

Let the pre-Budget report work for you

Paul Webb, tax partner at TAX UK, offers practice development advice to smaller firms seeking to grow



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The 2008 pre-Budget report is looming. Ever since Labour came to power, the PBR is pretty much 'the' event in the financial and economic calendar, eagerly anticipated and often a big surprise.

An opportunity for extra business

Apart from setting the agenda for the coming year, the PBR provides tax advisers with a good excuse to get in touch with their clients. If such communications are executed well, they're an opportunity to secure extra business, demonstrating the real ongoing value you can offer as a trusted adviser. Put yourself in your client's shoes – there's nothing worse than having a firm of advisers or accountants who only get in touch when it's year end or tax return time. There is also the chance to demonstrate an understanding of your clients' business and strengthen the relationship.

Given the many information sources available to clients, they frequently misinterpret the all-too-often skewed, generalised news reports. The mainstream media simply doesn't have time to conduct a detailed analysis for more considered or objective commentary, and must rely on headline statements to attract their readers' attentions. This leaves a key role for the tax adviser to inform and guide clients, ensuring

their expectations are properly managed and the PBR is properly interpreted to meet their individual needs.

Get the timing right

However, as with all communications, the devil is in the detail – and timing is everything. If you are going to issue an effective PBR-related communication, it must be delivered on the actual day of the pre-Budget speech. Clients' in-boxes quickly fill up with emails; it's not good enough to digest the speech notes in the evening and get an email out the next day.

You'll need to set aside time to listen to the chancellor's speech and issue an interpretation as it relates to your own client base by the early afternoon. This may seem a waste of fee-earning time, because clients could get the same information elsewhere. But the point is that they will be getting it from an already trusted business adviser. And as well as perhaps winning you some immediate extra work, it's getting the message across that you're on the ball and aware of the bigger picture – more than just 'the person who does my tax return'.

Keep the day of the PBR free and ensure that there is someone senior available to answer clients' calls then and there. Clients understandably pick up on news reports quickly and your role should be to manage

their expectations and maintain a high level of professionalism when commenting on early speculation.

Essential follow-up actions

A few days after your initial PBR communication is issued, follow up with a much more targeted approach tailored for specific audiences – sole traders, groups of individuals, businesses by size and sector. Before working on this part of your communication campaign internally, spend time brainstorming the technical implications of a particular change and identify scenarios likely to resonate with individual clients' businesses. Identify specific information for each client to ensure the communication is tightly targeted; doing this means your email will be welcomed and never perceived as unwanted marketing. Afterwards, follow up emails or letters with a telephone call from either a partner or key contact.

Our experience has been that clients value information when it specifically concerns their circumstances, and that proactively communicating in this way helps cement the working relationship. It also sets the tone for more proactivity when the actual budget is announced. And the formula works. This year, a client rang up in response to one of our PBR communications with specific questions relating to the impending changes. We were successful in converting this enquiry into some valuable benchmarking work – the hook was the PBR announcement, even though the event actually had nothing to do with the ensuing project.

Ultimately, the proactive approach to budget communication offers the opportunity to take control of the client-practitioner relationship. Today, there are so many different information sources vying for the attentions of the business owner; it's all too easy to get sidelined as the technicians – instead of the added-value role of trusted adviser. Remember, if you don't manage to get in first with the information, someone else will – and that person is also likely to be pitching something, which in the end could mean lost revenues for you.

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