling their services to your clients for fees around \$2,000 to \$3,000 a month.

How do you feel about that, especially when you consider that you already have them as clients and you are ideally positioned to offer them the self-same service, only from a far more qualified position!

If you think this doesn't apply to your practice, then you most probably have been too busy with compliance work to have noticed this very real threat creeping up on you. Make no mistake, the business coaching industry is growing fast. It can only encroach into your traditional territory. Let's look at just one coaching company as an example. According to a well respected international franchise magazine, ActionCoach is ranked the No 1 Business Coaching firm in the world today. They are also the 76th largest franchise in the world and the 46th fastest growing franchise of all. Can your business continue to exist without feeling the heat one day? This above factor does not take into account that 10X Limited is training accounting firms how to coach clients, charge the correct amount for the coaching and implement systems to make sure it is profitable.

As a professional accountant, you'll be more than just aware that it's good business practice to give the market what it wants and needs. After all, that's exactly what the accounting industry has been doing for centuries. But now it's time to recognise what business is calling for and to provide it.

There is clearly a strong demand for business coaching in the modern business world. What are you as a responsible business person going to do about this? Are you going to bury your head in the sands of traditional accounting practice, or are you going to move with the times and provide the level of service your client base expects? Are you going to help your clients by ensuring you remain their No 1 trusted advisor?

The choice is yours. Now is the time to act ... before it's too late.

Article by Nic Clark CEO 10X Limited