

# 10X PRACTICE SCORECARD™ - REGIONAL CPA WEALTH MANAGEMENT FIRMS



Name:

Date:

Measure	1	2	3	4	5	6	7	8	9	10	11	12	Score
Integration and Acceptance of Financial Services	Financial Services is a silo from our core business. Other than occasional referrals from partners, few CPAs buy-in and few clients understand our offering. More than half of our CPA partners refer out.			Our Financial Services practice is getting traction from a few key CPA partners. A small number of the best clients have endorsed the offering. Between 25-50% of our partners still refer out.			Financial Services are an integral part of our firm's offering. We have a core group of partners that consistently refer business in house. There is an integration of tax advice and investments.			Financial Services is a fully integrated part of our practice. Clients are highly aware of services and are advocates. It is common for CPA and CFP® partners to work on the same engagement. There is full integration of investment, planning, and tax advice.			
Revenue and Profitability	There is skepticism and resistance by CPA partners to Financial Services, including allocation of time. Practice is still not accretive to earnings. Less than 5% of our total revenue comes from Financial Services.			Financial Services revenue is 5-15% of our total revenue. The business is break-even or slightly accretive to earnings after inclusion of time for CPA partners.			About 15-25% of our firm's total revenue is from Financial Services. Profits create meaningful bonuses for stakeholders.			Greater than 25% of our total revenue is from Financial Services. Practice, profits or increased equity is a meaningful part of our partners' income/buyout.			
Creation of Unique Processes Leveraging the Strength of Financial and CPA Services	Financial Services are very much "off the shelf" from various vendors with little or no customization or integration with CPA services.			We are just beginning to see how to involve asset management with tax planning for some clients.			Our firm has strong documentation of processes creating some cross referrals between business units.			Our firm has solid "deliverables" that showcase how clients will benefit from the services. Deliverables often create billable hours, fees, and commission revenue.			
Consistency of Client Experience	There is no consistency in planning, process, or recommendations. Every advisor has his own preferences for planning, portfolios, and products.			We recognize the need to create consistency in planning platforms to have leverage in servicing clients, but do not have buy-in from all advisors on our team.			We have identified and are moving toward a consistent planning process and offerings for all new recommendations of portfolios. We are cleaning up legacy client positions and products.			Our firm delivers consistently high levels of service through standardized processes, planning, platforms, and products. We do this through centrally managed portfolios, no matter the client-facing advisor.			
Integration of Insurance Products	We do not offer insurance products or we refer it all out to other firms, with no meaningful review by our firm.			We have had some insurance product sales, such as Term and LTC, but nothing big. It is less than 10% of total Financial Service revenue. We have no standardized way of offering this.			We have occasional large insurance transactions but little integration of reporting or data with the rest of the practice. Revenue is 10-15% of financial services revenue.			Insurance products are an integral part of the practice, and 15% or more of total financial services revenue. We integrate these recommendations into our financial plans and client statement reviews.			
Systems	There is no integration of systems for CPA Services and Financial Services.			We share a common client database, but all other software between our different units is separate.			Some synergy is developing in our systems. As an example, there is integration in preparing all tax planning and reporting for our investment offerings.			We have fully integrated data management between CPA and Financial Services (to the extent regulations permit). Both practices gain significant benefit from insights into client information when clients consent.			
Corporate Structure	We have one or two licensed professionals at our firm and they assign income to an entity owned by partners. We recognize there is a risk if these people leave, that we would lose all income from our financial services practice.			Our broker-dealer requires everyone to have securities licensing and fees, and finding time to fulfill various CE requirements is frustrating and expensive.			We have been purposeful in determining which employees need which licenses. This reduces complexity and cost for our firm. We also have contractually addressed securing income paid to individuals.			We have created entities that allow us to get and properly disclose all kinds of revenue in corporate form. We have carefully evaluated each person's duties and product offering and only have a handful of people with insurance and securities licenses.			
Development of Team	Expertise in Financial Services is clustered within one or two individuals with little leverage of support staff or systems.			We have created some leverage between front-line advisors and support staff, but are still missing key personnel to truly turn this into a business.			We have a core of strong people on our team. We are hiring new advisors and training them to support existing clients which allows our senior advisors to concentrate on growing the practice.			We have a team of effective business development professionals, competent service staff and specialists in 401(k) business planning and risk management, managed by a strong COO.			
<b>SCORECARD</b>													

