CPA
Practice Advisor

From the May 2021 Issue.

Has your practice evolved to a new way of working, or are you doing things pretty much as you did a decade or more ago? Through the years, I have tried to show you a safe way to upgrade your practice tools with technology while still serving your client well and making a profitable living. If you have left your practice management system alone, it is time to upgrade to benefit from and enjoy the improvements available from these platforms.

During the pandemic period, many of your firms didn't make a lot of changes. That was understandable. You had plenty to do supporting clients. The tax season was disrupted with extensions, PPP support, and other activities. Not to mention that

review new products, I have reviewed products at a pace unparalleled in my career for that past year. In my previous two columns, we've been speaking about portals and collaboration. These are just two components of a complete practice management system. The other components include time and billing, document management, workflow, due date monitoring, staff management, and management reporting. The idea, of course, is to control the practice while managing resources effectively.

How Do We Pick a Practice Management System That Matches Our Future?

What do you want from your Practice Management system? Control? Visibility? Time & Billing? Management Reporting? Integration to Other Systems? Microsoft 365 / Google Workplace (formerly G Suite Integration? Business Development/CRM? AutoPay? Due Date Monitoring? Yes, all of these and more? Are you getting what you want and need from your existing practice management system? Do you see a future vision from your preferred publisher that matches your future vision? Does your practice management tool support your service offerings effectively?

As the year progresses, we will cover tools to help us serve clients better in specialties such as Advisory Services, Client Accounting Services (CAS), in addition to traditional tax and audit. Further, we'll look at new tools you need in your practice like Corvee for simple, sophisticated tax planning or Ledgible powered by Verady that supports cryptocurrency valuation on a tax return. We'll be covering many of these tools in our Technology Lab Podcast, including several of the practice management systems named below. We have already covered some CAS tools in The Technology Lab Podcast. For example, QuickBooks Online, Fathom, Bill.com, SmartVault, and OnPay are five silos of applications that can work together to create a single CAS solution. Several entities have tried to help specify the tools to build a

CAS practice, like AccountantsWorld's 90-day practice guide, the Woodard Institute,

with hosting or private cloud technologies like Citrix. The next-generation tools are running in browsers in the publisher's silo of applications. Some silos will become hard to avoid, like those of the productivity suites of Microsoft 365, Google Workplace, or Zoho One. Most of us couldn't imagine switching from our productivity tool of choice. Each of these three productivity providers runs in their own silo today. The vendors have connected silos by writing direct connections, using Application Program Interfaces (APIs), or using a digital plumbing tool like Zapier, Boomi, OneSaas, CData, Power Automate, or more. Practice management systems will need to connect to other systems directly or through APIs and tools like Anduin can extend the capabilities of most Practice Management systems with Intelligence-Based Billing capabilities.

The tipping point decision for you and your firm is, do you remain in a suite solution such as Wolters Kluwer CCH Axcess, Thomson Reuters ONVIO, or Drake Software, or do you choose a best of breed approach? Has integration been delivered, and value received in the suite approach you are using? Is there a good future vision from the publisher? Does each application provide a good client or team member experience? If so, then a suite is an excellent approach for your firm. I'm happy for you because the design work that I've done through the years for major publishers is paying off for you, and the integration of Tax and Practice Management is already working for you.

On the other hand, if you are looking for a specific client and team member experience, you probably have more work ahead of you. You will need to evaluate the leading applications in each category and pick the one that fits your firm best. But that is only the start of your work. You will need to work through the details of integration between silos, migrate your data, and train your staff. The migration's financial and productivity benefits may take years to realize, or they may be almost immediate. For example, Intuit's ProConnect Tax now integrates with their OEM practice management product from Karbon. These two silos are already connected,

the software renewal bill and pay it because the pain of payment is lower than the perceived difficulty of making a change.

However, if your future view of the world is a view that includes a practice management system that does everything but tax, I have good news for you. The number of choices is significant, and many of the systems are wonderful. Further, many of the practice management systems include the core functions of time & billing, workflow, and document management. Many of the systems have more features, and some of the systems lack either workflow or document management. Consider the Venn diagram below:

If you could get all these features, plus portal, due date monitoring, and more, in one place, would that help your productivity? Wouldn't it be nice to get a system where all you had to add was a tax or audit software? That is possible with today's practice management systems. Now consider the following, reasonably comprehensive list of 33 options, most of which I've had the opportunity to review in the last twelve months:

AccountantsWorld Practice Relief

Acumatica

Aero Workflow

APS Practice Management

ATOM-Automated Tax Office Manager

ATX Total Tax Office

Avii

Canopy Practice Management

ImagineTime

Intuit Practice Management (powered by Karbon)

Karbon

Maconomy

MY CPA Dashboard

NetSuite

OfficeTools

On Premise TPS

Onvio Firm Management

Practice CS

Practice Engine

Practice Manager (by Xero)

PracticePro 365

ProSystem fx Practice Management (was CPASoftware/Sage Visual Practice Manager)

Quont

Senta

STAR Practice Management

has enough momentum and installed user base to be a viable product. I'm acutely aware of the current strengths and weaknesses of each product, too.

For The Technology Lab podcast review purposes, I've scored each feature of each product on a scale of 1-5 and developed an overall average score, too. You'll want to perform a similar exercise for your firm when choosing an appropriate practice management product.

What Are We Trying to Accomplish Using Practice Management with our Clients?

Don't let the exhaustive list above frustrate you because there are so many options. Instead, consider how the choices support a philosophical way to run your practice. Many of you won't need the complexity or capability of a high-end Practice Management system. For example, STAR Practice Management is designed for firms of 150 people or more. While I admire the comprehensive features of STAR, APS, or AVII, many of you don't need this capability.

The traditional products of CCH Practice Management or Thomson Reuters Practice CS have probably served you well. But the new generation replacements of CCH Axcess Practice and ONVIO Firm Management must be in your future.

On the other hand, for those of you running traditional compliance practices with tax and advisory services, I don't know how you could do much better than ATOM, Canopy Practice Management, Clarity Practice Management, or TPS. Canopy has comprehensive, integrated IRS Tax Resolution handling along with document management, project management, CRM, and a portal that includes secure file exchange, eSignature, and payments.

Clarity Practice Management supports Frank Stitely's meet-to-complete business model from The Relentless CPA, which means professional services can be delivered conveniently. Clarity is a client-centric practice management that helps you grow

firms want to know four things:

1. What Work (Jobs) are coming up or due?
2. Is the job in? (has the client brought in the information)
3. Who is Working on it?
4. What Stage is the job at?

The employee is reduced to having one task, and that is to advance the job by simply changing its status!

For those of you with a heavy focus on CAS, then AccountantsWorld Practice Relief, Aero Workflow, Karbon, or Xero Practice Manager can drive your workflow, due date tracking, and billing efficiencies. However, as pointed out above, there is more to a CAS practice than practice management. A suite of CAS solutions has client and operational benefits.

So, What Can We Do Today?

We must plan for the future of our firms. If you want organic growth, I'm happy for you. If you want to practice as you have been, I'm happy for you. If you want to acquire firms, I'm happy for you. If you want to add a specific focus like CAS or Advisory, I'm happy for you.

But most importantly, there is a practice management solution that fits your needs. It may or may not be the system that you are currently using. Technology changes or vendor publishing decisions may affect what you can do in the future.

Those of you who know me well know that I'm concerned about excellent client service, team member experience, and maximizing profit to the partners. What type of practice management experience are you creating for you, your team, and your

(NASBA) as a sponsor of continuing professional education on the National Registry of CPE Sponsors.