new grandchildren this year! While we often track time in our lives by birthdays ...

Randy Johnston • Dec. 13, 2016

It's hard to believe another year has come and gone. The old adage that time flies when you're having fun has certainly applied to our family with the addition of three new grandchildren this year! While we often track time in our lives by birthdays, anniversaries and other significant dates, many of us know that much of our business time is billable whether handled in flat fee engagements, value added billing, in time and materials hourly billing or in other sales or service activities. Choosing the right thing to do with our time and managing our time well provides opportunity for the things that matter to us, and allow us to get things done.

In 2017, those of you in tax will have to manage your time differently with the many

to the hearts of many of you since these systems track, control, and create the billing that leads to your income as well as help you manage the time of yourself and others. A good system reduces the amount of time required to get a bill out, automates many of the steps in the billing process, allows for electronic invoicing and payments, can tell us how our time was spent, reports who was a profitable client as well as who we should consider introducing to another practitioner.

Whether you bill a recurring monthly retainer in advance, or track 6 minute increments and bill intermittently well after the fact, you need a system to keep the scorecard. We prefer to recommend systems that also integrate with your tax and/or accounting software, provide a wide variety of billing formats, can help you track your profitability and progress in your niche practices, and help you forecast future human resource needs.

What Works Best?

There are relatively few products that work well for the accounting profession compared to the accounting software options in the market. A number of new products have been created over the last decade or so. We'll cite a few key strategic products for your consideration. Note the following practice management and/or time and billing software products courtesy of www.CPAFirmTech.com:

- APS Advance – Commercial Logic, Inc.
- Axcess Practice – CCH, a Wolters Kluwer business
- Big Time – Big Time Software, Inc. (formerly Edison's Attic)
- BillQuick – BQE
- CaseWare Time – CaseWare International, Inc.
- Clear Biz – Trilobyte Solutions Inc.
- Client Track – Client Track
- Empire TIME & Empire RESOURCE – WSG Systems Corp.

- ImagineTime – ImagineTime

- Practice Management – Drake Software
- Practice Management – OfficeTools
- Practice Management – Star Americas Software Solutions LLC
- Practice Relief and more comprehensive Power Practice – AccountantsWorld
- QuickBooks – Intuit (used by many smaller firms for billing)
- SpringAhead – SpringAhead
- Time Matters – LexisNexis
- Timesheet Reporting by ThinMind – Shift Technologies, Inc.
- Total Tax and Accounting Office – CCH Small Firm Services, formerly ATX)
- TrakTime Central – Commercial Logic, Inc.
- TPS Software – TPS Software

We generally like products that integrate with other applications in use. For example, BillQuick has a tradition of connecting with other systems and connects to QuickBooks for firm financials as illustrated with their guide. We also like products that scale from a small number of users to a much larger number of users if you intend to grow your firm. Commercial Logic gets this done well because of the similar user interface with TrakTime Central, PowerPM and APS Advance, a family of products that can be used by one person or by 100+.

Products that integrate with workflow products get high marks, too, since effectively using workflow saves time, increases realization and utilization while assisting in delivering a better work product to clients. Examples of these types of PM products include CCH Practice Management that integrates with XCM and CCH Axcess Practice which integrates with their own CCH Workstream workflow product as well as the APS Advance or OfficeTools offering. CCH, Drake and Thomson all integrate their practice management products with their own tax products.

This is a productivity benefit, and we should expect no less of any vendor that supplies both PM and tax. Some entry level PM products do a nice job of integrating

within their own suite of products and include document management, a portal and

PM products have more built in functionality for workflow, APS Advance for example, document management or business development. However, like an ERP product, the implementation takes planning to be successful.

Perhaps a grid could help you see your way through some key products. All of the products listed have integrations, and you'll have to visit the publisher's web site (links above) to see the various options. Most will include one or more tax product integrations, some will have QuickBooks integrations, and others will have time and expense reporting integrations. In the grid, x means included, EM means extra module (and price), while XCM is the workflow product that is purchased separately. Also note that several of these products have checklists to move work through a process, which may be sufficient for your firm, but checklists are not workflow as explained in earlier articles. The products are listed in order of increasing sophistication for the PM module.

So, What Might Work Best for Your Firm?

As you can see some products primarily do time and billing work while others include a Document Management System (DMS), client accounting software, workflow, and a client facing portal. It is your job to determine features that are important to your firm. It would be a good exercise to understand all of the extended features of each of these systems, and you may want to expand the grid illustrated above to include products and features important to you.

For example, AccountantsWorld Power Practice includes a trial balance product that integrates to all of the primary tax suppliers, as well as having an accounting and payroll system. As a second example, OfficeTools has integration into Outlook, Lacerte and has added an eSignature capability in the product. As a third example, PowerPM and APS Advance have a tight integration with a business development and client relationship management product called Symphony, built on the Sugar

CRM platform and modified for the accounting industry, which helps provide

Net, net to this article: review your practice needs and see if an improvement to your practice management or time and billing is needed. Review the feature set of the top four or five candidates. Consider the impact of the change on your firm and how it fits into your long-term strategy. You'll either wind up more satisfied with your existing solution, or know that it is time to make a change.

And For Next Year, A Few Observations...

For my businesses, this is the time of year we look ahead at major changes, strategic initiatives and tactical plans. The scorecard produced in our PM helps measure past success and plan for the future. The dashboards and KPIs we run in our PM keep our eyes focused on the goals every day. There are a few things to watch for the coming year:

- Remote access will continue to become easier whether implemented in a private cloud, public cloud, or with improved SaaS products
- More mobility from more devices will include eSignature, portal use and research
- More electronic billing and payments will be integrated into our systems, and clients will expect this type of convenience
- More client documents will be provided through portals and automated PBC (prepared by client) tools
- Software costs will rise, and you should budget appropriately. Include not only your practice centric tools, but productivity software such as Microsoft Office and Adobe as well as security measures such as encryption, spam protection and multifactor authentication.
- Skilled labor will continue to be harder to find. You'll need more computer automation, better procedures and/or outsourcing to get the work done. The best and brightest want to work at progressive firms. Millennials value the quality of their work experience higher than prior generations.

- Technology will increasingly interfere with interpersonal relationships, both

  expansion, specialization and verticalization in niche practices will continue to apply pressure to your practice OR create additional opportunity.
- Several new categories of software that will help the accounting profession will be introduced, expanded or improved.
- Mergers and acquisitions will continue to increase in number. I enjoy small and mid-sized firms and there is nothing wrong with maintaining your own independent firm held by a small partner group, but you'll need the right technology to be successful. Further, if you want to be acquired, having the right technology including a solid PM should increase the value of your firm and give you a stronger negotiating position.

Hardware and software changes will continue to march on. Some changes will make things better, and based on some modifications that vendors have planned, some changes will make things worse. Vote with your dollars, and choose products that work well for you. Continued success now and for years to come!

Firm Management ● Technology