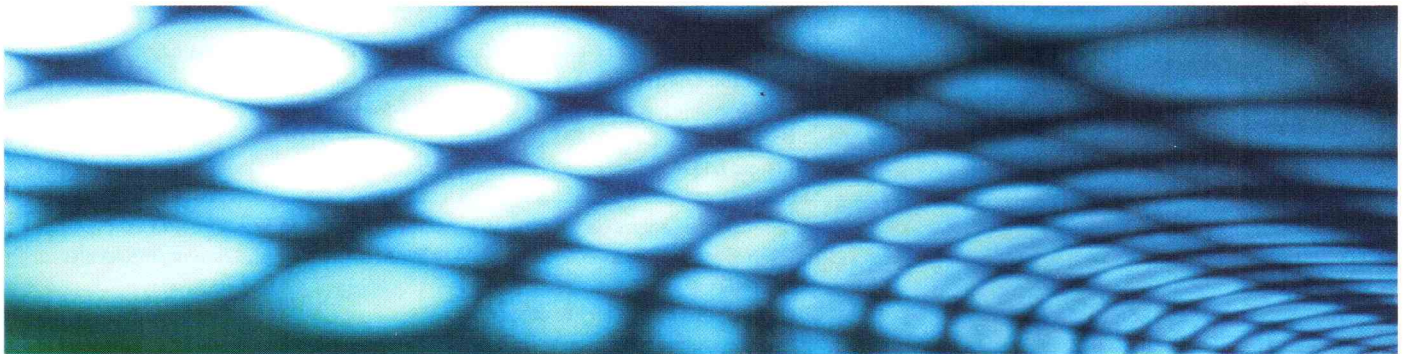


The new worldwide web



Accountancy firms of all sizes are increasingly utilising Web 2.0 facilities to enhance their practices and profits. Others have been more reluctant. **Mark Lee**

How much of an impact has the internet had on your practice or business? Has it given you more time to spend as you choose or do you work harder now than ever before?

Just think about it for a moment. Microsoft Windows has only been ubiquitous for around a dozen years. The worldwide web has only really been popular for less than 10 years. And despite its general use, email is still not the first choice of communication method for most accountancy firm clients.

One thing is for sure, the changes and developments we have seen in recent years are just the start of a major shift in the way that accountants operate and look to maximise their profits. Those firms that have already adapted to take advantage of the opportunities afforded by technological change will continue to move forwards and to become more profitable – assuming that's what they want to do.

Many of the larger firms have embraced the internet and are adapting to take full advantage of the recent and imminent innovations that are evolving on the internet – partly through what is sometimes described as 'Web 2.0'.

Fear of the unknown

When I facilitate partnership strategy meetings I often ask the partners about their interest in and attitude to new technological solutions to age-old issues. There is often one visionary in the firm who has, as yet, been unable to persuade other partners to invest in 'the future'. The reason is rarely down to cost. Few of the innovations summarised in the 'Online facilities' box have a heavy price tag. But they require time (see 'Time required' box) and, in my experience, it is the lack of incentive to make

sufficient time available that is among the biggest challenges and barriers to innovation in accountancy firms today. And, yet, 'innovation' doesn't have to mean doing new things.

It's that fear of the unknown that often becomes the excuse for a lack of progress. In my view, a firm is far more likely to succeed if it first starts innovating the way it does things with which the partners are familiar. So a more business-like and modern approach to financial management (and dashboards for example) will often be the first step forwards. This will often be part of the evolution of a strategic plan for the firm.

This does not need to be some complex multi-part treatise that takes forever to create and is never referred to again. It should be a working document and the backdrop for all innovations, new processes and systems. There is little point in establishing an IT strategy, for example, unless this is placed into a context and the partners are clear how the proposed changes will tie in with the firm's strategy and the partners' objectives.

All too often the partners are all working so hard in the business that they are unable to make time to work on the business. This is especially sad given that most of the new facilities I have summarised in the 'Online facilities' box will free up time and enable the partners to focus on more profitable activities. Either that or they will be able to get home, to the gym or the golf course more often than is currently feasible.

Some more enlightened firms engage an external facilitator or 'non-exec' partner to provide that external perspective and to hold them to account. Some sole practitioners do the same, in which case the service tends to be known as mentoring or business coaching. Other firms struggle to make the time even for the first stage of

the process. This is quite understandable. It can be daunting to start changing things especially if 'that's the way we've always done it'. No one should see it as disloyal, however, to adapt processes and systems that were put in place when the facilities and opportunities available to the firm were very different from those that are now accessible even by the smallest of firms.

So, if you have yet to explore many of the newer developments mentioned in the 'Online facilities' box, make a further New Year's resolution to take a look. After all, haven't you been thinking about how much of a strain you found 2007? You do want to have an easier life, to make more money and to focus on doing what you really enjoy, don't you? There are plenty of resources and people who can help you – all you need to do is ask.

Mark Lee FCA CTA (Fellow) is the founder of TaxAdviceNetwork.co.uk and a past chairman of the ICAEW's Tax Faculty. He spends much of his time working with accountants and accountancy firms – speaking, training, mentoring, coaching and facilitating. He can be contacted via his website: www.BookMarkLee.co.uk or at Mark@BookMarkLee.co.uk or call 0845 003 8780

Time required

Often this is the real barrier to change

- Research concept
- Compare options
- Choose preferred solution
- Implement solution
- Train partners/staff
- Adapt systems and processes

Online facilities

How many of these online facilities have you tried or experienced?

Generic online facility	Examples	Generic online facility	Examples
BlackBerry (RIM device)	Enabling you to access your emails on your mobile phone or PDA	Outsourced business services – office	Saving you space and employment costs, eg, telephone answering and message taking/transmission (all the time or just as overflow facility), eg, Verbatim
Blogs	Personal publishing on business-related topics, eg, ICAEW CEO's blog, and BookMarkLee.wordpress.com	Outsourced business services – client work	Saving employment costs and making more profits or reducing fees to clients, eg, QX Ltd – accounts preparation
Bookkeeping	Client software with automated backup to the accountants, eg, MORE	Podcasts	Enabling you to choose when to listen to news, updates, and info on your ipod or MP3 player, eg, Revenue & Customs (yes, really)
Bookmarks	To keep track of useful websites on similar subjects, eg, Del.icio.us	Personal development facilities	Accessing relevant and freely available commercial material, eg, at BookMarkLee.co.uk
Data back-up	Protecting your client and financial data offsite without any effort, eg, Genie-soft	Portals	Allowing clients and staff to access documents without them being emailed back and forwards, eg, DOCsafe
Ebooks	Business, strategy and marketing related – rather than hard copies	Research – technical updates and articles	CCH online, Tolley online, Revenue & Customs manuals, TaxAdviceNetwork.co.uk
Home working – links to clients	Clients call and email office as usual although staff/partners may be working from home (full or part-time)	RSS reader	Enabling you to receive updates from websites and blogs without you checking for such updates, eg, Bloglines
Home working – links to office	Freeing up office space and allowing administration staff to have their main place of work at home	SEO (search engine optimisation)	Making sure that your firm's website is most likely to be found when your target audience is looking for related information on the web
CPD	CCH online, Tolley online	Videoconferences	Enabling people in different locations to see each other when taking part in the same meeting or conference
E-commerce	Credit card sales via website Credit card payment for services	VOIP (voice over internet protocol)	An alternative to landlines and mobile telephones, eg, SKYPE
Email marketing	Newsletters and special offers – with tracking of recipients' actions	Webcasts	Promotional videos and tutorials on your own or other websites, eg, YouTube
Googling new business contacts	Before meeting anyone new Before interviews Before doing business	Webinars	Seminars streamed over the internet with audience participation
Interactivity on websites	Encouraging involvement and engagement by users, eg, surveys and fantasy leagues	Wikis	Collaborative projects allowing multiple authors of one document without creating different 'versions' –eg, technical updates created by a team
Intranets and engagement letters	Saving time on inhouse development and maintenance, eg, Bizezia	Wikipedia	Wikipedia.com – a user created encyclopaedia
Networking – business profile building	Using various websites, eg, Linked In, Facebook, Ecademy, Fastpitch		
News and magazines	Eg, <i>Accountancy</i> magazine archives, TaxAdviceNetwork.co.uk		
Office supplies	Reducing re-ordering time and the amount of stock held onsite, eg, Viking Direct		