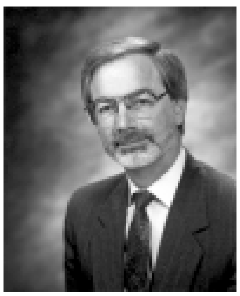
REPORT

April 2001

A Newsletter for the Professional Administrator published by the Association for Accounting Administration

# Performance evaluations

**By Michael Chapman, Wolf Etter & Co., North Mankato, Minnesota**



As you receive this newsletter, you have either already started and are in the midst of your annual performance evaluation programs, or are about to begin them in the very near future. Most CPA firms schedule their performance reviews shortly after the busy season ends. Unfortunately, putting your pencil to paper can be a very heralding experience. The reasons: when you formally document your perceptions of someone else's work, you potentially leave yourself open for confrontation and to a certain extent you could be undermining your own goal of motivating that employee. So it is of the utmost importance that you understand how your document message takes on additional critical importance.

All reviews are a three step process that begin with the shareholders receiving from the employees their own self-evaluation. Step two brings the shareholders together in a group meeting to discuss each employee for we have found that though one shareholder may be ultimately responsible for an employee, several of the shareholders have actually experienced the quality of work on a day-to-day basis by that employee. And a third step then becomes the formal written document that the shareholder prepares and actually sits down with the employee by way of a "dialogue".

**So what have we done?** Here's a brief review of the three basic rules that we ask our shareholders and staff to keep in mind before beginning to document an appraisal:

1. Whenever possible, shift the responsibility of performance evaluations to your employees. Experience has taught us that most supervisors delay the pulling together of critical information to the last minute. In addition, relaying negative news can be confrontational and supervisors usually take the path of least resistance. The supervisors usually postpone documenting inferior performance for fear of making matters worse.

In asking the employees to do a self-evaluation, you are asking them to address their overall performance track record. This is asking them to look at what they have done and accomplished, how they have saved time and money for the firm, etc. You're asking them to grade themselves in terms of consistency, reliability, interpersonal communications and technical skills. You're asking them to add how they feel about their contribution to the needed support, structure and direction that the firm has taken. You're asking them what can you as their supervisor do to ensure that you are fulfilling their career development goals by building on their existing skills bank. And finally you're asking them to develop their own specific goals for the next review period.

We have found that many employees really do appreciate having that opportunity to provide their perceptions of how they've done, what they plan to do and how you could help them do it. This also enables you to take the leadership role and the mentor role and not the pyramid head, decision maker and disciplinarian. We have found that we're not all too far off from what other companies experience in that the employees traditionally are really harder on themselves than you would have been on them.

2. What our process also reminds us is that we are not evaluating performance on how they have just performed during the past tax season. No, we are creating a formal document on the entire twelve month period. That's why it's so important as a year progresses that if you have hesitations about an individual's ability to make it in your firm, because of potentially inferior performance, you have at your fingertips the ability to document specifics and file it for that next performance evaluation time. You should grade the individual as not meeting expectations in the overall performance evaluation plan. For you to do anything less would be irresponsible. If you're later challenged in a wrongful termination lawsuit, your positive and generous documentation could be held against you. That's why be factual, be specific and be up front.

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# Security - an issue that should concern you

***By T. Rose Robelto, CPA, Boomer Consulting, Inc.***

**This is part II of a III part article. See the June issue for part III.**

Last month we discussed the basic security fundamentals and identified common threats and enemies to a networking environment in general. This month I want to concentrate on the particular threats and enemies that exist in the different levels of network access: local and wide area networks, remote access and the Internet.

**LAN/WAN – Enemies and Threats**

Standard network policies and procedures need to be followed in any networking environment. The following is a list of each of the threats to your network and the solutions to the issue.

❑ ***Hardware Failure*** – To insure your hardware against loss, we must look at both the workstation and the server level. Each workstation needs a surge protector and each user needs to practice proper installation and shut down procedures. Each server also needs a surge protector but should also be equipped with an uninterrupted power supply. Some form of redundancy and fault tolerance potentially through a RAID array is necessary. A backup tape drive is also "a must" for data protection.

☐ ***Physical Theft Prevention*** – We are looking at normal business security for your property when we talk about physically securing the server and workstations. Adequate locks on the building and server room, security systems and employee integrity (including the maintenance staff).

☐ ***User Authentication*** – The use of proper password protection is key in securing your LAN/WAN. Proper log-on procedures that incorporate using unique passwords (with at least six characters and a combo of letters and numbers), changing passwords periodically, and immediately eliminating passwords for terminated employees will assist in assuring that only authorized users gain access to your network. In addition, proper user habits are particularly important to protect against a data breach. Do all of your employees properly log-off their machines at the end of the day? What about over the lunch hour or when you're away from your desk for any length of time? The key is to be aware of the security issue, assess your situation and log-off if in doubt. One other issue is the ability to "save" your password. Never let your computer save your password. It is more convenient, but it completely negates the benefits of a password if someone gains access to your computer.

☐ ***System and Application Access Control*** – A system should allow every authorized user easy access to the resources and information available. This includes allowing internal users of your network quick and easy access to the network resources the administrator has provided access. Management must decide what resources each level of personnel needs. Then the network administrator should follow the plan and assign access to resources and applications accordingly.

☐ ***Virus Protection*** – The risk of virus infection in your LAN/WAN is focused on the floppy drive in your workstation computers. It is important to have virus protection software installed to allow your users to check diskettes for viruses. It is also important to establish a virus protection policy to ensure that all diskettes are scanned for viruses.

**Remote Access**

When we provide our users laptops and remote access capabilities, our security risks elevate. Let's look at our five risk categories in a remote access environment:

☐ ***Hardware Failure*** – We are now concerned with the failure of the laptop hardware. As such, we are now interested in a strong battery as well as a surge protector. User habits are still very important emphasizing proper installation, shut down procedures and power management.

☐ ***Physical Theft Prevention*** – The most important question in a remote access environment is, "Where is your computer?" Where is it when you go to lunch? When you go home for the day? When you are staying in a hotel? When you get out of your car?

Notebook computers are smaller than they use to be but they are still a pain to pack up and carry over lunch. As this machine has very sensitive information on it, it should be treated as a client file. If you leave it unattended, it should be locked up.

☐ ***User Authentication*** – The trade-off of "ease-of-use" vs. "security" is very clear in a remote access environment. You should assume that some unauthorized user has control of your notebook. Will he find an icon for a dial-up connection to your network? If so, will there be an automatically cached password in the dial-up connection wizard? If so, you have just provided a back door for a thief to enter your network! Users like these features because they're convenient. But the trade-off in security is too high.

☐ ***System and Application Access Control*** – Even if your machine is in the possession of an unauthorized user, there are applications available that monitor and restrict access. Programs such as Norton's, *For Your Eyes Only*, is one application that protects against unauthorized persons from accessing the current systems and provides file encryption and access control to the notebook itself.

☐ ***Virus Protection*** – The virus infection risks are similar to that of your LAN/WAN. Virus protection software is crucial for your remote users.

**Internet**

When you put a door to your network that leads to the public Internet, there are a variety of additional security issues to address. The number of individuals that you need to keep out of your network just increased exponentially. Let's look at the security

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# Future rainmakers

**By Allan S. Boress, CPA, CFE, Allan S. Boress & Associates**

Ever wonder why your partners and staff don't bring in much new business? What is so hard about thinking about business development and then taking some actions to "make rain?"

Don't be surprised. In over twenty years of consulting to this profession, one statistic stands out: only about ten percent of professionals actually produce business ***proactively***.

The good news is that this percentage can be increased through consistently reinforced selling skill development, to help the other 90% learn how to market and sell effectively. Selling and personal marketing are skills that can be learned, just like auditing and tax prep.

The bad news is that few firms are really committed to long-term skill advancement because:

- The partners that need training the most are dead-set against it (resistance to change)
- Most partners live quite comfortably (not enough financial need to move them into action)
- It costs money

More bad news is that the easiest way out of being personally involved in the selling effort is to hire a marketing director, throw some money at "marketing efforts," produce very little bottom-line results (the business still has to be "closed" even if marketed well) and then blame the marketing people. Sound familiar?

**A sure-fire solution**

There may be little you can effect in your firm today to produce more work on a large scale, but a lot you can do for tomorrow besides training to change the future: hire the right people in the first place. Too often in the hiring process, CPA firms only look for the "brightest and the best," a logical idea when the vast concentration of effort in the work environment was mere "ticking and tying." However, our profession has PERMANENTLY changed with the introduction of:

1. Firms not owned by CPAs, but are publicly held and have a Wall Street mindset
2. The introduction of financial services into the product mix that has created much more emphasis on proactive cross-selling, versus occasionally selling some consulting to clients (usually client driven)
3. The five-year requirement for being a CPA that is now national. And, most importantly,
4. A lessening of the natural entrepreneurs we used to attract to more exciting opportunities than public accounting.

**The future of your firm**

For these reasons your hiring practices must dramatically change, even in these times of just finding bodies to fill your existing desks. The single most important factor in the future success of your firm has to be that the staff you hire from now on must be inclined greatly towards marketing. These people will become your future rainmakers and change agents.

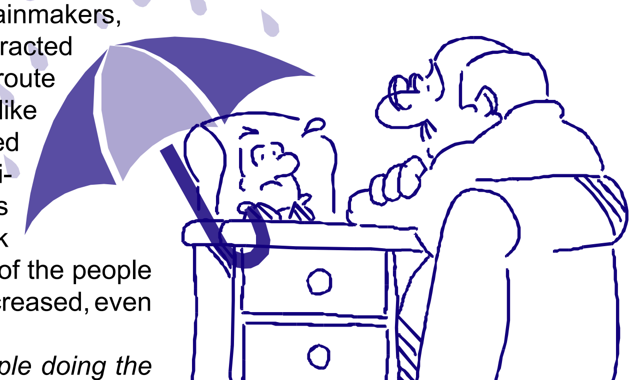
Here are some action steps to keep in mind when recruiting "Future Rain" for your firm:

1. *Be direct in the hiring process:* Let people know from the start of the interviewing process that the way to become a partner is to build a book of business. Yes, some will be scared away. Others, future rainmakers, will be excited and attracted by the idea of a direct route to partnership. People like to know what is expected of them! Every single client that has followed this advice has reported back to me that the quality of the people they have hired has increased, even in these difficult times.

2. *Have the right people doing the interviewing:* Technicians tend to hire … You guessed it. Time and again, I have seen tremendous, positive changes happen in the firm by merely changing the people doing the interviewing. I strongly believe that the marketing director should be involved in the hiring process somewhere (not as a primary!) to act as a lightening rod against hiring more technicians. Firm rainmakers should be involved as well; takes one to know one. Have your business-producing partners do the final screening before making an offer. ALWAYS be thinking the following throughout the hiring process: "Is this person future partner material?"

3. *Interview the real candidate:* Get the future associate "into blue jeans." Remove the interviewing process from the rigid environment of the office or school. Put candidates into a relaxed, casual state away from formal interviewing to find out *what they are really like without their interviewing mask on*. How do they interact with their spouse/significant other? Are they friendly, open, sociable? Do they mingle well? Do they talk about marketing?

4. *Have your staff do the follow up wooing:* People love to be pursued, especially candidates. Why not have your staff follow up with them, instead of the same old crowd? Encourage a bunch of them to email, call and write a note. No, the hiree won't feel overwhelmed, but flattered. And you will separate yourself from the other suitors. By the way, if your staff doesn't want to do this they are telling you one or both of these: They either are not excited about the new addition, or they really



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## JOB MARKET

*Please contact the AAA National Office if you are interested in either a position available or an administrator. AAA members may place ads for administrative positions for free. Ads for non-administrative positions will run $150. Non-member firms may place ads for $250 for administrative positions or $350 for non-administrative positions. Non-member individuals wishing to place position wanted ads may do so for $50. Ads will run in three consecutive issues. Formats and how responses are handled are customized to each advertising firm or individual. Please call the National Office for more information.*

### POSITION AVAILABLE

Columbus, Ohio practice is seeking an experienced office manager. Qualified candidate will be responsible for supervising overall business functions of the firm including billing, collections, payroll, staff scheduling, human resource management, including recruiting and interviewing staff, operation management, facility management, financial reporting and management. Hands-on experience with time and billing system, QuickBooks, Windows 2000, Microsoft Word, Excel, and Access is a MUST. This senior management position works closely with the Managing Principal. Salary is commensurate with experience and qualifications.

For confidential consideration, send your resume and compensation requirements to: AAA, Position #115, 136 South Keowee Street, Dayton, OH 45402.

### POSITION AVAILABLE

Prominent Atlanta CPA firm needs a Firm Administrator. Responsible for hands-on internal accounting; analyzing, interpreting and evaluating operating results; A/R collection efforts; budgeting process; facilities management; human resources. Liaison with marketing and IT managers. Supervise a bookkeeper and some administrative staff. Must be degreed and have excellent communication & MS computer skills. Professional service firm experience preferred. Send resumes to W.F. Morris at Babush, Neiman, Kornman & Johnson, 5909 Peachtree Dunwoody Road, Suite 800, Atlanta, Georgia, 30328; fax (770) 261-1901; e-mail wmorris@bnkj.com.

### POSITION AVAILABLE

Firm administrator needed by large growing CPA firm in southern Arizona. A dynamic individual is sought with excellent financial accounting and managerial skills. Personnel management experience also a plus. Outstanding benefits package. Reply to: RGH, Beach Fleischman & Co., Tucson, AZ 85719, fax 520.321.4040 or email rharbour@beachfleischman.com. Please review our website for information regarding our firm at www.beachfleishman.com.

# Future rainmakers

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don't care about your firm.

After hiring, only match those with marketing potential with rainmakers. Staff tend to become very much like their boss. Don't deflate marketing as a priority by assigning future rainmakers to the firm's introverted technicians who don't understand or appreciate the marketing effort.

You can create your firm's future through intensive business development training of your existing partners and associates as well as controlling the interviewing process (or the marketplace can invent it for you)!

*Allan Boress, CPA, CFE is the dean of sales consulting to our profession. Nobody has trained more CPAs and professionals in the art of systematic selling, personal marketing and client retention since 1980. His new book is "How to Master the Art of Marketing Professional Services" and is available on the web at www.ihateselling.com or 954/345-4666.*

# SQL-version of Visual Practice Management

CPASoftware announces the addition of a Microsoft SQL-Version to Visual Practice Management (VPM), the flagship product of its accounting suite.

A leading product among practice management software, Visual Practice Management was first introduced in 1996 using a Microsoft Access Database. Currently over 3,000 firms across the United States and Canada use VPM to track, bill and manage the daily time of their practice. This new SQL-version of VPM offers medium-to-large and multi-office firms, an even more robust database environment.

Customers who have upgraded to the SQL-version of Visual Practice Management, have experienced a seamless transition from the Access version. They are enjoying the power of the SQL database yet report no changes to the intuitive and award winning user interface of VPM.

New customers can purchase either the SQL-Version or the Access-Version of Visual Practice Management depending on their practice management needs. Existing customers interested in upgrading to the SQL-Version of VPM should contact CPASoftware for upgrade pricing.

CPASoftware, an accounting software provider since 1975 has offered Time & Billing and Practice Management software packages for over 21 years. In 1999, CPASoftware began releasing its accounting and tax suite of products for the Windows environment, including: Client Write-Up, Accounts Payable, Payroll, Depreciation, Business Tax, 1040 and 1041 Tax. For more information, visit CPASoftware's website at www.CPASoftware.com.

# Keep your clients for life

*By Eileen O. Brownell*

***The average company loses approximately 20% of its customers each year.***

*Patricia Sellers, "What Customers Really Want", Fortune*

About four years ago, I decided to purchase a wireless phone and headset for work. At the time, none of the local chain stores were carrying these specialized products and I was hesitant to purchase the items through a catalogue or the Internet. A few years before, I had encountered a local company, Headsets Plus at the annual Chamber of Commerce Business Showcase and decided to give them a call. It was one of the best business decisions I have ever made.

It did not take long for me to realize the owners of Headsets Plus had developed and perfected their own brand of creating and retaining loyal customers. “Customer service is our number one priority and product,” explained owners Chris and Julie Hill. Both had been in other careers before venturing into the world of telephone equipment and services. One of the lessons they had previously learned was that without repeat customers, the cost of creating new business was astronomical. When we discussed some of their various techniques for creating loyal customers here are some suggestions they shared.

**Make it convenient for the client.** If a client needs assistance at 7:00 a.m. in the morning, then be there! Businesses need to operate on client time, not their own time. That is why so many Internet businesses are currently folding; assistance is not available or convenient for the client.

**Create a customer advisory board.** If you are creating or selling a new product or service, ask for client input. You can either do this one-on-one of through informal group meetings with no more then eight individuals at a time. During the course of the meetings, establish specific customer needs, will the product address those needs, what changes if any would improve the product/service and establish how would it be best to introduce the new item.

**Give your clients business.** Patronize the businesses that use your services and products. People want to do business with others who are willing to buy from them.

**Recommend your clients to others.** When you promote your client’s services or products, it creates goodwill for your business. It further indicates you are willing to share clients and leads and are concerned with the success of your client's business.

**Always listen to your clients.** Listening is a real rarity in this day and age. Clients want to know the information they provided was genuinely heard and then acted upon. Be sure to let you client know how you followed up on their complaint or request.

**Send thank you cards.** It only takes a few minutes to handwrite a note that extends sincere appreciation for your client’s purchase and time. The few minutes and small amount of money you extend during the thank you process is worth far more then any major advertising campaign.

**Maintain a positive attitude**. Even when the going gets tough it is important to always have a positive attitude toward the client. Clients do not care that you have had a lousy day; they want quality service with a smile.

**Be a resource.** Regardless of what your client needs, be willing to send them to your competitor if you are unable to provide the product or service. Also be willing to do research to help them make the best possible selection even if it has nothing to do with your products or services.

**Give back to your best clients.** Occasionally offer a special, provide a discount or open your facility special hours for only the clients who have expended a considerable amount with your organization.

**Be accessible.** A business that is only open and available for their own convenience will soon loose clients. Being available to answer questions, make referrals or provide services and products, especially when your competitor is not available will endear you to your client.

**Create trust.** Your credibility is always on the line. Be honest, straightforward and don’t make promises you are unable keep. If you fail to establish a credible reputation, your clients will soon be doing business with your competitors.

**Return phone calls promptly.** If you do not respond to your client’s requests within 24 hours, they will go elsewhere. Be sure to check your voice mail messages regularly so you can respond quickly to client needs.

**Deliver what you promise.** Never make an offer or promise you will be unable to keep. It is better to deliver a product early then give a delivery date that is unattainable. Always project a delivery date that considers unforeseen manufacturer challenges and potential problems with the mail or delivery service.

**Own your mistakes.** “We goofed,” is open, honest and straightforward. When you own your mistakes, it creates trust with your customers. Be sure to follow-up with how you will rectify the unfortunate situation.

**Stay in touch with your clients**. When you have not heard from your client in what seems like a long time (two weeks, a month, more then what is normal), give them a call. Is everything all right? How are they doing? Is there anything you can do to help?

**Send them articles of interest.** If you know someone is considering purchasing a new computer (this is not your specialty) for example, and you come across a magazine article outlining how to purchase a new system, forward it to the client. It shows you have truly listened to them and that you care about the success of their business.

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## Security

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measures available to you in an Internet environment.

☐ ***Hardware Failure*** – The question to ask here is, "How critical is 100% Internet uptime?" If you are providing application services to your clients over the Internet, the cost of a temporary hardware failure just went off the scale. Redundancy and fault tolerance remains important, but the ability to quickly react and repair is crucial. If you are not providing these services, your hardware failure risks are similar to those of your LAN/WAN and remote access environment.

☐ ***User Authentication*** – The use of the Internet and the ease of hacking passwords today encourages the use of unique authentication methods. The fundamental ways a computer can recognize a person are 1) Something the person knows (ie password); 2) Something the person has (i.e. a physical key or card); 3) Something the person is (ie a signature or fingerprint); or 4) Somewhere the person is (ie a particular terminal or location). Again, there is a trade-off. A simple password is the easiest and cheapest security method to install. But will it be good enough? Probably. But when Security Software Technologies provides L0phtcrack (www.securitysoftwaretech.com/l0phtcrack/), a program that will crack 90% of passwords in less than 48 hours, it makes me wonder how much longer will it be "good enough". (L0phtcrack can be used as a free trial for 14 days and purchased for $100)

Virtual Private Networking (VPN) is a popular method of securing the privacy of your connections. With the use of protocols (communication rules) such as PPTP (Point-To-Point Tunneling Protocol) or IPsec (Internet Protocol Security), you can utilize the public Internet for private communication much like the phone company uses the public lines to allow private conversations between two users.

Another method for ensuring that only authorized users are able to read information sent over the Internet is through the use of encryption. Encryption has been in existence in one way, shape or form since old wartime days with the use of Morse code. Although a simplistic example, the idea is the same: Getting the message across without using plain, easy-to-read text. And then having to, in a sense, decode the dots and dashes to words. Today, there are a good number of sophisticated applications available to users that will provide encryption without having to establish a point-to-point private connection.

☐ ***System and Application Access Control*** – A significant defensive measure to enhance access control is through the use of a firewall. A firewall separates and protects your network from outside intrusion by the use of related programs that require the use of secure log-on procedures and authentication certificates. A firewall should be located on a separate piece of hardware that sits between your network and the outside world to act as your main perimeter defense and restrict access to authorized users. In addition to access control, firewalls provide intrusion detection, concentrated security, enhanced privacy and even a certain level of virus protection.

When listing all the things that firewalls can do, it is important to note what they do not do so as to avoid a false sense of security. They cannot restrict access to desirable services, or they may block services that internal users want. It is also important to remember that a firewall can only control traffic that travels through it. Therefore, if your have a remote access line that does not go through the firewall, you have a potential back door to your network. Finally, firewalls provide little protection from inside attacks. May sound obvious, but it is often overlooked.

☐ ***Virus Protection*** – It has become clear over the last few years with the Melissa and most recently, the ILOVEU email virus, that viruses can cause major problems and downtime in your organization. Users should remain suspect of all attachments regardless of the sender and should be informed to scrutinize any with a .vbs or .exe extension. Virus protection is mostly an awareness issue. Constant communication to increase awareness is critical.

**Conclusion**

Obviously, none of these security measures will do any good if they're not established, communicated and applied. Tune in next month when we will discuss the policies and procedures necessary to establish a Comprehensive Security Strategy.

## Evaluations

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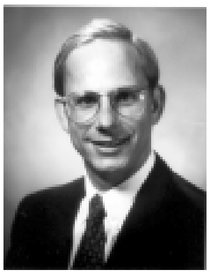
3. At our firm, I have said for many, many years that there should never be any surprises be it in a termination or in an annual review. This time of the year, at the annual performance review session, it is a "total recall" document reflecting 12 months of work. If something totally new needs to be surfaced now, you probably haven't done your job thoroughly enough during the year in communicating with that employee. So it is important that you share your concerns about performance as the issues occur and you should ensure that they are appropriately documented. Should it become necessary to bring up "new performance issues" that have not been brought to the forefront in the past, you must recognize that the matter has not been formerly brought to the employee's attention and you need to inform and recognize those facts up front with the employee in a manner something like: "I recognize that we haven't formally discussed. . . but I felt it appropriate to bring this issue to your attention during this review because. . .". So, overall, clarity in your written messages will not only protect your company from potential outside legal challenges, it will help build a shared sense of open communication, a greater sense of partnership, and an increased accountability. In our role as firm administrators, it is our responsibility to ensure that the entire performance evaluation process is taken seriously, is conducted in a most proficient and efficient manner, and that it is, when all is said and done, a win-win situation.

# CPA Software

# AAA 2001 intranet survey

***By Roman Kepczyk, CPA, InfoTech Partners North America, Inc., Phoenix, AZ***



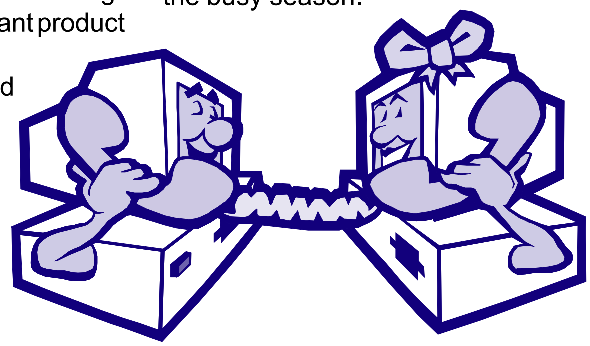
The Association for Accounting Administration performed a survey of its membership in February 2001 to find out about intranet utilization within member firms. The survey found that 47% of the 76 respondents currently had an intranet in place. With some firms having an intranet for five years and the respondents averaging over 1.8 years, these statistics point to intranets as a viable technology for your firm if it has not already implemented one.

In general, an intranet is nothing more than a centralized storage container for consolidating various firm information resources. It utilizes Internet technology to present and maintain this information in a web page through a browser. An interesting finding of the survey was that 39% of firms had their browsers default to the firm intranet, which increased overall utilization. Please note, a key difference between an intranet and the Internet is that the data is available only within the firm to those with proper authorization, which greatly increases the security of that data.

The survey also found that utilization of the intranet was very high as firms reported that 54% of staff accessed the intranet on at least a daily basis (69% on a weekly basis and 77% at least monthly). The variety of features that firms utilized varied with the most popular items being personnel manuals, firmwide forms, and employee extension and address information. Below is a table outlining various features and the percentage of firms that had this feature as part of their intranet.

The survey also looked at the personnel and time resources that were required to maintain the intranet. All but one firm maintained their own intranet internally. On average firms spent just under six hours per week maintaining their intranet and this work was usually split between two people (1.8 hours average). The tool of choice for developing and maintaining the intranet was Microsoft FrontPage (74%) with no other dominant product mentioned.

While the study showed firms were happy with their intranets, many wished that they were more cosmetically pleasing and that there were more ways to get employees to use them. Additionally, they wanted ways of linking to other databases within the firm. To provide further guidance on Intranets, the Association for Accounting Administration will be providing a Guide to Intranets for member firms following the busy season.



## What do firms include on their intranets?

| | |
|---|---|
| Personnel manual | 89% |
| Firm telephone extension list | 78% |
| Firmwide internal forms | 78% |
| Employee address/phone information | 75% |
| Links to business web sites (fax, audit, administration) | 69% |
| Current firm calendar (events) | 67% |
| Accounting, tax, or audit forms | 64% |
| Accounting, tax, or audit procedures | 61% |
| Current firm information (newsletter) | 56% |
| Employee photograph/office location | 56% |
| Links to web-based search engines | 56% |
| Employee birthdays | 53% |
| Training schedule/CPE notes/application “cheat sheets” | 53% |
| Links to employee benefits administration | 50% |
| Help Desk/Support/FAQ’s (frequently asked questions) | 50% |
| Marketing materials (engagement letters/PowerPoint) | 44% |
| Special niche areas | 42% |
| Minutes from firm committee meetings | 36% |
| Secured sections for owner/manager information | 31% |
| Reports delivered from software applications | 31% |
| Employee check in/out board | 22% |

## Keeping clients

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**Treat a $5 order just like you would a $5,000 order.** Treating your clients equally builds rapport. That $5 order may very well be the next $5,000 order because you created a solid and equal foundation of service and care.

**Give them choices.** Provide as many options as possible with ample information to help the client make a decision. When you give them choices, you are giving the client control of the situation. People are happier when they feel they are in charge and have options

**Honor each client's uniqueness.** Always take the time to understand the individual needs, concerns and issues of each person in an organization.

**Respect the client's time.** The client's time is just as important as yours. When people have to wait, frustrations arise. If it is necessary for the client to wait, always apologize and offer an alternative to waiting.

Long-term success in today's highly competitive business world is dependent on your ability to develop clients for life. Clients after all are your livelihood, without them, you could not exist. Your primary business is people. In order to sell your product or provide your service, you must have people who are in need of what you have to sell. Your ability to create positive client relationships by using a few simple people oriented techniques will help you to develop and maintain clients for life.

*Eileen Brownell is a visionary who works with organizations . She provides seminars and keynote addresses on customer service, communications, conflict resolution and team building. She can be reached at 888-324-6100, Trainstars@aol.com or view her services at www.eileenbrownell.com*

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# Being at choice

***By Linda Talley***

It just hit me the other day as my plane was landing at Chicago O'Hare. The flight attendant said: "Thank you for flying Continental and have a great day." Now, I have probably heard that a thousand times but on this particular day, it scored a home run.

I did have a choice. So many times, I might think that because the plane is late or I didn't get to upgrade to first class that my day is down the drain. A leader doesn't think that way. A leader takes the cards he or she is given and plays the hand. In fact, leaders love choices. And so given the choice between having a good day or not—why pick the OR NOT. Leaders don't. I always have a choice but it's up to me to choose. Leaders pick the choice that moves them forward with focus and direction and high spirits. Keep in mind, if you're not leading, you're in the middle of the pack and it's not fun.

I began thinking back to how many times I have chosen the OR NOT vs. the good day. When I was working for a corporation and my boss told me that the project wasn't well received or the report wasn't complete, usually I chose the OR NOT. So the rest of my day was in the toilet. Or another time, during a meeting, and one of my competitors (peers) made an underhanded remark about the level of my work or commitment, I tucked my tail between my legs and chose the OR NOT. I wonder, now, why I kept choosing the OR NOT.

When I think back to those times, I ask myself: What's wrong with this picture?

When I began my own business and a prospective client didn't hire me, I was devastated—or at least lacking greatly in self-esteem for several days. Or perhaps I didn't make my financial projections for the month and I complained loudly to my friends or anyone who would listen. Again, as I look back, I chose OR NOT. Why? I have free choice just as you do. The $64,000 question is why do I always pick the OR NOT.

Finally, I have figured it out! It's simply training. We have been trained to look for the OR NOT rather than the good day. Depression Babies trained Baby Boomers who then tried to train Generation X. Thank goodness they're rebelling!

So, that being the case, it's time to retrain. Here's how to do that:

1. Realize that you do have a choice every second of everyday!
2. Think about which choice will make you feel better and which one will make you feel worse.
3. If you choose something and it doesn't feel good, change it! Choose again!
4. Choose the one that will make you feel better, i.e., good day.
5. Reframe your thinking along the good day and plan your day accordingly.
6. Enjoy the good day rather than wallowing in self-pity.
7. See how many times you then catch yourself smiling the rest of the day.

*Linda Talley is a Houston-based professional speaker on topics of effective communication skills, leadership, customer service and retention. She will be a featured speaker at the upcoming AAA National Symposium.*

# Flextime as a tool for staff retention

***by Michele Groden, Rochester, NY***

We all know that attracting and retaining talented employees is a challenge for accounting firms today. Many employers are offering flexible schedules in an effort to keep qualified staff who might otherwise abandon their career track to start a family. While firms offer these arrangements to all employees, women are most often the participants in flexible scheduling.

The AICPA conducted a survey in an effort to dispel some myths that have arisen regarding flexible work arrangements. Respondents were primarily women who were well established in their careers, but at a stage when they were most likely to begin families. They were either currently working under a flexible schedule or had young children and were thinking of trying a flextime approach.

One of the myths clouding the flexible schedule issue is that salary, promotions, work performance and relationships with colleagues will be impacted negatively. Survey results showed that those who have adopted an alternate work arrangement found the consequences less serious than anticipated. Salary and promotions seemed to be based on performance rather than number of hours worked.

When asked if relationships with peers were affected, survey respondents indicated that any concerns about being “out of the loop” were unfounded. A final concern relating to work performance was also less serious than anticipated - competency was not compromised when hours were reduced. Client service could potentially suffer, but with careful attention to scheduling of engagements, very few problems occurred and clients were timely served.

One negative came out of the survey regarding finding a balance between work and family life. Most women surveyed felt guilt – that they were not doing enough for their employer and not doing enough for their family. But this was also true of most women who chose to work full time schedules. Despite these conflicting feelings, most women on flexible schedules rated their balance between work life and home life higher since reducing their hours in the office.

Although employers might argue that flexible schedules are a cost to them, the survey results indicate that employees tend to become more efficient and work harder to accomplish more in a shorter period of time.

What would survey results be without some statistics? Of those surveyed, 80% worked reduced hours (as opposed to shifted hours). Only 65% reported a decrease in job responsibilities in terms of number of client engagements, amount of travel, or quantity of administrative responsibilities. Do the math – this means 15% continued to successfully accomplish the same level of work in fewer hours.

Does a flexible scheduling arrangement really contribute to staff retention? According to those surveyed, more than 80% would have left their positions if denied the flexibility. And here’s the retention quantifier – those same 80% said that their gratitude made them more likely to stay with their present firms.

For employees considering a flexible schedule request, here are some tips. Establish good relationships with superiors. Be clear with a plan for success. Share your plan with peers. Communication will avoid misunderstandings and anxiety about your share of the workload. And accept the fact that there will always be some degree of conflict between work and family.

Don’t be too hard on yourself!

# Knowledge Concepts and CPA Systems announce partnership

Knowledge Concepts, Inc. announced the completion of a partnership agreement in which CPA Systems and KCI will form a strategic marketing alliance.

FirmWorks software provides Sales Force Automation, Customer Relationship Management and Process Automation functionality for accounting firms. Knowledge Concepts is the developer of FirmWorks and provides consulting services to professional service firms.

CPA Systems provides integration services including Local and Wide Area Network design, implementation and support.

"This alliance adds a key layer for our clients. CPA Systems has extensive knowledge of accounting applications and a great reputation for building solid infrastructures," said Tom C. Davis, President of Knowledge Concepts, Inc.

"Partnering with Knowledge Concepts, Inc., allows CPA Systems to both leverage the Lotus Notes investment of our clients and to fill a significant void in the current professional service automation solutions available in the CPA vertical. FirmWorks provides the only integrated, comprehensive Client Relationship Management and Project Management solution designed specifically for CPA firms. Knowledge Concept's FirmWorks significantly improves the CPA firm's ability to maximize staff productivity and improve client services," said Frank Gshwandtner, President of CPA Systems, Inc.

Knowledge Concepts has offices in Atlanta and Valdosta. CPA Systems is located in Atlanta, GA.

For further information, contact John Stein, Vice President of Sales and Marketing at 888.832.4823.

# AAA CHAPTER NEWS

*Membership in a local chapter of AAA is a great way to continue throughout the year the great networking and educational opportunities that have made our National Symposium a success!*

*Members often travel considerable distance to connect with their peers, sharing ideas, experience and resources. By sharing the latest Chapter News, our hope it that all will benefit from these great ideas and experiences!*

## Atlanta Chapter

*by Patty K. Bedell, Secretary*

The Atlanta Chapter does not meet during February and March. For the April meeting, Paychex Business Solutions is scheduled to speak regarding professional employer organizations (PEOs). They offer Fortune 500 level benefits and administration services to small and medium size companies through a "co-employment" relationship.

## Florida Chapter

*by Laura Kuehler, President*

Our February meeting was held in Altamonte Springs. *The Latest and Greatest in Hiring!* was presented by Barry Schreiber, Summit Consulting Group, Lake Mary, FL. (summit@sundial.net). Barry gave a presentation emphasizing the cost of turnover (estimated at 150% of an employee's annual income) and presented ways to recognize the problems resulting from turnover. During the discussion, nearly all of those in attendance were in agreement regarding causes of turnover and the effect it has on the firm. According to Summit Consulting, the main cause of turnover is hiring mistakes. In alignment with this, Barry offered suggestions to avoid common hiring mistakes. First, to build a position success profile; develop the selection criteria; find and select the top candidates; check references, then finally offer the job. Summit Consulting Group, a division of BRS SOLUTIONS, Inc. is a full-service consulting firm with special emphasis on human resources and performance management. Summit Consulting is available to introduce *The Right System* – Leading Edge Processes to update your skills in selecting the right person for the job, reducing turnover and improving worker performance. According to one FL-AAA member whose firm has implemented *The Right System*, their firm is seeing success with this program. FL-AAA's next meeting is scheduled for May 11, 2001, at the Terrance Hotel in Lakeland, FL (863-688-0800). Creative Solutions will give a presentation on technology in the future.

## Illinois Chapter

*by Dianne DeBartolo, Secretary*

In August we held a combination meeting and annual golf outing at the Rolling Knolls Country Club in Elgin, Illinois. At that meeting new officers were elected: Rosemary Heinrich of Nykiel, Carlin & Co., Ltd., President; Wendy Kaplan of Michael Silver & Co, Vice-President; Donna Cimino of Heinold-Banwart, Ltd., Treasurer; and Dianne DeBartolo of Pandolfi, Topolski, Weiss & Co., Ltd., Secretary. Ideas submitted by members to the IAAA's Innovative Contest were the topic of discussion. After the meeting the balance of the afternoon was dedicated to golf. Prizes were given for the longest drive, longest putt, chipping contest, closest to pin, lowest score and high score.

Our October meeting was hosted by Wendy Kaplan of Michael Silver & Co. Professional liability insurance and employee benefits were presented by representatives from P.J. Flanagan, a Chicago insurance brokerage firm. Our December meeting was hosted by Laurel Waszak of Crowe Chizek. At previous meetings we have asked members to recommend their favorite vendors and have them give a presentation at our December meeting. Fourteen vendors presented products and services such as office supplies, cellular services, furniture, marketing, advertising, catering, insurance and more. Drawings were held for prizes donated by the vendors, which included high quality office seating, electronic equipment, cell phones and more. We also held our annual Secret Santa exchange, which included a grab bag. Our February meeting was held at the AICPA headquarters in Chicago. Our speaker was Marion Baker of True Spirit Coaching who presented ideas on how to achieve balance in our lives.

Additional seminars and presentations have covered such topics as stress management and hiring, developing and retaining talented employees. Many of our members are looking forward to attending AAA's National Symposium.

## Indiana Chapter

*by Peni Volz, President*

The Indiana Chapter meets five times per year. The chapter had a great turnout for the February meeting which centered around a discussion of technology. Plans for the May meeting are underway and a suggested topic is "Ergonomics in the workplace". The chapter is very excited about the November 2000 meeting. A membership "fiesta" was held and over one hundred firms in Indiana were contacted and invited to attend free of charge. Several attendees have since joined the chapter! The fiesta was a success!

## Michigan Chapter

*by Pat Pehrson, President*

Although no meetings are held from January through April, here's news about some prior meetings of the chapter.

September 2000 – Daniel McCabe, an independent insurance agent, compared health insurance benefit packages by various providers and their costs. He also presented information on long term health coverage.

October 2000 – Representatives from Danka, Inc. and the Polak Group discussed "Digital vs. Analog" copiers and where the future of digital technology is leading us.

November 2000 – Representatives from

*(continued on page 12)*

## Chapter news

*(continued from page 11)*

CCH and BNA squared off to present their "best new stuff" on tax research using CD-Rom and the Internet.

January 2001 – Stan Blosser from ECHT Inc.'s E-Group made an excellent presentation on systems administration, internet connectivity and e-commerce. (Stan also developed the Michigan Chapter's web site which can be found at www.micpaadmin.org). Staff were invited to this meeting and they were able to engage in "techno geek" conversations with Stan! It was a great exchange of ideas and information. Members of the Michigan Chapter have been asked for ideas for the May meeting. The meeting may turn out to be a much needed "unwind" session after tax season!

### New York Chapter

*by Sharon Stern, President*

The New York Chapter does not meet during busy season. The May 2001 meeting will be a networking meeting with members sharing their problems and successes during tax season. And under consideration for the June meeting is a speaker to discuss "marketing."

### Ohio Chapter

by John Jackson

The Ohio chapter is operating its own web site, created in 2000. Recently they made their newest web site feature available to their members: BrainExchange.

Jim Fahey of Brott Mardis & Co. demonstrated his advanced technical expertise in implementing this for the chapter members to share one another's knowledge, resources, and experience! Words can't describe it so members have to use it to realize what it can do. Users can ask questions of fellow AAA members or look at other issues/questions that members are posting. In addition, each article has links to let others reply to it (continue the thread) and navigate the posting list. To get there, go to www.ohioaaa.org and click on the link for BrainExchange or go directly there with www.ohioaaa.org/disc3_frm.htm.

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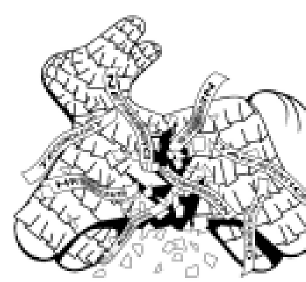
**Mark your calendar now for the 2001 AAA National Symposium in San Antonio, TX June 20-23, 2001**

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