

# FIRM OF THE FUTURE

Become a Trusted Advisor



Is Your Practice a Firm of the Future?

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Abraham Lincoln said, "The best way to predict the future is to create it." Who knew just how true that would be today – some 150 years later?

Firms that adapt and respond to market changes at speed will always outperform those that do not. However, adapting takes commitment, a willingness to embark on a steep learning curve, and most importantly, time, effort and resources.

[Is your practice a Firm of the Future? Let's find out.](#)

## Firstly, what is a Firm of the Future?

A Firm of the Future leverages four key trends in the accounting industry: social media, the cloud, mobile and data. These trends not only take your firm to the next level, but also even the playing field among accounting professionals.

**Social media** is changing your clients' expectations; they now want 'always-on' access and customer service. It also provides a significant opportunity for business growth as your online profile can be found by small businesses around the world.

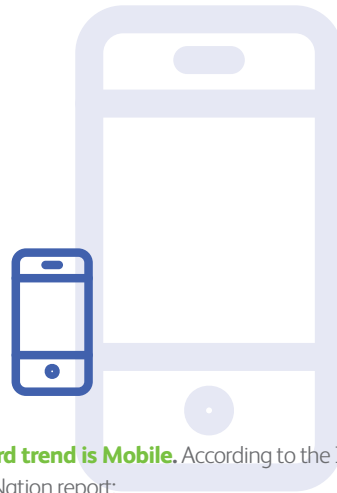
Through social media, you can connect and collaborate with other industry experts to meet specific client needs, share best practice and pass on referrals. Given the opportunities open to practices that provide strategic advice, in addition to compliance expertise, embracing social media can be beneficial on many fronts.





**Next is the cloud**, which creates immense workflow efficiencies. Your clients now expect a seamless experience, which allows them to initiate a task on one device and finish it on another. Firms of the Future leverage the cloud to improve collaboration and generate time savings and lower costs. This in turn helps you exceed client expectations. According to recent research, small business clients are already capitalising on the opportunities the cloud offers:

- More than 60 per cent of businesses use some type of cloud computing and over 80 per cent say it has saved them time and money.
- Cloud technology allows you to work from anywhere, anytime. The research shows small businesses using mobile devices can save as much as nine weeks a year and increase their revenue by an average of eight per cent.



**The third trend is Mobile.** According to the Intuit Mobile Nation report:

- Half of small business owners (48 per cent) think they will spend more time completing business tasks on their mobile device next year.
- They see improved productivity, faster responsiveness for customers, improved workplace flexibility, as well as easier access to information away from the office.
- One in five Youngpreneurs say mobile technology has made it easier to collaborate with their accountants.

Today, mobile goes beyond just a smartphone. It's shifted to watches, eyeglasses and even capabilities integrated into your car. Does the workday ever end? Maybe not, if clients want access to data anytime and anywhere.

**The final trend is data.** According to a survey conducted by Macquarie Bank last year of 1500 financial services clients, the **top three attributes that matter most** are:



**1. Financial solutions that meet their needs**



**2. Being kept informed**



**3. Proactive management of their financial affairs**

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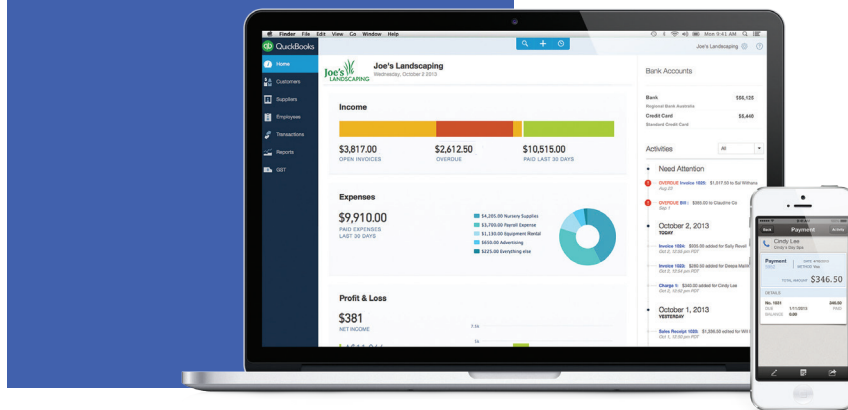
Leveraging data enables accounting professionals to move from a transactional relationship to become a trusted advisor to their clients. This is achieved by communicating frequently and arming clients with insights and key performance indicators that help diagnose and predict financials.

Embracing these trends and demonstrating your mastery of them to your clients sets you and your firm up for future success. Here are three easy-to-implement, actionable steps to help you transition your firm into a Firm of the Future:

#### **Step 1: Move online**

Before you start your journey to online accounting, let's first debunk the most common fears and reasons to delay adoption. One common misconception is security and the belief that files are more secure on a computer's hard drive. The fact is, locally stored files are still at risk of corruption, theft, a breach or being destroyed.





Another common concern is the cost to transition to the cloud. Cloud technology disrupts the old way of buying IT, which involves large capital investments and ongoing system maintenance and updating. Cloud computing is inherently elastic, scalable and often a pay-as-you-go service, so the financial risk of moving to the cloud is minimal. It is incredibly attractive when compared to the risks of buying and investing in IT infrastructure that quickly becomes outdated.

Since 2011 the use of cloud-based applications within accounting firms has increased from 36 per cent to 69.8 per cent, according to [The Good Bad and Ugly 2014](#) report conducted by Business Fitness.

One big step forward toward cloud adoption is using [QuickBooks ProAdvisor Program](#) and transitioning your clients to [QuickBooks Online](#) (QBO), Intuit's simple, open and connected platform with more than one million subscribers worldwide.

You may be reluctant to transition from desktop to QBO. Therefore, we recommend transitioning either your own firm's books to learn the platform or starting with just one client.

Setup from desktop to online takes less than three minutes and involves just a handful of clicks. You and your clients will immediately see the benefits of anytime, anywhere access as well as the integration of data and automated features, such as bank reconciliations, which drastically reduce time spent on bookkeeping tasks.

A vital resource within QBO is the ecosystem of almost 80 apps that integrate with it. Two of these apps are Fathom and Practice Ignition. Fathom is an easy to use management reporting and financial analysis tool which helps assess performance, monitor trends and identify improvement opportunities. Practice Ignition offers software for accounting firms to help manage their practice, including creation of proposals that trigger workflows and automation of back office to increase conversions. Seamless integration of these tools is critical to eliminate the need to enter data. QBO provides the foundation for small businesses to create the online platform that meets their unique needs.

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## Step 2: Become a trusted advisor

Being viewed as a trusted advisor rather than an accountant or bookkeeper alone can help insulate you from competition based solely on price. It can also uncover opportunities to provide advisory services that generate additional revenue for your firm.

By now, most accounting professionals are aware of value or flat-fee pricing. While the decision on how to structure your billing is obviously governed by the unique requirements of your firm, advisors to the profession, including global expert Mark Wickersham, have extolled the benefits of value-billing for some time. There's a reason for that...

The data integration across workflows inherent in cloud technologies result in greater efficiencies. Therefore, it takes less time to complete certain tasks. Yet, the product of that task, such as

running payroll, completing a tax return or developing a quarterly report, is highly valued by your client.

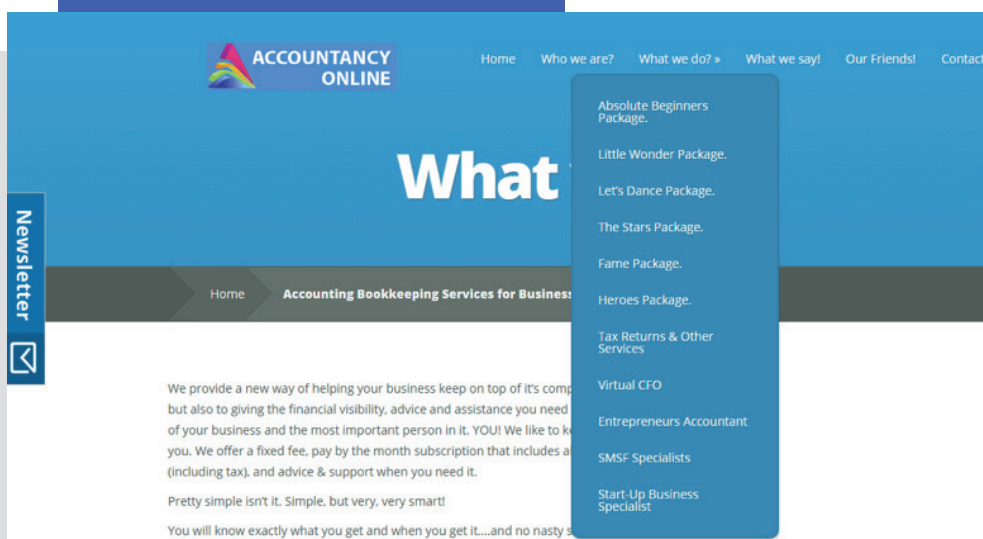
Another important thing to consider is that when working in the cloud, you automatically become more efficient. The work you are doing today for a client you have served for several years is undoubtedly completed much faster than when you initially started working with them. That means if you are charging that client hourly, you are charging them less for work that has not decreased in value.

Therefore, it's time you try a value-pricing model because the work, perspective and advice you provide is worth more than competing with other firms solely on hourly fees. After all, you are your clients' most trusted advisor, and that relationship has never been more important than it is right now.



In using a value-pricing model, you will no longer be bogged down by compliance work, allowing you to focus on opportunities to provide advisory services that generate additional revenue for your firm. For a great example of a three-tiered pricing model you can implement right away, look at this snapshot of QuickBooks ProAdvisor [Accountancy Online](#)

See a sample of Accountancy Online packages below.



When you're open and transparent about your rates, starting from the very first discussion with your new client, there will be no surprises. Many of your current clients will also easily adapt if you demonstrate the value you offer. You can take action now and create a monthly pricing model with a range of low, medium and high monthly fees tailored to meet the needs of your small, medium and large clients.

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### Step 3: Market your practice online

Gone are the days of storefront signs. Your clients are no longer walking through your front door; they are searching for you online. If you search for your firm online, what are the results? The Web is your new lobby, where you connect and engage with current and prospective clients. Prospective clients want to work with a firm that works the way they do: leveraging cloud technologies and using the Web to drive customer and overall business growth. If they can't find you online, they will find someone else.

Getting started is what most practices find the hardest. Facebook, Twitter and LinkedIn are three social networks that offer a simple, inexpensive way for you to reach your clients and attract new ones. They can also help you build relationships with others in your industry. Take LinkedIn, for example. There's a significant opportunity to enhance your LinkedIn profile and start engaging in at least a few of the many accounting groups so showcase your knowledge or network with peers.

Go a step further and establish goals, such as answering five questions per week on a help forum or sharing your point of view through a blog. Actively participating in LinkedIn Groups or other online communities proves how effective social can be in helping to build your brand and reputation.

Not only will this help prospective clients find you, it will also help you connect with others in your field. Building relationships with accounting professionals may lead to referrals and partnerships that result in business growth opportunities. The possibilities are endless, so get out there and take action.







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### What next?

It's time to reassess your firm's goals and plans so you can begin taking the steps to transition into a Firm of the Future: (1) move online, (2) Become a trusted advisor and (3) Market your practice online. If you don't think you have time to tackle all three, start with one and create one associated goal. You'll be surprised by how quickly you can improve your practice management, find prospects and retain more clients.

**The Firm of the Future is NOW – and it's just one click away.**

For more information on building your Firm of the Future, visit the website for additional materials, links and other helpful guides.

### About the Author

Jim McGinnis is Vice President of Intuit's Accountant and Advisor Group. Jim has led accountant teams since he joined Intuit in 2010 as Vice President of Marketing. His extensive marketing, general management and global experience will be invaluable as the Accountant and Advisor Group continues to serve as a center of excellence for Intuit's worldwide efforts with accountants.

**Follow him on Twitter: [@jim\\_mcginis](https://twitter.com/jim_mcginis).**



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