

Inside⁺OUTSOURCING

The Newsletter for Forward-Thinking Professionals • 2018 // Issue 7 • www.advancetrack.com

An illustration of a man with dark skin and short brown hair, wearing a white shirt and dark trousers, sitting in a white hammock. He is reading a blue book. The hammock is strung between two palm trees. The background shows a bright blue sky with white clouds and a blue ocean with white waves. The beach is sandy and has a row of colorful umbrellas in the distance.

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Summer loving

If you're looking for some inspiring business reading to balance with the thrillers and romance novels when on an exotic beach this summer, you couldn't do much better than these three offerings

As the summer months approach, organising your essential reading material for holiday time requires careful thought. One way of not letting concerns about your practice get in the way of your break is to consider some inspiration contained within these new accountancy-focused tomes.

Kevin Reed speaks to the authors about what practitioners can expect from these page-turners.



The Digital Firm

Author: Will Farnell

Back page blurb: "As one of the UK's earliest adopters of cloud accounting tech, Will Farnell knows better than most how much it can transform client service..."

The talk: "I want the book to help other firms avoid the mistakes and wrong turns we've taken over the last ten years," Will Farnell tells us openly.

"Secondly, it's about making people understand that tech is an enabler – but you can't use tech to fix MTD. In the big picture, tech's a great thing but there's much more to think about."

One of the big issues that Farnell notes among practices is that by selling time rather than value, it causes them problems in grasping the need for tech to streamline their offering.

"Using tech to be more efficient means there's no incentive to work more efficiently [in a time-based model] – the reality is if you're billing

based on time, you'll cut billings."

It's an example that shows why technology doesn't necessarily 'improve' a practice, he suggests. "It's the other stuff: business model; culture; and everything else that goes with it," Farnell explains.

For Farnell, the starting point for improving and evolving a practice is understanding what it is you want to do – and achieve. The next question is easy to ask, but requires lots more work: 'How do we get there?' This involves consideration around tech, people, attitude, culture and buy-in from existing people.

One option is to simply automate processes and functions: have fewer people but more clients and business. This is fine in principle, but if your new offering is about driving higher margins then the work will become more advisory-led and consultative. And people are needed to provide that service.

Therefore, repositioning your team and aligning them with what the practice requires to service its clients will be high on the agenda.

This should be undertaken on an incremental basis, he says: "We're still five years away from not being able to survive without an automated compliance process... There's still time to make that change."

Book quote: "Back in 2016, for the first time in our fairly short history, we



The Pioneering Practice

Author: Amanda Watts

Back page blurb: "This book offers a masterclass in the nine key marketing strategies your practice needs for success."

The Talk: "Accountancy's an industry that is generally comfortable with 'word of mouth'," says Amanda Watts. "But, in a commoditised marketplace, I've set out nine key strategies for accountants to implement so you stand out over the next 12 months."

Accountants weren't allowed to market themselves before 1985, says Watts, and since then lots have been told that they don't need to because they get referrals. "But marketing gets you better referrals," she believes.

Accountants have to position themselves first: Who is the ideal client and what are you going to provide them? Then comes branding and where you show yourself in the marketplace, "how and where?"

"It's then about 'educating' the ideal client," she explains. "You need to be seen as the expert and authority – otherwise they'll buy you based on price."

Touching on technology, Watts believes automation of accounting processes allows practitioners to "invest time" in proper relationships. Where



lost quite a lot of staff. We found it difficult to recruit replacements because of competition from other regional firms. While we could truthfully say we do some really cool stuff here, it wasn't always reflected in the work environment, so we refitted the office to reflect what we were doing.

"This generated the desired effect, resulting in an increase of interest and a flow of better quality candidates – which is important."

Book details: [The Digital Firm is available through Farnell's website.](#)

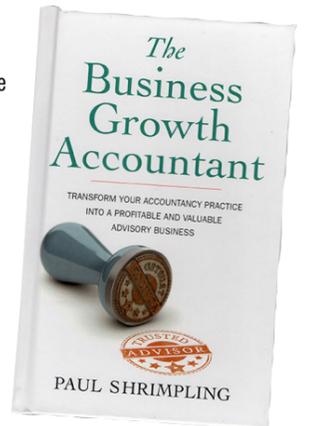


The Business Growth Accountant

Author: Paul Shrimpling

Back page blurb: "As the tech companies work closer and closer with the government agencies, and as your clients' expectations change, what exactly will your accountancy firm do, how will you deliver value, earn a living and build capital value?"

The talk: "In a fast-changing accounting world, one thing remains the same that accountants can be certain of: business owners will look to grow profits, cash and value. That's not going to change," says Paul Shrimpling.



While "tech will take over more of what accountants do", and signposting the fact that accountants need to become the genuine go-to business advisor, they haven't really delivered on that potential, suggests Shrimpling. And so, for his book, he spoke to high-growth accountants about what they do and how they think.

His interviews talk about a "heartset" rather than a mindset. It's about the level and depth of care – desire – to help business owners succeed.

"Some accountants care more about compliance than helping their clients grow," he states.

From Shrimpling's point of view, tech developments including the cloud, automation, big data, AI and Making Tax Digital are "gifts from God". "They will force accountants to put the tools down and look up from the desk and look at the client in front of them," he says.

Many accountants struggle because they are concerned about not being able to provide the right answers for their clients. Shrimpling believes this is wrong-headed. Instead, accountants need to be asking the right questions. "It's the people asking the questions that are perceived to be the high-value business advisers," he says. "That's what you've got to become an expert in."

Book quote: "When James Solomons, head of accounting at Xero Australia, started his accounting and advisory business in 2015 he had no clients... He simply focused on building relationships. And when we spoke, James made it very clear that relationship building starts with good questions. In our interview, James makes the point that the value of the discussion with clients and prospects is not around what you do, but around the questions you ask... Understanding the issues comes from great questions. The value lies in the questions first, the answers second, and the solution third."

Book details: [The Business Growth Accountant is available at Shrimpling's website.](#) Shrimpling has offered *Inside Outsourcing* readers a £10 voucher code: BGABOOK10

NEWS

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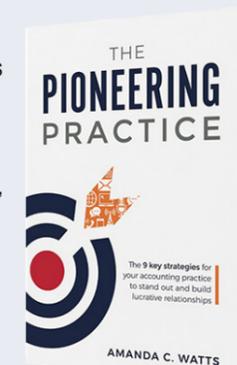
referrals may have led accountants to be lazy or work with sub-optimal clients, the reverse will be the case. "There's the experience... How do you provide a great experience so the [ideal client] recommends you?" she says.

Book quote: "The aim isn't for you and your pioneering practice to be known by everyone and anyone, but by a particular group of people. This group is your audience, and you'll be the niche celebrity its members will want to follow."

"To be a niche celebrity you need to have certain foundations in place:

- A clear positioning in the marketplace. This includes what you do and who you do it for;
- A strong marketing message that's easily understood and attracts your ideal audience;
- A personal brand that's known and trusted, and which presents you as an expert authority;
- And, finally, a stage – which we'll refer to as platforms. These platforms are where your audience can find and engage with you."

Book details: [The Pioneering Practice is available via Amazon.](#)



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

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Conference hits the spot again

Like its clients, AdvanceTrack has enjoyed another busy month.

For starters, we held our second annual AdvanceTrack Conference. The event, held in central London, brought together more than 100 practitioners and technology specialists to discuss key issues and opportunities for the profession.

We covered the 'business growth accountant' in a lively session with Paul Shrimpling, while Martin King-Turner took us through the latest developments on that dreaded topic: GDPR.

The Profitable Firm's Karen Reyburn talked about the four 'make or break' areas for accountancy marketing, while BlueHub's Matt Flanagan pointed firms to where they should currently be on their MTD journey.

Vipul Sheth, AdvanceTrack MD, said the event illustrated to accountants the importance of building client relationships by having more up-to-date information about them, particularly on the bookkeeping front.

"I'm driving home the message about our investment in technology to run an efficient and reliable service to our client firms, and an increasing focus on building a scalable bookkeeping service," said Sheth.

"Remember, with Making Tax Digital accountants are going to need reliable financials and do it for hundreds of thousands of clients."

Sheth added: "What you really need to consider is you have a set of skills that can change clients' lives. You must understand the finances,



their industry, and the whole thing put together – that's really your role. If you understand that then we can help you do more of that, and you'll become more profitable and go home earlier."

More webinars for you to enjoy

We are delighted to add to our growing list of practical and fun webinars with our next project.

Phil Hobden from Futrli joins AdvanceTrack MD Vipul Sheth to explain how Futrli and cloud accounting services are helping to drive improved advisory services, and how accounting firms are monetising these services.

The session takes place at 10.30am on 4 July, and we'd love you to join us. [Register here](#).

And don't forget, our [previous webinars are available online to view](#). These include 'How technology can help you deliver a cost-effective bookkeeping service' and 'How to actually get marketing DONE in your firm'.

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