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From the Sept. 2007 Issue

In my 35+ years of practicing public accounting, as a software executive building products for public accountants and as a journalist covering both the profession and the vendors serving it, I've seen a lot of buzzwords come and go. Seldom have I ever seen one cause as much excitement (and, unfortunately, so much confusion) as the word workflow. It's touted at the top of every advertisement, salespeople talk of it incessantly, and all the CPE classes seem to be heavily peppered with it. Now as a technology guy, I'm all in favor of harnessing whatever chip-based horsepower is available. However, in addition to being a practicing accountant, I'm also a pragmatist … and that part of me simply isn't impressed. At least not yet. Oh, don't get me wrong, I want to be impressed; I REALLY want to be. And I see so much potential. But we're just not quite there. Not yet, anyway.

Both the profession and the vendors serving it have a ways to go. The profession, not any one firm specifically, but rather "the profession" as a whole, needs to improve its adaptation to change. We're held back, as a group, by those among us who insist that they're "too busy to change" or, worse yet, "too old to change." The vendor community hears that cry and slows down its development cycle. Vendors are (rightfully) concerned about getting too far in front of the market. Simply put, we're a victim of the "lowest common denominator" thought process … on both fronts.

The Market Segments

A very bright marketer once told me that every market could be segmented on both the product/service side and the customer side. I've applied that advice to the "workflow" market, refined it to a matrix and tested that matrix with several seasoned technology vendors. So far, it's passed muster. The model separates

vendor side.

The Problem

Here, the problem is focus. We have "workflow" being marketed as a stand-alone product (i.e., XCM) in a traditional "best of breed" approach; as a component of niche products (i.e., SurePrep Express for tax); inside many of the modules in the major suites (i.e., CCH's ProSystem fx Document, Engagement, Tax and Practice; Thomson Tax & Accounting's UltraTax CS, Practice CS, Engagement CS, Payroll CS and Write Up CS); and as a component of nearly every document management system (i.e., GoFileRoom, Doc.It, Acct1st, Interwoven, CabinetNG, etc.). That's at least FOUR different approaches for a firm to consider. This has resulted in "paralysis by analysis" in many firms. Practitioners are simply confused by the market that offers too many products with each product solving some of the problem and none solving the entire problem.

The Approaches

In talking with leading-edge practitioners about the currently offered approaches, I've found much diversity of opinion as well as some commonality. All were finding great success in the components of workflow they had adopted, but they were uniformly frustrated by having to implement multiple systems. The most commonly favored approach seems to include a tax workflow system built into the tax compliance program. Virtually every tax system on the market today includes some sort of "status" system that can be quite effective in handling the flow of tax returns through a professional office. A couple of the suites actually feed activities from their tax product to their respective practice management product (ProSystem *fx* Tax to ProSystem *fx* Practice, and UltraTax CS to Practice CS). Also commonly adopted is the workflow system built into many document management systems. This approach is often paired with the tax compliance approach, with the result being reasonably workable for firms who are somewhat organized in their traditional workflows and

Standalones are spectacular in their flexibility and features — far superior to the capabilities of the built-in systems. But they lack integration. And despite the promise of XBRL and the .NET framework, they will most probably remain so. Simply put, it is not in the best interests of the suite players to open their systems (at least not too far) to outside access. So the decision then remains: Does workflow best belong in a document management system or in a practice management system? [Note that some vendors, notably OfficeTools Pro, actually provide a product that combines both approaches quite effectively. For many small firms, it could be a great solution.] For firms entrenched in the "suite" world, it's a waiting game. Thomson Tax & Accounting's Practice CS today delivers solid workflow from the "practice" side with reasonably well integrated document storage integration via its FileCabinet CS product. And CCH has partnered with XCM and appears to be moving down the "we'll find the best technology and integrate it into the ProSystem fx Suite" road. And they've indicated an eventual complete re-write of the venerable Visual Practice Management (VPM) product they acquired from CPASoftware via Sage. Both are viable approaches, and we practitioners will be the ultimate beneficiaries of the innovation.

I've said it before: Ya gotta love competition!

P.S. Two afterthoughts:

(1) I recently bought a Garmin Nuvi 650 GPS unit, and it's simply amazing. I hadn't looked at portable GPS systems for quite a while and was amazed at their progress. From here on out, I'll never be lost again!

(2) Convergence is king for content in the living room. I recently added an Xbox 360 Elite to my home theatre system, and it quickly and easily combined content from my cable provided DVR (piece of junk!), my Vista Media Center, all my networked