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**Isaac M. O'Bannon** • Dec. 19, 2013

Change comes in waves that sometimes are less astounding when looking at them in the present, but can be dramatic when their cumulative effects are viewed after several years.

If you've been in practice for several years, the most significant changes to the profession, particularly for tax and accounting professionals in public practice, have come through technology, of course. While there have been a few major alterations of accounting standards and tax laws, the real changes have been seen through new ways of doing business, both in interacting with clients and the functions that take place in the back office of your firm.

A little more than two decades ago, firms were largely paper-based, with the desktop computer only slowly starting to edge its way into the tax and accounting practice. The internet may have debuted in its public form around 1994, but didn't fully blossom until around the year 2000. Then, about a decade ago, came the concept of the paperless office: changing paper binders and client folders into digital documents that could be more easily managed and searched.

Over the past five years or so, the accounting profession has largely started adopting cloud-based accounting and tax compliance systems, as well as encouraging their clients to do so as well. And in just the last two or three years, the widespread use of mobile apps and systems by consumers and small business owners has driven accounting professionals to also adapt and encourage the use of these systems.

These tools and technologies have had monumental impact when you look at the

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Workflow touches every part of an accounting firm, whether you have adopted a workflow management strategy or not. Every firm has a workflow, it just may not be working – or flowing – very well. And as new technologies and tools enter the everyday client services and practice management functions of an accounting firm, it is necessary to stand back and assess how those processes may need to be reconfigured in order to optimize the benefit of the new technologies.

As an example, in 1993 virtually all small accounting practices (1-5 total staff) would likely have had at least two of those staff members devoted entirely to clerical and administrative duties. Today, it would likely be one. Twenty years ago, there were large file rooms that had to be maintained, folders logged, messengers used, master calendars managed, libraries of books on tax law and code. Today, while you likely still have an office manager as a chief firm administrator, the other tasks are mostly managed through very simple, every day computer programs.

The key to work flow management is optimization. How each part of your firm's client services and internal management practices interact with each other, and how best to optimize their effectiveness.

“Before any changes can be made to existing processes, a firm must understand how work is assigned and travels through the organization,” says Brock Philp, CEO and President of [Doc.IT](#), a company that makes workflow solutions for accounting professionals.

“Firms must start with the “as is” and then move to the “to be.” In order for the most optimal “to be” state to occur it is important that the workflow exercise is not influenced by who does what in the organization today. The very act of examining and then standardizing your processes allows you to re-define them and remove

inefficiencies. The end-result is standardized workflow processes being written as

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However, as accounting and small business tech expert Doug Sleeter looks at it, this only guarantees interactivity, not the perfect fit for the firm. In his [concept of "chunkification,"](#) (read about it at [www.CPAPracticeAdvisor.com/10452665](http://www.CPAPracticeAdvisor.com/10452665)) sometimes firms benefit by seeking out the best tools and technologies for each specific task as it relates to their needs and the needs of their clients, regardless of the vendor. Then they bring these disparate systems together and work on making them integrate.

When looking at workflow in your firm, think about how your practice manages these processes:

### **In-Firm Functions**

- Time and Billing
- Document Management
- Due Date Management

### **Client Services**

- Tax Document Automation
- Payroll
- Client Accounting
- Portals
- Hosting services

Ideally, an efficient workflow would automatically track time spent by a staff member working on an engagement. Even in the preferred method of billing with a flat fee or fixed rate, knowing the efficiency and time-cost spent on tasks and client work is essential to managing productivity. Likewise, workflow systems geared toward tax preparation and payroll have greatly streamlined these processes, in

many cases dramatically reducing manual data entry and turning once tedious and

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The same, of course, can be said for document management and online payables management, where systems from SmartVault and Bill.com, among others, have streamlined often time-intensive and low yield functions.

In addition to individual in-firm practice management and client service functions, there are also broader workflow management systems that are designed to take a more holistic approach to helping firms oversee workflow from a more comprehensive, end-to-end perspective for their entire practice.

### **Comprehensive Workflow Management Systems**

- [CCH Axxess Workstream](http://www.cchgroup.com/workstream) ([www.cchgroup.com/workstream](http://www.cchgroup.com/workstream))
- [Deltek Maconomy](http://www.deltek.com/products/maconomy.aspx) ([www.deltek.com/products/maconomy.aspx](http://www.deltek.com/products/maconomy.aspx))
- [Doc.IT Suite](http://www.doc-it.com/docit-suite.html) ([www.doc-it.com/docit-suite.html](http://www.doc-it.com/docit-suite.html))
- [Office Tools Professional](http://www.officetoolspro.com) ([www.officetoolspro.com](http://www.officetoolspro.com))
- [Thomson Reuters Workflow Manager](http://cs.thomsonreuters.com/workflow-manager) ([cs.thomsonreuters.com/workflow-manager](http://cs.thomsonreuters.com/workflow-manager))
- [XCM Solutions](http://www.xcmsolutions.com) ([www.xcmsolutions.com](http://www.xcmsolutions.com))

These systems bridge firm work processes and engagements document management, time and calendar management, task routing, invoicing and client service, while also tying into project and resource management, and enabling process control and standardization.

Over the past few years, many of these systems often were introduced as either a separately-branded offering from a technology vendor or evolved from the practice management systems that were already on the market. In both cases, however, the changing technology usage and changing needs of firms and clients are driving the need for changes in how work processes flow through a professional practice.

Workflow will always be an evolving trend within firms, and so it is a concept that

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