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ACCOUNTING & AUDIT

Beyond Crunching Numbers: How Cloud Services Can Differentiate Your Firm

With cloud services, it is easier than ever to meet client demands and to set yourself apart from competing firms. While many firms are understandably resistant to change, the cloud's benefits far outweigh the risks.

Sabrina Parsons • Dec. 04, 2013



Businesses both large and small have come to expect that financial information will be accessible at all times and that accounting firms show they're as tech-savvy as any other profession. Unfortunately, a 2013 Sleeter Group [survey](#) revealed that only 15 percent of small businesses believe their accounting firm is ahead of the curve when it comes to technology use. With cloud services, it is easier than ever to meet client demands and to set yourself apart from competing firms. While many firms are understandably resistant to change, the cloud's benefits far outweigh the risks.

Many accounting firms still rely on legacy systems and siloed processes simply because they see the cloud as far too daunting and that the transition towards these services is easier said than done. While this is sometimes true, it's important to remember that there are many services capable of hosting data from [QuickBooks](#) or other accounting tools that integrate previously imported information into the services they offer. These solutions do not require a complete overhaul. But, they give CPAs the ability to stick with the data entry processes they know, while upgrading to cloud-based storage and analysis services for clients.

Anytime access, automatic analysis

QuickBooks is the most widely used small business accounting software, and is the go-to solution for countless accountants. Generally, QuickBooks lives installed on a Windows machine, and more often than not, that machine belongs to the accountant. This limits the client's access to the QuickBooks data and puts the accountant in the position of having to manage the data and send reports to the client when requested. But, there are ways for the client to play a larger role. With insurance, for example, customers can file claims, know what's covered and view their deductibles from an app or mobile web. Similarly, an accountant's clients want to have access to their financial information at a moment's notice. Cloud services that host QuickBooks data offer this to clients while allowing accountants to stick with what they know best.

More importantly, clients want to know what their financial numbers *mean* for their personal or business budgets. They often turn to their accountant to access the information, crunch the numbers and present the results in an easily digestible way. These can be tedious, time consuming tasks for accountants who are often managing multiple clients. Even worse, a client doesn't always see the value in the accountant's time generating the reports, as they perceive the data in QuickBooks to be "theirs." Many cloud-based services, however, will automatically import accounting data and display it in easy to understand reports – made specifically for

small business owners, and not bookkeepers or accountants, like reports from accounting software.

Shift towards advisory

As technology services that can help even the newest business owner manage his or her own financials with ease become more widespread, it's important for CPAs to assert their role to remain relevant. By offering QuickBooks integrated cloud services for clients, accountants are no longer just bookkeepers, but rather financial advisors. If clients have automatic access to the data and analysis they need, but receive high-level advice on how to act on the data from their CPA, accounting firms quickly become year-round necessities.

Not surprisingly, the Sleeter Group survey also found that SMBs look to accountants first when it comes to seeking strategic financial advice. It is advice, not number crunching or graph and chart preparation that businesses want from an outside accounting firm. But the accounting firm needs to give that advice, in conjunction with understanding and knowing the financial picture of that SMB. The survey also found that while traditional services such as audits and tax preparations were the top services business clients want from an accounting firm, business planning and strategy ranked high on the list, with 25 percent of respondents expressing a need for both services. If accountants are able to effectively help clients engage in planning and understand the levers that will ultimately grow their businesses, they will remain relevant and valuable to their clients.

Setting your firm apart

Businesses know what they want from accountants, and are not afraid to switch firms to get what they need. According to [The Sleeter Group](#), about half of SMBs have switched accounting firms at some point due to lack of expected services. In a highly connected world, it's difficult for accounting firms to compete using outdated technology.

If the idea of a transition to the cloud seems like an impossible task, don't give up just yet. There are hybrid services available that allow your firm to continue using QuickBooks and other systems you're familiar with, while providing clients with access to the data and analysis they need in a cloud-based format. It's time to let technology do the busy work so CPAs can do what they're trained to do: help clients reach their personal and business financial goals.

Since 2007, Sabrina Parsons has served of CEO of Palo Alto Software, a company that creates business planning and tracking technology for small businesses. She and her husband, Noah, founded a UK software distribution company in 2001 that was acquired by Palo Alto Software in 2002. As CEO, Sabrina is a staunch supporter of entrepreneurs and often mentors her small business customers on effective financial planning techniques.

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