How To Identify Your **Firm's Ideal Clients** Through Busy Season Insights

Picture this. It's April 14—you've almost made it to the end of busy season. And then a frantic client contacts you at the last minute, claiming they "just received" an important tax document (although the timestamp says otherwise). They need to be sure this gets included with their tax return.

Meanwhile, you heave a sigh of relief. You've lost count of how many clients' returns were completed weeks ago because they delivered everything early or on time, responded to your questions within hours, and even sent your team cookies as a thank you.

These contrasting experiences aren't just anecdotes—they're valuable data points that tell you which clients should form the foundation of your firm's future.

You may be surprised to learn that busy season isn't just a stressful period your team has to survive. It's also your firm's most data-rich environment. The patterns appearing during these high-pressure months provide insights that show which clients truly align with your vision and business model (i.e., your "ideal clients") and which ones may be holding you back.

Here's something else to consider. The tax code continues to grow more complex every year, meaning more people are turning to CPAs to handle their taxes professionally and expertly. With this rising demand comes the opportunity to be more selective about the clients with whom you choose to work, which is why it's important to know who fits into the ideal client mold.

What Makes an Ideal Client?

It's not just the one who pays the highest fees. The ideal client values your expertise, respects your time, communicates effectively, provides complete information when you ask for it, embraces technology (i.e., your tech stack), pays bills on time, follows your processes, and has future growth potential.



They're also someone your team loves working with—an important factor to consider amid the current staffing crisis.

So, let's talk about how to use insights from busy season to identify your ideal clients, transition away from those not-so-ideal ones, and build the practice you've always wanted.



What Your Clients Are Really Telling You

During busy season, client behaviors become amplified under pressure. And these patterns reveal far more than just their tax situation—they shine a light on how they value your firm's services. Pay attention to:

> **How clients communicate:** Which clients respond promptly to emails? Who provided documentation on time? Who adapted easily to your digital workflows? Which clients required multiple follow-ups over several days?

> **How clients approach deadlines:** Note the early birds (and the on-timers) versus the procrastinators. Do they respect timelines?

> **How their values align:** Which clients actually implemented your tax planning advice? Did anyone express appreciation for your expertise? Who showed interest in year-round advisory services?

The clients who treat tax season as a partnership—as opposed to a transaction—and see you as a trusted advisor (and not just a tax preparer) are going to be the ones who value your firm and your services the most.

Numbers Never Lie

Beyond your clients' behavior, let busy season data help you identify your most profitable client relationships. You should:

> **Review profitability metrics:** Which clients generated the highest fees relative to the time spent? Which ones caused scope creep? Are there hidden costs (e.g., late-night emails, stress levels, rework) associated with this client?

> **Identify team strengths:** Where does your team's expertise lie? Is there a specific industry or tax situation where your firm excels?

> **Examine growth potential:** Which clients show signs of business growth? Who has already opted into advisory services? Who has referred other ideal clients?

> **Consider lifetime value:** Which clients have been with you long term? Who requires less hand-holding, understands your processes, and provides a stable revenue? Do you have an established relationship with them?

Create a spreadsheet that tracks these metrics for each client. This data-driven approach will help you make objective decisions about which client relationships to nurture and which ones you need to reconsider.

Why "It's Not Personal, It's Just Business" Isn't True

With firms struggling to attract and retain talent, staff satisfaction matters more than ever. So, you're going to have to make this a little personal. Ask your team:

> **Who energizes versus drains:** Which client interactions leave team members feeling valued and respected, and which ones leave them feeling depleted?

> **How mistakes are handled:** When errors occur (on either side), which clients approach them constructively rather than combatively?

> **Who respects boundaries:** Which clients honor your firm's policies and timelines, and which ones consistently push for exceptions?

The way a client treats your staff speaks volumes about how they value your firm overall. As Maya Angelou once said, "When someone shows you who they are, believe them."

When clients demonstrate respect for everyone on your team—not just the partners—they're showing that they understand and appreciate the collaborative effort required to serve them well.

How Your Ideal Clients Build Your Dream Practice

Now that you've gathered your busy season insights, it's time to create your ideal client profile (ICP) and align your practice accordingly. Keep in mind, though, that transforming your client base won't happen overnight. But with intentional planning and execution, you'll be able to build a practice filled with clients who value your team and support your business goals.

Step 1: **Build your ICP**

Start by documenting the characteristics of your favorite clients, including both quantitative factors (e.g., revenue, profitability, years as a client) and qualitative factors (e.g., communication style, responsiveness, openness to advice).

Next, establish non-negotiable baseline requirements for all clients. These are your standards—think minimum fees, communication style, technology adoption, staff treatment, etc.—that aren't open to compromise.

After establishing these criteria, review your entire client list and create segments to categorize them. A simple approach may include categories like:

- **A-List:** Meets or exceeds all ideal client criteria.
- **B-List:** Meets most criteria with minor issues.
- **C-List:** Falls short on multiple criteria.
- **D-List:** Fails to meet non-negotiables.

Your ideal (or close-to-ideal) clients are in your A- and B-Lists. C-List clients should be considered for transition, and D-Listers need to be fired (but in a nice way, of course). Be sure to document this assessment in a spreadsheet with weighted scoring to objectively measure what might otherwise be too subjective.

Step 2: **Structure your services around ideal clients**

Once you've identified your ideal clients, design service packages that specifically appeal to those characteristics. As an example, if your ideal clients value proactive tax planning, create a comprehensive advisory package that includes quarterly strategy sessions.

Next, review your fee structure and adjust it to properly value your team's expertise. Many firms undercharge their best clients while underpricing difficult relationships. Consider offering value-based pricing instead of hourly rates, premium pricing for last-minute or rush services, and strategically increasing prices for clients that require extensive handholding.

PRO TIP: Increasing prices can help weed out nonideal clients automatically.

How To Move On From a Nonideal Client

We can all agree that there's no easy way to end a client relationship. And there's no guarantee that feelings won't be hurt. But there are ways to approach the conversation with professionalism, respect, and compassion:

1. Frame the conversation around fit, not fault.
Let them know that your firm is evolving and that you're shifting your focus to specialize in a particular type of client that you can effectively serve the most. And emphasize that they deserve a firm that's more aligned with their needs.

2. Provide a transition plan.
You don't want to leave these clients high and dry and feeling kicked to the curb. Give them a reasonable transition timeline and offer to help transfer their information to their new provider. It shows them that you're not simply abandoning them and that you do have their business interests at heart, even if they're no longer a good fit for your firm.

3. Send a termination letter.
It's in everyone's best interest that you send a disengagement letter confirming the end of the relationship. The letter should confirm that you're terminating the relationship and include when the relationship will end, along with any next steps. (The AICPA Member Insurance Programs has a template you can follow.)

Step 3: **Transition your client portfolio**

Many firms hesitate to transition existing clients or turn away new business, but it's important to build your business based on your ideal clients and the favorable characteristics they possess. For promising clients who aren't quite ideal but show potential (your B-List):

- Schedule a relationship review meeting to reset expectations.
- Provide specific feedback about what's working and what needs improvement.
- Offer resources or training to help them become A-Listers.

For clients who don't align with your future vision (these are your C-List and D-List):

- Create a transition timeline (typically 30-90 days).
- Develop scripts for having respectful conversations about incompatibility.
- Prepare a list of alternative service providers who may be better suited and offer to facilitate introductions to ensure a smooth handoff.
- Document everything.

Your Ideal Client Implementation Checklist

- ✓ Schedule a dedicated team debrief session within two weeks after the tax deadline.
- ✓ Create a client evaluation template with ideal client characteristics.
- ✓ Score each client based on ideal client characteristics to determine their client segment.
- ✓ Develop specialized service offerings for your ideal client segments.
- ✓ Create a transition plan for clients who don't fit your firm's direction.
- ✓ Set goals to transition clients.
- ✓ Train your team on your ideal client strategy.
- ✓ Establish clear client communication expectations for the next busy season.

Step 4: **Train your team**

Don't overlook the importance of training your team to support your ideal client strategy. Otherwise, you may end up with too many nonideal clients in your portfolio. Be sure to:

- Educate your team on your ideal client characteristics.
- Develop protocols for escalating issues with difficult clients.
- Empower team members to identify and nurture relationships with your ideal clients.

Remember, transitioning to an ideal client base is a marathon—not a sprint. Set realistic goals—maybe transitioning the bottom 10% of your client base annually while focusing acquisition efforts exclusively on ideal-fit prospects. Hard conversations will be had, but it'll be well worth it in the end.

From Busy Season Insights to Year-Round Partnerships

The best time to evaluate your client relationships is immediately after busy season when insights are fresh and pain points are still vivid. With the current staffing crisis plaguing the profession, creating a practice focused on ideal clients isn't just good for profitability—it's essential for staff retention and firm longevity.

By being intentional about client selection, you can:

- Increase revenue without increasing hours.
- Improve team satisfaction and retention.
- Reduce stress during busy seasons.
- Create space for high-value advisory services.
- Build a sustainable practice that supports the way you want to live.

A well-run practice naturally attracts new clients through referrals and word of mouth. When your existing ideal clients value your work, they'll be your cheerleaders—enthusiastically shouting your praises into their network. And this usually leads to clients who share similar traits and values to your ideal clients. This type of organic growth gives you the luxury of being selective about which new clients you take on.

Remember, every nonideal client you serve takes time and energy away from an ideal client you could be meaningfully investing in instead. By leveraging your busy season insights to refine your client base, you're not just building a more profitable practice—you're building a more enjoyable one.