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## Winning the Value War

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Are you looking to expand your practice beyond financial statements and tax returns? If so, providing more personal financial planning advice and support, which will help clients plan for their financial future, may be the key to successful expansion. But how do you express the value you'll provide to your clients? Here are some value propositions that CPAs can use to both describe and demonstrate value of those services.

### Step One: Recognize the Difficulty of Selling an Intangible Value

In the world of investment advice, defining a value proposition is relatively straightforward because the return on investment (ROI) can be easily measured. And tax savings from effective tax strategies is similarly concrete.

However, when it comes to financial planning, defining a value proposition becomes far more difficult because it involves selling an intangible service and the results are hard to measure.

### Step Two: Six Key Value Client Propositions

So, when proposing a long-term service like financial planning to a client, how do you explain exactly what the deliverable value is?

One way is to frame it. Financial life planning pioneer Mitch Anthony is trying to improve a client's "Return On Life" (ROL, as opposed to ROI on a particular investment). Nonetheless, the goal is to become less investment centric, and to focus more on increasing the client's ROL. This can be explained with six key value propositions of being their ongoing financial planner:

- **Organization** – Bring order to a client's financial life by getting his or her financial house in order at both the "macro" level of investments (e.g., insurance, estate, taxes, etc.) and "micro" level (e.g., household cash flow).
- **Accountability** – Help a client follow through on financial commitments by prioritizing goals, showing the client the necessary steps to take, and regularly reviewing progress towards achieving those goals.
- **Objectivity** – Offer insight from an outsider's point-of-view to help a client avoid emotionally-driven decisions in important money matters. You can do this by being available for consultation at key moments, doing the necessary research to ensure you have all the information, and managing and disclosing any of your own potential conflicts of interest.
- **Proactivity** – Work with a client to anticipate certain life transitions and how best to financially prepare for them, by regularly assessing upcoming situations and creating an action plan to address and manage them ahead of time.
- **Education** – Conduct the appropriate research to thoroughly understand a client's situation, then provide the necessary resources to help facilitate the client's decisions. Finally, explain the options and risks associated with each choice.
- **Partnership** – Help a client prepare for a healthy financial future by taking the time to clearly understand your client's background, philosophy, needs and objectives. You can achieve this by working collaboratively with your client and on their behalf (with the client's permission), and being transparent about your own costs and compensation.

### Step Three: Living up to The Proposition

Stating these value propositions is easy, but actually executing them still takes focus and effort. For example, turning the "data gathering" meeting into a client-centric "get organized" meeting can make a world of difference. And saying you'll



work in partnership with your client means you need to prepare the financial plan collaboratively, in real time with them, not just assemble the plan behind the scenes and instruct your client on what to do next.

Thus, the core value propositions of financial planning are arguably not only good information to share with clients, but they provide a solid guidepost for you to improve your services. Helping clients generate a better ROL requires digging deeper than what many CPAs are accustomed to.

Explaining and communicating financial planning services to a client is difficult enough. So, it's crucial to develop an effective means of describing and executing the value you can provide. And these value propositions can help pave the way.

For more information on expanding your value proposition to include personal financial planning services, the [AICPA Personal Financial Planning Division](#) has an extensive suite of tools, resources and guides to help enhance your financial planning knowledge. Also, check out this [page](#) which contains information on the opportunities in personal financial planning; along with free toolkits and resources to help you get started.

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