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# How to become a Firm of the Future

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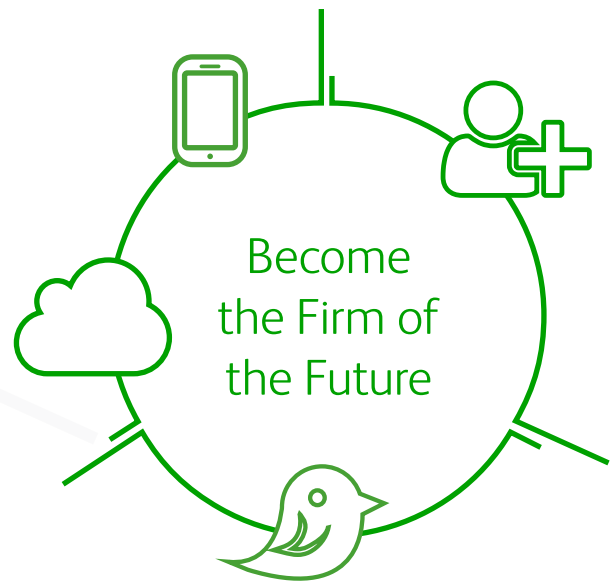
# Is your practice a Firm of the Future?

When Abraham Lincoln said, “The best way to predict the future is to create it,” who knew how true that would be today – some 150 years later?

The reality is that if your firm fails to adapt fast enough in today’s work climate, it won’t survive. However, adapting isn’t as simple as crunching some numbers, pressing a button and just talking about it. It takes a commitment, a learning curve, and applying a lot of time, effort and resources. Is your practice a Firm of the Future? Let’s find out.

## What is a Firm of the Future?

The Firm of the Future leverages four key trends in the accounting industry: social media, the cloud, mobile and data. When put into action, these trends not only take you and your firm to the next level, but also level the playing field among accounting professionals



“The Firm of the Future leverages four key trends in the accounting industry: social media, the cloud, mobile and data.”

## How to become a Firm of the Future



### Social media is changing your clients' expectations.

They now want always-on access and customer service. It also provides an immense opportunity for business growth because your online profile can be found by any small business around the world. Through social media, you can connect and collaborate with other industry experts to meet specific client needs, share best practices and pass on referrals. Your clients don't just want compliance experts, they also want strategic advisors who add value to some of the most important business issues they face every day.

### Next is the cloud, which creates immense workflow efficiencies.

Your clients now expect a seamless experience where they can initiate a task on one device and finish it on another. Firms of the Future leverage the cloud to become more efficient, improve collaboration and generate time savings and lower costs, which in turn helps you meet client expectations and stay relevant.

According to a study conducted by Nielsen Consumer Insights for Intuit, your small business clients are already capitalizing on the opportunities the cloud generates:



**65%**

65% depend on the cloud for their back-office needs, including bookkeeping and accounting. That's a staggering number when you consider that just two years ago, 38% of small, midsize and large businesses had adopted the cloud, according to IDC's *US SMB Cloud Adoption survey*.



**80%**

By 2020, Intuit predicts that about 80% of American small businesses will be cloud-adapted, according to an August 2014 *Small Business Success in the Cloud* report in partnership with Emergent Research.



**65%**

65% use the cloud for invoicing and accepting payments.

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### **The third trend is mobile**

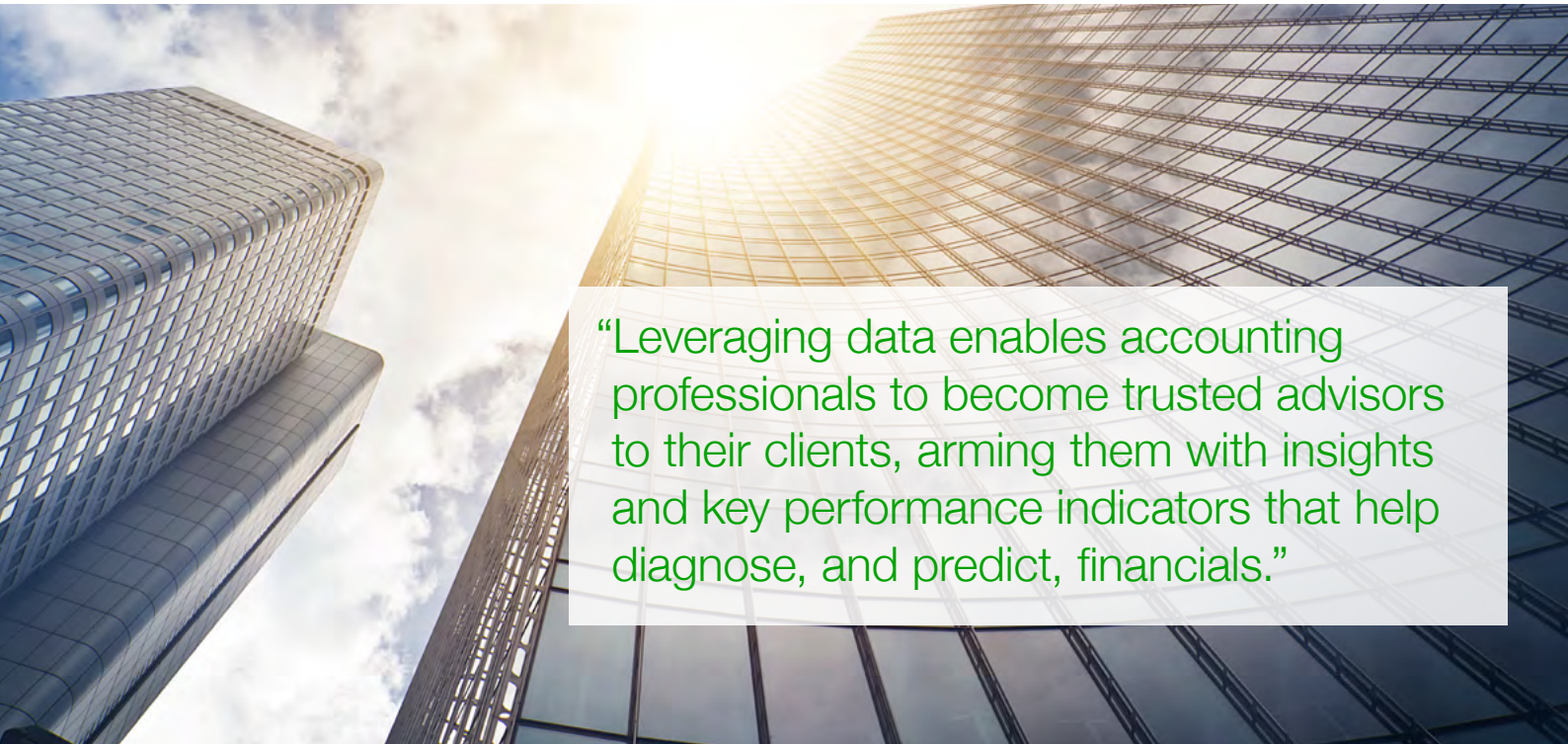
According to the Nielsen Consumer study, 43% of small businesses use a smartphone as their primary device to run their operations. This is an increase from 28% of businesses, according to a 2012 “Small Business Opinion Poll,” commissioned by EMPLOYERS. Today, mobile goes beyond just a smartphone. It’s shifted to watches, eyeglasses and even capabilities integrated into your car.

Does the workday ever end? Maybe not, if clients want access to data anytime and anywhere.

### **The final trend is data**

Leveraging data enables accounting professionals to become trusted advisors to their clients, arming them with insights and key performance indicators that help diagnose, and predict, financials.

Embracing these trends and demonstrating your mastery of them to your clients sets you and your firm up for future success.

A low-angle photograph of several modern skyscrapers with glass facades, reaching towards a bright, sunlit sky. The sun is positioned in the upper center, creating a lens flare effect. The buildings are arranged in a way that they appear to converge towards the top of the frame.

“Leveraging data enables accounting professionals to become trusted advisors to their clients, arming them with insights and key performance indicators that help diagnose, and predict, financials.”

## How to become a Firm of the Future

Here are three easy-to-implement, actionable steps to help you transition your firm into a Firm of the Future:

### Step 1: Get on the cloud

The future is a collision of trends that represent new competitive advantages and drive productivity and progress. The cloud is one of those trends. Practices must adapt quickly, seizing the moment and the benefits of the cloud, or risk falling behind.

**Before you start your journey to the cloud, let's first debunk the most common fears and reasons to delay adoption.**



One common misconception is security and the belief that files are more secure on a computer's hard drive. Locally stored files are no less prone to corruption, theft, a breach or being destroyed.

Another common concern is the cost of transition to the cloud. Cloud technology disrupts the old way of buying IT, which involves large capital investments and ongoing system maintenance and updating. Cloud computing is inherently elastic, scalable and often a pay-as-you-go service. The financial risk of moving to the cloud is now so small that it becomes incredibly attractive, compared to the risks of buying and investing in IT infrastructure that quickly becomes outdated.

Despite the fact that nearly 80% of US small businesses will be fully adapted to cloud computing by 2020, accounting firms are not adapting nearly as fast. A recent CPA.com study found that only 8% of accounting professionals think the profession is future-ready today. When you consider that 75% of accounting professionals will be reaching retirement age in 2020, there is a significant amount of work left to be done in order to transition into a Firm of the Future.



**80%**

80% of US small businesses will be fully adapted to cloud computing by 2020.



**8%**

Only 8% of accounting professionals think the profession is future-ready today.

## How to become a Firm of the Future

One big step forward toward cloud adoption is using [QuickBooks Online Accountant \(QBOA\)](#) and transitioning your clients to [QuickBooks Online \(QBO\)](#), Intuit's simple, open, connected platform with more than 1 million subscribers worldwide.



You may be reluctant to transition from QuickBooks desktop to QuickBooks Online. Therefore, we recommend transitioning either your own firm's books to learn the platform or start with just one client. Setup from desktop to online takes less than three minutes and involves just a handful of clicks. You and your clients will immediately see the benefits of anytime, anywhere access, the integration of data and automated features, such as bank reconciliations, which help drastically reduce time spent on bookkeeping tasks.

A vital resource within QBO is the more than [200 apps](#) that integrate with it. The average small business owner uses 18 apps to run their business every day. They also seek integrations with tools they consider the most valuable for their unique work and habits. If those applications don't integrate and allow data to flow seamlessly, small businesses will seek other solutions. This is why Intuit is committed to providing apps that integrate with QBO, and eliminate the need to ever enter data. From accepting payments, to payroll, to online tax, QBO provides the foundation from which any small business can create the online platform that meets their unique needs.

## How to become a Firm of the Future



### Step 2: Become a trusted advisor

Being viewed as a trusted advisor, rather than as an accountant or bookkeeper alone, can help insulate you from competition based solely on price. It can also uncover opportunities to provide advisory services that generate additional revenue for your firm.

By now, most accounting professionals are aware of value-based or flat-fee pricing. While the decision on how to structure your billing is, obviously, a firm-by-firm choice, professional advisors to the profession, including Ron Baker, have extolled the benefits of value billing for a long time. There's a reason for that.

The data integration across workflows inherent in cloud technologies results in greater efficiencies. Therefore, it takes less time to do certain tasks. Yet, the product of that task, such as running payroll, completing a tax return or developing a quarterly report, has considerable value to your client.

Something else to consider: when working in the cloud, you become more efficient. The work you are doing today in the cloud, for a client you have served the last three years is done more quickly than when you did that work the very first time. If you are charging that client hourly, you are charging them less for work that has not decreased in value.

## How to become a Firm of the Future

Therefore, it's time to try value pricing, because the work, perspective and advice you provide is worth more than competing with other firms solely on hourly fees. After all, you are your clients' most trusted advisor, and that relationship is never more valuable than it is right now. According to the AICPA, 52% of business decision makers rank CPAs as their most trusted advisor – the highest among all financial professionals.

By using a value-pricing model, you are no longer bogged down in compliance work, allowing you to uncover opportunities to provide advisory services that generate additional revenue for your firm. For a great example of a three-tiered pricing model you can implement right away, look at QuickBooks ProAdvisor Laura Redmond's [website model](#).

When you're open and transparent about your rates, starting from the very first discussion with your new client, there will be no surprises. You'll also be surprised by how many of your current clients will adapt, if you demonstrate your value. You can take action now and create a monthly pricing model with low, medium and high monthly fees designed to meet the needs of your small, medium and large clients.



**52%**

52% of business decision makers rank CPAs as their most trusted advisor.



“It's time to try value pricing, because the work, perspective and advice you provide is worth more than competing with other firms solely on hourly fees.”



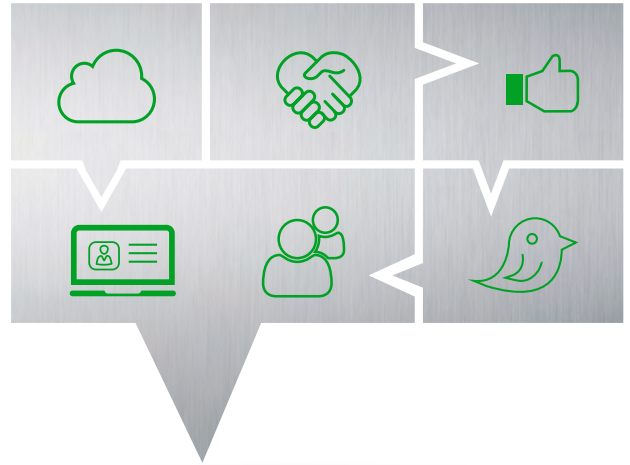
## How to become a Firm of the Future

### Step 3: Get connected

Gone are the days of storefront signs. Your clients are no longer walking through your front door; they are searching for you online. If you search for your firm online, what are the results? The web is your new lobby, where you connect and engage with current and prospective clients. Prospective clients want to work with a firm that works the way they do: leveraging cloud technologies, and using the web to drive customer and overall business growth. If they can't find you online, they will find someone else who is.

Just look at Karine Woodman's [24 Hour Bookkeeper](#). Karine is already enjoying low cost, fast growth and high valuation, thanks in part to her company's online presence with connected marketing logos to Facebook, Twitter and LinkedIn. Her firm's name also speaks volumes to what degree and time she will give to provide exceptional customer service.

Facebook, Twitter and LinkedIn are three social networks that offer a simple, inexpensive way for you to reach your clients and prospects. They can also help you build additional relationships with others in your industry. Take LinkedIn, for example. Rock your LinkedIn profile and start engaging in at least a few of the many accounting groups available, such as Michelle Long's [Successful QuickBooks Consulting](#). Go a step further and establish goals, such as answering five questions per week on a help forum, purposing and commenting on a blog or sharing your point of view. Actively participating in LinkedIn Groups, or other online gatherings such as QuickBooks ProAdvisor Cathy Iconis' [QBOchat](#) on Twitter, builds your social brand and reputation. Not only will this help prospective clients find you, it will give you the opportunity to meet others in your field. Building relationships with accounting professionals may lead to referrals and partnerships that result in growth opportunities. The possibilities are endless, so get out there and take action!



“Prospective clients want to work with a firm that works the way they do: leveraging cloud technologies, and using the web to drive customer and overall business growth. If they can't find you online, they will find someone else who is.”

## Become a Firm of the Future

It's time to reassess your firm's goals and plans so you can begin taking the steps outlined above to transition into a Firm of the Future.

Use the suggestions and leverage the examples and resources to help you:

1

Get on the cloud



2

Become a trusted advisor



3

Get connected



If you don't think you have time to tackle all three, start with one and create one associated goal. You'll be surprised how quickly you can improve your practice management, find prospects and retain more clients.

**The Firm of the Future is NOW – and it's just one click away.**

For more information on building your Firm of the Future, check out Intuit's resource hub, with materials, links and other helpful guides:

[firmofthefuture.com](http://firmofthefuture.com) >

## About the author

Jim McGinnis is Vice President of Intuit's Accountant and Advisor Group. Jim has led accountant teams since he joined Intuit in 2010 as Vice President of Marketing. His extensive marketing, general management and global experience will be invaluable as the Accountant and Advisor Group continues to serve as a center of excellence for Intuit's worldwide efforts with accountants.

Follow him on Twitter:  
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