Darren Root • Nov. 29, 2010

Column: My Perspective

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This time last year, I was writing an article for our December issue. The title of that article was, "Client Accounting Online: Taking Back Control of Your Clients' Data," which was exceptionally well received (www.CPATech Advisor.com/go/2657). I had a great deal of positive feedback from readers and several state CPA societies reprinted

the article within their own publications. I only mention all of this to hit home a

As I write this article, I am en route to Vancouver, BC, to present a keynote for the Sage Simply Accounting Conference. At the core of my presentation are the principles from Michael Gerber's "The E-Myth" — specifically the necessity of transforming from a technician working in your firm to a savvy business leader working on your firm. Based on this philosophy, I developed seven key moves necessary for firms to make this transition. In fact, I co-authored a book with Michael Gerber this summer entitled, "The E-Myth Accountant – Why Most Accounting Firms Don't Work and What to Do About It." In the book, I describe each of the seven moves in detail (along with other principles), which are all based on my own transformational experiences running my practice.

In my presentation — The Next Generation Accounting Firm™ — one of the seven moves I discuss is titled "From Silo to Shared Spaces." I promote the client accounting online strategy and the value of delivering services within a SasS-based or hosted environment. I also emphasize the need to first define a strategy and then identify the right solutions to fully implement the strategy. With that said, let's talk about this strategy in more detail.

For many years in my own practice, I allowed my clients to dictate the process. It was the client that was in control ... delivering their data on CD, in paper format or by email. They also got to choose what client accounting system they used, whether it was QuickBooks, Peachtree or Simply Accounting — any version! Even worse, clients would deliver multiple months of data at one time, sometimes as late as mid-month. It was a big waiting game. And we were the ones waiting.

No doubt you have experienced or are still experiencing the same thing. This is what's called "living in the silo" — and in the silo, it's your clients that define your service delivery model. It's time to move from the silo to shared spaces.

But what is shared spaces? Shared space is commonly referred to as the Cloud and is

accurate data at processing time. (How many times have your clients botched journal entries?)

- You have the ability to pick up several days during the month because you eliminate the bottleneck — the client! And that means the productivity of your staff will skyrocket, as well.

Moving to a shared space is a natural evolution, and the accounting profession is in the midst of it. Think about when you moved from individual computers to a networked environment. This allowed everyone in your firm to share data and files, boosting efficiency. Shared spaces simply open things up more so that now data is conveniently shared among staff and clients. The efficiency gains within the shared space environment are unprecedented.

There are many proven solutions available to the profession that will help you transition from silo to shared spaces. These solutions fall into two distinct categories:

1. Hosted Solutions are supported by vendors that allow you to take on-premise desktop applications, like QuickBooks, and place them online for anytime/anywhere access.
2. SaaS (Software as a Service) applications were written distinctly for the Web and reside only online. SaaS also offers 24/7 access via a web browser.

Both hosted solutions and SaaS "live" on the web and accomplish the same task — transitioning your firm to a shared space. The offering you choose really depends on your needs and preference.

Some of today's leading hosted solutions include QuickBooks and Peachtree. Premium SaaS solutions include Intacct, QuickBooks Online and Thomson Reuter's

new Accounting CS Client Access. Each solution was designed to solve the challenges

back control of your workflow."

Technology

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