## 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

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,

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

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

user waiting while the next 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,

a small accounting firm should
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

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

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.

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Technology

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