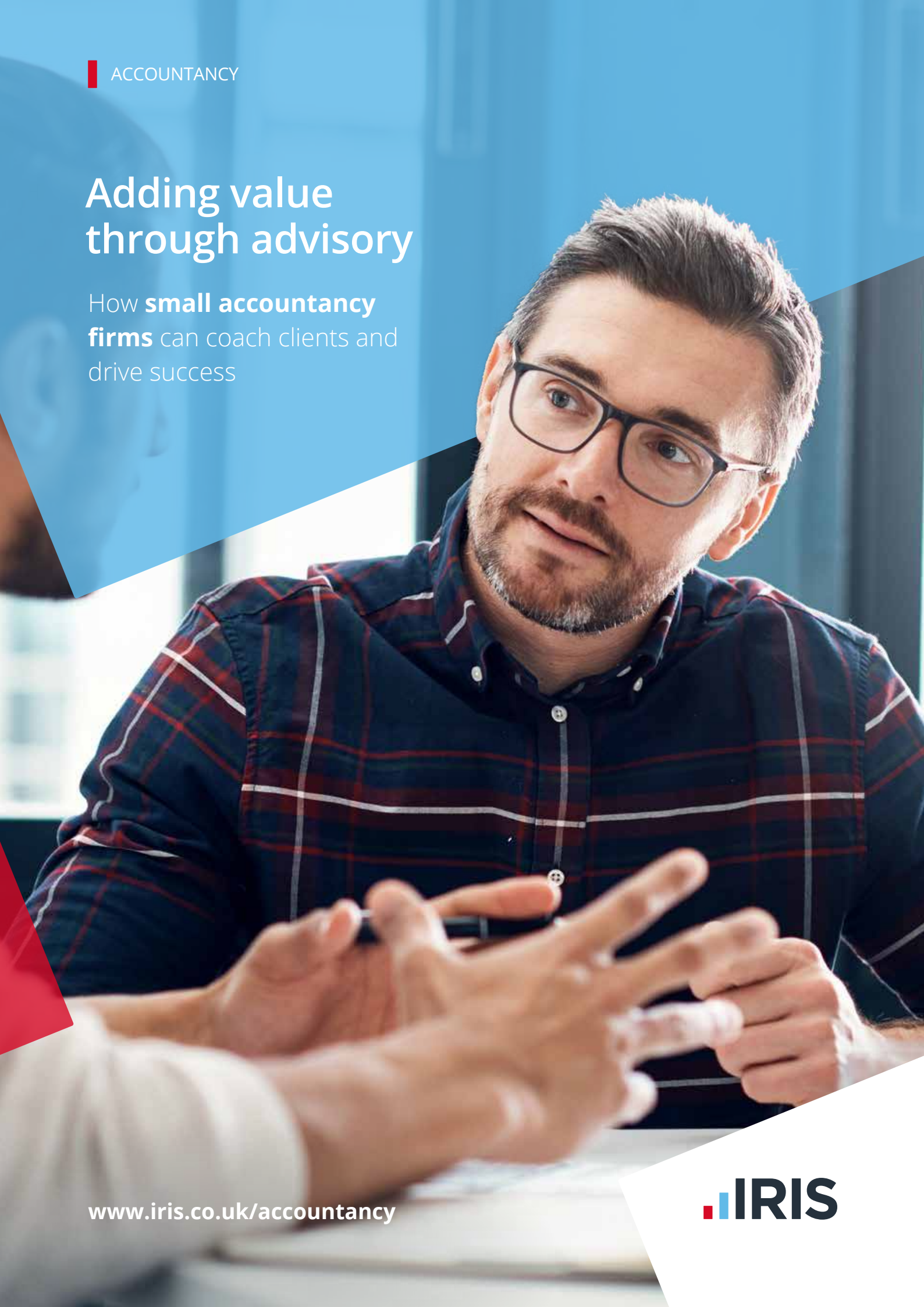
ACCOUNTANCY

Adding value through advisory

How **small accountancy firms** can coach clients and drive success



www.iris.co.uk/accountancy

IRIS



The cliché is true for once – the game is changing for your clients.

Across sectors, we've seen new global shifts, legislation, technology, and financial trends.

Any business that can't keep pace with these changes will lose out to those that can.

Clients need someone in their corner. This is where accountants and their insights can add value.

Who needs the most advice?

Many accountants are experiencing a wake-up call: their clients are retiring.

In their place is a new generation of leaders. Nearly all see the world differently from their predecessors. Many of them want advice from accountants. Why? Because their other services promise step-by-step support, why not accounting?

This younger cohort is immersed in web, AI and social media – a constant information stream that promises answers to everything. But the catch is that these impersonal, online sources of 'wisdom' can lead them astray.

So, younger clients need to understand what accountants can do to help. Equally, you also need to ensure they pay for this stellar service or risk losing out.

Where it goes wrong for the accountant and the client

Businesses need advice about the fast-moving world and how it impacts them.

Accountants, in providing these services, can benefit. Advisory work is often more enjoyable than compliance and more lucrative.

Sometimes, however, this situation doesn't create a mutual opportunity. Instead, the accountant and their client miss out. Here's how.

No questions asked

Some **businesses don't ask for advice** from accountants. They don't know that they can. Mistakenly, they assume accountants only file tax returns or 'do the books'.

Consequently, the business struggles on. They rely on guesswork, advice from the internet (or AI), or an expensive consultant.

Neither the client nor the accountant wins in this scenario.

The accountant loses out

Other businesses are aware they need help. They cleverly find ways to get **information from their accountant for free**. Rather than booking a meeting that would cost money, they sneak in a quick question here, a quick question there.

Who can blame them if this works?

In this scenario, the client wins – but not as much as they think, because the advice is patchy. The accountant, meanwhile, misses out: they give away hard-earned experience for nothing.

With value-added accounting, everyone benefits

Ultimately, the client needs good, consistent advice; your firm needs to be paid for this.

It's time to formally build your insights into your service offering for the right price.

About this guide

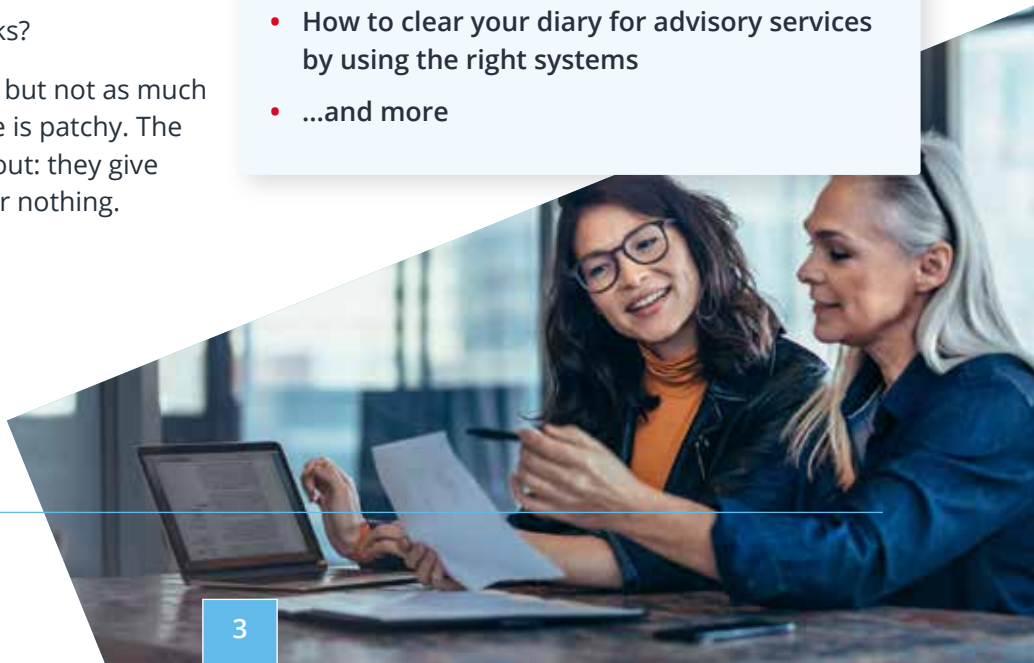
Let's begin with some good news. You already have the insights and strategies that will help your clients.

This guide is **not about adding more busywork**. It's about being there to coach clients each step of the way.

Whether you're a practice owner, partner or a valued team member, you can add advice worth paying for. You'll develop your client relationships even further and create some extra momentum behind your firm's growth.

In this guide, we look at:

- **Why your clients need advice now, more than ever**
- **How you're already able to help**
- **What strategies you can use to drive advisory services**
- **How to clear your diary for advisory services by using the right systems**
- **...and more**



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PART ONE:

Helping clients face a more complicated world





A lot is happening in the business world. As an accountant, keenly watching from the sidelines, these events are relatively easy for you to understand.

But these same developments strike fear and confusion into the hearts of many businesses. They're ducking and diving in a very crowded field.

Let's look at a few examples of what they're up against.

A raft of new regulations

Recent regulatory changes are adding new layers of complexity for businesses.

For instance, **Brexit** created an ever-growing pile of admin and procedures for companies trading with Europe.

Then there's the environment. **Updated sustainability guidelines** are putting businesses under the spotlight like never before.

Another regulatory item at the top of most lists is **Making Tax Digital (MTD)**. This is a whole new world of reporting back to HMRC. A yearly headache for many businesses is becoming quarterly. For some, it's a shift from 'shoebox accounting' to understanding a wide array of new tools.

An unwieldy stack of tech

Accountants have an aptitude for analytics that many clients don't have.

This means that deep within some businesses lies a world of technology that remains underappreciated. During COVID, when they needed cloud software, they signed up for it and connected their teams so they could work. Now, the potential of these systems lies there, untapped.

Meanwhile, in other businesses, they're struggling to keep up with the rise of cloud and AI. They're worried their rivals are adapting quickly and moving faster.

This is where you can make all the difference. You can help them make the most of their systems, dig deep into analytics and provide overviews and forecasts.

Unmet financial potential

SMEs have money in the bank but face significant challenges when it comes to finding new sources of investment. For example, the Government's Growth Scheme helps businesses, but it's temporary and capped at £2 million.

Meanwhile, in terms of who is lending, we've seen a shift from banks to brokers. An independent advisor, such as an accountant, can prove essential in this new world.

For mid-sized clients and above, there's the possibility of private equity (PE) investment. You're better placed than anyone to help a business know when it is ready for such involvement and to provide support.

Business as usual

Then there are the decisions that have distracted businesses for years. Expansion in the good times, for example, or making tough calls when things are difficult.

There's also everything else to manage day-to-day – from employees to premises and complex leases.

In these situations and many more, good advice is often welcome.



The good news – you can be the strategist that leads the way

Small accounting firms have vast reserves of skill and expertise. They're well-suited to providing services in this increasingly complex world.

You know HMRC well and understand vastly different client operations. Perhaps most importantly, you can also spot trends hidden in the numbers.

Overcoming the value gap

It's worth repeating what we mentioned earlier: many firms don't realise the advisory value they can bring.

Some don't even think it's right to charge for advice. Others get locked into 'people pleasing' by bundling it in with their services to keep clients and would-be clients engaged.

Yet more get pulled into answering ad-hoc questions, providing advice for free.

But when that happens, you're not fully advising; you're firefighting so you can get on with repetitive compliance work.

The result of all this is a value gap: clients receive life-changing guidance, while firms only earn compliance revenue.

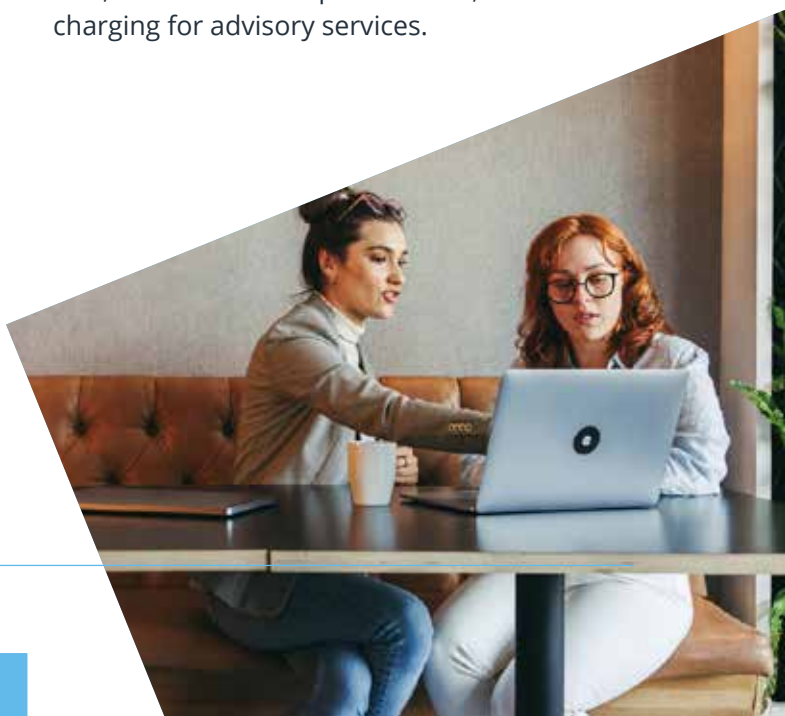
If this sounds like your firm, you're not alone

When we asked accountants across the UK, 38% offer advisory and don't charge for it at all.

But this varied by region. For instance, in the Midlands, the number was as high as 46%, and in Scotland, 48%.

What happens if you don't move from compliance 'player' to advisory 'coach'

1. Your work becomes an endless grind of uninspiring compliance tasks.
2. Your client will not see your full capabilities, and this puts you at risk in a busy market.
3. You are not getting paid for what you know but for what you produce (the so-called 'value gap')
4. Your client only gets patches of information, not full-fledged advice
5. You end up handling worse compliance work if a client makes ill-informed decisions.
6. You're up against other accountancy firms that, as the numbers prove above, are charging for advisory services.



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PART TWO:

Shifting from compliance to advisory



It's time to set out the ultimate value-add playbook for your firm.

The first step is to formalise your approach to advisory. Look into areas where clients might need advice.

Here are a few examples of where you might suggest a more formal, paid meeting:

- **Performance reviews:** Routine meetings (quarterly or bi-annual) to review numbers, spot trends, and set goals.
- **Proactive tax planning:** Where you can offer strategies ahead of year-end, not after the fact.
- **Growth and expansion guidance:** This is where you might assist with decisions on new offices, investments, or service lines.
- **Succession planning:** Where you can help owners make plans for exits, handovers, or family transitions.
- **Efficiency and cost reviews:** Where you can identify cost savings or better tax efficiencies.

Proving your value – how to embed good advice into client work

To give clients an idea of what you can help them with, it might be worth offering the first meeting for free.

Remember to think less like a compliance 'player' and more like an advisory 'coach'. Use the meeting to discuss business trends, financial data, and upcoming decisions.

If they don't take you up on the offer, ask exploratory questions in emails, calls and other catch-up correspondence. When you spot something important, suggest a meeting to



discuss the issue with them.

You won't always be successful. Track which clients respond positively and are willing to pay for future advisory meetings. Keep the door open for any clients who might change their mind.

If you give away a free meeting, how do you make sure they go away knowing that it was worth something? If you consider it good accounting practice, bill them, but show a 100% deduction on the invoice.

How much should that amount be? That's the topic of the next section.



Pricing: moving beyond the hourly rate

Is an hour of admin work worth the same as sharing an hour of your professional experience? No.

Traditional billing doesn't always match the real value you deliver in advisory services.

We would love to give you a full rundown on how to proceed, but you know your business, you know your clients, and you know the value you can bring them.

What follows, then, is a series of concepts you might want to incorporate.

If there's one thing to bear in mind, it is this: what impact could an hour of your advice have on a client's business? If your advice saves a client from a major financial misstep or unlocks £10,000 of tax savings, its value far exceeds a few hours of your time.

Charles Proteus Steinmetz and the $10,000 chalk mark

The story goes that *famed engineer Charles Proteus Steinmetz (1865-1923) was once called in by Henry Ford: a generator had broken down, and none of the in-house team could fix it.*

Steinmetz walked in, listened to the machine for a few minutes, made some calculations, then pulled out a piece of chalk. He drew an "X" on a specific part of the generator and told them to remove 16 turns of wire from that point.

The engineers followed his instructions, and the machine roared back to life.

A week later, the factory received Steinmetz's invoice for $10,000.

Ford, stunned by the price, asked for a breakdown.

The breakdown read:

Making chalk mark: $1

Knowing where to put the mark: $9,999

Total: $10,000

Ford paid the money without complaint.

Remember: people expect to pay for knowledge. Ask a lawyer, a doctor or a therapist... or some accountants!

Ways to embed value-based pricing in your firm:

Package your offerings

Create clear, visible service tiers around strategy-powered outcomes, not activities. For example:

- **Basic compliance** (statutory deadlines, payroll)
- **Compliance plus** annual/biannual advisory meetings
- **Comprehensive support,** including quarterly meetings, scenario planning, and ongoing access to advice.

Make value explicit

Show clients the benefits they gain, such as savings, growth, and risk reduction. Use real examples, like "Last year, our advice helped a company increase net profit by 8%."

Review and iterate

Revisit your offerings and pricing annually. Base your changes on factors like client feedback and your firm's evolving strengths.

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PART THREE:

Making value happen: overcoming resource and technology challenges





The path to a value-led advisory service is not without obstacles. Realistically, it can only happen if you make space for it. That means the right systems must be in place.

Handling time and resource constraints

Challenge: Routine compliance eats up calendar space, making advisory feel like an 'add-on.'

Solutions:

- **Outsourcing/Offshoring:** Free up your specialist staff by passing lengthy, basic compliance tasks to reliable partners. This is not about cutting corners but about using internal skills for high-value, rewarding work.
- **Automation:** Software can free up your time by doing the less rewarding work. Take admin, where many hours are often lost chasing clients for information. Software can handle that for you, completing a checklist as details are supplied and sending further correspondence if a client is taking too long.
- **Joined-up data:** If you have a scattering of software solutions, you often end up typing and retyping information. That means you either risk making mistakes or spending a disproportionate amount of time checking your work. Software platforms like IRIS Elements keep data in a central, updated client list, saving you time and stress.

Skill gaps and cultural resistance

Challenge: Some accountants in your firm feel more comfortable with established workflows and may not see themselves as 'advisors.'

Solutions:

- Roll out training, mentoring, and shadowing for team members.
- Encourage staff to be consciously aware of where they're already adding value informally; formalise these opportunities and make them visible.
- Use peer feedback and case discussions to reinforce the mindset shift from task-based to strategy- and outcome-focused work.
- Make it clear that advisory brings in money, and that helps pay for staff promotions.





IRIS | Elements

Learn more about joined-up systems that save time

IRIS is all about freeing up your precious time so you can bring in more valuable work, such as advisory services.

In that same spirit, we make choosing your time-saving systems simple.

Practice in a Box could have your small practice up and running quickly.

You pick from a set menu of solutions, and our team helps you put everything in place.

Click here to discover more



I'm saving a week each month currently, and I expect that to increase when I take on further employees and subcontractors," Rebecca tells us. "I'm saving at least 30 minutes per subcontractor being introduced to IRIS Elements."

Rebecca Williams, Eccounting