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## Save Valuable Time During Tax Season

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### **Re-Tooling The Small Accounting Firm: Practice Management Programs Can Save Valuable Time During Tax Season**

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Practice management is a challenge for any firm. However, managing workflow (documents, appointments, phone calls, e-mails, contact information, invoices, timesheets, etc.) has grown easier for larger firms as they commit more resources to fully automating their practice through a variety of high-tech software products. By using electronic in-house

resources to manage their

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challenge.

In the accounting profession, the term small firm can dictate an office of one to 100 employees. Yet more than half of all accountants practice alone or with a partner. A firm of this size (two to five employees up to as many as 20) has a very different dynamic from a larger, departmentalized, more corporate organization. So why are these firms lumped together in the same category? For our purposes, let's start by defining the small business office as a firm with 20 or fewer employees.

In a medium to large accounting firm, receptionists are usually available to answer the phones, managers to head each of the different departments, and employees working in specific departments. This is not so in a small business office. In a small business office, all employees wear multiple

hats throughout the organization,

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Surprisingly, small firms still buy large software packages that are filled with features they don't need and may never use. They don't realize that software that meets their firm's needs is available today, and they may think they have to put up with the high costs of software better suited to large firms that lacks affinity for the small business office workflow dynamic.

Much of what has happened recently among the developers of 'one-size-fits-all' software is the result of buyouts and mergers in the accounting technology marketplace. When merging products, software developers have to deal with issues and errors that result from product integration. Often, designers will simply put on a Band-Aid or add a bolt or two, resulting in a package that resembles Frankenstein.

It functions satisfactorily

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such as from project tracking to document management.

In most small business offices, each employee needs access to multiple functions. The 'bolts and patches' slow down the process considerably for smaller firms, which wastes time and money.

In moving toward a paperless office, firm owners now rely on computers to manage their business more than ever before. The large software programs on the market are extremely powerful with functionality that is departmentalized and organized into sections or modules to satisfy the needs of up to a 500-user group.

With only a five- or six-user group, the chief concern is to find software that can jump from one task to the next, the same way the employee does. Almost every aspect of managing the firm should

be accessible to the user

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not working while the home file is loading. Fortunately, there are software products now available that are specifically designed by small firms for the small business office.

When looking to purchase practice management software, small business offices should locate a program that will accommodate their most important everyday tasks. Ask questions: Does the software require much training or extensive setup and implementation? Must the user click around on numerous pop-ups or modules to flip between multiple tasks? Does data transfer seamlessly between features? Since the small business office constantly reinvents itself, and staff turnover is always a concern, training and re-training staff needs to be an easy task.

The best software for small business offices marries the six significant practice areas

into one complete program,

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When looking for the software,

look for the following features:

1. **A CRM program** ' to manage customer/contact relationships and use that data for sales and marketing efforts;
2. **A scheduling program** ' to control staff scheduling, office scheduling and contact scheduling;
3. **Time tracking & billing** ' to ensure that no billable time is missing or overstated;
4. **Project & due-date reporting** ' to manage deadlines using a customized alert system;
5. **Records management** ' to control the physical storage of paper documents; and
6. **Document management** ' to track and organize all electronic documents and scanned images.

In addition to all of these features, be sure the software includes one-click accessibility.

An accountant with his or her own firm needs a program that can quickly show all functions ' around-the-clock accessibility from the same location. With one click, you can quickly refresh your memory on a client's situation should they unexpectedly call. With one click, you manage and track that interaction with the client. With one click, the original project

is back on the screen with

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should also be available remotely over the Internet, from a laptop computer or even using a PDA. For this to be possible, the practice management program should require that all small firm data be centralized.

So what's ahead for small firm practice management technology? Practitioners will soon demand better software options, with functionality and integration capabilities designed specifically for their market size. More software designers will recognize and respond to the needs of the small business office. Eventually, all of a firm's data will be seamless from both the tax and accounting side. As well, you will probably see direct integration between the tax and the general ledger functions. Software expense, application size and lack of co-developing between software firms are the three largest

barriers to having this kind

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service. If your firm's system is not helping you accomplish this goal, it's time to start looking for new software. As you look to simplify practice management in your small firm, refer to The CPA Technology Advisor's most recent reviews of practice management and time & billing software.

Mr. Giardina is president of North 40 Systems, whose flagship product, Office Tools Pro, provides practice management tools for smaller CPA firms. For more information, e-mail [Mike@OfficeToolsPro.com](mailto:Mike@OfficeToolsPro.com) or visit [www.OfficeToolsPro.com](http://www.OfficeToolsPro.com).

Technology

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