PRACTICE MANAGEMENT

PRACTICING SOLO

"Practicing Solo" features interviews with our industry's new and seasoned sole practitioners. If you are itching to join the solo ranks, or striving to be more efficient and effective in your established one-person firm, this column offers you practical advice, steeped in experience from the trenches, that can move you forward.

By Rod P. Burkert, CPA, ABV, CVA, MBA

INTERVIEW: SARAH SPELTS LOEBL

I hope you enjoyed last issue's interview with C. Zachary Meyers. Our interview series continues, with this issue featuring Sarah Spelts Loebl, CVA. Sarah hails from Denver and has been practicing solo since July 2011. Her firm is Valuation Analytics, LLC...and get this, she does not have a website! While the firm's URL is reserved, Sarah has not felt the need for it. Instead, she relies on the strength of her network and—GASP! — using LinkedIn to showcase her experience.

Sarah Spelts Loebl

Sarah also has a different business model: she handles a mix of contract work for other firms as well as originating her own projects. The revenue mix depends on the year but is typically seventy percent contract work/thirty percent her own engagements. As a contractor, she is able to help with other firms' overflow work or fill a gap in their expertise. She also offers a report review service. Her direct engagements typically focus on traditional, non-litigation valuations. For litigation matters, she often partners with other firms to leverage their resources and specialized expertise.

Rod: What was your first year like and what would have made it better?

Sarah: I did not set out to establish a solo practice. The idea started to take shape during a backpacking trip along the coastline of rural Panama in early 2011. A month prior, I was on a career path with the goal of making partner at my BVFLS firm—until I was laid off.

My first reaction was to look for a new position at a similar firm. But during my time in Central America, I met fellow travelers who had established remote working arrangements or flexible work schedules that allowed them to pursue their love for traveling. I didn't think this would be a possibility for me, but I was inspired (and envious). I continued networking and looking for jobs at traditional firms and had interviews lined up when I returned to Denver. But after meeting with a few firms, I realized that going back to a traditional job wasn't feeling right. A business contact suggested I do some contract valuation work for them. I started out working exclusively for one person and I built up a great network of clients fairly quickly through their support and guidance, and my networking efforts.

Working on a contract basis was a great fit for me for a number of reasons. My father owns a lumberyard; growing up I had always admired that he was his own boss, employed several people, and supported our family through his efforts. Being my own boss would allow me a chance to be entrepreneurial. Until that point, I had thought working at a firm was the safest choice, but I realized being self-employed would allow me to manage my own success. I was also able to choose projects I found interesting as opposed to having projects assigned to me. And the first time I testified was for a contract valuation!

A big challenge that first year was balance—maintaining a balanced workload as a contractor can be tricky. A client missing their document submission deadline can throw everything off. I learned I shouldn't say yes to every project that comes my way and that building extra time into every project lessens the likelihood of conflicting deadlines. My first year would have been easier if I had known this!

Rod: Did you have a formal (or even semi-formal) business plan?

Sarah: No. I think it would have been helpful, but that wasn't the nature of how I became a solo practitioner.

Rod: Do you practice in a specialized niche today?

Sarah: The majority of my contract work is on family law cases. Partnering with a firm on these cases has been a successful model, allowing me to leverage the firm's staff, resources, and expertise. I also independently handle estate and gift work, consulting for business sales, and I enjoy complex financial modeling. I try to take on projects of that nature when they come my way.

Rod: What has been your best marketing tactic?

Sarah: The marketing tactics that work best for me are an outgrowth of doing what comes naturally to me and that I enjoy. Most critical has been building relationships with people within the industry and beyond. I think of all my connections as friends, and I foster those relationships because I enjoy it. I didn't set out to develop a referral network, but my contacts have turned into great referral sources over the years. I am a social introvert, so this type of one-on-one networking has been more successful for me than attending large networking events. When I do attend large events, I find one or two people and endeavor to get to know them well enough so that I feel I walk away with a solid connection. I have met some of my best friends and referral sources by doing this.

My community involvement has also led to referrals. I serve as a director of We Don't Waste, a nonprofit that collects unused food from venues, caterers, distributors, and other food purveyors and distributes it to under-served populations. My fellow board members are an accomplished group of people with deep ties in Denver that have helped grow my network. I was also treasurer for the Colorado LGBT Bar Association for several years, exposing me to attorneys in the area.

Another great marketing tactic was getting involved in my Colorado/Wyoming NACVA State Chapter. Though I had attended the chapter meetings since I started doing BV work, I stepped up my engagement after going solo, becoming more involved in the chapter leadership and even got elected chapter president. I was very unsure about that move—all of the prior presidents had been at firms and had support staff to help with the somewhat daunting administrative tasks—but my fellow officers convinced me I could do it. It required a fair amount of work to organize three meetings a year, but the role proved to be worth the time...it raised my professional profile and led directly to business referrals.

Rod: How do you price work?

Sarah: This varies by case. Often times, I charge an hourly rate, but I do occasionally price engagements by project as well—it depends on with whom I am working and what type of engagement it is. For contract work, I generally charge one-half to two-thirds of the rate I am billed out at, depending on a number of factors including payment terms.

Rod: How do you differentiate yourself from larger firms?

Sarah: My rates tend to be more reasonable than larger firms and I do most of the work myself; providing a more personalized approach than what larger firms offer.

Rod: Do you work from a home office or an "office" office?

Sarah: I work from a home office. I consider leasing office space once in a while, but mostly because my neighborhood has become a hot spot for cool shared office spaces. Thus far, though, I have opted to retain my home office because it meets my needs and allows me to keep my overhead low.

Another benefit of having a home office is that I am able to spend more time with my son, who was born this January. I have a nanny care for him during the day, but I value being able to take a break from work and see him several times a day. Also, I have turned a challenge of having a home office—lack of regular interaction with co-workers—into an advantage. It makes me more intentional about getting out to socialize with my network.

Rod: What is your current mobile device?

Sarah: The iPhone X, mostly so I am able to snap quality photos of my son without worrying about having my camera at the ready.

Rod: Describe your current computer workstation set up.

Sarah: I use a refurbished 2013 iMac, which I bought around five years ago. I realize that is ancient in the land of computers, but it serves me very well—it's fast and never crashes. The monitor is sufficient for most projects, but I keep two old Dell monitors around just in case. The iMac runs all of the programs I need, other than QuickBooks, which I have loaded onto a Surface Pro.

I do the majority of my work in my office, but I like to review reports at my kitchen island, so I can spread out. I also think that being in a different space can provide a reset and make me fresh for review. I occasionally will do some reading in my backyard as well, given that we have generally nice weather here in Denver.

Rod: Besides your phone and computer, any office hardware or software that you just couldn't live without?

Sarah: I bought an HP Officejet Pro X576dw MFP a few years ago and it is invaluable. I use the scanner quite a bit since I regularly work with people remotely.

And for working remotely, Dropbox is indispensable. I use Harvest for tracking my time and invoicing. I like that it's web based and also has an app so I'm able to accurately track time when I'm on the go. Another must have is Dashlane, a powerful password manager. I like that the program provides a holistic review of my passwords, ensuring that I don't use repeat passwords, that the passwords I select are secure, and that I change passwords frequently. Dashlane also allows me to securely share a password with someone else, which I use more for home management related items. Last year I subscribed to Grammarly—it provides helpful grammar and style corrections, not just in word documents but in e-mails, etc.

Rod: What do you listen to while you work?

Sarah: I rarely listen to music while I work. In the past, I listened to classical music, but as I have learned about and grown to love it, I find it too distracting to play while I am working. The rare exception is when I need to stay up late on a project—in that case, music provides the energy I need to stay alert and then, anything goes!

Rod: What tool(s) do you use to manage your to-do list?

Sarah: I like a good old-fashioned sticky note to manage my daily to-do's. I find that crossing tasks out as I complete them motivates me to keep going. I also manage my time by creating appointments in iCal. And I have a project spreadsheet for one client, which I built to track specific completion dates for certain tasks and to monitor what is in process versus finished.

Rod: What are your best-cost saving ideas?

Sarah: I try to keep overhead low by only paying for items I find that I truly need. Using a home office is one example of this.

Rod: How about your favorite productivity tip that saves you lots of time?

Sarah: I have learned that starting with an outline saves a lot of time when writing reports. I spend less time re-writing and have a good idea of what points I need to make and where.

Rod: Early bird or night owl—what's your sleep routine?

Sarah: Early bird. Give me a sunrise and a cup of coffee and I'm happy…which is a good thing since I'm a new mother! Anecdotally, during my pregnancy I decided I missed coffee way more than beer…though I was happy when I could start having that cup of coffee in the morning and that beer at night again after having my son! I'll add that I was not always an early bird, but I wanted to be. I forced this shift over time; the greatest help was buying Phillips Hue light bulbs for my bedroom. I set up a sunset and sunrise at regular intervals and my body adapted fairly quickly. I don't use an alarm to wake up now.

Rod: Do you have liability insurance?

Sarah: Yes, I have since day one. I am not a CPA, so it was a little more challenging for me to find professional liability insurance. I use an agent, InsuranceBee, and they shop the policy out to a network of providers on an annual basis. I am currently insured through Navigators Insurance Company.

Rod: Do you have any office/admin staff?

Sarah: No, unless you count my eleven-month-old son or two dogs!

Rod: Do you have a support group to call on?

Sarah: Yes. This is a huge benefit of having developed meaningful relationships over the years. I count several partners I have worked with in the past as mentors. I am also lucky to have made friends with many people in the industry. In particular, I am part of a brunch club consisting of a group of women I worked with in the past. We get together purely as friends, but they have all been there for me when I needed support, personally or professionally. I also have made friends with several attorneys who inspire and encourage me.

Rod: Who reviews your work?

Sarah: When I'm working with a client on a contract engagement, they review my work. When I am working on my own, I like to build in time to step away from the report, print it the following day, and review it in a new setting (a different part of my house, backyard, a coffee shop). I employ this same methodology when I review reports for other people—I don't review reports in my office. I have found that a change in my environment allows me to really focus in on the review process. If I have the client's permission, I occasionally like to have my husband read my reports. His perspective as an attorney has helped me to focus on crafting reports that are persuasive, easy to follow, and concise. The experience of having this type of review makes me wish I had found a "writing mentor" earlier in my career. If I could go back, I would advise myself to even consider paying for the review and coaching.

Rod: How do you stay technically current with changes in the profession?

Sarah: I attend all of the Colorado/Wyoming NACVA State Chapter Meetings and I attend NACVA's Annual Consultants' Conference. I also read industry publications, including BVWire, NACVA's *QuickRead*, and *The Value Examiner*. Another way that I stay current is by doing contract work, which gives me access to a variety of other practitioners, so I am able to see how others are handling various issues and learn from them.

Rod: What non-BV business book have you read most recently or want to get to, and why?

Sarah: I have the book, *Everything 's An Argument*[1] on my kitchen counter. My husband read it before attending law school and has found it to be an essential basis for crafting persuasive arguments. Writing well, particularly in a litigation setting, is hugely important for our profession.

Rod: How do you recharge? What do you do when you want to forget about work?

Sarah: New to me this year is stepping away from my computer and hanging out with my son. Observing his discovery of the world around him—whether he's chasing after an ant or working on walking—is a great mental break as I'm able to clear my mind and be present in the moment. I also recharge through practicing yoga, attending the symphony with my husband, or going on a family hike. We love to travel as well, which is the ultimate way to recharge. We took our son to Peru earlier this year to visit family. We hired a cook/nanny for the time we were there, which made traveling with our son a relaxing and enjoyable experience!

Rod: What practice areas do you think offer the most promise to someone going solo now?

Sarah: I think that depends greatly on that particular individual's experience, skill set, and network. I think litigation is a great area to practice in right now, likely because that is the bulk of my workload.

Rod: Finish this sentence: If I knew then what I know now, I would…

Sarah: …not say yes to every engagement, prioritize finding a writing mentor, and buy a standing desk! VE

That's a wrap! Answers have been lightly edited and links have been added. Do you have a Practicing Solo issue you would like me to address? E-mail me at rod@ rodburkert.com.

Rod Burkert, CPA, ABV, CVA, MBA, is a practice development coach who helps overwhelmed BVFLS professionals create more money, meaning, and maneuverability in their practices and their lives so they can create the experiences that matter most to them. For Rod, that experience is traveling full-time in an RV with his wife and two dogs. What's yours?

1 *Everything's An Argument*, Andrea A. Lunsford, Sixth edition, Bedford/St. Martin Press, New York, New York, 2012.

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lack of) in a specific industry. These funds are generally organized as partnerships between a private equity firm, which provides the management services to the private equity fund, and investors, which provide the capital.

The aggressive search for returns and the flexibility of the private equity model have resulted in the private equity industry being a hot bed for investment in innovative products and services, as evidenced in the private equity investments throughout the technology industry. It would only seem natural that the healthcare industry, which is undergoing rapid changes in technology and regulation, would be ripe for an infusion of capital from the private equity industry.

The second and third installments of this three-part series will review trends in the use of private equity in general and within the healthcare industry. VE

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