Core Concepts of Consulting for Accountants

Chapter 9 – Feedback, Implementation, And Follow-Up

The Feedback Process
- Presenting the Findings
- Sensitivity
- What to Present
- Getting the Client’s Input
- The Decision to Proceed
- Restatement of Commitment

Implementing the Solution
- The Step-Check Method
- Prototypes
- Resistance to Change
- Documentation
- “Going Live”
- Why Systems Implementation Projects Fail

Final Presentation
- Key Points
- The Management Letter

Follow-up
- Fulfilling Contractual Obligations
- Counseling the Client
- Soliciting Future Business

Presenting the Findings
- Comes after data are gathered and preliminary analysis has occurred
- Who did you interview, what did you find out?
- An hour
- Formal or informal
- Follow rules of good presentation
**Rules of good presentation**
- Use technology as appropriate
- Have a backup plan
- Charts and graphs
- Label everything
- Size of the graphics

**Sensitivity**
- Confidential information
- Financial
- Trade secrets
- Interviews with client personnel
- Info may not be favorable to client

**What to Present**
- Data collected
- Data analyzed
- Results of interviews with employees
- Results of statistical tests
- Analytical procedures
- Does the data cause you to change your plan?

**Getting the Client’s Input—Feedback**
- Remember the consulting process is a collaborative partnership
- Ask the client for his input
- How does the client think you should proceed?
- Be prepared to offer advice

**The Decision to Proceed**
- The consultant should elicit a directive from the client to proceed
- Any negotiations?
- Any major changes?
- Major amendments need to be written as addendums to the contract
- Minor amendments do not
- The client may not want to proceed

**Client decision not to proceed**
- Cost
- Employee resistance to change
- Inexperienced personnel
Restatement of Commitment

- Client and consultant should agree to proceed

Implementing the Solution

- Step-Check Method is a good procedure
- Solution is prepared one step at a time and confirmed with the client (i.e., at milestones)
- Prototypes
  - bare bones models
  - an application at a time

Resistance to Change

- Expect it!
- Report significant resistance to management

Documentation

- Consultant generates a lot of documentation!
- Retain and give client copies of appropriate documentation
  - source code
  - run manuals
  - flowcharts?

Going Live

- How to do it?
  - It depends
- For Systems Implementation Projects
  - Immediate cutover
  - Parallel implementation
  - Phased implementation
- The Importance of Backing Up

Why Systems Implementation Projects Fail

- Client failure to monitor the project
  - Blue Cross’ infamous System 21 project
- Premature reliance on new systems
- Inexperienced consultants
  - bait and switch
  - legal implications
  - Deloitte vs. Gore (PeopleSoft)
Final Presentation
- Key Points
  - Focus on the end product
  - Be organized
  - Turn out a professional product
  - Remember that your reputation is at stake
  - Management letter

Management Letter Topics
- Operational efficiency
- Internal controls
  - General vs. application controls
- Accuracy
- Tell the client if you are planning to present a management letter

Follow-Up
- Fulfilling contractual obligations
  - technical support
- Counseling the client
- What happens when the core project team leaves?
  - Burnout
  - Recognize and reward employees’ hard work

Soliciting Future Business
- Watch for opportunities during the engagement
- Leave business cards
- Be open to new ideas

Core Concepts of Consulting for Accountants
Chapter 10 – Managing Change

Managing Change
- What is change management?
- How important is it to manage change?
- Strategic versus grassroots change
- Technical versus interpersonal roles
- Some case scenarios
Fearing Change
- Change is a surprise
- Self-doubt
- Loss of control
- Uncertainty
- Loss of face
- More work
- Real dangers
- Loss of institutional memory
- Disrupted personal life

Lewin’s Process of Change
- Unfreezing
- Change
- Refreezing

The Coopers and Lybrand Approach
- Assessment
- Planning
- Implementation
- Renewal

KPMG Keys to Successful Change
- Communicated vision
- Risks identified up front
- Consider organization’s change history
- Management commitment
- Synergy among work teams
- Affected individuals involved
- Motivating mechanisms in place
- Follow-up procedures in place

Attributes of Change Leaders
- Creativity
- Team orientation
- Listening skills
- Coaching skills
- Accountability
- Appreciativeness

The Change Implementation Model
- Set goals
- Measure performance
- Provide feedback and coaching
- Be generous with rewards and recognition
**Guidelines for Effective Measurement**
- Set specific, numeric expectations
- KISS
- Be creative
- Participative design of measurements
- Frequency of measurement
- Responsibility for keeping score

**Core Concepts of Consulting for Accountants**

**Chapter 11 – Legal and Ethical Issues of the Accounting Consultant**

**Legal versus Ethical**
- Which is which?
- The ethics of consulting
- IMC Code of Ethics
- AICPA Code of Professional Conduct for Consultants
- If you’re not sure, don’t do it!

**Ethical Issues**
- Conflicts of interest
- Inability to meet timelines
- Job offers
- Accepting personal responsibility
- Fiscal responsibilities

**AICPA Consulting Services Standards**
- Professional competence
- Due professional care
- Planning and supervision
- Sufficient relevant data
- Client interest
- Understanding with client
- Communication with client

**Legal Concerns**
- Employment laws
- Confidentiality
- Copyright infringement
- Contract disputes
- Inappropriate behavior
- Misrepresentations
- Litigation services
Employment Laws

- The Americans with Disabilities Act of 1990
- The Age Discrimination in Employment Act of 1967
- Title VII of the Civil Rights Act of 1964
- The Occupational Safety and Health Administration
- The Fair Labor Standards Act of 1938
- The Employee Polygraph Protection Act of 1988
- The Immigration Reform and Control Act of 1986
- The Equal Pay Act of 1963
- The Family Medical Leave Act of 1993
- The Pregnancy Discrimination Act of 1978
- The National Labor Relations Act of 1935

Core Concepts of Consulting for Accountants

Chapter 12 – Service Lines for the Accounting Consultant

Assurance Services

- Assuring what?
- Who else does it?
- WebTrust
- ElderCare
- SysTrust

Technology Services

- Software selection and implementation
- Data analysis
- Databases and data warehouses
- BPR
- E-Commerce

Financial Services

- Tax
- IPOs
- Transfer pricing
- M & A work
- Financial analysis
- And…

Professional Alliances

Who are accounting firms forging relationships with today?
Performance Measurement
- Traditionally
- The Balanced Scorecard
- Strategy and the BS

Strategic Cost Management
- ABC
- Target Costing