

Mastering FP&A client advisory meetings: Proven strategies from leaders in the field



Previous
page

Table of Contents

| | |
|----|---|
| 2 | Meetings that matter |
| 3 | About the contributors |
| 4 | Pre-engagement: Setting client expectations |
| 5 | Onboarding process |
| 7 | Financial close meeting |
| 8 | Financial forecasting meeting |
| 10 | Financial results meeting |
| 11 | Power in the process |

Next
page

 [Table of contents quick link](#)

Meetings that **matter**

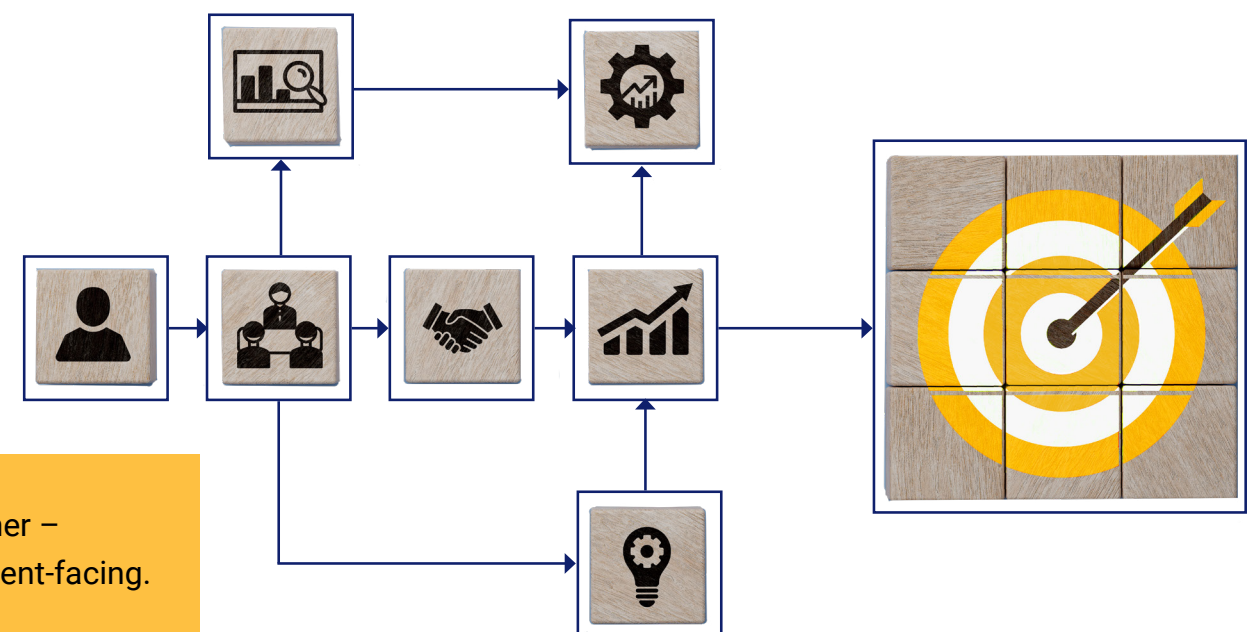
Clients hold high expectations as they embark on Financial Planning & Analysis engagements, making a significant move in entrusting their advisors. This decision is fueled by their urgent need for high-level, professional guidance and insights to inform their decision-making. *Should we hire more people – and how will that affect our financial picture? When can we confidently launch our new product line without affecting payroll? How will raising prices by 2% impact our finances – and how can we expect it to influence demand?* These are the types of questions that require clients to rely on more than just business instincts – they need the advisory-level insights that FP&A practices are built to provide.

For FP&A practices, there are a lot of factors that contribute to their ability to provide this level of insight. Technology plays a big role. So does having the right professionals. Ultimately, process is what brings it all together – both internal processes and those that are client-facing. And there is no more important client-facing activity than the series of advisory meetings that occur routinely throughout the engagement.

Clients depend on these advisory meetings for many reasons – to get the insights they need, to share updates, to ask questions, to make sure their teams are aligned, and more. These meetings are just as important for the FP&A engagement team. This is where they demonstrate their value, gain a deeper

understanding of the clients' goals and challenges, and strengthen the relationship. In many ways, the entire engagement is built around these critical meetings.

For all of these reasons, it is vitally important for FP&A practices to adopt a highly disciplined, strategic approach to advisory meetings. Both the client and firm should know exactly what to expect from each meeting, as well as the anticipated outcomes. Different FP&A practices rely on different approaches to these meetings, based on their practice strategy, types of clients, and client agreements. At the same time, they have more in common than differences. In this eBook, we will offer an overview of best practices in FP&A advisory meetings that can be adapted to fit the specific needs of any FP&A practice.



Ultimately, process is what brings it all together – both internal processes and those that are client-facing.



About the contributors

Previous
page



Adam Hale, CPA, Partner,
Summit Virtual CFO by Anders

Summit Virtual CFO, a division of Anders, is a leading provider of virtual CFO services in North America. It consists of more than 60 staff members, and focuses on cash flow management, business tax planning, and financial forecasting.

summitcpa.net



Hannah Smolinski, CPA, President
Clara CFO Group

Clara CFO Group is a virtual CFO and consulting services firm that serves small businesses. Hannah Smolinski is widely recognized as a thought leader in the accounting profession, and hosts a YouTube channel with more than 70,000 subscribers.

ClaraCFO.com

Next
page



Pre-engagement:

Setting client expectations

Clients often begin forming their expectations about the overall FP&A relationship, as well as the meetings that occur as part of the relationship, before the service agreement is even signed.

Previous
page

That makes it critically important for firm leaders to communicate with clarity and certainty about how the relationship will work – and how it won't – starting with the very first conversation with a prospective FP&A client. How many advisory meetings should the client expect to put on the calendar each month? Who attends from the firm? Which leaders from the client organization should attend? What is the focus of each meeting, and who runs the agenda? What if the client needs help with an issue outside of the agreed-upon meeting times – can they just contact the firm as needed, and if so, will it have an impact on billing?

These are the types of questions clients often bring to a new FP&A engagement, and without clear answers they will simply make their own assumptions, right or wrong. When the relationship diverges from their expectations, firms can be put on the defensive.

Both informal and formal communications have a role to play in setting the right client expectations from the start. Informally, during the sales process, firm leaders should clearly outline exactly how the relationship will work – which in turn requires that the firm have a standard, well-documented process to guide each FP&A engagement. "Clients understand and remember what we promised at the front," says Adam Hale, Partner at Summit Virtual CFO by Anders. "It's important to stick to it."

Next
page

Ultimately, these details should also be included in the client service agreement – after the firm has reviewed the advisory meeting plan in detail with the client. Relying primarily on the formal agreement without also conducting a thorough review with the client to explain how and why it works is an approach that is likely to end in frustration and disappointment for client and firm alike.

"Clients understand and remember what we promised at the front. It's important to stick to it."

– Adam Hale, Partner at Summit Virtual CFO by Anders



Onboarding process

After the FP&A engagement agreement is signed, a significant amount of foundational work is set in motion in order to ensure the long-term success of the relationship. Firms often report that this process takes approximately eight weeks, depending on their familiarity with the client.

Onboarding: Two key points of focus



Operational focus

Gain a clear understanding of the current reality of the client's situation and identify any gaps by:

- Gaining access to important client systems and technologies
- Meeting key stakeholders across the business
- Cleaning data
- Examining clients' books
- Standing up financials
- Implementing any additional technology solutions required



Strategic focus

This aspect of onboarding should seek to answer questions such as:

- What are the client's most important goals?
- What is the client's business model?
- What is the client's strategy?
- What do they want or need out of the business?

Previous page

Next page

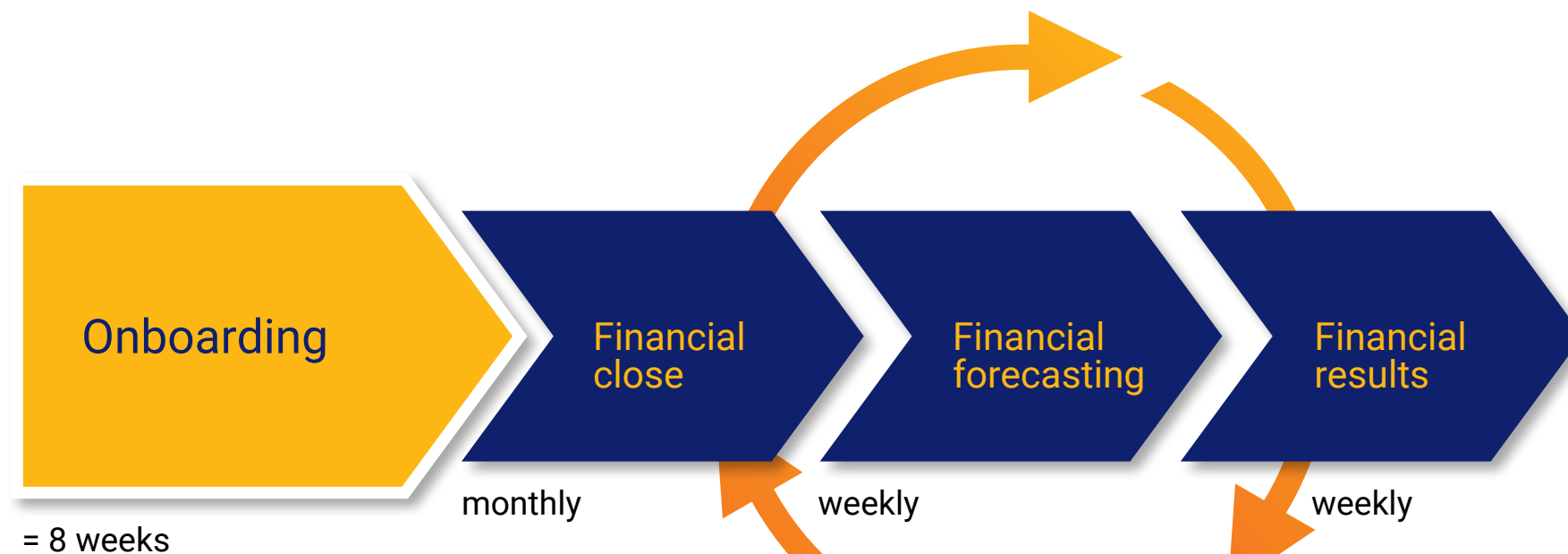


Summit Virtual CFO by Anders has a dedicated onboarding team for managing this process – and to ensure consistency. “Without consistency in the onboarding process and team, firms tend to start customizing,” says Hale. “You want to avoid that at all costs.” Summit Virtual CFO’s onboarding team includes a project manager, onboarding CFO, onboarding account manager, and a financial data analyst who can stand up the forecasts.

Different FP&A practices bring a different mix of participants to the onboarding process – but they all seek consistency in service delivery across clients. For example, Clara CFO Group, a virtual CFO and consulting services firm

focusing on small businesses, relies on a smaller onboarding team – a lead CFO and support professional. “We don’t have a full accounting stack, and no bookkeeping in-house,” says Hannah Smolinski, Clara founder and CEO. “We focus on CFO services, so we make sure the professionals the client works with in onboarding are the same team they’ll work with throughout the engagement.”

Experienced FP&A leaders say that each of these two onboarding phases require approximately 4 weeks, for a total of 8 weeks. Once the onboarding process is complete, a routine set of advisory meetings are set in motion.



FP&A client advisory meetings:
Order and typical cadence

Previous
page

Next
page



"This meeting is really important for us to make sure we're zeroing in on the information we need to get correct KPIs."

– Adam Hale, CPA, Partner, Summit Virtual CFO by Anders

Financial close meeting

The monthly financial close meeting is a just-the-facts meeting designed to lay the groundwork for advisory activities. It formalizes the closing of the books, allowing stakeholders to assess the financials and get a clear picture of the current state of revenues.

While the financial close meeting is routine and fairly conventional, for Adam Hale's team at Summit Virtual CFO it's also an opportunity to accomplish revenue recognition. "This meeting is really important for us to make sure we're zeroing in on the information we need to get correct KPIs," says Hale. "So we're asking questions about how entries are coded, and we're looking at variance analysis all on the very first touch – sometimes with the owner of the data, sometimes with the operations lead, or someone else internally." Summit Virtual CFO publishes a directional agenda for its financial close meetings that is the same from client to client, inviting individual leaders from the client organization as needed to answer questions and share information.

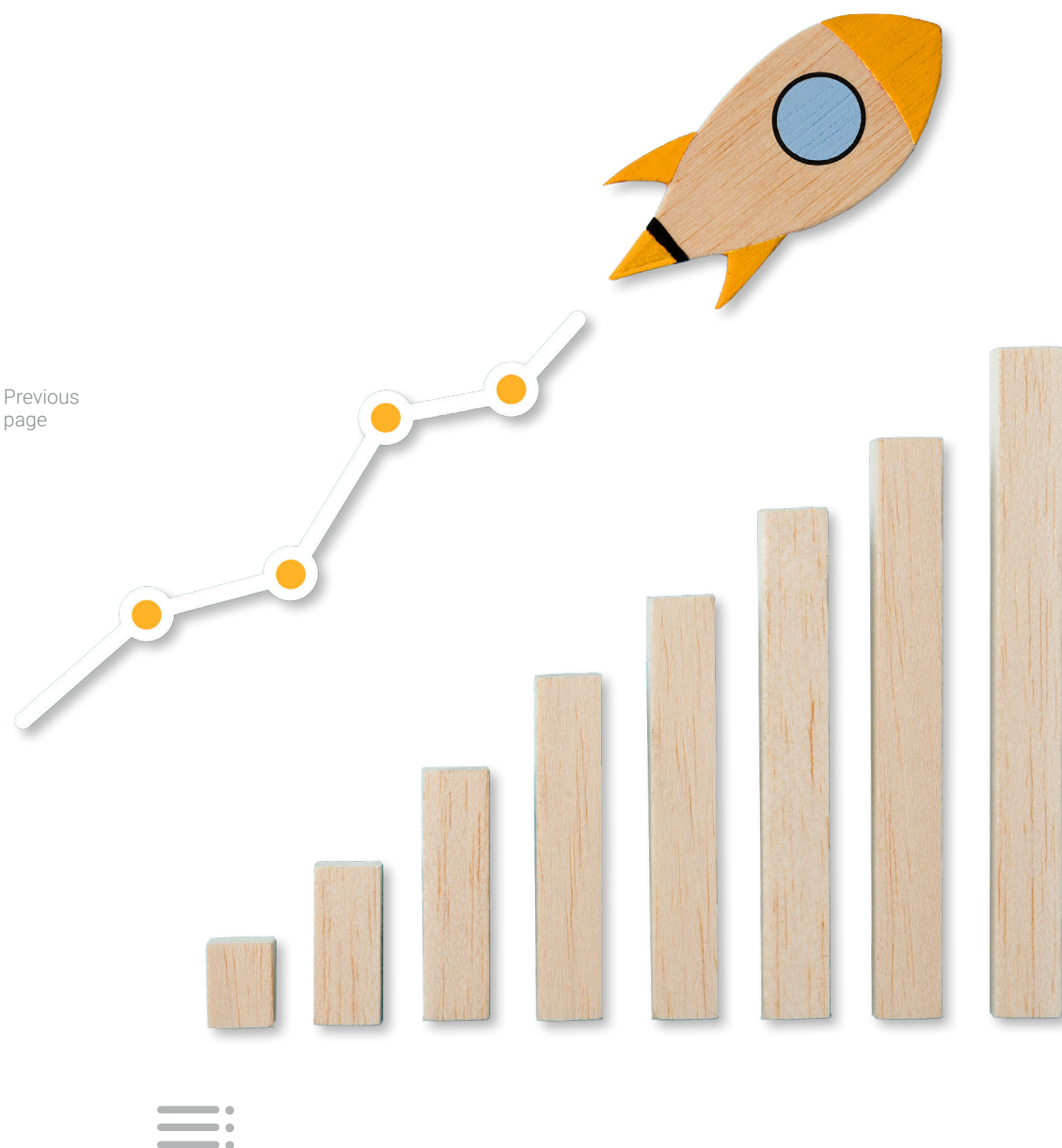
FP&A leaders suggest preserving some flexibility in this meeting's agenda to allow for other relevant information to be shared. "This is where clients often raise issues that are worrying them," says Clara's Hannah Smolinski. "It can feel like a security blanket for them – they know they can share these types of issues and we can work on them in time for our next, more advisory-focused discussion. You never know what you're going to get from clients in this fact-gathering part of the meeting – and that's the point. Some clients really don't have a partner to talk through these issues with, maybe they don't even have anyone on their team who's comfortable with financial reports. This is an important opportunity for them."

Previous
page

Next
page



Previous
page



Financial forecasting meeting

Forecasting meetings are the linchpin of any FP&A engagement. Building on the baseline of financial information established in the financial close meeting, they give clients the opportunity to connect their current financials to big-picture strategic goals, speculating about how different decisions may achieve different outcomes.

“This is where we pull out our forecasts and get in the sandbox with clients,” says Hale. “We’ll get updates from the client on hiring, on customers and sales, all the pieces that drive the forecast – all in the context of looking ahead and planning for what’s next.” Ideally, these meetings take place weekly.

Because of the importance and broad scope of the forecasting meeting, it engages a wide range of stakeholders including sales, operations, and finance. For example, at Summit Virtual CFO the forecasting meeting is where sales pipeline planning activities occur. “We want to hear about what’s going on in the business,” says Adam Hale. “Sales process, progress toward sales goals, expectations about what will happen next month and beyond, other operational issues – this is where we get to put it all on the table.” This approach helps ensure the sales team is connected to the forecasts. As a result, the sales team knows

Next
page

what they need to execute and when, and the consequences of missing their targets. It's also a chance for them to share front-line insights with the FP&A team and client executives on the current sales outlook, including any potential weaknesses.

Engaging a wider range of stakeholders in the forecasting meeting is not only instrumental in creating a more comprehensive, holistic view of the client's business, but it's also a way to demonstrate the value of the firm and get more deeply embedded in the client organization. "You don't want to only meet with the owner," says Hale. "You want to get everyone involved, so that you can create a bigger impact and cultivate more relationships across the organization. This approach has significant benefits for clients that go beyond more accurate, actionable forecasts, bringing together different parts of the organization to have important shared conversations that may not happen otherwise. For clients accustomed to a more siloed approach, bringing everyone together in the service of a shared vision, in a highly focused, facilitated forecasting meeting can help make sure everyone has a shared understanding of what's next for the business and how to navigate it effectively.

For both Clara and Summit Virtual CFO, Jirav is the core tool used for forecasting. "We use Jirav as our whole presentation," Smolinski says. Using Jirav's dynamic visuals that are more polished and intuitive than anything that can be created in standard spreadsheets, FP&A teams are able to easily create and modify forecasting reports to identify trends, examine anomalies, and play out different future scenarios.

This level of flexibility and range is equally important when working with clients who operate with significant complexity – who need to forecast or budget at the department or location level, for example, and then roll everything up into a single, consolidated report.

Engaging a wider range of stakeholders in the forecasting meeting is not only instrumental in creating a more comprehensive, holistic view of the client's business, but it's also a way to demonstrate the value of the firm and get more deeply embedded in the client organization.



Previous
page

Next
page

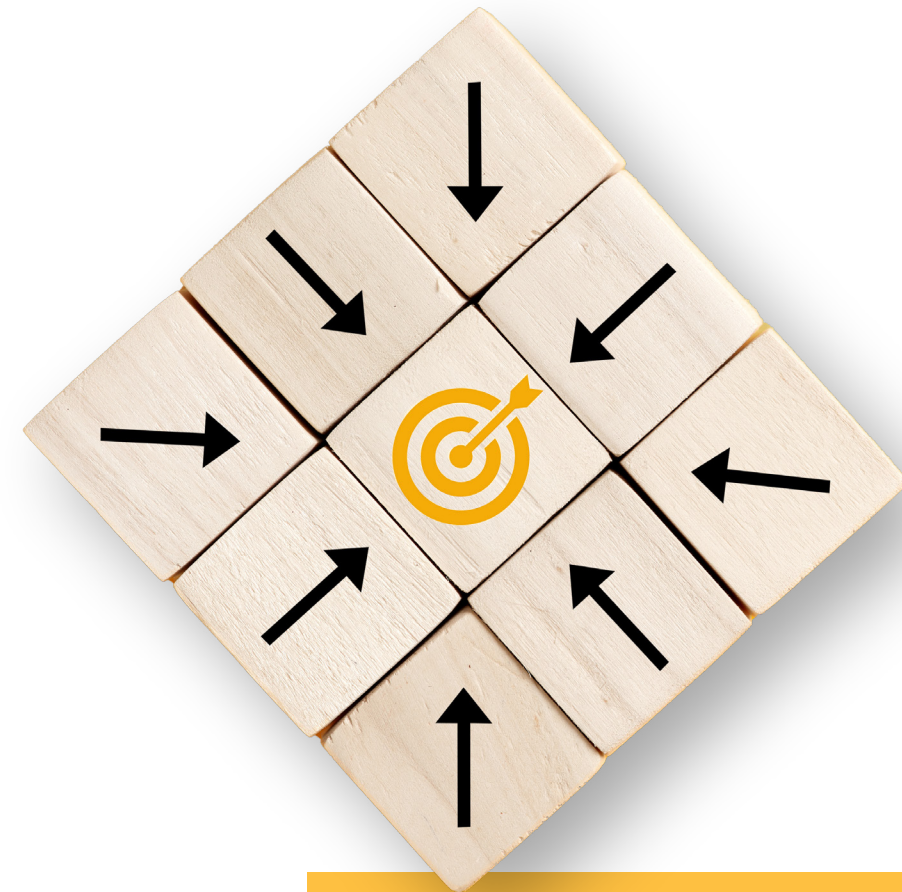


Financial results meeting

How did the team's forecasting compare to actual results? The financial results meeting creates the opportunity for everyone involved in forecasting to determine what went right, what went wrong, and how to refine the process in the following months to achieve greater forecasting accuracy. Like forecasting meetings, these should take place weekly.

Depending on the client and engagement structure, some firms choose to hold separate meetings focused solely on operational issues. At Clara, this hour-long meeting gives Hannah Smolinski's team valuable insights and context outside the numbers – and demonstrates the firm's commitment to developing a complete picture of the client's business and operating environment in order to develop and act on deeper insights. These operations-focused, fact-gathering client conversations feed into both the Financial Forecasting and Financial Results meetings.

For Smolinski, Jirav is the ideal solution for navigating results with clients. "I really like the reporting – I can just build and add things as I find them, can see them all in one place and dive in wherever it makes sense, without leaving Jirav," she says. "Otherwise, I'd be stuck in another tool, downloading into Excel, then reimporting everything, then trying to toggle between 20 Excel tabs, and so on. With Jirav I just change the date range in reporting: 'Here's budget versus actuals for September.' And then we're ready to dive in immediately."



"I really like the reporting – I can just build and add things as I find them, can see them all in one place and dive in wherever it makes sense, without leaving Jirav."

— Hannah Smolinski, CPA, President, Clara CFO Group



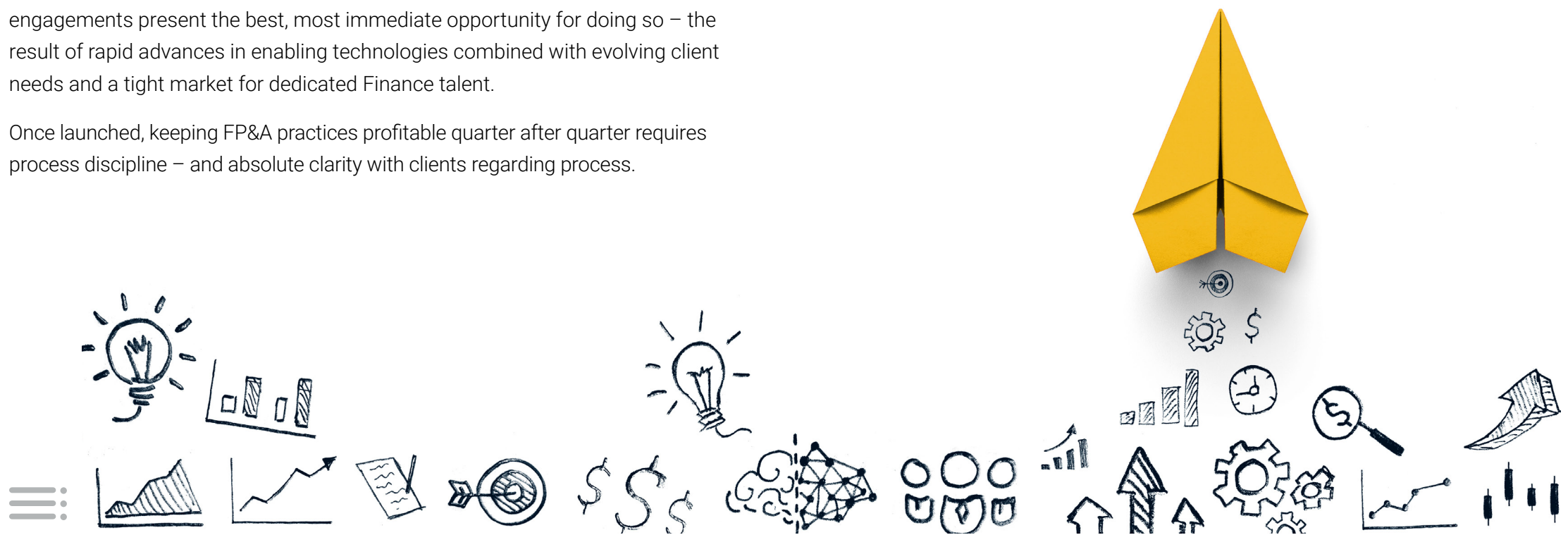
Power in the process

“How can we deepen our relationships with clients, contributing even more to their success while also increasing our own revenues?”

Accounting firms of all sizes have been asking some version of this question with greater frequency and urgency in recent years, as the entire profession seeks ways to shift into an expanded advisory role to ensure continued relevance and profitability into the future. Many have already found that FP&A engagements present the best, most immediate opportunity for doing so – the result of rapid advances in enabling technologies combined with evolving client needs and a tight market for dedicated Finance talent.

Once launched, keeping FP&A practices profitable quarter after quarter requires process discipline – and absolute clarity with clients regarding process.

Determining the flow, cadence, and focus of FP&A advisory meetings is the most important aspect of this effort. After all, the entire relationship is built around these meetings. When clients understand the role of each of these different meetings, they gain confidence in the process and overall relationship. Meanwhile, firms benefit from the predictability that results from having clear processes: They can accurately anticipate the time their people will invest in the engagement from month to month, the enabling technologies they will need to deliver on their promises, and other key resources required to successfully engage.



Just as important, firms can replicate these relationships at scale as they grow. This is partly due to the fact that the meetings themselves are a product that can be standardized and repeated at scale, executed by FP&A advisors and team members who are deeply familiar with each meeting “package.” As a result, they can confidently conduct any of these meetings at a moment’s notice if needed, with minimal preparation.

While different firms’ approaches will vary based on their individual strategies and goals, and the names they choose for these meetings and other details may differ, the meetings described in this book are foundational. After onboarding, every FP&A engagement should repeatedly help clients close the books, plan for what’s next through forecasting, measure and qualify the results, and then start all over the following month – the foundations of repeatable success in FP&A.

For more expert advice on FP&A advisory processes, pricing, technology and other resources, please visit **www.cpa.com/financial-planning-analysis** or call **1.855.855.5CPA**.

Previous
page

Next
page



© 2024 CPA.com. CPA.com and the CPA.com logo are trademarks and service marks of CPA.com. The Globe Design is a trademark of the Association of International Certified Professional Accountants and is licensed to CPA.com. All rights reserved. Jan2024 RM