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From the June 2009 Issue

Imagine a world in which everything ran smoothly. Where clients brought all of their documents at the same time (or better, sent them in digital format). Where every second of billable time was not only accounted for, but actually billed to a client. Where logjams of client work never occurred ...

We don't live in this fairy tale world, of course, and no professional practice has ever achieved this model of perfection. But some do come closer than others. As the old saying goes, "Work smarter, not harder," and even our own Productivity Survey demonstrates that partners at the top earning firms actually work fewer hours each year because they run their practices more intelligently. Not that the others are errant, but the most successful firms, large or small, are those that are more aware of their productivity and implement strategies to enhance it.

The challenge, of course, is that as a firm's staff size grows, services broaden or clients grow increasingly more complex, it is more difficult for management to be aware of all of the issues that affect practice productivity. To aid in this challenge are two genres of software: Practice Management and Time and Billing programs. This review section looks at practice management systems. Our October 2009 issue is scheduled to cover time and billing systems (or you can check out last year's review of time and billing systems at www.CPATechAdvisor.com/go/2161).

While there is not a definitive line separating the two, practice management programs include time and billing functions and generally go further, with options for analyzing productivity by client, staff, workgroup and even firm-wide. Many also include enhanced project management tools, greater contact management

features,

these small tax and accounting shops, I would generally recommend time and billing software, which provides a straightforward entry way into greater accountability and increasing control over billable time. Some of these programs offer additional productivity-focused tools, as well, which can aid in management.

But as a practice grows, it is more likely to spend more time and resources addressing workflow and productivity issues. Practice management systems can help these firms maintain the greater efficiency, despite growing internal bureaucracies,
review processes and projects involving multiple staff collaboration. At this point, a specialized practice management system, effectively implemented firm-wide, and properly and reliably used, is a necessity. I consider practice management and time and billing programs akin to the need for auto mechanics:

- If you never maintain your car, it might last you a couple of years as you run it into the ground. If you don't keep your practice adequately maintained, the same will happen.
- If you use your car for routine matters, then visiting a mechanic periodically is sufficient. For smaller firms, the minimum recommended maintenance is a time and billing program.
- But if you manage a race team, you must have a mechanic on staff full time. These are the larger firms who, without a dedicated practice management system, will see their productivity and competitiveness suffer without full-time attention to workflow and business processes.

Practice management is much more than just managing time and client billing, it is the cornerstone of successful professional firms. And while enhancing productivity is on your mind, you might also want to check out our article about

workflow optimization from our September 2008 issue (www.CPATech

management
and integration with the company's Working Papers and IDEA system
for GL and audit functions.
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Review

CCH, a Wolters Kluwer business
– ProSystem *fx* Practice Management
CCH's ProSystem *fx* Suite of professional
tax, research, accounting and engagement management programs is one of
the most comprehensive on the market, providing total integration between
virtually all programs that a professional firm uses for client services
or internal management.
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Review

Commercial Logic, Inc. – APS
Advance Practice Management
SIDEBAR: A new practice management option for professional
accounting firms is the APS Advance Practice Management system, part of
the APS Suite just introduced in April to the U.S. market by Commercial
Logic, Inc (CLI).
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Review

LexisNexis – Time Matters
Originally developed for legal professionals, LexisNexis
also offers Time Matters in versions for accounting firms and other

professionals,

of this vendor's practice management system, which is offered in industry-specific versions for CPAs, tax practices and other types of professional service providers. The program provides a wealth of features, including full contact management with Outlook and QuickBooks integration.
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Review

Thomson Reuters – Practice CS

Practice CS from Thomson Reuters is a comprehensive
system that provides modules for time and billing, advanced client management,
project and staff management, and analysis tools. The SQL Server-based application is an integrated part of the Thomson Reuters CS Professional Suite, which includes a broad collection of programs and tools specifically designed for public accounting firms.
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Review

2009 Review of Practice Management Systems — Comparison Chart

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