Are you a Trusted Advisor?

The trusted advisor stands at the pinnacle of professional-client relationships. He or she is the person the client turns to first when an issue arises.

But none of us begins as at this level. We start at the service based level where the emphasis is on providing expertise (preparing financial statements, providing answers to questions like, how will a transaction affect my taxes?). If the client senses other capabilities, they may involve us in solving more general business problems (how can we improve cash flow?). At the next level, they consult us on broad strategy issues (should we expand into a new area of business?). We're no longer seen as just a technical expert or problem solver. Beyond this level stands the trusted advisor.

Maybe you've heard commentators say the accounting profession needs to move from compliance to reliance. However, to accomplish that, CPAs need to move beyond the service based trust level where most of us operate.

The benefits of moving to a higher trust level with your clients are obvious. But it's something you've got to earn. Your client is the one that decides the level at which they will allow you to operate.

Earning trust and building relationships

Professionals can operate at different trust levels with their clients. Moving to a higher trust level opens up new opportunities to offer higher levels of service. So how do you go about winning it? You won't earn trust by saying "trust me". The key point is that trust must be earned and deserved. You must be willing to give in order to get.

Since trust is something that grows over time and is both rational and emotional, it's important to work on building the relationship. Here are some key principles of relationship building that apply to relationship building in both personal and professional life.

- Go first – the one you are trying to influence must perceive that you are willing to be the first to make an investment.
- Illustrate, don't tell – claims about yourself or your firm will always be received skeptically. A primarily goal of relationship building is to create opportunities to demonstrate that you have something to contribute.
- Listen for what's different, not for what is familiar – you need to convince your client that you're dealing with them as a human being. Most of us listen for what is familiar so we can draw on past approaches and tools we already know.
- Earn the right to offer advice – avoid the tendency to rush to give answers. Before you'll be taken seriously, the client must be convinced you understand their situation and how they feel about it.

- Show an interest in the person – learn as much about them as possible by asking questions and more questions. There is no better way to make somebody think you're enjoyable to be with.
- Show appreciation – while clients rarely express appreciation for the efforts of the professionals who serve them, they do expect the professionals to show appreciation for having them as clients.

Now is a good time of year to work on strengthening your client relationships. Even if they all think you're the best accountant in the world, your efforts will pay off.

The Mindsets of the Trusted Advisor

A few months ago I had a conversation with someone who advises CPA firms. He told me the biggest obstacles most CPAs faced as they attempted to expand their advisory services were their mindsets.

If you want to become a trusted advisor, skills alone aren't enough. You must develop the appropriate mindsets.

- Focus on the other person - To get what you want from someone, you must first focus on giving them what they want! That requires devoting your attention to observing, understanding and articulating the needs of the other person. A client is interested in having his or her problem understood in all it's complexity as a precondition to having the problem diagnosed and solved. To do that requires the skill of empathetic listening. For many, the primary obstacle is the belief that technical mastery is sufficient to service clients well.
- Self-Confidence – It is only human for the client to want to be understood before being ready to listen to advice. We know that, but it takes self-confidence to be able to focus our attention on listening and understanding, without believing we must squander it all immediately on problem solving.
- Ego Strength – Ego strength is the ability to focus on the consultative process rather than on taking credit or assigning blame. There is an old saying, "It is amazing what you can achieve if you are not wedded to who gets the credit." The flip side is blame. Blaming others or circumstances is generally a recipe for unhappiness in life. Be willing to take personal responsibility.
- Curiosity – The right to solve problems is earned by informed listening, which is driven by curiosity. The key is to focus not on what we know but what we don't know.
- Inclusive Professionalism – Don't try to set yourself apart from your client by viewing them as "business people" and yourself as a "professional". View your client and yourself as a team where everybody's talents are used for the greater good.

The 5 Steps to Developing Trust

I'm sure your clients trust your technical skills but do they trust you with the larger issues? Improving the trust level that exists between you and your clients is crucial to being able to provide advisory services.

Trust can be developed through the process of helping your clients solve a problem. Trust will develop over time through a process with 5 distinct steps.

Step 1: Engagement – If you want to offer advisory services, you first have to engage the client. The client is engaged when he or she begins to feel: 1) there is an issue worth talking about and 2) you're worth talking to on the issue. Unless the client comes to you with the problem, the burden is on you to raise the issue and establish that you have something to offer.

Step 2: Listen – In this stage you listen, acknowledge and affirm. Success comes at this stage when the client comes to believe that you understand him or her. Only then do you earn the right to suggest a definition of the problem. In this stage, you must not only listen but must give the client the experience of having been listened to.

Step 3: Frame – In the process of framing you help the client crystallize and clarify the issues involved in the client's problem. At this point the client begins to appreciate the value you're adding and significant levels of trust can be built.

Step 4: Envision – In the envisioning process you and the client imagine the outcome and what can be accomplished. In this stage the client understands the goals and defines them in a way the he or she can be committed to achieving them.

Step 5: Commitment – In this stage the client understands what it will take to achieve the vision and decides to do what is necessary. Only when there is commitment will the client have the trust and confidence that you're doing what he or she wants.

The next time you see an opportunity to help your client or your client comes to you with a problem, remember the process. And remember that if you want to build trust, each step of the process has to be completed before you earn the right to proceed to the next step.

Getting Hired

For many CPAs I've spoken with, selling is one of the biggest obstacles they see as standing in the way of expanding their business advisory services.

Traditionally as CPAs we'd like to believe that the quality of our work speaks for itself, that the need for the services is self evident and that therefore selling is unnecessary. Unfortunately, that isn't always true, particularly if you're talking about a new service.

I think it's fair to say most CPAs are a little uncomfortable with overt selling, so what is the solution?

Although there are significant differences between selling services and providing the service, as you try to define the difference, the harder it is to make the distinction. How does one sell? By demonstrating (not asserting) that we have something to offer and that we are someone to be trusted. These are essentially serving actions. How does one serve? By helping the client and meeting their needs in such a way that the client is delighted and wants to hire us again. What is that if not selling?

If we think of the task not as selling ("How to I push what we've got"), but as getting hired ("How do I convince this person to put his or her trust in me?"), then what you need to do becomes a little clearer.

Most buyers of professional services are aware there are risks. There are financial risks, the risk of lost time, emotional risk, etc. If you can reduce those risks by demonstrating how it will feel to work together, your chances of getting hired are much greater.

Hence, the best selling technique is not to sell, but to commence the service process. Don't just talk about serving and take the attitude we won't show you anything until money changes hands. The belief that you shouldn't "give away" the goods until the client has paid, will cost you new work and a relationship. Given any choice at all, clients prefer to buy based on a sample.

This series of articles is based on the book "The Trusted Advisor" by D.Maister, C Green & R Galford which is available at amazon.com.