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Current Practice Management Solution

Tools in the accounting profession are commonly built on decades-old technology, which doesn’t make for ...

Randy Johnston • Dec. 08, 2022

This Part 3 of the Practice Management Playbook series.
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Many firms, possibly yours, are concerned about client experience (CX), security, workflow, and staff shortages. Tools in the accounting profession are commonly built on decades-old technology, which doesn’t make for a very satisfying team or firm experience either.

Competitive pressures have eroded margins in traditional tax compliance, and new

payments. While practice management and document management platforms have extended their features to include a portal, the client experience and the firm experience are typically unsatisfactory.

Firms are looking for a better portal experience for their clients and their team. We have reviewed 20+ portal options in the professional accounting market, and each has an evident strength to satisfy the original designer. But frequently, the capabilities, the usability, the lack of integration to other systems, and firm politics lead firms to select one portal per practice area.

For example, it is confusing to the firm's clients to have one portal for Tax, one for Audit, and another for CAS. At the same time, employees must submit expenses and other operational information on an additional portal. Is there one portal that can provide a modern, collaborative experience that includes automated workflows, consolidating all client communications, documents, e-signatures, tasks, emails, messages, invoices, and payments into a single tool? Liscio was built to do this.

Optimized workflows improve realization and utilization. However, changing operational systems is disruptive and time-consuming when your firm implements new workflow procedures, automation, or practice tools. The return on investment is frequently questionable or not met, but it often produces a revolutionary change in the practice. Besides, it is hard to justify the expense of a new system like practice management or document management when the system in place is "good enough."

While Jim Collins would argue that the enemy of great is good in his book *Good to Great*, the learning curve and costs for team members in large organizations inhibit rapid change of crucial systems. Take Practice Engine as an example. Many of the top 600 firms had chosen this platform at my recommendation when it was the best system available. Firms now have deeply embedded processes for billing.

The evolution of Practice Engine has slowed, but the expectations of the firm's team

you afford to have a poor experience for your clients or your team? So, the question is probably less about the need for better client and firm experience, but the **question is how**!

Let's assume that you can't change your Practice Management applications today. In other words, client experience and firm experience must work with your tools. However, if you are willing to understand the problem and "pair" a solution with your existing practice management product, you can nail this CX problem and make your portal sticky for clients.

Of course, the first steps would be identifying issues and suggesting solutions to your IT Steering Committee or Technology Services Group. If you'd like a list of common issues, visit The Grove and search for "Common Portal Issues," or you can start from scratch and create your own list.

You'll find compelling stories among various solutions. However, remember that each one touts their strengths and rarely mentions their weaknesses. Wouldn't you do the same if your job was selling portal solutions? But of course, your job is to pick a solution that nails the CX and provides the firm's team members with great experience.

Next, work to create the proper workflows. While you may have a workflow system, such as XCM (now CCH Axcess Workflow) or FirmFlow, these workflow tools mainly focus on internal processes. You must consider a collaborative workflow that includes client-facing external requests and internal follow-ups. Automation in the portal can be beneficial. For example, if a Prepared by Client (PBC) list is made, the portal product should automatically ping the client if the request is not completed. In effect, the tool can auto-badger the client to complete the request.

Additionally, the portal workflow should not create more internal emails with

delivery truck is on the way.

Finally, you are notified when the delivery driver enters your neighborhood, and then your doorbell rings. While you might consider this too much information, is there any doubt as to the status of your order? Today with package delivery services, we expect to be able to look up the status of delivery if we are not receiving proactive notifications.

This type of tracking exists in products like Tallie expense tracking and Corpay One payables management. Further, the processes you can optimize in firms vary from onboarding to payments, to engagement letters, to organizers, to 8879s, and to financial statements. Think about how much workflow notification is appropriate for each of these workflows.

Today's security requirements for billing are extraordinary, and CISOs must monitor payment systems, email, and more. Client communications options have mushroomed, making the security footprint even more extensive. There are many security vectors to consider including but not limited to email, IRS Pub 5293, 4557, and Gramm-Leach-Bliley.

GDPR, CCPA, and protections through DLP. But as an accounting professional, you already understand the regulatory environment. You are counting on your IT team to secure your IT environment. All you want is a single portal that is secure with a great workflow. And you can get this today by pairing a modern portal with your legacy applications!

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This article is the third of a Practice Management Playbook series designed to reveal what top firm leaders do consistently to enhance their firm's success by Randy

Johnston. What do top firm leaders do consistently? And how do leaders know what

Top firm leaders continuously educate themselves through reading, events, and peers. They try to understand what's causing speed bumps in the firm, look for solutions, and be open-minded about issues and resolutions. This series will include topics like a single portal, minimizing workloads at heavy times and throughout the year, improving collaborative client experience while integrating into your existing practice management or document management system, and locating clients and talent for the firm of all ages, all while maximizing profitability to the partners and the firm. If you have an idea to contribute to this series, please contact me at randyj@nmgi.com.

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Randy Johnston has been an entrepreneur, technologist, and teacher for most of his career. He has helped start and run many businesses, including Network Management Group, Inc. and K2 Enterprises. Randy has consulted with CPA firms in the US and Canada about technical topics like networks, accounting software, workflow, and CPA Firm technology, including practice management, document management, Tax, Audit, CAS, Advisory, wealth management, and other niches. He frequently helps firms from the Top 100 down to sole practitioners with strategic planning and tactical decisions. Randy can make sophisticated technology understandable to any person. He has been podcasting about the technology used in the accounting profession at The Technology Lab Podcast and his mobile-first platform, CPE Today. No wonder he is often referred to as The Last Renaissance Man. Randy still likes answering questions one-on-one so he can fulfill his mission: To help as many people as possible to use technology in a way that benefits them most. He always takes time away from work to enjoy his family, church, and civic organizations.

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