

Unleash revenue growth with next- gen accounting technology

Drive revenue for your firm with accounting technology

The value proposition of investing in technology has long revolved around cost savings. It's true that the right investments can help firms cut expenditures. But what if accounting technology could actually help firms make money?

Properly implemented, it can—and recent research from Rightworks offers some insight. The study broke accounting firms down into five categories on a continuum of technology maturity. Firms in the top three categories earned 29% more revenue per employee than those in the bottom two. Further illustrating the technology gap, firms in the top two tiers earned 39% more revenue per employee than those in the bottom tier.

By the numbers: Why accounting technology helps firms drive revenue

Why is technology a driver for revenue? A few data points provide some answers.

Simply put, wise investment in technology enables firms to make more money by providing more valuable and lucrative services to clients. Accounting and other key business applications can bring firms closer to existing clients, strengthening those relationships and leading to increased revenue per account. Firms that have invested in accounting technology recognize the value of it as a revenue driver and a facilitator for offering new services that boost billing.

In a survey from BILL, 89% of accounting professionals said that automation in financial operations **makes their firms more profitable and efficient**. More than 60% of participants offering client advisory services, accounts payable and expense management said they could not offer those services without technology that automates processes.

Technology is also a driver for client collaboration, which is the gateway to bringing in more revenue by offering new services to existing clients. In a QuickBooks® study, 82% of accountants said technology lets them **create more meaningful client interactions**. More than nine out of 10 have used technology to help meet clients' evolving needs over the past two years. Meeting evolving needs, of course, can mean offering new, revenue-producing services—services clients desperately need.

Perhaps the most convincing argument for technology investment comes from clients themselves. Another BILL survey revealed that 58% of clients are **interested in using more services** from their accounting firms. Technology is the catalyst for firms to offer those services, and clients know it. Almost 80% of clients said they would stop using or referring a firm if it didn't stay updated on the latest technologies. Nearly two-thirds said they would do the same if the firm didn't use the cloud.

How your firm can use accounting technology to boost revenue

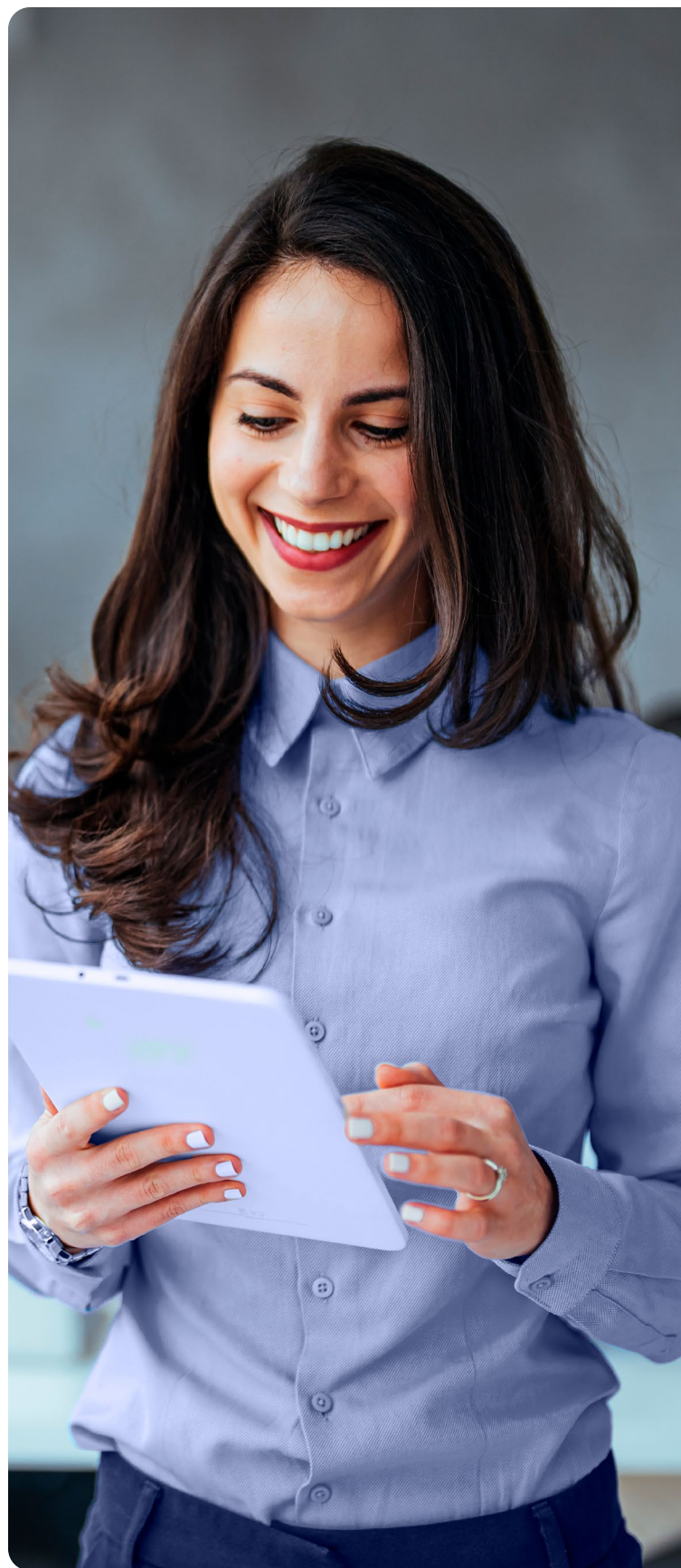
Of course, simply plugging in a new technology doesn't immediately start a flow of money to your firm. Realizing the financial benefits of technology investment, though, can be a fairly rapid and straightforward process. And yet, Rightworks' data showed that 60% of firms aren't as invested in technology as they could or should be. What are they missing?

There are a few simple ways investment in accounting technology can facilitate revenue growth:

Optimized workflows and advanced analytics. As a revenue driver, developing and implementing new services for existing clients is generally preferable to taking on all prospective clients. Your firm can better manage relationships with clients you already know, and familiar clients are more likely to stay with your firm long-term than clients who just drop in for occasional tax services.

But offering new services can seem daunting. You usually have to recruit or develop expertise in a new practice area. Ramping up a new service for a client can put a strain on your resources at a time when a lot of accountants are already **suffering from burnout**. With the right technology investment, though, you can streamline the processes of developing new services and onboarding clients into them.

You can use cloud-based services to develop workflows across a set of critical tax and business applications so you have a template for how to implement and offer a new service. Your cloud provider can help. With workflows established, your employees know exactly which steps to take and when during the client onboarding process.



Because the cloud lets you and your clients access information at the same time and in real time, employees won't need to spend time asking clients for files. They can access the client information they need in a secure online environment. The cloud lets you get new services up and running quickly and efficiently.

Plus, a cloud provider can also deliver real-time business analytics that help you decide which services to develop, and which clients would be the best to target for each new service. Data-based decision making takes the guesswork out of building a lucrative advisory practice.

Improved client collaboration. Clients love their accounting firms. The BILL client survey revealed that 87% of participants said that working with a firm was important to the success of their companies. Nearly 90% considered their accountants as trusted advisors. And they like to communicate with their firms. In fact, they demand it. More than half of respondents said a firm not following up as promised was a reason to fire a firm, and 28% said they would fire a firm that fails to respond to a request within a day.

Clients love to stick with the firms they trust. More than 70% in the BILL client survey have worked with their firms for three or more years. (In 2019, that number was 55%.) And those clients also said they want new services. **Collaboration, then, is absolutely critical for accounting firms that want to increase revenue by selling to an established client base.**

A cloud-based service facilitates collaboration in a way no other method can. In the cloud, firms and clients can communicate securely at any time, using an online environment where both can send messages and share information. The cloud can

put an end to the days of crossed emails, voicemail tag and other common frustrations. And it can bring firms closer to their clients, which is something clients absolutely require in an age of immediate digital satisfaction.

The right cloud provider can also offer additional protections for email, which will likely continue to be a common form of communication in addition to the secure online cloud environment. Most email applications, even those offered in a software-as-a-service (SaaS) model, don't offer adequate cybersecurity. A cloud provider can help your firm mitigate cyberthreats with protection far more robust than that of a standard SaaS service.

Increased efficiency. Technology has long enabled its users to do more with less. It makes manual processes faster by automating them. It performs calculations far more quickly than any human could. And the capabilities build all the time. The problem is that someone has always had to manage the technology itself, and that's not a small job.

Cybersecurity alone is a field that changes rapidly and requires seasoned expertise to manage. Most accounting firms don't have the internal resources to manage cybersecurity, but they certainly can't ignore it. For instance, one study showed that only 29% of accounting firms would **survive for more than a week** after a ransomware attack.

But finding IT professionals with cybersecurity expertise is difficult and expensive, and firms don't need to face any more challenges with recruiting employees than they already do.

Again, a cloud provider can change everything. Your cloud partner can handle security for your firm, so you don't have to find someone to do it—or worse, try to do it yourself, which is a very

dangerous prospect. (You wouldn't suggest to your clients that they do their own accounting work. Expertise matters.) In the cloud, you can turn not only security over to experts but also application updates, data backup, server maintenance and all sorts of other specialized tasks that require IT expertise and constant monitoring.

How does all of this help build revenue? Instead of wasting time on IT work and putting your firm at risk, you and your employees can focus on working with clients and developing new advisory offerings. You effectively shift an unpredictable cost center to a partner for a manageable monthly fee and free up your internal resources to do more and better work on revenue-producing projects.

Bonus: Take advantage of artificial intelligence. AI is a curiosity for a lot of firms right now. It's a field of technology still in the early stages of development, and a lot of firm leaders aren't sure what to do with it. They know it's important, though. In one study, 54% of respondents said they believed that the value of a firm drops if it doesn't use AI. Nearly two-thirds, 67%, said AI can serve as a competitive advantage, and 46% said AI can help attract and retain talent.

There are caveats, of course. Popular AI engines such as ChatGPT suffer from known issues such as inaccuracies and limited date ranges for information. For those reasons, firms that plan to use AI need to make sure their employees understand its limitations as well as its capabilities. Training employees in how to use AI is essential for firms that want to employ the new technology safely.

So, how can AI be a revenue driver? For accounting firms, the profession-specific **Spark AI tool** delivers functionality and expertise that firm leaders and employees can use to manage development and implementation of new services.



With Spark, users can conduct research, create written communication and even search their own existing documents. Spark is an AI tool built by accounting experts for accountants of all kinds, created with the benefit of Rightworks' decades of experience serving the profession. AI built specifically for accounting helps accountants do their jobs more efficiently, liberating them from time-consuming tasks. The less time accountants spend on tedious and mundane tasks, the more time they can spend serving clients and driving revenue from new services.

Drive revenue with cloud services from Rightworks

All the tools and services you need to boost your firm's revenue are available in one place with **Rightworks OneSpace**. Accounting firms have trusted Rightworks' cloud environment for decades. With OneSpace, accounting firms and their clients can:

- Establish a secure online environment with anywhere, anytime access to data for both firms and their clients. With OneSpace, firms can hire employees in virtually any location and easily facilitate remote or hybrid work.
- Share and use real-time data. Firms and their clients can view and work with the same data at the same time, significantly reducing errors and virtually eliminating issues with version control. Firms can also respond to clients immediately, boosting both client service and productivity. With real-time capabilities, firms can aggressively pursue growth.
- Transform data into actionable insights with **Connect IQ**, which provides advanced analytics and financial monitoring tools. Firms can use Connect IQ to find opportunities to offer new advisory services to clients as well as take advantage of dynamic reporting to make better-informed decisions to fuel growth.

Rightworks experts also handle security, data backup, updates and maintenance so you can focus on running your firm and creating lucrative new services. Other accounting firms like yours that have invested in cloud technology know the value of it.

Ready to see how OneSpace can unlock your firm's revenue potential?

Take a look for yourself

