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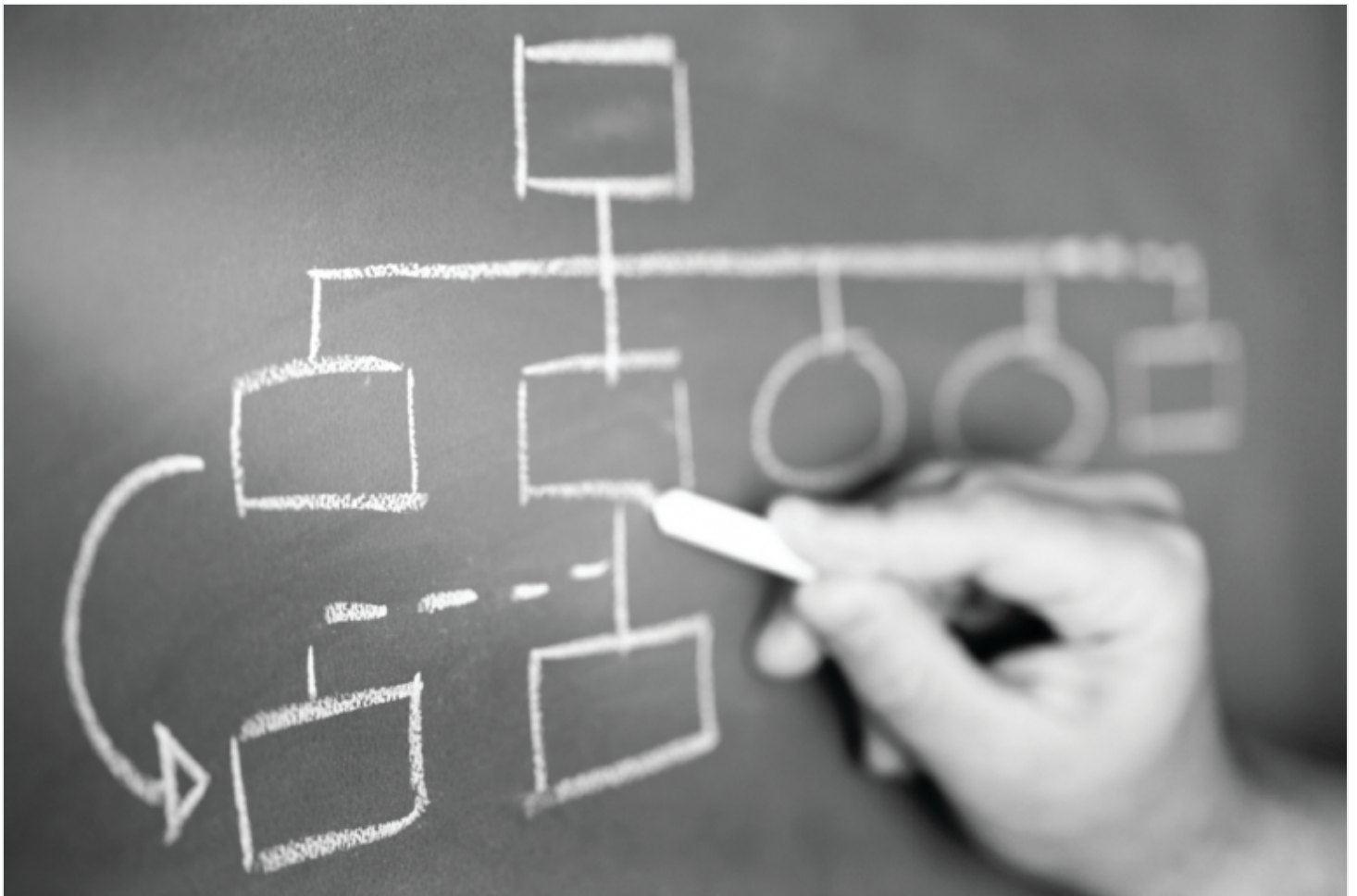
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## How to Overcome Them

Moving your firm from where you are today to a more productive and profitable operation starts by identifying and resolving the catalysts that challenge workflow. Forcing processes or software to resolve these catalysts is not an end-all long-term

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Jul. 31, 2017



Most owners, partners, shareholders and IT professionals would agree, improving workflow and efficiency in the firm is a challenge and perhaps an ever-present goal.

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## **1) Prepare and review process is not standardized and/or enforceable**

Not everyone is using the same processes to prepare and review returns. Lack of standardization will result in more errors, increased difficulty onboarding new staff and less efficient processes due to the lack of routine functions.

Some of the most common prepare and review processes can be standardized. For example:

- Require staff to work from digital copies of tax slips versus allowing some staff to work from paper tax documents while others work from digital copies.
- Require reviewers to review digital documents, versus paper.
- Require reviewers review to the tax return versus information located in tax software.
- Require preparers to provide a standard list of information for reviewers.

**How to resolve this challenge?** First, assemble a project team tasked with creating a standardized prepare and review process for your firm. Second, enforce the standardized process. When this procedure is enforced by your document management software (DMS), you are guaranteed all staff and partners follow every step of the firm-defined process. If the software you are using for DMS does not force a standardized process, investigating DMS software that does, is advised.

## **2) The ability to control deadlines**

Your work is deadline driven; happy clients will remain happy when the work you do for them is handled on time. You will remain in control of deadlines when you know where every project is at all times. Running your firm in this way ensures attention is

given to the right projects at the right time; deadlines are not missed and costly

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due date (e.g. personal returns) or calculated due date based on an event (e.g. period ending).

If you do not have these reporting capabilities in your existing DMS, an option to consider is the implementation of DMS and workflow software – that works seamlessly with your tax, audit and bookkeeping software – with features and functions that insulate the firm from the risk of missing deadlines. Automated due dates can be created for each type of tax return or users can manually set due dates when warranted. Furthermore, DMS software with extensive reporting capabilities allow for simple review of all upcoming due dates by partner, manager or by a tax manager who may have overall responsibility for all tax assignments. Ultimately, this provides advanced notification for all potential issues which allows the firm to address potential issues before they become a problem.

### **3) Balance and status of workload**

Balancing the workload of all employees and being aware of the status of projects greatly impacts workflow and efficiency. It is easy and common for some employees to be assigned too much or too little work. When multiple projects of different types are underway, access to real-time updates and reporting on the status of all projects raises awareness of deadlines, due dates in jeopardy and provides the ability to proactively resolve bottlenecks before work stoppage occurs.

**How to resolve this challenge?** Your firm would benefit if your DMS and workflow software would budget time for each task enabling you to record actual time spent for each task. Monitoring and reporting on the work left to complete for each task enables you to balance workload before bottlenecks occur. Furthermore, when a secure connection through your DMS or mobile app enables you to work from anywhere using any device to access real-time updates, work can be managed, moved along and workload can be balanced if needed.

## 4) Lack of system to handle emergencies as they arise

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essential to minimize disruption to workflow. When emergencies arise the software you use for DMS and workflow should enable you to adjust priority and effectively communicate the adjustment(s) to the team.

For example, when a deadline changes due to client needs, the priority of the project and the due dates can be changed. Additionally, notes attached to the project should be visible to all potential staff who will work on the project. Furthermore, when the software you use for DMS provides reporting of “At Risk” deadlines based on a number of conditions, the firm can efficiently and effectively follow-up on projects needing attention before the situation becomes an emergency.

Everyone who touches or may touch the project should be proactively aware of changing due-dates, projects that have stalled, escalated priorities or projects that are over-budget. This level of communication, *when done effectively*, increases awareness of time-sensitive information while also helping to mitigate risk.

Because risks change throughout the year, being able to define risk daily, if needed, is important. For example, risk to the firm on April 13<sup>th</sup> is very different than risk on January 13<sup>th</sup>. Software that allows you to report on risk daily will help the firm avoid the disruption emergencies cause. Ultimately, addressing a problem before an emergency occurs results in an efficient and profitable operation.

## 5) Documents trickling in

Clients send documents to you at various times; it is your job to gather and store these documents until they are needed. This scenario plays out the same way in firms of all sizes regardless of how good you or your clients are, forcing staff or partners to start/stop work on a file, setting the file aside waiting on the needed documents to arrive. This factor is a major catalyst to inefficiency; this is highly disruptive.

**How to resolve this challenge?** You cannot control clients' actions of sending

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- When a file is reopened it is instantly apparent what tasks are finished and not finished.

## **6) FIFO controls workload**

In this profession deadlines are more than promises to clients; many deadlines are mandated by tax law. Workflow and deadlines are in jeopardy when firms place too much reliance on FIFO to control the work for each employee or there is no real method to control workload and workflow. The obvious negative ramifications for missing deadlines are financial and penalties for clients with the added risk of losing a client when this happens.

FIFO is not always the most effective way to control workload. Additional ineffective ways include allowing staff to choose what they want to work on, or selecting a folder based on any random criteria such as top of pile, or choosing a file based on its thickness.

**How to resolve this challenge?** Getting control of any assignment and communicating deadlines to anyone who has the potential to work on the file is a necessity. Deadlines may be dictated by due date, priority and age of a file, revenue, scheduling, and more.

When everyone working on a file knows, in real-time, project deadlines and priorities, they are best positioned to work on files they should be working on to ensure deadlines are met. For example, a preparer or reviewer who touches the file needs to be aware of real-time deadlines, potentially at the project and task level, as set by manager or partner as well as the age of the file. With this information easily and readily available, people working on a file can determine which files should be worked on.

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Specialist and was named Director of Client Solutions in 2012.

Firm Management

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