Financial services are a great addition to a tax practice because they can open up new horizons to serve clients. But adding these services is also a big decision, which takes careful planning, implementation and the right resources.

Resources abound, from continuing professional education (CPE) courses and live seminars and events to broker-dealer services. But some resources are more useful and effective than others depending on where you are in your journey.

In a recent survey conducted by the research unit of SourceMedia, publisher of Accounting Today, in partnership with HD Vest, participants reported that the resources they believed were important at the beginning of their journey to offer financial services turned out to be less effective than they thought. The opposite also held true: some resources that hardly registered at the start of the process become very effective and central to their success in offering financial services to clients.

In this paper we'll discuss how to make sure you’re tapping the right resources at the right time during your journey.

THE JOURNEY BEGINS
Accountants and tax professionals by their very natures are analytical and want to consider every angle before jumping into a services offering. Four out of 10 survey respondents reported that they only began offering investment planning services six or more years after starting their accounting or tax practice.

To make the best decisions, these professionals typically follow a four-part process when transitioning into offering financial planning services.

The four stages are:
1. Inquiring
2. Investigating
3. Deciding
4. Implementing
While in the Inquiring and Investigating stage, you may find webinars, CPE or online research to be especially valuable. These resources offer a chance to learn about a wide breadth of issues facing the profession.

“Preliminarily, webinars, when you’re just dipping your toes in the water, are really helpful,” notes Timothy Stewart, Sales Manager, Business Development Group with HD Vest Financial ServicesSM.

By leaning on these resources, you can gather information to help you articulate your vision, goals and objectives as you determine the best way to add financial services to your practice.

**LEARNING FROM PEERS**

Later in your journey, you may need more personalized resources. At the stage when you have given more thought to what your practice might look like, your business model and your fee structure, direct conversations with someone who is several years further down the road is helpful. Who better to share stories of successes and early missteps?

Almost three-quarters (72%) of survey respondents said the advice from financial services professionals was either very effective or extremely effective in helping them build their own financial services practice.

“When I was starting out, I talked to a lot of advisors,” says Gene Bell, President of Gene Bell & Associates of Bellingham, Washington, who is an EA and CFP® and a Financial Advisor with HD Vest Investment ServicesSM. “I wanted to know what their relationship with their broker-dealer was like, what kind of technology was needed, what the licensing was like and what the cost was?”

Bell is now paying it forward by mentoring other accounting and tax professionals who are weighing the decision.

HD Vest, for instance, provides accountants and tax professionals an opportunity to meet local advisors who have already made the transition by attending a meeting at one of the more than 100 chapters nationwide.

**THE BROKER-DEALER DIFFERENCE**

In the Deciding and Implementing stage, a broker-dealer may be a particularly useful resource. That’s when you probably have the most specific questions about how to transition your practice.

In fact, just over half of survey respondents said that in their opinion, broker-dealers were an important resource for helping with the transition. But even more critical, 72% listed a broker-dealer as a very or extremely effective resource for actually building the financial services practice.

![Effectiveness of Resources](chart.png)

Source: SourceMedia Research, April 2015
Resources such as online research and CPE dropped down in effectiveness as accountants and tax professionals moved further along in their journey.

“[Broker-dealers] understand what we do, how we do it and how best to leverage that with this addition [of financial services],” says Bell.

There are several big tasks that seem especially daunting as you take this journey, but a broker-dealer can serve as a “Sherpa” to help you along. Look to a broker-dealer for assistance with:

- **Licensing.** Which licenses are most important and how much time will it take to study for the exams? Broker-dealers may also be able to provide some financial assistance for test-taking.

- **Time management.** Small business owners worry about finding the time to devote to a new line of business when they are already running a thriving practice. A broker-dealer can show you how to systematize your work processes and leverage technology to become as efficient as possible.

- **Client satisfaction.** Most of the accountants and tax professionals in the survey cite wanting to serve clients better as their primary motivation for entering the financial services arena. But they fear disappointing clients with poor advice. A seasoned investment planning professional can explain how tax and investment planning go hand-in-hand and why clients will receive better overall service when you transition to a financial services offering. Your broker-dealer can help connect you with this valuable resource.

**HELP FROM HD VEST**

With more than 30 years helping accountants and tax professionals serve their clients better by adding financial services, HD Vest has developed specialized tools to streamline the process.

Look to HD Vest for concrete assistance in launching your new business line. They can help you:

- **Leverage the tax return.** Each tax season, you’ve got at a powerful window into your clients’ financial lives at your fingertips—the tax return. HD Vest’s 1040 Analyst® tool allows you to import your clients’ tax data from certain fields in their form 1040, analyze that data and creates a customized client report outlining areas of potential vulnerability. For instance, if clients haven’t made an IRA contribution, the report will flag it and outline the type of IRA they may consider. It’s a great conversation starter about clients’ goals and objectives.

- **Grow your confidence around investing.** Work with an HD Vest wealth management consultant who can do the investment analysis for you and prep you with talking points for your next client meeting. **Discover your brand.** HD Vest has developed a dedicated marketing portal to help you create branded content to market and grow your expanded business.

When you discover the most effective resources, your journey to offering financial services goes much smoother.

**METHODOLOGY**

In April 2015, SourceMedia Research conducted a study among 274 accounting and tax professionals with less than 50 full-time employees who are offering or planning to offer financial planning services within 12 months. Respondents were drawn from Accounting Today and Tax Pro subscribers.

**ABOUT HD VEST**

Since its inception in 1983, HD Vest Financial Services® has supported an independent network of tax and non-tax professionals who provide comprehensive financial services solutions, including securities, insurance, money management services, and banking solutions. Ranked as one of the top 20 independent broker-dealer firms,¹ we know what it takes to make your practice really flourish. Approximately 4,500 independent contractors manage over $37 billion in assets for individuals, families and small businesses in all 50 states.²
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1. Investment Advisor 2014 Broker-Dealer Reference Guide, which measured/ranked the top 25 independent broker-dealers by annual revenue.
2. As of January 1, 2015

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