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Every accounting firm is capable of “pulling specific levers” to capitalize on strategies that successful firms use to harness the speed and velocity of change that's driving leading-edge technology as well as talent development in the new economy. Key findings and details were released this morning in the new CCH whitepaper, [CPA Firms Succeeding in the New Economy: CCH Leaders Now and Next Survey](#), an independent, nationwide survey of more than 400 accounting professionals

conducted for CCH, part of Wolters Kluwer, and a global provider of tax, accounting

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technology has to offer, but also knowing how to align business strategy with leadership development to maximize potential.”

What Makes a Pioneer Firm?

Instead of categorizing firms by size, the new survey groups participating firms into four main categories:

- **Pioneers** – First to adopt new technology. Pioneer firms are often viewed as risk takers, willing to be first movers and recognize they may face pain points before seeing benefits when adopting advanced software solutions.
- **Early Adopters** – Not the first out of the gate to implement new technology, but ahead of the mainstream. Early adopter firms understand greater opportunities new technology provides, but are willing to hold off until hearing positive feedback from Pioneers.
- **Mainstream** – Willing to wait until solutions become more popular with peers. These firms tend to avoid risk and usually hold off on adopting new technology until its clearly proven and commonplace.
- **Late Adopters** – Similar to mainstream firms but may also wait until their previous solution is no longer available and forced to change.

Pioneers also stand out because of their forward-thinking and proactive approach to embracing change. The survey results also show Pioneer firms are reshaping how they operate. They are leveraging emerging technologies more effectively than competitors and applying greater emphasis on leadership development, talent recruitment and formal talent management – key factors enabling them to outperform their peers in revenue growth, profitability and overall firm value.

The Bottom Line

An impressive 89 percent of Pioneer firms participating in the *CCH Leaders Now and*

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The percentage gap is tighter between Pioneer and Early Adopter firms when asked about firm value increasing over the past five years. Seventy-four percent of Pioneer firms and 73 percent of Early Adopter firms reported positive growth in value during the last half-decade. Only 62 percent of Mainstream/Late Adopter firms reported increased firm value during that time.

“Obviously, not all firms are ready to take the full plunge in becoming Pioneers,” said Mackintosh. “What’s critical is for firms to pinpoint specific areas where they believe they can improve and selectively leverage some of the best practices of Pioneers to grow, manage and protect their businesses.”

Leveraging Technology for Success

Newer cloud computing solutions, such as [CCH Axcess](#), the only cloud-based modular tax preparation, compliance and complete firm management solution which operates from an integrated central database, help professionals better serve clients anytime and from anywhere, 24/7. Additionally, instant and secure access of client data, trusted research content and the latest industry developments through mobile device apps, such as [CCH Mobile](#), expand the ability of professionals to respond to clients on their timetables – creating a distinct competitive advantage.

Cloud and mobile solutions are no longer viewed as emerging technologies and have become more a part of the mainstream.

According to the *CCH Survey*, a strong majority of participating firms, 73 percent, identify themselves as Mainstream or even Late Adopters in their approach to technology – but maintain a solid understanding of technology and its benefits for driving business results, enhancing client services and even recruiting top talent. However, concerns over adequate resources to manage system implementation, as

well as the risk of not effectively integrating technology and the ability to quickly

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Survey results also show that Pioneer firms are more effective at leveraging emerging technologies that many firms find difficult to grasp. For example, slightly more than half, 54 percent, of all firms surveyed agreed they are effective at managing mobile solutions. That's far behind the 89 percent of Pioneer firms' ability to manage mobile capabilities and 73 percent of Early Adopters. Only 36 percent of Mainstream/Late Adopters said they effectively manage mobile solutions.

But the percentage gaps grow very wide between Pioneers and Early Adopters when asked about effectively leveraging cloud computing and social media. Ninety-three percent of Pioneers reported they effectively leverage cloud computing – compared to only 58 percent of Early Adopters and 26 percent of Mainstream/Late Adopters.

And when asked about effectively leveraging social media, 92 percent of Pioneers said they do, while only 47 percent of Early Adopters and just 22 percent of Mainstream/Late Adopters said they did. Separately, 70 percent of Pioneers said they used social media to engage clients, but just 41 percent of Early Adopters and 36 percent of Mainstream/Late Adopters said they reach out to clients via social media.

Leadership Development – The Technology Divide

Who exactly are the industry's Emerging leaders? According to the *CCH Survey*, these are professionals who typically have fewer than 10 years of experience who aspire to become senior managers and leaders within a firm or start their own firm. Whereas Existing leaders are generally older, with the number of firm partners age 50 and older continuing to climb.

Besides age differences and years of experience, one key factor clearly separates emerging from existing leaders is technology. Many emerging leaders have grown up in the digital age and are “digital natives.” Social media, mobile access and other forms of technology have been woven into their way of life. Existing leaders have

seen technological change evolve in the industry and in their firms – having to learn

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important role in future leadership recruitment and retention – compared to only 58 percent of existing leaders surveyed.

Culture, Environment, Growth Opportunities

While the vast majority of firms surveyed are positive about their firm's culture and work environment, certain factors clearly differentiate the leadership strategy and focus of Pioneer firms compared to everyone else.

- When asked whether their firm has a formal mentoring program in place – 94 percent of Pioneers said yes, while only 45 percent of Early Adopters and 29 percent of Mainstream/Late Adopters did.
- On whether their firms have a formal, ongoing recruitment plan – 95 percent of Pioneers said yes, with 43 percent of Early Adopters and just 15 percent of Mainstream/Late Adopters acknowledging they did.
- And when asked if their staff support strategies followed a formal talent management program – 84 percent of Pioneers said they did have a program in place, while only 43 percent of Early Adopters and 20 percent of Mainstream/Late Adopters reported having that type of program.

When looking at the bigger picture as a whole, *CCH Survey* results illustrate the specific priorities Pioneer firms focus on in order to outperform other firms. They've accepted different levels of risk in order to build a foundation of stronger growth, stronger profitability and greater value. And although all firms may not have the full resources and capabilities to fully follow in the footsteps of Pioneers, there are lessons non-Pioneer firms can learn about identifying specific areas for improvement and taking a more strategic and steady approach to pulling levers of success.

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