



ValuSource Pro increases profitability and responsiveness

Darrell D. Dorrell, FINANCIALFORENSICS®

Darrell Dorrell is a founding partner of financialforensics®, a boutique forensic accounting practice based in Lake Oswego, OR. His practice focuses on business valuation and financial forensics throughout the US and is a nationally recognized expert witness, speaker, and author and has trained many organizations in twenty-four U.S. states, Canada, and Puerto Rico, including the FBI, U.S. Department of Justice, SEC, Bankruptcy Bar Association, AICPA, NACVA, IMA, PricewaterhouseCoopers, and thirteen state CPA societies.

He has authored nearly seventy technical articles in nearly two dozen professional journals including several for the U.S. Department of Justice.

Challenges

- ◆ Accuracy & availability of data.
- ◆ Avoiding errors & saving time.
- ◆ Using comprehensive valuation methodologies.
- ◆ Flexibility of content and reporting.
- ◆ Generating standards-based reports.

The Need

It almost goes without saying that practitioners want to do the best valuation work possible. For one thing, one's reputation is crucial in business valuation. For another, the work itself can come under scrutiny by other valuers and, oftentimes, litigators. Therefore, keeping up to date on the latest—and best—technology is important for all practitioners.

Over the years, there has been considerable debate over the need for software packages to aid in valuations. The professional who has, over the years, developed his or her own worksheets and reports argue that they have served them well, are flexible to meet their client needs and that converting to a new system is time consuming, could be costly and lacks the flexibility of Excel.

Those who have made the leap to valuation software packages argue that the value to them outweighs these arguments and, in fact, proves some of those arguments to be off-base. David Dorrell, a long-time proponent of software packages argues it's time for practitioners to join the twenty-first century. "You want to be noted for the quality of your valuations, not the time you put into creating your worksheets and reports," he says.

Dorrell believes that software packages:

- Are created with diligent requirements, code review, and testing processes
- Eliminate human error
- Provide practitioners with a much broader and deeper array of alternatives
- Has a better chance of supporting findings in the event the client must defend the calculations in court

The Solution: *ValuSource Pro*

Darrell Dorrell recommends a software package that allows you to service clients and not spend valuable time building and maintaining complex spreadsheets and reports. “We have been using ValuSource for about fifteen years now,” he says. The software he uses, ValuSource Pro, allows Dorrell and his associates to readily analyze and produce 10-20 (or more) method conclusions to specifically match each client assignment’s unique facts and circumstances. They can provide a deeper and broader analysis and can corroborate their conclusions.

The ValuSource package he uses permits total customization in Excel to accommodate virtually any need. Says Dorrell, “For example, we have customized forensic indices such as CRO11 and other tests to evaluate the quality of client historical financial reporting. The indices are the same ones we use in our forensic work. However, in valuation we seek to establish economic benefit stream quality pursuant to normalizations and forward-looking estimations.”

Does he and members of his firm use the package often? “We use it in about 50 to 70 engagements per year,” says Dorrell.

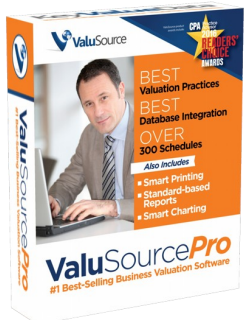
What would he say to sceptics who worry about cost? “When you factor in the time it takes to develop and maintain your own spreadsheets and reports, a software package investment is, in reality, a non-issue. The investment in a package saves considerable time and accommodates more persuasive conclusions,” he says.

Dorrell would even work with someone who is considering trying software, such as a ValuSource Pro (the most popular valuation application). “I would be happy to walk someone through the process. The learning curve is not difficult and it would be a conversation on GoTo Meeting,” says Dorrell. “I have helped several practitioners transition to valuation packages from self-created Excel-based worksheets. Their common reply is that after completing about three valuation assignments the learning curve was overcome, and they cannot conceive of ever being Excel-dependent again.”

What does he say to practitioners who will not even consider moving to a valuation software package? “You can produce better quality work, have a more defensible business valuation model, and a better report. Frankly, I don’t understand anyone not considering a move.”

Benefits

- ◆ Guides you through valuation best practices.
- ◆ Automatic database integration.
- ◆ Most comprehensive valuation methodologies.
- ◆ Hundreds of pages of smart and flexible content.
- ◆ Generates comprehensive intelligent and automatic standards-based written reports.



About ValuSource Pro

Business valuation software will streamline your valuation practice and allow you to produce better valuations (analysis & reports) in less time. ValuSource Pro (used by both NACVA and ISBA to train professional valuers), with over 90% market share, has been used by *thousands* of CPA’s, valuers and financial professionals for over three decades.