

HISTORY IN THE MAKING



**Parnell Black,
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This is an excerpt from an interview with Parnell Black, who is the current CEO of NACVA, and has been since its inception 25 years ago when he and Robert (Bob) L. Green founded the National Association of Certified Valuators and Analysts.

I: Mr. Black, where would you like to start?

P: Thank you for this opportunity to talk about the history of NACVA, our tumultuous beginnings, and the fun ride that has followed.

Before we begin, I want to welcome everyone here to NACVA's 25th Anniversary Annual Consultants' Conference. Your presence and participation is deeply appreciated and we believe you will find this Conference to be the finest one you've ever attended. One that's representative of 25 years of experience paying attention to the wants and needs of our members.

I: How did your vision for NACVA back then, in the early '90s let's say, compare with your vision today?

P: It's quite similar. Back then, the vision encompassed all the things we could do to support professionals pursuing the business valuation discipline. This meant expanded training in valuations and related areas. Of course, development of our CVA certification and possibly other certifications if they fit our member's needs. It also meant software, identifying and obtaining sources of useful data, books and publications, standards development, research services, and marketing support.

I'll qualify that the more I came to understand the industry, the clearer the vision became. It probably didn't fully crystalize until 1995 or '96. After which, we embarked on an aggressive course of development that has kept us busy for 20 years.

I: And today?

P: Today, our vision is still driven by our mission to support our members in their career pursuits, but our focus has changed. Now, we are highly focused on quality; taking great pride in everything we do. We are also focused on refinement, which goes to quality, but more to being on target with our products. For instance, if a course is getting bad marks because it's not teaching folks something useful, we scrap the course even if it is of the highest quality.

We've put a lot of focus in the last few years on enhancing the NACVA membership value proposition. By value, I don't mean cost cutting. I mean by adding useful and meaningful benefits for our members without increasing dues. We've done this by giving all members a free subscription to KeyValueData at the EconAssist level back in August, 2014. We've made our nearly 500 and growing CPE On-Demand library of webinars available to members at a very nominal cost. And we've added numerous professional journals to our mix in recent years.

It's benefits like these that I'm talking about. The most recent addition, and one I'm really excited about, is a new membership level called the Ultimate Membership; for one monthly fee, members receive everything we offer. Essentially, all of our training, software, data, and as much of it as they can use. It's an incredible value.

I: What about your conferences, when was the first and what kind of attendance did you get?

P: Our first Conference was in 1992 and held in a board room at Little America in Salt Lake. It was really more of a meeting among Bob and I, and a few members who were designated our first Executive Advisory Board. We had about 10 people in attendance.

The next year was in Chicago and we had 42 in attendance, including myself and Bob. This was a real Conference with two days of presentations. I still remember most of the people there.

The following year, 1994, was also in Chicago and attendance exploded to 106.

I: Why Chicago? NACVA is located in Salt Lake and Chicago is so expensive, why not stay close to home?

P: We wanted a national business, which required we project a national image. Staying close to home didn't achieve that.

Just as importantly, early on in our formative years, we had a few benefactors from Chicago embrace us and bridge a relationship with the Illinois CPA Society who fully endorsed us. Over NACVA's first five years, I'd say 40% of our membership came from Illinois.

I: What role do you believe NACVA has played in shaping the valuation and financial forensics profession?

P: I can confidently say NACVA is the reason business valuation is now a well-defined and recognized profession.

At the time of our inception, there did exist the Institute of Business Appraisers and the American Society of Appraisers, but beyond that and the few courses they had developed, little had been done to develop this profession. What I mean by that is, only a few books had been written, a half-dozen maybe; most of the industry's training was limited in its scope and availability; there was one software program which was nothing like what exists today; I recall two newsletters that catered to the industry; and credentialed valuers numbered in the hundreds. Now it is in the thousands.

What I also know is that a few years after our inception, business valuation services appeared for the first time on *Accounting Today* magazine's list of the top 20 consulting services being offered by the Top 100 firms. A year later, it rose to the number three spot and the year after that, it ranked the number one consulting service and stayed at number one for about 15 years. Now it bounces around number one along with financial litigation services; another field in which we ignited the fire and for which NACVA will take credit.

I: What do you see in NACVA's future?

P: Most definitely, business valuation and financial forensics are here to stay. They are staple services for CPA and business advisory firms. I also believe that the skill sets to which we teach and certify folks are foundations to a well-rounded business advisor and should be embraced as entry level requirements for all business advisors.

With NACVA being the dominant force in this industry, we are here to stay and will continue to lead the way for many years to come.

I: And what does that look like?

P: You will see us continue to improve in every way we can, on all fronts. This will be aided by use of, and improvements in technology, making delivery of training, data, and an entire member support infrastructure more streamlined and easily accessible. Essentially, we will be the industry's resource central, much like we have been, but even more robust, convenient, and economical.

As I stated earlier, over the next many years, we intend to focus on getting better at what we know we're already good at.

I: Any new pursuits, new products on the horizon?

P: For my entire career I've been keen on the idea that the skill sets acquired by a business valuation professional makes him or her uniquely qualified to advise business owners on how to improve company value. Taking them down a path of constant improvement that may lead to the ultimate sale of the business.

This type of service is an obvious and logical next step in many valuation engagements, and could easily generate more revenue than the initial engagement. I see so much revenue opportunity being left on the table, but more than that, just think how much good our valuation advisors can do for the business community with services like this?

I: Do you have any final words?

P: Would you like spiritual, philosophical, inspirational, practical, or motivational?

I: Well, if you can pull all that together in one sentence, that would be great, and it would be pretty impressive.

P: If you truly desire to excel in this chosen profession, make knowledge a daily pursuit, cultivate a network, get and stay involved with NACVA, always strive for improvement, and you will have an enlightened and highly rewarding career—I am sure of it and have seen these results with hundreds of members who took these truisms to heart.

I hope everyone has a great Conference experience and your time here in San Diego is one of the memories you carry forward in a good way for many years to come. Please feel free to say hello when you see me. I love meeting new members and seeing old friends.