



**The Ultimate  
Guide to  
Positioning  
Yourself as a  
Trusted Advisor**

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**LOCKHART INDUSTRIES**

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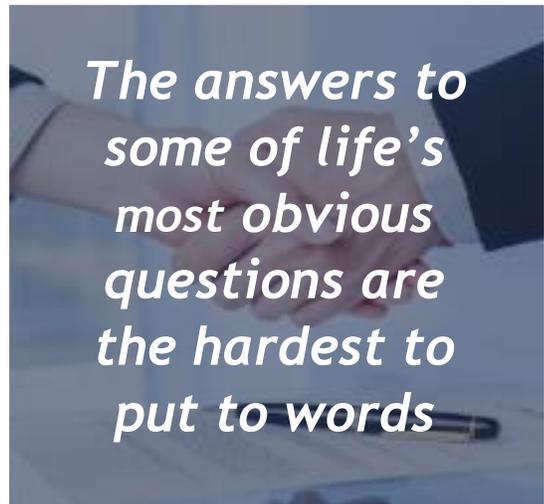
# Introduction: Are Intangibles Soft?

Insights you can use starting today to improve client retention and margins by empowering clients, refining listening habits, and leveraging “Talk Triggers”

Why do you love your spouse or partner? ... your children? ... your best friend? Why do you trust certain people to do the right thing in high-stakes situations?

The answers to some of life’s most obvious questions are the hardest to put to words. We love certain people, pay well-above-average prices for certain brands and service providers, avoid people we have no specific reason to avoid, and in some cases trust people we barely know with delicate information. The reasons aren’t always rational. They lie in the deepest and most primitive part of our brains—the limbic brain. (Sinek, 2009)

In a business context, you may be able to give a rational explanation of why you trust someone because you’ve been asked point blank and forced to reflect on it.



- “She’s consistently delivered above-average work on-time,” you might say.
- “He once referred me to a competitor who was better suited to handle a specific challenge.”
- “She brought us take-out after my son had his appendix taken out.”

All good reasons.

# Introduction: Are Intangibles Soft?

But you don't trust people or pursue business partnerships for purely rational reasons that you can easily articulate. You do it because it feels right. Science has shown that we make decisions based on emotion and instinct, only to rationalize them *after* the fact. (Camp, 2012)

## Are Intangibles “soft?”

Your technical competence, skill and character may set you apart from 99 out of 100 other people, but if you come across as egocentric or disengaged, it will directly impact your revenue

and client retention. That's why intangibles—intimacy, confidence, empathy, solidarity, curiosity, and the ability to increase your clients' self-regard—are so important to the CPA profession as we transition from compliance services to strategic advisory and consulting services.

At Lockhart, we endeavor to help CPAs position themselves as trusted advisors, regardless of whether they're doing business with us. Even if you're already an exceptionally strong communicator, we hope this guide will help improve the quality of your professional relationships.





Many services CPAs have traditionally provided, such as audits and tax returns, are becoming commoditized. Compliance services are increasingly supported by automation and cloud-based software as a service (SaaS) platforms, compelling CPAs to redefine the nature of their relationships with clients. CPAs and CPA firms today aim to be seen as trusted advisors rather than technical professionals or vendors. For many of us, it's top-of-mind.

Many of you have seen the writing on the wall and are moving into a more dynamic consulting and advising space. CPAs have always been known for reliability and character, but all professionals can benefit from a deeper understanding of how to attune to clients, identify their wants and communicate intangibles.

If we want to maintain healthy margins and low client turnover in this changing business landscape, that demands that we focus on intangibles and small gestures at least as much as so-called "hard" skills. It also demands customizing our services to clients' needs and unspoken wants. But being a trusted advisor isn't just about healthy margins and client retention. **It's about feeling empowered by your work, even taking joy in it.**

***“When clients don’t buy what a CPA firm is selling, it’s unlikely that they don’t want what you’re selling. Most likely it’s that they’re not buying how the service is being sold.”***

*Trusted Advisor blog, “When Clients Don’t Buy What a CPA Firm is Selling” (Trusted Advisor Associates LLC, 2007)*

# Challenges & Opportunities for Professional Services

## The Science of Building Trust and Memorable Engagement

We recognize that shifting your focus from compliance services to things like tax planning and strategic advising can be daunting. For accountants and CPA firms, this means not only expanding their scope but communicating their value in interesting ways.



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Fortunately, you don't have to get an MBA to position yourself as an advisor or consultant. Trust is the most important part of any business relationship and doesn't require a specific set of credentials. We've identified three essential ways you can position yourself as a trusted advisor:

1. Empowering clients with resources and proactive advice

According to a [survey](#) of 188 small- to midsize businesses (SMBs) by [Sleeter Group](#), an accounting tech consultancy, *proactive strategic advice* was the #3 criterion SMBs used to select their CPAs. This followed closely behind expertise (#1) and responsiveness (#2). The same survey reported that the #1 reason SMBs cited for switching CPAs was “Did not give proactive advice, only reactive.” (Sleeter, 2014)

In part I of this paper, we discuss ways to rise to these challenges without breaking your back.

# Challenges & Opportunities for Professional Services

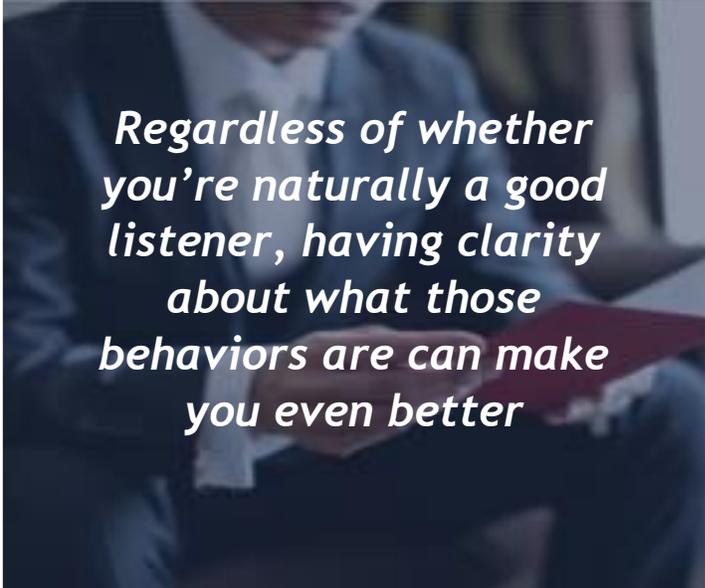
## 2. Honing excellent listening habits

Good listeners consistently demonstrate certain behaviors. Regardless of whether you're naturally a good listener, having clarity about what those behaviors are can make you even better. Many people who are known as excellent listeners weren't born that way—they acquired their skill through discipline and refinement.

There are dozens of books available about the practice or “art” of listening well, so we won't discuss the matter exhaustively. But in part II we'll provide some key insights about connecting with people, asking the right questions and recognizing what's being said in the all-important subtext of conversations.

## 3. Evoking positive feelings with simple, memorable gestures

You have likely never heard of the Christie Cookie Company. However, if you've ever stayed at a DoubleTree Hotel, you've probably relished one of their fresh-baked, chocolate chip cookies after a long day of travel.



*Regardless of whether you're naturally a good listener, having clarity about what those behaviors are can make you even better*

# Challenges & Opportunities for Professional Services

Every jet-lagged guest (75,000 a day!) gets one upon check-in, and has for years, creating a word-of-mouth marketing machine for the luxury hotel chain that saves millions on advertising. This is what consultant and author Jay Baer calls a “[Talk Trigger](#)”—a simple, repeatable and memorable gesture that places you in a category outside and above your competition. (Baer, n.d.) Story Brand founder Donald Miller has called Talk Triggers “the best, most efficient kind of advertising you can do.” (Baer J. , 2018) But you don’t have to be a marketing genius like Jay Baer or Donald Miller to make yourself memorable and work with highly-engaged clients.



*Talk Trigger is a simple, repeatable and memorable gesture that places you in a category outside and above your competition.*

That’s what we talk about in part III

These three things—proactive and unusual displays of resourcefulness, excellent listening habits, and evoking positive feelings—will help establish ironclad trust. You can start today making tweaks in the way you approach clients that will make a difference along each of these dimensions.

# Empowering Clients with Resources and Proactive Advice

## I. Empowering Clients with Resources and Proactive Advice

“The human capacity for problem redefinition and creativity is what a successful advisor brings to every situation. It is unlimited; it only gets better with practice.”- *The Trusted Advisor* Many services traditionally provided by CPAs are already supported by automation—a trend that will accelerate as cloud-based tax software becomes better and cheaper. A [recent article](#) in *The CPA Journal* noted, “Clients who only want a tax return prepared with no advice are turning away from CPAs, especially on the low end.” ...This will become even more accelerated in 2019, with the doubling of the standard deduction. *CPAs will need to become more adept at providing business-based advice and tax planning services.*” (emphasis added) (Ackerman, 2018)

We actually believe that technology, [rather than imperiling the industry](#), will empower many CPAs and accounting firms to provide a higher level of service. However, laggards will fail—possibly in droves. (Sheedy, 2017) So while there are plenty of aspirational reasons to go into advisory and consulting services, consider that bots are likely to take over traditional tax preparation services.

However, the core purpose of the CPA profession has never been to generate reports; it’s “Making sense of a changing and complex world.” (Journal of Accountancy, 2011) We believe the following three ideas can help you position yourself as a proactive, trustworthy and valued advisor.



*The core purpose of the CPA profession has never been to generate reports; it’s “Making sense of a changing and complex world.”*

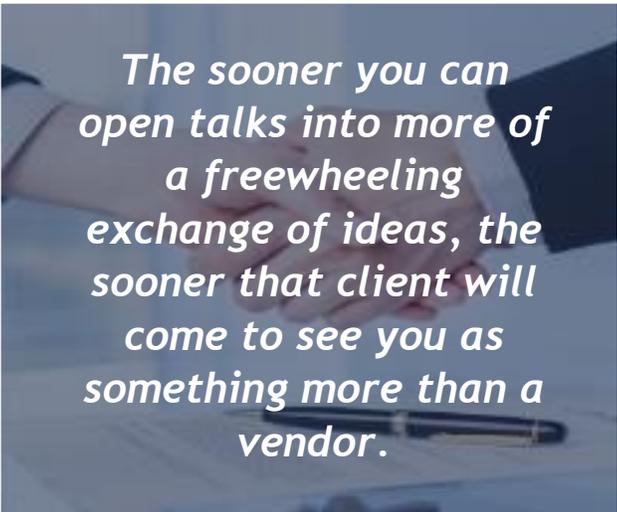
# Empowering Clients with Resources and Proactive Advice

## Establish a Vetted Professional Referral Network

In many instances, you may find it professionally valuable to be able to refer clients to other professionals who can help them with unique needs. These may be outside professionals who

specialize in complex areas of the tax code. They may offer services that fall completely outside of your field, ranging from HR to landscaping. A strong network can position you as a one-stop shop for people facing various business challenges. (Winslow, 2010)

The other advantage of this is being able to get answers when you need them. If you're a consultant, what you know is less important than who's in your Rolodex (pardon the anachronism).



*The sooner you can open talks into more of a freewheeling exchange of ideas, the sooner that client will come to see you as something more than a vendor.*

## Treat Prospects as if you Had Already Won Their Business

Whether dealing with an existing or prospective client, the sooner you can open talks into more of a freewheeling exchange of ideas, the sooner that client will come to see you as something more than a vendor. Of course, you must respect boundaries, and some client-CPA relationships are always going to be transactional in nature, so invest your time appropriately. But a more intimate, conversational sales process will generally result in the highest-value clients.

# Empowering Clients with Resources and Proactive Advice

*“Because the best-selling is virtually indistinguishable from doing, the CPA firm should design the sales process as much as possible as if it had already won the job.”*

*-Trusted Advisor blog, [“When Clients Don’t Buy What a CPA Firm is Selling”](#)  
(Trusted Advisor Associates LLC, 2007)*

## Challenge Assumptions and Give Advice Freely, but Tailor your Style to the Relationship and Context

Giving business advice requires a combination of confidence and delicacy.

The *Trusted Advisor* notes that advice giving “is almost always an emotional ‘duet,’ played between the advice giver and the client. If you can’t learn to recognize, deal with, and respond to client emotions, you will never be an effective advisor.” (Maister, 2001)

### [Blog]“7 Ways to Solicit Testimonials from Clients to Boost Your Business”

Challenge ideas and assumptions with a balance of courage and delicacy.

It can be hard to listen to someone suggesting, however tactfully, that there are areas of your business that you’re getting too bogged down in, opportunities you might not be taking advantage of, or lifestyle changes you need to make to achieve your financial goals. Being able to deliver that kind of strategic advice requires a good sense of timing, being attuned to your client’s feelings, and at least the appearance of mutual respect. That all begins with listening.

*Giving business advice requires a combination of confidence and delicacy.*

# Honing Excellent Listening Habits

## II. Honing Excellent Listening Habits

*“Most people do not listen with the intent to understand; they listen with the intent to reply.”*

*- Steven Covey, “7 Habits of Highly Effective People”*

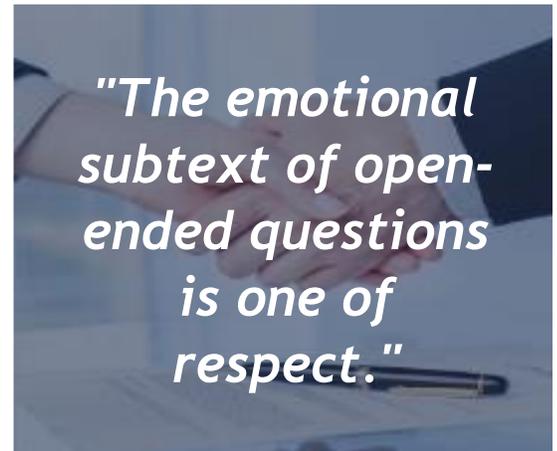
Virtually every business leader, and management and business strategy book in print identifies listening as one of the most important business skills—if not the most important skill—a person can have. And as we’ve noted, listening skills can be refined even if listening is a natural strength of yours.

### The Subtext of Listening Well

It says a that the first item in “The Quick-Impact List to Gain Trust” in the final chapter of *The Trusted Advisor*, is **Listen to Everything**.

Listening attentively and empathically, and asking good questions, almost always prompts follow-up questions which reveal new insights and opportunities for your clients. It also reveals a number of intangible qualities:

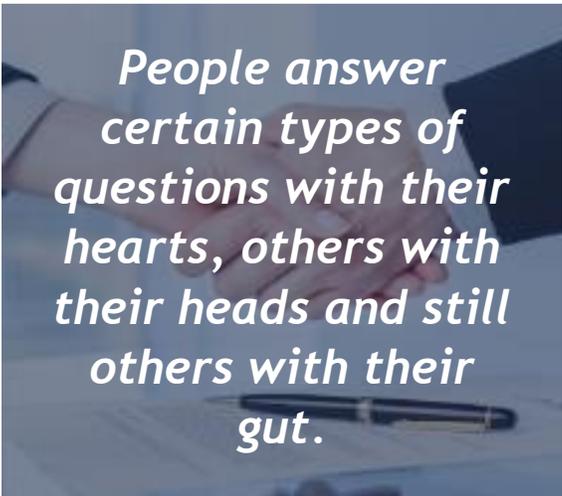
- Other-orientation
- Thoughtfulness
- Solidarity
- Intellectual curiosity
- Intimacy
- Critical Thinking



# Honing Excellent Listening Habits

## Right Question, Right Timing

Asking the right questions suited to the circumstances and responding in a way that assures you and the speaker have understood one another, is at least half of being a good listener. We consider these four guidelines some of the keys to framing incisive questions, developing



*People answer certain types of questions with their hearts, others with their heads and still others with their gut.*

### 1. Ask Open-ended Questions

Asking open-ended questions enables clients to discuss their ideas and priorities in their own way. The conversation evolves more naturally, providing you with a clearer understanding of the challenges and opportunities present so you can maximize your value.

"The emotional subtext of open-ended questions is one of respect; the listener pays the speaker the respect of allowing the speaker to set the frames of reference: his

(or her) worldview, the sense of what is important and what isn't, what came first and what comes later, what is cause and what is effect." - *The Trusted Advisor* (book)

## [Blog] Digital vs. Print

### 2. Paraphrase the Client's Thoughts Back to Them

Often it requires stating things in your own words to truly understand them. This may be the main benefit of paraphrasing, but it also demonstrates that you're engaged in the conversation you're having. "If you can't say it back in a way that has the speaker replying, 'Yes, that's it, that's exactly what I'm saying.' you haven't listened." - *The Trusted Advisor*

# Honing Excellent Listening Habits

### 3. Don't Focus too Narrowly on Immediate Business Matters

People answer certain types of question with their hearts, others with their heads and still others with their gut. Understanding when to ask which types of questions, and how to ask them, can not only be a huge professional advantage but also enriches your personal and intellectual life. When asked about his or her children, recent travel experiences or hobbies, nobody freezes up and thinks, “How do I explain this in a way that’s impressive and rational?”

Questions that are personal without being nosy free people to be themselves because of what they say in the subtext: *“I’m interested in you as a whole person, not just a prospective client or someone I can leverage to increase my social capital.”*

This dynamic creates more room to explore shared values and build stronger business relationships. So, to the extent appropriate, make inquiries about your clients’ well-being and non-work-related interests.

*As a trusted advisor, your job occasionally requires asking clients dumb questions.*

### 4. Ask Clarifying Questions, even (especially) if They Might Make You Sound Dumb

It’s tempting, at times, to pretend you understand a technical term that just went completely over your head. Professionals in any field come to view certain things as rudimentary even though almost nobody else understands them. That’s not because they think they’re surrounded by morons all the time—they simply forget that industry jargon isn’t common parlance.

# Evoking Positive Feelings with Simple, Memorable Gestures

As a trusted advisor, your job occasionally requires asking clients dumb questions. These are some of the most crucial questions we can ask, even though they tend to make us uncomfortable.

The willingness to expose your ignorance by asking those questions communicates self-confidence and intellectual curiosity. Curiosity and orientation to the other person, even when it involves asking questions that may appear naive, result in the most productive and intelligent dialogue.



*“Anyone who understands us has earned the right to engage in discussion and to be heard in return, even to argue with us. Anyone who empathizes with us has earned the right to disagree with us and still have our respect. They have greatly increased the odds of changing our mind.”*

*-The Trusted Advisor*

### III. Evoking Positive Feelings with Simple, Memorable Gestures

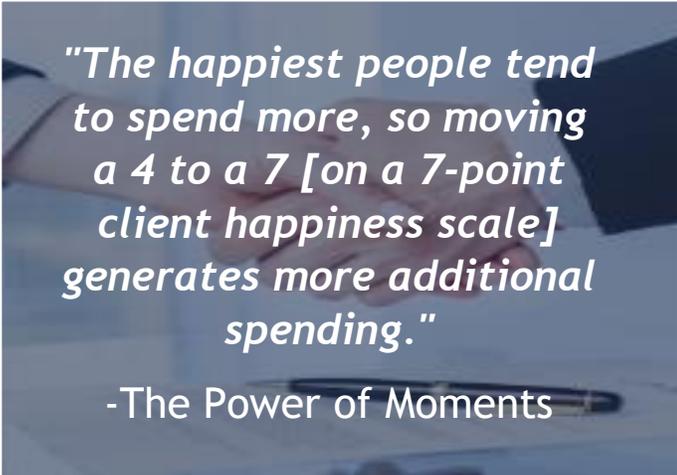
*“Customer engagement—which Gallup describes as a customer’s emotional or psychological attachment to a brand, product, or company—is the most definitive predictor of business growth.”*

*- Gallup’s State of the American Consumer report (Gallup, Inc., 2014)*

# Evoking Positive Feelings with Simple, Memorable Gestures

A key finding of [behavioral economics](#) and [neuroscience](#) has been that people, even those of us in highly technical and analytical roles, make decisions based on emotion and intuition. Subconscious observations, inferences and associations we derive from small gestures can have an outsized influence on our decisions. We only rationalize those decisions after the fact. (Camp, 2012; Samson, 2018)

Along similar lines, small gestures that communicate that you have a relational business ethos can help build profitable, enduring partnerships. (Heath, 2017; Baer, 2018; Peters, 2010) “The surprise about great service experiences is that they are *mostly forgettable and occasionally remarkable*,” state authors Chip and Dan Heath in *The Power of Moments*. There are countless examples of entrepreneurs, teachers, managers and service industry professionals setting themselves apart from 99 percent—or 99.9 percent—of their peers, not necessarily by making everything top-notch across the board, but by focusing on key moments:



*"The happiest people tend to spend more, so moving a 4 to a 7 [on a 7-point client happiness scale] generates more additional spending."*

-The Power of Moments

●**John Deere:** A large digital display in a company office welcoming a new hire on his or her first day (Heath, 2017)

●**Magic Castle Hotel:** A free popsicle delivery hotline at a hotel pool to enhance guests' poolside experience (Heath, 2017)

●**DoubleTree:** A complimentary, fresh-baked cookie for every jet-lagged hotel guest (Baer, 2018)

# Evoking Positive Feelings with Simple, Memorable Gestures

●**Americollect:** A collection agency that collects debts far more effectively than its competitors by treating debtors like customers, with kindness and understanding (Baer, 2018)

It's easy in any industry to become preoccupied with filling potholes, to borrow an analogy from the Heaths. Potholes are areas where things can be fixed or done better, but where doing so isn't necessarily an imperative. Rather than focusing on potholes, however, we can focus on creating remarkable moments to elevate our clients' experiences or Talk Triggers that make us memorable in ways that defy expectations.

*Luxury products aren't right for every client in every situation. But we are damn proud of our presentation folders and so will you be when you see them customized to your brand.*

*Lockhart Presentation Folders, crafted with custom-made linen paper, utilize an embossing technique that results in a stronger physical impression of your brand than any competitor's product. Like 800 thread count Egyptian cotton sheets, they nearly defy description until you've run your hands over them, experiencing the deep, crisp imprint of your own logo. Talk Triggers, maybe; differentiators, certainly.*

*Now, back to the business of building yours.*

## The 80/20 Rule: It Runs Both Ways

Consider this final insight:

Executives focused on the customer experience spend 80 percent of their focus on placating their unhappiest customers. To what end? To try to convert them into moderately satisfied, moderately profitable repeat customers.

# Attunement is the Name of the Game

That's Plan A. But in *The Power of Moments*, the authors note that:

*...the happiest people in any industry tend to spend more, so moving a 4 to a 7 [on a 7-point client happiness scale] generates more additional spending than moving a 1 to a 4. Furthermore, there are dramatically more people in the “feeling positive” 4–6 zone than in the “feeling negative” 1–3 zone. So, with Plan B, you’re creating more financial value per person and reaching more people at the same time.*

So, consider how Talk Triggers and Magic Moments can be leveraged to delight your already happy clients, or upsell prospects you already have good chemistry with. Let your competition spend all their time putting out fires.

We would love to make Lockhart Presentation Folders part of your marketing (they are, by objective measures, the highest-quality branded presentation folders you can buy), but regardless of whether you ever do business with us, we want you to be able to focus on doing work you love for high-value clients.

***“The way to be as rich as Bill Gates is to care more about writing code than about being rich. And the way to be a great advisor is to care about your client.”***

*- The Trusted Advisor*

# Attunement is the Name of the Game

## Attunement is the Name of the Game

Credibility and reliability are two dimensions of trust which CPAs have always excelled at. Much of our focus in this eBook has therefore been on softer dimensions of trust: intimacy and other-orientation, or attunement.

In the #1 New York Times Business Bestseller *To Sell is Human*, author Daniel Pink defines attunement as “the ability to bring one’s actions and outlook into harmony with other people and with the context you’re in.” (Pink, 2012)

Attunement is the first component of what Pink calls “the new ABCs of moving others.” It’s essentially the same thing as what Trusted Advisor Associates refers to as *other-orientation*—one of four key dimensions of trust. (Green, 2010)

In the book *The Trusted Advisor*, the authors note, “the act of giving advice is crucially dependent on a deep understanding of the personalities involved, and on the ability to adapt the advice-giving process to the specific individuals involved.” (Maister, 2001) Achieving trusted advisor status in the eyes of your clients clearly isn’t as simple as completing audits and tax returns on time and on spec.

## Attunement will help you:

- Win referrals and retain clients
- Build intimacy without overstepping boundaries
- Disagree without being disagreeable
- Provide strategic advice and other advisory services that people will value and pay for

*“The way to be a Great Advisor is to care about your client!”*

-The Trusted Advisor

# Attunement is the Name of the Game

Each of the concepts we've discussed, in its own way, communicates that you might be thought of more aptly as a partner than a vendor. And contrary to what some people believe, these are skills that can be cultivated.

We hope this guide has been interesting and helpful. *If there's anything you found especially valuable, or if there's anything you would have included that we didn't think of, we'd love to hear from you.* We'd especially love to hear any stories about how you've applied these principles to grow your own practice.



## Doing business with us is easy

1. First, request a free sample package online or by phone. In the meantime, you can explore our design elements with your own logo in our online folder builder.
2. We then work with you one-on-one to create a mockup with your logo and perfect your design (It's a fun, iterative process!)
3. Next, we produce brass dies of your logo and branded materials, imprint and overnight physical samples. You know exactly what to expect before you commit to anything.
4. Once we get final approval from you, we imprint, personally inspect and ship your order! The Lockhart Experience is ultimately about helping you win and retain high-value clients you love working with!

*Let us know if we can be of service to you, now or in the future.*

[Contact Lockhart Presentation Folders](#)

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