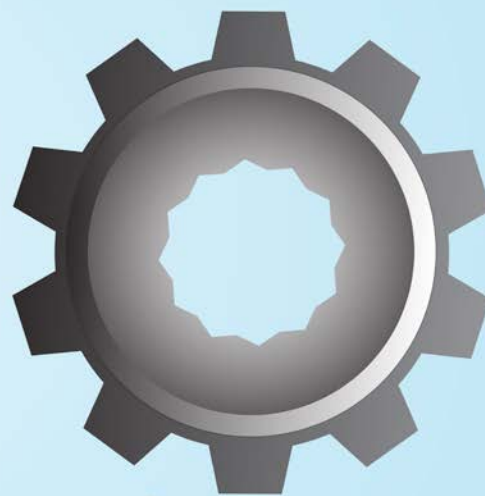


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The human touch

How much IT 'knowhow' do you need to hold in your practice? And who should hold it? Kevin Reed looks into why technology is vital to help your practice deliver high value 'human' services.

Many practitioners are taking a deep breath and preparing to get their heads around what their technology requirements will be for the weeks and months ahead. Such a task is one that falls outside of their comfort zone. But while talk of AI and robots creates a 50s-style Utopian vision, the reality is more complicated, real-life and, well, human.

While the world is scary enough for practices to grasp, it's also the case for their clients. And these clients – while happy to use tech to undertake tasks to support their business, wouldn't think that technology would replace their unique service.

And that is the same for practices. Technology can free an accountant from the mundane, placing them where their clients want them to be – providing proactive advice to help them grow. And this 'human factor' means that practitioners must think not only about how they provide that face-to-face service, but how the increasing and evolving use of technology will impact the future skills of their staff and colleagues.

As we have outlined in recent issues of AdvanceTrack's newsletter, practices' people, organisational and strategic elements must be in place to make the most of technology. Software and hardware are a means to an end, not the end itself.

"Do not forget that people are the means to the end as well – the end is top client service," explains Rakesh Shaunak, group chairman of MHA MacIntyre Hudson. "The two combined deliver that service."

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The Top 20 practice has looked to add some formality into its approach to understanding tech developments. It has put in place an 'innovation group'. This group of partners and senior staff "gaze at the horizon", and then look to align upcoming tech with client offerings.

There is a lot of hype around artificial intelligence and robotics, but for Shaunak's practice the key focus is on data analytics. This is enabling the firm to undertake much broader audits of client data rather than just looking at samples.

Quicker and more straightforward auditing means it can be undertaken more often – so interim and quarterly audits are becoming more popular. This in turn makes the full-year audit easier.

It can also be used in the tax arena as well – allowing MHA MacIntyre Hudson to benchmark clients and understand where there are opportunities to provide more wealth management and wealth generation services.

So what does this mean for your staff? What do they need to know to be relevant in a modern practice?

Ironically, with all this talk of tech, that isn't necessarily the main focus of your team's skillset. As has been said, it is all about client service.

Instead, the shift in training and recruitment has been to find go-getting, inquisitive people who have an aptitude in communication – or at the very least the energy and open-mindedness to learn. This is alongside getting to grips with core accounting and finance requirements.

"For us it's about understanding analytics, with our people valuing soft skills training more highly than technical," says Shaunak. "There's more emphasis on the ability to engage." He admits that for some existing staff, re-training can be a challenge, even where programmes are run to help change mindsets. "We don't always get there with some people," he says.

This issue accelerates in professionals' career development "much more quickly than previously", says Alison Stiles, head of business development at the ICAEW.

"Can you look at that financial information, spot trends, see problems, create advice and provide it?" she asks.

Accounting professionals positive about a tech-based future

The vast majority of accounting professionals see their roles developing as a result of technology in the next few years, according to new research by recruitment consultancy RenaiX.

But that is not a bad thing, they believe. In fact, nine out of ten (92%) of the 200 respondents are optimistic about the impact of increased automation on the profession.

Four in five are already seeing an influence from emerging IT on their day-to-day tasks. Advanced data analytics (63%), cloud computing (42%), robotics (17%) and artificial intelligence (15%) were cited by the accountants.

Only one in ten (12%) think their role will be completely automated



Concurring with Shaunak, Stiles sees a "struggle" for practitioners that fail to grasp the nettle or help develop their staff and practice in this manner. Anyone wishing to continue in the profession must appreciate that continuous learning is now key.

"Adaptability has to continue on all the way through," she says. "So CPD on tech and its impact will be critical. The model of looking at books and then you've 'learnt it' is long gone."

The other thorny issue to consider with technology is who's going to look after it all? Smaller practices in particular can find this a head-scratchingly difficult thing to manage. As with all small businesses though, it's about focusing on your core service, and handing over the day-to-day running of such matters to someone else.

in the near future, with 69% believing automation will make them more efficient and 59% believing it will open up opportunities to provide greater value to clients. Four in ten say it will reduce the transactional work they undertake.

More than half of respondents said they'll have to up their game on tracking new tech developments, while also developing softer, communication-based skills.

"Finance and accounting organisations have a fantastic opportunity to drive forward digital transformation, empowering all employees to play their part in developing and implementing new ways of working," said RenaiX managing director Paul Jarrett. "However, to do so effectively, employers need to ensure they are equipping the workforce with the right skills, as well as investing in bringing in the right talent."

"You don't need to be a tech 'expert', but use it as a platform" *Alison Stiles, ICAEW*

"You don't need to be a tech 'expert', but use it as a platform. Rather than foist it onto someone internally, look to outsource it," suggests Stiles.

Shaunak says that a "sound principle whatever the size of your firm" is to separate IT strategy from IT delivery. From this point you can then consider which aspects need to stay in-house or can be outsourced.

"We've outsourced IT equipment procurement, while an internal team looks after maintenance," he explains.

While the innovation team brings together people from around the practice, a senior manager heads up strategy. There is also an internal head of delivery. "When you have these roles combined then it breaks down, as the person will get bogged down in operational matters," Shaunak explains.

Carl Reader, a director at Swindon-based practice d&t, says that a full-time IT director focused on operational matters is not really needed in a smaller practice but – as also suggested by Shaunak – you will need team members that see the value of technology from a client perspective.

Formalised communication between partners and the team members using technology on a day-to-day basis is critical, he believes. Without that line, a lack of understanding occurs about what tech is needed, and how things currently work.

"As firms get bigger, beyond the sole practitioner, there is often a disconnect from what the partner wants to buy and what the team wants to implement," he explains. "The partner is sold the story for a horribly complicated dashboard, but other staff might not understand it."

Reader believes that the technology to interact with core accounting systems that will help provide better client advice is already available – the skills gap is in "the ability to understand commercially how that impacts the client and what to tell them".

"Business development and technical skills can be taught," he says. "You're looking for that spark, to be able to deliver soft skills to help clients."



Kevin Reed is a freelance journalist and former editor of *Accountancy Age*

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Good to grow in 2018

With a hugely successful 2017 behind it, AdvanceTrack founder Vipul Sheth is looking towards further growth in 2018, with a stunning new website launch while the customer experience remains his top priority.

The last 12 months have seen AdvanceTrack setting foundations for expansion while maintaining that all-important level of first-class service. And 2018 promises to see those foundations built upon.

For founder Vipul Sheth, the Christmas holidays have seen him take some precious time off to recharge the batteries. AdvanceTrack has seen its first clients signed up in Australia, and has meant that Sheth has had to think carefully about his team.

"The customer experience is the number one priority for us," says Sheth. "And we aim to give that top customer experience regardless of whether you are a sole practitioner or a big firm." He is extremely mindful that this customer experience is not forgotten as the firm expands by region – or while AdvanceTrack develops its technology platforms.

"What we're doing is strengthening the overall management team, which will fit with the customer journey," he says. A client director has been in place for the last 12 months, and new starters are expected imminently. "It's about making sure client care and the UK is well looked after, and that we grow our development team on the tech side of things.

"Service provision and quality cannot falter. Business is growing but quality is going up based on robust measures."

Sheth wants AdvanceTrack to bring new products and services to the market "quicker, faster and better".

Another exciting development is a new corporate website, which will better explain to potential new clients – and existing ones – the benefits of using AdvanceTrack to help support their practice.

"The website will become more interactive as part of the customer journey – outlining what challenges they face and, based on that process, they will decide on whether we can help them or not," says Sheth. "We want people who want to work with us. It's really important for both us and a potential new client that we're right for each other. The website will help that process."

Another important development will be an increased and regular flow of content onto the new website.

"We're looking to run a big webinar series – so you can read, see and hear from AdvanceTrack on a regular basis," explains Sheth.

Now we know what AdvanceTrack is doing, Sheth explains what he



thinks is the 'biggest deal' for practitioners in 2018. Perhaps unsurprisingly, he points to the impending Making Tax Digital tax project as the big one – with much planning and change management for practices to consider.

"Some of the top practices we work with are getting there," says Sheth. "Those clients are putting their clients onto bookkeeping packages as we speak."



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