

EBOOK

Transform your accounting firm with a move **to the cloud**



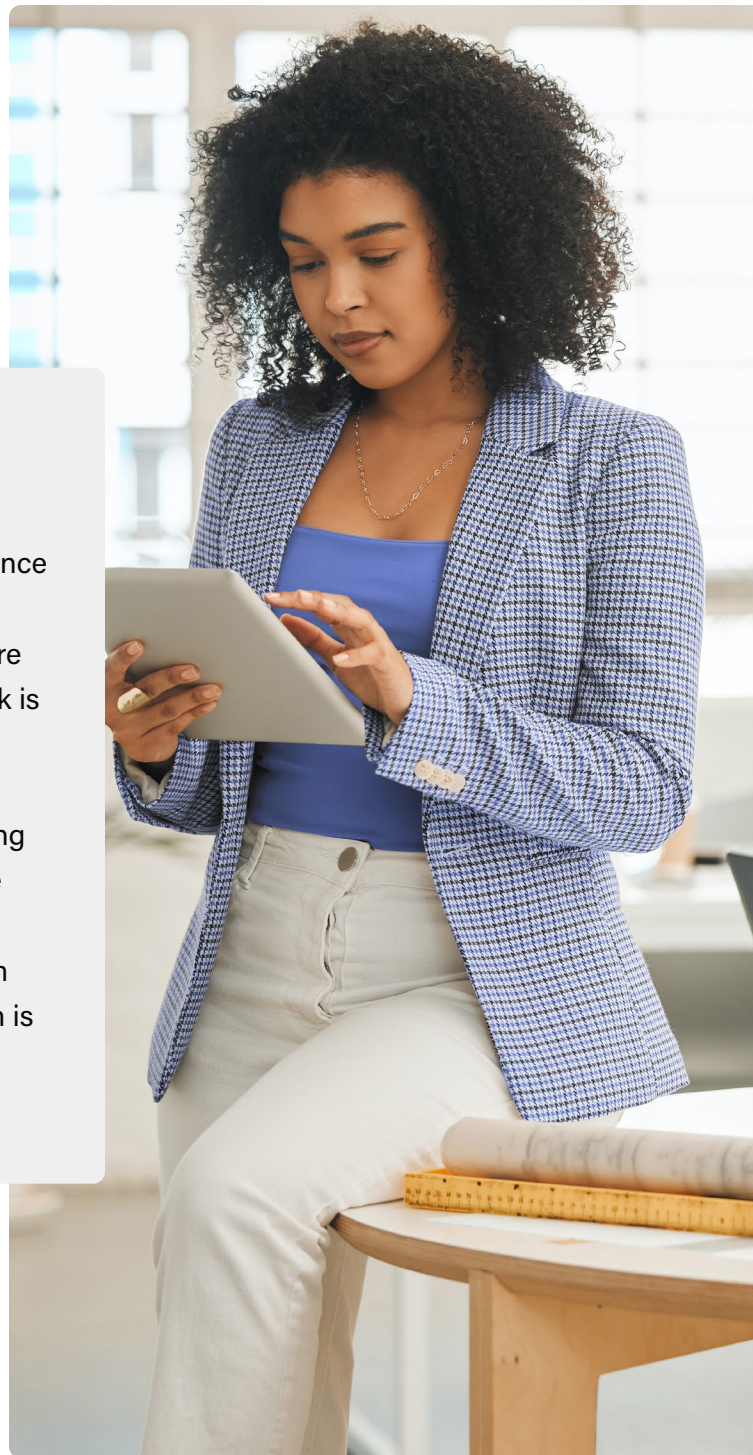
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Transform your accounting firm with a move to the cloud

Has there ever been a more challenging time to run an accounting firm?

Rarely in the past have firm owners faced such a confluence of issues. Hiring has become a major problem for many firms. Clients are demanding expanded services and more efficient communications. And the threat of a cyberattack is constantly growing.

You need to make your firm more efficient, more appealing to potential employees and definitely more secure. There is no magical solution to the problems firm owners face, but there is one decision you can make to move your firm forward and face your challenges head-on. That decision is moving your applications and data into the cloud with a trusted partner.



Why should your firm make a move to the cloud?

Hiring remains a major challenge

You already know what your biggest challenges are. You probably wouldn't be surprised to find that your firm is not the only one facing them. But some of the numbers floating around the accounting profession are scary, nonetheless.

Take hiring, for starters. If it feels as though you're having trouble recruiting good prospective employees, it's because everyone is. According to **recruitment firm Robert Half**, almost two-thirds of finance and accounting managers are hiring right now. Turnover is high, with 34% of managers hiring for vacated jobs. And 89% of managers report having trouble finding skilled talent.

The unemployment rate for accountants and auditors at Robert Half's last measure was under 2%. The overall US unemployment rate in the late summer of 2023 was around 3.8%, a low figure in itself, so finding a good accountant is in many ways twice as difficult as finding a different category of employee. While corporate hiring managers might not be looking at exactly the same candidates as your firm, there is almost assuredly some crossover.

 **The bottom line? Finding good employees is very difficult.**

The young accountants just aren't out there

The long-term prognosis for hiring accountants isn't encouraging. Accountants are **leaving the profession** in large numbers, and there aren't enough recent college accounting graduates to replace them. The number of students who completed a bachelor's degree in accounting has been in freefall for a decade and continues to drop.

So, retaining employees is as important and difficult as finding new ones. Demand for accounting services is growing, so your firm is going to need more staffers in the years to come. The market is set to expand at a **combined annual growth rate (CAGR) of 6.4% through 2030**. The CAGR projection for the US economy as a whole is about 2%. That means there will be an outsized demand for accounting services in the decade to come.

No wonder more than 90% of respondents in a **Caseware survey** said finding talent for their firms was challenging. Almost 90% identified retaining talent as a challenge, too. Accounting is an aging profession, with a large majority of the CPA workforce **having met retirement age** as far back as 2020. Firms need to find ways to find and keep employees if they're going to meet client demand.

Firms must keep up with the rapid pace of communication

Accounting might be an aging business, but it's not one that can afford to slow down. Clients constantly expect better, faster and more comprehensive service. In a **recent Thomson Reuters survey**, tax professionals identified efficiency as their number one priority—ahead of even hiring and cybersecurity. Efficiency isn't just about improving client service. An efficient firm is a firm that requires employees to work fewer hours and keeps them happier in general.

Second to efficiency in the priorities among Thomson Reuters respondents was, in fact, client service—again, ahead of hiring and security. Efficiency and client service are basically the same issue. A firm that works quickly with defined processes and few delays can provide more rapid and complete communication to clients than one that is slow and bogged down with manual tasks.

In a digital world, paper and the telephone won't work for time-pressed clients who demand efficiency. Respondents to a recent Caseware survey identified "communicating with clients virtually" as the number one challenge their firms face. The number two challenge? Using new technologies. Firms need to move at the pace of clients' demands, and that means moving at the pace of technology.

Cybersecurity never gets any easier

Moving with technology, of course, also means managing the risks that come with adopting new systems. Cybercriminals are not giving anyone a break. In one survey, 62% of

smaller businesses **reported experiencing a ransomware attack** in the last year. Of those businesses, 36% ended up paying the ransom to get their data back. The median ransom payment for the smallest businesses in the survey was \$145,000.

But that doesn't necessarily reflect the total cost of recovery from a cyberattack. There's also lost revenue and a loss in client confidence involved with almost any data breach. And the pace of cyberattacks isn't slowing. Threats **work faster than they used to**, meaning new types of attacks can go from proof of concept to active threat far more quickly than in the past.

Attacks involving compromised emails rose rapidly over the last year, according to Verizon, which publishes the **most comprehensive cybersecurity report** available. Ransomware attacks held steady year to year and showed no sign of decline. So, cyberattackers are continuing to use tried and true tactics at a steady pace and are also finding new ways to attack firms. Your firm is literally under attack every day, all the time, by organized crime and other nefarious organizations that are very good at what they do: stealing your clients' data.



How a move to the cloud enables your firm to address challenges

Running an accounting firm can be a bit overwhelming, as you probably already realize. There is no single formula for suddenly making everything easier, but moving your applications and data to the cloud is a very good start. When you move critical tax and business applications to the cloud, you give your firm an immediate boost of efficiency, as well as protection from cyberthreats that most firms could never come close to achieving on their own.

In the cloud, your employees and clients have secure access to data and applications from anywhere and at any time. You can get more done in less time and respond to clients quickly and efficiently. And you can do it all while easily budgeting for a monthly fee that covers everything. Even if you're running SaaS applications such as QuickBooks® Online, the cloud can provide a whole new array of benefits.

Hiring and retaining employees

Running applications in the cloud delivers benefits that reach into virtually every facet of how you run your firm, including hiring and retaining employees. With burnout claiming the careers of thousands of accountants, the cloud delivers efficiency that enables your employees to get more done in less time. As a result, they can achieve greater work-life balance.

How? When your firm runs applications in the cloud, manual processes become a thing of the past. The days of taking tax information by paper or PDF and manually keying data into software are over. You can share information with your

clients in a secure online environment where data can feed directly into your favorite tax applications. Plus, with employees able to work on files at the same time and from anywhere, version control is no longer a problem. That means employees can focus on doing their jobs, no matter what their jobs are.

Server maintenance and system uptime are no longer issues, either. Working faster and more efficiently leads to getting more done in fewer hours. You can set up secure workflows in the cloud so that staffers know exactly what they need to do and by when. There is no confusion or ambiguity. And analytics tools from the right cloud provider let you track key metrics and increase efficiency.

With good accountants becoming harder to find, your firm is and will continue to be in competition for employees. Firms using modern technology have a significant advantage over those trying to maintain servers and applications themselves. Cloud-enabled firms can build a culture of efficiency and enable employees to do the work they want to do while still being able to clock out after a reasonable number of hours.

In the battle for younger employees and recent college graduates, the cloud is even more critical. Digital natives have grown up with technology. They won't tolerate slow systems, manual processes and other such burdens of a bygone era. They want to work for a firm that's modern and efficient. In the cloud, your firm can be both.

Boosting client service and easing communication

Legacy (basically, old) technology wasn't built for the modern era of accounting. Sending files back and forth to clients via email is a slow and insecure way to communicate. Most of your clients work every day with other partners who respond to them almost immediately and often online. Your firm needs to be able to do the same.

It's better for your own operations if you can communicate with clients quickly and safely. An online environment in the cloud gives your employees and your clients a safe space to collaborate in real time without having to worry about whether you're looking at the latest version of a file. In a profession as painstaking and critical as accounting, being able to sync up with clients on data is essential.

Fast response times are also essential to client service. When you communicate with one of your firm's business partners, you expect efficient and timely responses. Your clients expect the same of you. The notion of what is efficient and timely is always evolving. Days or even hours can be too long—in many cases, minutes count. With workflows running and data stored in the cloud, your firm can always have the right person taking care of the right task with the right client.

The better you can communicate with clients, the more work you can take on without having to spend more hours working. Running applications in the cloud gives your firm the ability to scale—to take on new business without necessarily hiring new employees or overworking the ones you already have. More clients mean more revenue and stability for your firm without raising costs or wrecking your culture.

With analytics from an accounting-specific cloud provider, you can determine which clients are worth offering more services to, and which clients you should consider letting go. Practicing **Smart Client Management** enables your business to bring in revenue year-round, instead of relying heavily on tax season. You can also use analytics to determine which advisory services to propose to which clients, and you can even use applications for an accounting-specific cloud partner to develop proposals.

Keeping your firm safe in a dangerous environment

Your clients' data is the lifeblood of your firm. It's critical to be able to collaborate and share information quickly. But if you're not sharing it securely, you're putting your firm and your clients' businesses at risk. Email is a minefield if you're not running in the cloud. The overwhelming majority of security threats still **arrive at your firm via email**, and the pace isn't slowing. In the cloud, you can communicate via secure email or in a secure online environment. Without the cloud, you're on your own.

The fact is that **cybercrime is a lucrative business** now for thieves who want to steal your data. There should be no single issue that keeps you up at night as much as cybersecurity does. Unless, of course, you're running your apps and storing your clients' data in the cloud. A cloud partner does the difficult work of security for you, monitoring your network, applications and data and stopping cyberattacks from doing any damage before they start.

If you're running a server in your office, it's just about impossible for you to keep your firm safe. Cybersecurity has to move at the breakneck pace of cyberattacks, and non-experts simply don't have the time or experience to keep pace. That's true in all kinds of businesses, but owners of accounting firms have to take extra precautions because the client financial data they deal with is valuable to thieves.

The right cloud provider will store your data in enterprise-level data centers and offer 24/7/365 US-based support. Your cloud partner has access to technology and expertise that goes far beyond what you could realistically hope to bring in-house. Plus, you and your employees don't have to spend time worrying about cybersecurity. You can get on with serving clients and doing your jobs. Again, you benefit from efficiency.

It's important to remember the role of data backup, too. A natural disaster or even a sudden power outage can lead to lost data. You are the trusted guardian of your clients' critical information, and you need their data to be accessible no matter what the circumstance, be it a cyberattack **or a flood**.



Other tangible benefits of moving to the cloud

The cloud is an essential element in your effort to meet the biggest challenges your firm faces: recruitment, client service and cybersecurity. But there are other benefits that enable you to transform your firm, including:

- **Scalability.** You can easily adapt your technology stack as you hire employees and take on new clients. A cloud partner can easily scale applications for you with no effort on your part. You can grow at your own pace and not worry about how to support new staff members.
- **Easy budgeting.** The right cloud provider will offer a service for a set monthly fee without a minimum commitment or heavy upfront payments. IT becomes a simple line item on your budget that you can move up or down as your business requires.
- **Facilitating remote work.** Whether everyone or no one comes into your office on a regular basis, your employees can work from anywhere when everyone has anywhere, anytime access to files and applications. You can even hire employees based in geographical areas outside your own.

Accounting expertise matters when choosing the right partner

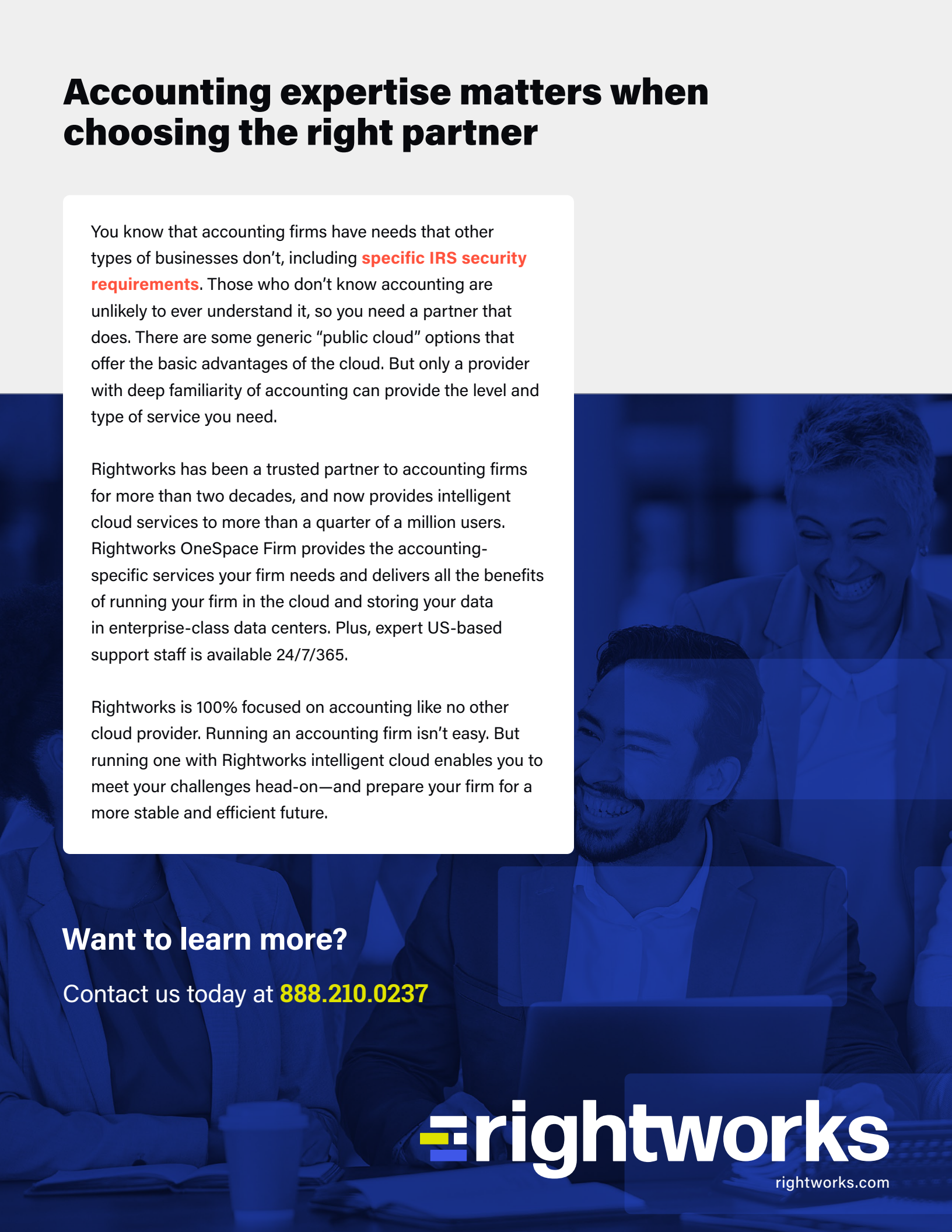
You know that accounting firms have needs that other types of businesses don't, including **specific IRS security requirements**. Those who don't know accounting are unlikely to ever understand it, so you need a partner that does. There are some generic "public cloud" options that offer the basic advantages of the cloud. But only a provider with deep familiarity of accounting can provide the level and type of service you need.

Rightworks has been a trusted partner to accounting firms for more than two decades, and now provides intelligent cloud services to more than a quarter of a million users. Rightworks OneSpace Firm provides the accounting-specific services your firm needs and delivers all the benefits of running your firm in the cloud and storing your data in enterprise-class data centers. Plus, expert US-based support staff is available 24/7/365.

Rightworks is 100% focused on accounting like no other cloud provider. Running an accounting firm isn't easy. But running one with Rightworks intelligent cloud enables you to meet your challenges head-on—and prepare your firm for a more stable and efficient future.

Want to learn more?

Contact us today at **888.210.0237**



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