



# GOOD BETTER BEST

**Value pricing for every client  
allows you to deliver more.**



# Hourly billing is holding you back

Imagine maximizing the resources of your firm—time, talent, and expertise—to your clients' benefit. Imagine delivering exceptional services, priced not by the time they take but by the value they provide.

Hourly billing may be the way things have always been done, but you can break the cycle.

## It's time for a new way of thinking

Shifting your firm to **value pricing** can allow you to provide your clients with the services they really need: advisory.

And at a price that doesn't undercut your value.

Use the steps in this ebook to implement value pricing in your firm—and grow your client impact while saving time.

**“From your clients’ perspective, **what you know** is your highest value. Your expertise has greater value than your workflow or how many hours you spend working. Clients prioritize quality and service delivery over price.”**

- Loren Fogleman, CPA, Firm of the Future<sup>1</sup>

# Table of contents

Step 1: Eliminate obstacles to your expertise.....4

Step 2: Leverage technology.....9

Step 3: Give more, get more.....11



## Step 1

# Eliminate obstacles to your expertise

Introducing your team and your clients to the benefits of value pricing is the first step to delivering more value with increased efficiency.

### The trouble with hourly billing

- Efficiency reduces profitability
- Your clients will look for lower rates
- Your expertise isn't reflected in your price
- Raising rates may scare clients away

## The benefits of value pricing

### FIRM BENEFITS



Create incentives for operational efficiency



Attract and retain experienced talent



Separate time from profit



Eliminate billing surprises



Improve client relationships

### CLIENT BENEFITS

Your clients want more than routine financial services. When you **separate time from profit**, you open the door to new services that will provide them with higher value.

## Eliminate obstacles to your expertise

# Build strong and lasting client relationships

Hourly billing can lead to unpleasant surprises. Clients may not know the scope of the requested work until they get the bill.

**Value pricing** groups services into packages, each with a set price. Your clients choose the package that's right for them and they know the cost upfront.

No more billing surprises down the line. No more hesitation to reach out with a question for fear of racking up an hourly tab. Your clients will be more likely to communicate and collaborate, improving the value and efficiency of the work and building your client relationships.



**“Packages are transparent. Clients know the exact scope and fee. Because everything is disclosed beforehand, it fosters trust and a **solid client relationship.**”**

- Loren Fogelman, CPA, Firm of the Future<sup>1</sup>

## Eliminate obstacles to your expertise

# Offering higher quality services attracts and retains higher quality talent

Adopting a value pricing strategy can also create significant internal advantages for accounting firms. Talented accountants seek work environments where their expertise is acknowledged and rewarded. Under an hourly billing model, this isn't always the case.

Consider this: billing at an hourly rate for a five-minute conversation results in minimal revenue. But what if that five-minute conversation saved the client \$25k? The hourly bill can't truly reflect your team's accumulated years of experience that enabled such insights.

Value pricing not only recognizes the true impact of the service provided, but also the expertise behind it. By transitioning to a value-pricing model, firms position themselves to attract top-tier talent—people who want to see their efficiency and expertise translate directly to their earnings.

## What is your five minutes worth?

### Value pricing allows you to:



**Increase your profit margin**



**Put your clients first**



**Make your time more valuable**

## Eliminate obstacles to your expertise

Once you've realized the true value of your time, you can leverage the way you track it for a higher purpose—the health of your business operations.

The job of tallying hours gains meaning and impact when it's done for job costing, for measuring the profitability of clients, and for analyzing which clients are receiving the most value—rather than for sending a bill.

**Your value is not about the time you spend on a service.**  
**It's about the service outcome.**

**"If you want to separate your fees from time, emphasize the client experience and service delivery. As a result, clients realize your expertise and the value of engaging your firm's services."**

– Loren Fogelman, CPA,  
Firm of the Future <sup>1</sup>





## Eliminate obstacles to your expertise

Your clients want more, and you want to give them more. Once you have educated yourself and your team on value pricing, it's time to implement changes to the way you work—and then you can educate your clients as well.

**The key to having the time for all these changes? Automation.**

Use software solutions that free your time, allowing your clients to benefit from expanded service offerings while your firm can increase efficiency and maximize value.



**“Technology is a critical and transformational element... Technology solutions help firms streamline their processes and minimize or eliminate time spent on repetitive tasks.”**

-CPA.com, CAS Benchmark Survey 2022<sup>1</sup>



## Step 2

# Leverage technology

Data input. Bookkeeping. Reconciliation. These routine tasks won't take up the time they used to when you leverage automation to get them done.

When you **let software do the heavy lifting of routine tasks**, you're free to do the deeper work of advisory: review, analysis, and other high-value work.

With a wider range of services to offer, clients get more for their money, and you do more with your time.

**"...value pricing firms need to leverage efficiency as much as they can."**

- Jason Blumer, CPA, Firm of the Future<sup>2</sup>

**"If you automate just one process that was taking you two hours every single week, then you will save eight hours every month and 106 hours every year. Imagine how much time you'll save if you start automating all your manual and repetitive processes."**

- Shahram Zarshenas, CEO Financial Cents, for Firm of the Future<sup>1</sup>

1. <https://www.firmofthefuture.com/growing-a-business/how-to-increase-your-firms-capacity-through-automation-without-hiring-new-employees/>

2. <https://www.firmofthefuture.com/content/3-big-applications-for-firm-owners-as-they-sell-their-services/>  
<https://blumercpas.com/>

## Leverage technology

# Collaborate remotely with real-time data anytime, anywhere<sup>1</sup>

Embracing scalable, cloud-based software solutions can provide safeguards to help protect the security of your account. Web access can allow you to respond to your clients faster.

Do the work you were hired to do and build more client trust while you're at it.

Automated solutions allow you to use value pricing plans to open a whole new world of services for your clients—and revenue for your firm.



**“Let the client tell you all the things they think they can’t do in the cloud—and then show them that they can.”**

- Deb Defer, Director of CAAS Consulting at Woodward<sup>2</sup>

1. QuickBooks Online requires a persistent internet connection (a high-speed connection is recommended) and a computer with a supported internet browser or a mobile phone with a supported operating system (see System Requirements). Network fees may apply. Subscriptions will be charged to your credit card through your account.

2. <https://gateway.on24.com/wcc/eh/3583802/lp/3611377/accounting-advisory-convincing-the-customer>

## Step 3

# Give more, get more

With value-pricing education and empowering automation in place, you're ready to build your service plans and price them according to value—and ready to start seeing **more free time with more positive impact.**

Value pricing happens when the client believes that the gains from using your accounting services outweigh hourly fees. And the biggest benefit to clients that comes from value pricing is their advisory relationship with you.

**"Repeatedly, clients have shared that our firm's fees are the highest they've ever seen, but [they] never leave us because the return on investment (ROI) they receive is even higher."**

- Jackie Meyer, CPA, Firm of the Future<sup>1</sup>

Give more, get more

# Advisory is the goal

## Client Advisory Services.

It's the high-level conversation and data-driven guidance that your clients want—and they're willing to pay.

Rather than quick calls to keep costs down, and paying for the time it takes to accomplish manual tasks, you are your client's trusted advisor, offering more services with better information.



## Advisory looks like this:



### Discovery

Gaining a deep understanding of the client's business



### Insights

Using that knowledge to review what's working and what's not



### Tools

Making the most of the QuickBooks Online ecosystem



### Strategy

Identifying and prioritizing where and how to act



### Goals and KPIs

Developing a system to measure progress



### Schedule for success

Creating a timeline to stay on track

## Give more, get more

An important part of your value pricing system will be the way that you package and present your service. Packaging influences people's perception of quality—in this case, the quality of your services.

### Create three options: **Good, better, best.**

Your client can choose the one that represents the most value to them.

# Why three options?

According to Harvard Business Review, the Good, Better, Best approach has two immediate advantages. "First, customers prefer having choices to feeling under an ultimatum. Three differently priced options can give them a sense of empowerment.

Second, when faced with multiple options, customers tend to decide more quickly whether they are going to buy something, using their remaining time to focus on what. Having made that mental shift, they typically treat the Good version as a sunk cost, which makes them more amenable to upgrading."<sup>2</sup>

**"The first steps to value pricing using the Good, Better, and Best Model has you earn two to three times more without working additional hours. **What would you do if you could reclaim your precious time?**"**

**Moving in this direction puts you in charge of your firm instead of your firm taking charge of you. These clients respect you, value your services, and follow through with your recommendations."**

- Loren Fogelman, CPA, Firm of the Future<sup>1</sup>

**Give more, get more**

## Good, better, best

When you set up your pricing packages with three leveled options, there will be a plan that fits clients of every size and budget. Work with your clients to find the best fit.

**Good:** basic accounting work and reporting, plus services and deliverables the client is asking for

**Better:** good + **advisory in areas of need**

**Best:** good + better + **your full expertise**

**Plans**

**Most**  
of your clients  
will land here<sup>1</sup>

### Value pricing of a Best-level plan

Start with 1-2%+ of the client's gross revenue. For a \$5M a year business, value pricing is \$50-75k per year.

**Give more, get more**

# A business that fits you best

**Clarify your boundaries.**

**“Rather than adapt to a traditional model, create the business that best fits your lifestyle. You don’t have to be all things to all people.**

Packages reduce scope creep. Develop a service agreement that clearly defines what’s included and what’s excluded before you begin working together. This educates potential clients about your system for dealing with change requests. It’s better to clarify your boundaries in the beginning so that there’s no misunderstanding later.

Shifting to value-based pricing is a proven strategy that attracts high-value clients. If you’ve been postponing this move because you’re not sure how to package your services and offer value-based pricing, then find a coach, mentor or associate to guide you through the process.”

- Loren Fogelman, CPA, Firm of the Future<sup>1</sup>





Give more, get more

# Value pricing gives you the competitive edge

When there's no other way to easily determine value, your prospective clients will simply try to find the lowest hourly rate. With value pricing, your competition isn't other accounting firms. **It's the cost of the client carrying equivalent expertise on their own staff.**

Bookkeeper<sup>1</sup>



Controller/process management<sup>2</sup>



Fractional CFO with expertise<sup>3</sup>



Cash flow<sup>4</sup> and workflow<sup>5</sup> management



**\$400k + annually**

<sup>1</sup> <https://www.accounting.com/careers/bookkeeper/salary/>

<sup>2</sup> <https://builtin.com/salaries/finance/controller>

<sup>3</sup> <https://www.ziprecruiter.com/Salaries/What-Is-the-Average-Part-Time-CFO-Salary-by-State>

<sup>4</sup> [https://www.glassdoor.com/Salaries/cash-flow-manager-salary-SRCH\\_KO0,17.htm](https://www.glassdoor.com/Salaries/cash-flow-manager-salary-SRCH_KO0,17.htm)

<sup>5</sup> <https://www.ziprecruiter.com/Salaries/Workflow-Manager-Salary-in-California>

## Conclusion

Increase growth for you and your clients when you adopt value pricing. Let software do the task work while your team **builds loyalty and trust**. With customized services at a fixed rate, you'll be growing relationships and your firm, while your clients grow their business.

Expanded services, increased client engagement, and a more fulfilled and productive workforce is a **win-win-win**. Change can be hard but changing how your firm and your clients think about the services you offer comes with big rewards.



**“Moving in this direction puts you in charge of your firm instead of your firm taking charge of you.”**

- Loren Fogelman, CPA, Firm of the Future<sup>1</sup>