Mergers and acquisitions are a mainstay within today’s successful firm business model. The key to a successful M&A is to have a clear idea of the most important factors and a clearly defined strategy in place for how to best address these factors.

Whether your firm is looking to grow via acquisition or you are looking to sell your firm as an exit strategy, you must make sure you have addressed the following key areas in your firm:

1. **Leadership & Management**
   Strong leadership starts with a strategic plan and vision for the future of your firm. Without these building blocks, your firm lacks a road map for success. Your strategic plan provides vision as well as direction for your team as they continue to grow.

2. **Technology**
   Other than talent, technology is the largest investment most firms make and an important strategic asset for firm innovation and growth. Make sure to bring IT in early on in the due diligence process to provide an important piece of the overall deal.

3. **Process**
   Change is difficult, so create a one-firm process that is forward-looking and future ready. A comprehensive workflow tool will fast-track the firm toward a consistent, one-firm process that takes full advantage of automation, visibility and compliance.

4. **Talent & Culture**
   The single biggest asset CPA firms have is talent. Without a shared culture, firms will ultimately disintegrate at the top as partners compete among themselves for clients, resources and political power within the firm.

5. **Client Development**
   Clients are the lifeblood of any professional services firm. Firms that work together on client development will create competitive advantages not only for the firm as a whole, but for the individuals on the team as well.

Addressing these factors will allow your firm to maximize the price as the seller and accelerate your return on investment if you are the buyer. It will also make for a much smoother integration before, during, and after the merger. If you have ignored any of these areas, it is already impacting your firm’s profitability and your ability to reach the firm’s maximum potential.

**Did You Know?**

The biggest challenge CPA Firms face during an M&A is technology integration? Firms should budget approximately $10,000 to $12,000 per user for hardware, software, conversion and training.

To learn how XCM’s workflow automation software can help your firm connect your people and process through technology, contact us at 781.356.5152 or visit xcmsolutions.com today.

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