

A Capstone Conversation With The 2012 AAM Hall of Fame Inductee



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Principal, Business Development
Barnes Dennig and Company



CAPSTONE MARKETING

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Welcome, this is Jean Caragher, President of Capstone Marketing. Each year, the Association for Accounting Marketing Board of Directors selects a Hall of Fame recipient based on dedication to and promotion of the discipline of accounting marketing and the accounting profession as a whole. I am excited to be talking today with Chris Perrino, Principal, Business Development of Barnes Dennig and Company in Cincinnati, Ohio, the most recent inductee into the AAM Hall of Fame.

Chris joined Barnes Dennig and Company in 1997 and joined AAM that same year. In his role, Chris works directly with the firm's Management Group to ensure the firm's continued growth and prosperity by creating and implementing effective business development strategies. He has over 25 years of business-to-business sales and marketing experience. Chris has been a featured speaker at the Association for Accounting Marketing conferences, the Accounting Firm Marketing Forum, the Ohio Society of CPAs, and the Ohio Chapter of the AAA. He also currently chairs PKF's Practice Development Committee where he has served as a committee member since 1999, and as a past member of PKF Super Marketers Task Force. In addition, he was a founding member of the Marketing Committee of ProfitCrew, a construction super niche affiliated with PKF.

In the community, Chris serves as Chair of the Corryville Catholic School Advisory Board, and has served as an elected member of the Thomas More College Alumni Board. He has also served as a team captain for three years for the Thomas More College Corporate Campaign.

Chris, congratulations on being selected as the newest member of the AAM Hall of Fame. How does it feel?

Chris Perrino: Thank you very much; it's a lot of fun. I was in a meeting with one of our teams the other day talking about various sales and marketing ideas. I hadn't been to one of those meeting in a few months, and one of the partners on that committee said, "Wow, we welcome the Hall of Famer, what's changed in your life?" And I said, "Well, all I know is the night I got home from the conference where I was named a Hall of Famer, I still had to go down and scoop the kitty litter; so nothing's changed."

Jean Caragher: You've been at this for a while, you have been at your firm for 15 years. What do you find to be the greatest challenge in marketing and business development for CPA firms?



Chris Perrino: The number one thing has to be differentiation. It's really difficult to tell one CPA from another, especially when you are in your different striations; you've got the Big Four, the nationals and super regionals, and then we are a local firm, but we are a large local; then the small firm. So, if you're competing against other locals that are larger or have a regional presence, like I do every day, it's really hard to differentiate in the mind of the prospect.

The other thing that's a challenge is overcoming inertia. We might have a great idea for a prospective client, but there's about a 90% chance that they are still going to stay with their current accountant out of loyalty, which is a good thing on the other side of our business, meaning client retention. But differentiation in overcoming the inertia of an incumbent accountant is difficult for the growth of our practice, on the new business side.

Jean Caragher: That's interesting because you are the second person in this series of interviews to mention differentiation. How do you deal with that with your firm?

Chris Perrino: We have been thinking about wearing bow ties just to impress the client.

Jean Caragher: You'll be the bow tie firm?

Chris Perrino: No, I'm kidding. How do you solve that? Part of it is to have well-defined niches and have a true understanding of how that person in their world works, because we work with so many clients in that world. It's a number of things, but that's one of them. Another thing is just to hone the process of how you develop prospects into clients. Through that process it becomes helpful at showing a differentiation and an advantage of the Barnes Dennig way, if you will. But overall, it is a difficult thing that we wrestle with everyday. It does vary from prospect to prospect, and there is no silver bullet that I've found.

Jean Caragher: It's a question of being consistent with your message, and as you said, touching upon those niches or areas of specialty of what you are bringing to the table in the specific markets.

Chris Perrino: The message changes from prospect to prospect.

Jean Caragher: Take a look backwards. What are the biggest changes that you've noticed in accounting marketing over the past 10 years?

Chris Perrino: I was hired here 14 plus years ago, and I was told at that time that my role was going to be part marketing and part business development. Barnes, Dennig was a bit on the cutting edge of that. Overall in the last 10 years, especially the last



eight, the embracing, the emphasis, and the focus on business development rather than pure marketing have been incredible.

There's been quite a shift or emphasis to look more "business development." I have talked to people throughout the country who said, "Oh, by the way, I am a marketer and my managing partner came to me and said we need to do more in business development," and they're not even sure what that exactly means. So, I have an e-mail that I keep in a ready-to-go folder that I forward to people with a bunch of different articles on the process of looking at the world more as a business developer and less as a marketer. That has been the biggest shift that I have seen.

Jean Caragher: Because that is prevalent, and I know at various conferences that you attend you meet more people that do what you do, more from the business development side as opposed to the marketing side, but, what's your reaction when firms are trying to turn marketers into business developers? Because it's two distinct areas, don't you think?

Chris Perrino: It's two distinct areas very clearly, and sometimes it's a bit of a misunderstanding on whoever wants that change to happen on their part of understanding what one discipline is versus the other. One-to-many versus one-to-one is how some people define the difference between "marketing" and "business development." So, there is a bit of a misunderstanding that all marketers are business developers and all business developers are marketers, when actually that's not really the case. Sometimes it sets the marketer up to fail if they are not careful in defining terms real well with their leadership team that's come to them with that idea.

Jean Caragher: How would you define a marketer versus a business developer?

Chris Perrino: Marketers have to have a broader view. They might even have a view of the practice from the concept of new service innovation. They have to look out and say "How can I take all the new stuff in marketing that's not necessarily in accounting marketing and how do I apply that to accounting marketing, i.e. social media, websites, lead generation through websites; things of that nature. Their view has to be far broader.

In contrast, with the business developer, generally that person's view has to be far narrower; narrow in the sense that if looking at specific prospects and specific needs they have - how do we have a sit-down with those folks to talk about those needs and how we can fulfill them for them? So, I say it's very different. It's overly simplistic to say that marketing is one-to-many; that is one-firm marketing to many people, and that business development is one-to-one; that is one person, the business developer marketing to one prospect. That really is the best way to look at it, because it's very different how you go about achieving those very different goals.



Jean Caragher: That would be a big job for one person to be handling all of that.

Chris Perrino: Absolutely.

Jean Caragher: Which is why we find that more firms are hiring marketing people and business development people, knowing that the roles are very different.

Chris Perrino: And that would be my advice. Granted, it's self-serving advice, considering that's what we have here. However, it is a far better way to achieve the goal, whatever that goal is - generally moving top line revenue or increasing the prospects or taking leads generated by marketing and getting them to come through the front door; the kind of hand off between sales and marketing. It's important to have different people with a different mindset to fulfill those two very different jobs.

Jean Caragher: So what is your prediction for accounting marketing for the next five years?

Chris Perrino: That's a difficult question because there is a high probability I'll look like an idiot, but that's the story of my life... But, it's going to be an "obsession," for lack of a better word, on return on investment by our friends in the C-Suite, which is the managing partner or CEO of the firm. They are going to ratchet up their call for return on investment on both the marketing side and the business development side. We're seeing it now, and we are just going to continue to see that. Pretty brochures and websites that are static aren't going to cut it. There is going to need to be a one-to-one or better relationship between dollars out, and dollars in.

Jean Caragher: And perhaps, looking at those initiatives more strategically before you even start to implement.

Chris Perrino: Absolutely, consistency, focus. A common theme, a common message with something you hit on earlier. We have to be big girls and boys here, and do this the way they do it in a corporate market. We are seeing more of that.

Jean Caragher: What factors or skills do you think enable accounting marketers to be successful?

Chris Perrino: A thick skin is helpful and persistence is important. I don't know how you can be innovative or have a skill to be innovative, but if you are innovative, it's very helpful. Overall, whatever side of the house you are, marketing or business development, you have to have incredible communication skills. Many of our friends on the accounting side of the world don't have quite the communication skills that the business developer and marketer have; they also speak a different language. As a result, communication skills are so important because when we're dealing with a new idea, a new concept, or something we want to move forward, we have to be able to



articulate it as to the “why,” the “how,” the “when,” and the “how much.” Then, we have to tie that back to the ROI that we’re expecting, and then how we plan to be accountable to that ROI - what's the number, what do we think that's going to be, how are we going to measure it? When we are successful - how do we know, what will it look like, those kinds of things; communication skills are all part of that.

Another thing is to grasp the environment we work in. The CPAs are all hard pressed by their clients, day in and day out, for ideas and to perform beyond just the pure compliance part of what they're doing. They want ideas, they want insights, they want the CPA to be a sounding board and to be responsive, etc. We have to be that same way on the other side, for the CPA.

Jean Caragher: Which of your personal skills do you think has contributed most to your success?

Chris Perrino: “Polite persistence” is maybe the term I could use for it. If I think I have a very good idea, and I bring it up to a leadership team, and they say, “why do we need that” or “no” or mock me in a fun-loving family kind of way... and since I was the youngest of three boys in the house I was always used to that. So, it's my job then to realize that I'm actually in a selling situation here. So, I have to find out more about why they don't think that is a good idea, and then help them through my communication skills into understanding what we're trying to do with this, and then tie it back to ROI as I just laid out earlier.

We are marketers and sales people, whether internally or externally, all the time because we have ideas. The CPA's don't always share our vision because they don't see things the way we do, and to be fair, we don't see things the way they do. But, it's very important to be able to tie back what we are trying to do to their mission, to their thoughts about ROI, and so forth; being “politely persistent” about our good ideas. Believing in our ideas is very important and communicating, as I mentioned earlier, is very important; you are always selling something.

Jean Caragher: There are some times when you need to put the spin on it, about how this is going to be beneficial to the firm - what value it has, what goal it's supporting. It's not just an idea of the week but that it actually makes strategic sense based upon what the firm is trying to accomplish.

Chris Perrino: There you go; it's back to Steven Covey's Seven Habits, “begin with the end in mind.” We really have to do that. We have to realize that partners want a bigger and better firm, and a firm that can buy them out in five to ten years. How does what I’m bringing up today achieve any of those goals? How does it do that? You have to answer that question. If you get the head shaking up and down, you have to answer those questions because it's generally going to start off as, “I decide,” if you are not really answering those kind of questions upfront.



Jean Caragher: So Chris, what is your best piece of advice for accounting marketers and business developers?

Chris Perrino: The best piece of advice I can give folks is the advice that I give myself every day, when something isn't going quite the way I had hoped or there is a communication breakdown. I have to realize that I have fourteen-and-a-half years of experience doing exactly what I'm doing right now, actually I have 25 years total in sales because I started in 1986. I am sitting across from one of the managing partners and he has got 30 years in accounting. We are kind of on equal footing here - that is, he and his discipline, and me and mine. So, I have to remind myself, "oh wait, I do know what the heck I am talking about." I really have to have a certain amount of self-esteem or belief in myself that I have the right answers, and they have to listen. Let me put it in another way. If they were giving me tax advice or accounting advice, I am going to be laser-focused and I am going to do what they say.

So, I have to believe, and I have to make a case for, and I have to live up to the expectation that if I'm giving them business development and marketing advice, they should be listening to me and hanging on my every word and doing what I say. I just have to help them get there because I have as much experience doing what I am doing as they do in their field. So, that's kind of my thing. Now it's harder when, if somebody listening to this later on podcast says, "yeah, but I have only been doing this two years and I have only been out of school for three ..."

Jean Caragher: That was my follow up question for you, so with somebody without that longevity of experience....

Chris Perrino: Here is what I'd tell them. Go out to the AAM Listserv or go out to your association, we are PKF members as you noted at the beginning, and find someone with as much experience as you need, especially if you're saying we need to add X to our website or we need more people on LinkedIn. Well, why? Why do we need to do that? How would it help us? Go out and find somebody who's got the answer to that "why" question. Get them on tape or in e-mail form to give you your answer. Then you just become the conduit between the person with the right experience and your managing partner to answer that question. It's been amazing to me, over the years, how I'll bring something up and I'm not able to communicate it quite as well as I had hoped, and three years later it will come back up as, "Hey, we are going to do this," and I am like, "Well why are you going to do that?" "Well this other PKF firm did it, they had success with it." I am like, "What? Didn't I say that three years ago?" And they'll say, "You did?"

Jean Caragher: Sometimes you just need that affirmation, right?

Chris Perrino: Absolutely. If another CPA firm did it, it's probably brilliant. If I bring it up, it sucks.



Jean Caragher: I don't believe that for a minute.

Chris Perrino: No, it's not that bad, I'm kidding. Actually, it's almost like having a reference on a proposal, when you have that person from your association or from AAM to back up the story you are telling.

Jean Caragher: So, that should be part of their homework. When they are making their case for whatever the pitch is or the idea, getting that affirmation or resources from other contacts is part of that checklist of putting their case together. Great advice!

Chris Perrino: Absolutely. The other piece of advice I would give to people who are in day, month, or year 14 of their career as an accounting marketer is, don't think like an accountant. You really have to watch it. If you're here long enough, you start to get into the woodwork. You're like the stain on the couch in the lobby, and you can't be that way. You have to always think like an accounting marketer or an accounting business developer. You can't think like an accountant because then they don't need you. If you think like they do, they don't need you because you don't think any differently than they do. I think it was Patton who said, "If everybody is thinking the same way, then somebody isn't thinking," and he's right. You really have to have people with different ideas, different opinions, and different perspectives. It's a whole diversity thing to really make anything go, especially in this world. So, you have to avoid the temptation to think like an accountant - to go along to get along; sometimes we are not going to get along.

Jean Caragher: That's true.

Chris Perrino: Sometimes, if we can disagree without being disagreeable, then we are okay.

Jean Caragher: Then what is your best piece of advice for managing partners?

Chris Perrino: There are several branches to this, but one of them would be to hire a strong marketer. Hire somebody who's more expensive than you think you can afford, and then listen to him. If they've got credentials, if they've got good experience, if they've got a certain track record, then hire them and listen to them. If you believe in them on the front end, then it should work out. The other thing would be to just think long-term. There is a temptation in a sputtering economy to think short term sometimes and I would encourage managing partners to think long-term about the decisions they're making now, and think of it as an investment as opposed to a cost.

Jean Caragher: That's good advice because I am sure you have seen the same thing in these last couple of years. I have seen CPA firms focusing on their marketing programs like I've never seen them because some firms are out there struggling on their own for



new business, and retaining clients, and keeping that top line. If a firm was staying flat, they thought that was successful, and now they are really focusing on “boy, we have got to get on this marketing and business developing train because we need some new clients.”

Chris Perrino: Exactly.

Jean Caragher: They are going to need the help, the professional, to be able to help them do that.

Chris Perrino: Agreed.

Jean Caragher: Wonderful! Well Chris, thank you so much for your time today. We've been talking with Chris Perrino, the Principal of Business Development at Barnes Dennig, who is the most recent inductee into the Association for Accounting Marketing Hall of Fame. Chris, congratulations again! It's very well deserved.

Chris Perrino: Thank you, Jean.

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