

Prepare Your Firm for the Future of Client Accounting

By Darren Root, CPA.CITP, CGMA

There's nothing like the feeling of stress melting away as we wind down another tax season. Our thoughts can now expand beyond the seemingly endless stack of returns, and we can look forward to a little rest and relaxation – maybe even a vacation. It feels so good to breathe a sigh of relief and to have “another one” behind us.



Tax season is tough, no doubt about it, and it's not getting any easier. So, it's worth pondering whether a business model dependent on tax season is truly working for your firm – or for you. Imagine, instead, what it would be like to grow your practice with services that allow you to generate revenue all year long. Envision having a firm serving clients who embrace collaborative, integrated, access anytime/anywhere services, and depend on you to support them to make their businesses better. If you want your future to be more like this, you have to start now by planning and developing a solid strategy to leverage the growth opportunities found by responding to the shifting market.

New client expectations represent growth potential for your firm

Let's focus, for a moment, on the market shift that is occurring. In my firm, and likely yours, too, the majority of the clients we serve are long-term customers requiring bookkeeping and after-the-fact accounting services.

Many of these clients have moved slowly toward the cloud, using hosted solutions or pure web-based offerings. However, a different kind of business client is starting to emerge. These new clients are tech-savvy, digitally driven entrepreneurs who rarely use paper cheques and use collaborative tools far more easily than our existing clients. These clients want to access services anytime/anywhere, on every browser, using solutions cobbled together with integrated APIs that allow various apps to share core information.

In my experience, this new breed of clients is coming on strong, representing 10 to 15 percent of our growth each year, and I anticipate this percentage will grow steadily. In contrast, the business of many of our long-term clients is slowly starting to evaporate. In some cases, these clients are selling their businesses or just closing up shop and retiring.

While this market shift may be intimidating, the truth is that it represents a great opportunity to grow your business beyond tax season. To capitalise on this trend, we have to, as the late Steve Jobs says in one of my favorite quotes, “think differently.” We need to immediately start thinking differently about the kind of clients we will be serving and the services that we will offer them, instead of waiting until next tax season (or the one five years from now) and wishing that we had made the changes that reduce stress and create a steady cash flow.

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Meeting the needs of a new breed of clients

Let's be clear: you can't expect to serve the emerging entrepreneurial client base by doing things the same way. As Albert Einstein said, "the purest form of insanity is to leave everything the same, and at the same time, hope that things will change." But, where do you begin?

First, think about what kind of integrated solutions your type of clients need – maybe an integrated dashboard with KPI's, digital bill payment services, online payroll, a digital document management system, and even the option of video conferencing for client planning meetings.

Next, consider how you need to transform your firm's operations, in order to support the changing needs of your clients. Based on my own experience in this area, I offer the following five-point checklist to help you get started:

1 Find the right solutions to build out your technology ecosystem.

Your technology ecosystem is comprised of the solutions that you know work and that you have implemented as a part of your business model. At our firm, we use the new QuickBooks® Online Accountant and QuickBooks Online as our foundational product. We then fill in around QBO for the remainder of our technology ecosystem.

2 Train your staff to deliver the right level of service and the business model you wish to implement.

If you can't deliver what you envision or what you promise clients, you will not be very successful. That's why everyone on your team needs to be on the same page and be able to execute their part of the firm's plan efficiently.

3 Make sure your website is a platform that connects your service offerings and consider it your place to do business.

It's no longer enough to have a website that looks good; you need a website that is functional as well. The emerging generation of clients expects to do business with you online and on any device, so make sure that your web presence is up to the task.

4 Develop a marketing program to let businesses know about your new offerings.

This may include direct mail, email campaigns, social media content, and even PowerPoint presentations, to help walk prospective clients through your model and the services you offer.

5 Create a simple, yet effective onboarding process to assure seamless transitions.

Keep in mind that before you can train staff to onboard clients, you need to have a detailed system for doing so that aligns with the technology ecosystem that you have established and the level of client service you wish to deliver.

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The current market shift can mean real growth for your firm, and the post-tax season period is the perfect time to start taking advantage of it. Remember, you don't have to grow your firm with services you consider painful, but you do have to take stock of where you are and develop a plan to get you where you want to be. In the spirit of Jobs and Einstein, I encourage you to think differently and to make the changes necessary to prepare your firm for the future of client accounting, as well as make the most of the opportunity that it offers you.

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About the Author

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