

GROW YOUR PRACTICE BY HELPING CLIENTS ACHIEVE BETTER RESULTS**"THE TIMES THEY ARE A-CHANGIN'" – BOB DYLAN**

Benjamin Franklin once said "*Nothing is certain except death and taxes.*" I think if he were around today he'd agree with Heraclitus that "*Change is the only constant.*"

I'd also suggest that these days, "*Nothing is certain except death, taxes and that change is constantly accelerating.*" There's not a lot we can do about death and taxes (except try and postpone and minimize their impact) but there is definitely something that we can do to cope with the rapid pace of change around technologies and work practices in the SMB accounting space. "Resistance is futile", so the solution is to embrace change – when and where it makes sense for your practice and your clients. If you want to grow your practice you'll need to adapt by adopting new technology...the alternative may be to slowly perish.

For years now, industry thought leaders like Doug Sleeter¹, Randy Johnston², Michelle Long³ and Sandi Smith-Leyva³ (amongst others) have been pointing out the need to differentiate your service offerings - whether you are a bookkeeper, a QuickBooks ProAdvisor, a part time CFO, an accountant working as a sole practitioner or a CPA in a large firm. Changes in technology impact your client's expectations and their perception as to the value you bring to their business as a service provider. Some of these changes directly impact how you work with your clients and how you can charge for your time and expertise.

The "internet of things" means SMB clients are better informed than they have ever been about new trends and emerging "best practices" when it comes to running their business. Google, Skype, Dropbox, Online Banking, Social Media, GoToWebinar, Remote Desktop Access, Hosted Applications, Software as a Service (SaaS or "Cloud") based accounting, Automated Bank Feeds, Smart Phones, Tablets, Outsourcing/Offshoring...the list goes on.

Some of these new ways of doing "the work of business" will directly impact your practice. This impact can be other positive or negative – depending upon whether you are adapting proactively or simply repeating the same old safe, familiar work practices.

Here are some examples of potential negative impacts as I see it in the current SMB accounting ecosystem.

- Service providers that insist upon always working at the client's premises are at risk of being perceived as expensive, inflexible and slow to respond to urgent matters.
- Demand for Bookkeepers who are focused primarily on data entry and charge by the hour will rapidly decline (along with billing rates) as semi-automated bank feeds and smart document scanning technology enter the mainstream adoption phase.
- Advisors offering initial desktop accounting setup and related technical services will see a drop in demand as more new businesses started by younger, more tech savvy operators will look to "DIY" with simpler cloud based offerings.

- Accountants and CPAs who only deliver basic tax and compliance services will be increasingly seen as commodity providers who can be replaced by low cost labor working offshore via remote access technology or online filing services.

Here are some examples of positive outcomes and opportunities I see for innovative service providers who adopt better, smarter ways through leveraging technology to deliver more value to their clients.

- Reduction in costs by eliminating unnecessary travel through remote or online access to client data.
- Faster response times and more flexible working hours will enable providers to take on more clients across wider geographical areas.
- Escape the traditional, revenue limiting, billable hours cap and move towards value based billing that's a win-win for your clients and your practice.
- Expand and differentiate your practice as a trusted advisor and consultant across a broader range of relevant service offerings.
- Help your clients understand the drivers behind their business, gain actionable insights and improve their financial results through more informed, data driven business decisions.

The last point is where BizTools sees great opportunity for service providers working with QuickBooks to grow their practices by transforming their relationship with clients and firmly establishing their "value add" proposition from the client's perspective.

Yes, I'm referring to Business Intelligence/Analytics/KPIs/Management Reporting/Interactive Reports and Dashboards - no surprise there as BizTools is a leading software vendor offering solutions that deliver these capabilities for "non-technical" business users who work with QuickBooks.

"AMERICA IS ANOTHER NAME FOR OPPORTUNITY" – RALPH WALDO EMERSON

So, if you've decided to expand your practice offerings by adding Analytics and Performance Management services - how do you target (new or existing) clients that are good candidates for this kind of high value data driven consulting service?

The good news is that you are surrounded by opportunity – especially in the US. Despite the hype around cloud based accounting systems such as QuickBooks Online and Xero, the biggest and best qualified opportunity for data driven analytics or performance management consulting services is SMB clients using QuickBooks Desktop – Pro/Premier or Enterprise.

Key reasons to target QuickBooks Desktop for Windows are:

- The number of companies using QuickBooks Desktop (~4M) is around 10 times greater than those using QB Online or Xero combined.
- Companies that value (and recognise the need for) analytics most are typically those that have been around for 3 years or more, have employees, maybe keep inventory,

have numerous, diverse clients and are wanting to either grow the business and/or improve their bottom line. Most of these are already using QuickBooks Desktop and they can generally afford and justify your fees to help them in this area.

- New start-up businesses and sole operators are not your best target. There are still opportunities with some existing clients of this type but they're not the "sweet spot".
- The data required for deep financial and sales analytics (key focus areas for service providers looking to help their clients achieve better results) is available via the Intuit SDK which most 3rd party solutions (such as BizTools) use for integration. This is not currently the case for all cloud based accounting software.

"YOU DON'T NEED TO BE A ROCKET SCIENTIST..." - WARREN BUFFETT

The "Oracle of Omaha" was referring to investing when he said that but I think the same can now apply to conducting analytics for your QuickBooks clients - so long as you choose the right solution. The right solution combines powerful functionality and ease of use.

Powerful functionality means:

- The software does all the heavy lifting for you. To quote one of our customers –"BizTools Analytics allows (you) to spend time analyzing the data rather than generating it."

Ease of Use is paramount:

- Complex solutions don't work. Ease of use and low learning curves are essential to success when adopting new technology to provide consulting in the SMB space. It must be designed to deliver affordable (for your clients) yet profitable outcomes for you.

Technology Matters – A Quick Primer (if you really need to know)

- *What's the difference between "Reporting" and "Analytics"? Generally, the former is concerned with specific business questions, requires access to detailed data and has a static structure or layout. The latter is more about higher level views of aggregated data where business needs are less predictable and requires "speed of thought" responses to ad-hoc questions people often have "on the fly" when looking at their data.*
- *Historically, high performance analytics has been the forte of Tier 1 vendors such as Cognos or Business Objects. A key enabling technology has been OLAP* (Online Analytical Processing) via "Cubes" to provide fast, easy and reliable multi-dimensional reporting and analysis for business end users. Microsoft has, since the late 90's, been progressively building their own OLAP tools – with SQL Server Analysis Services (SSAS) providing multi-dimensional cubes along with the Excel PivotTable client for business users to access this data with ease.*
- *Connecting an Excel PivotTable to an SSAS cube takes only a few clicks (no data set to prepare) and enables true ad-hoc analytics for the average business user. Excel PivotTables work best when connected to OLAP Cubes in terms of greater reliability, speed, accuracy and support for complex aggregations because the OLAP server and Cube model do much of the heavy lifting for Excel and the end user.*

* OLAP - A database technology that has been optimized for querying and reporting, instead of processing transactions. OLAP data is organized hierarchically and stored in cubes instead of tables.

Learn more - [Overview of Online Analytical Processing \(OLAP\)](#)

This is where BizTools Analytics comes in - for QuickBooks.

- We eliminate the need for complex and expensive implementations.
- BizTools includes all the required Microsoft technology, automates the relevant data extracts from QuickBooks and builds a number of OLAP Cubes and reports for you covering all the key aspects of Financial and Sales analysis.
- You can easily build new custom reports in Excel. These reports automatically update when new data is available. Our OLAP technology makes creating otherwise complex and difficult pivot table and chart reports fast & easy for end users with basic Excel skills.

BizTools Analytics enables you to produce billable deliverables for clients from day 1. Here are some typical examples.

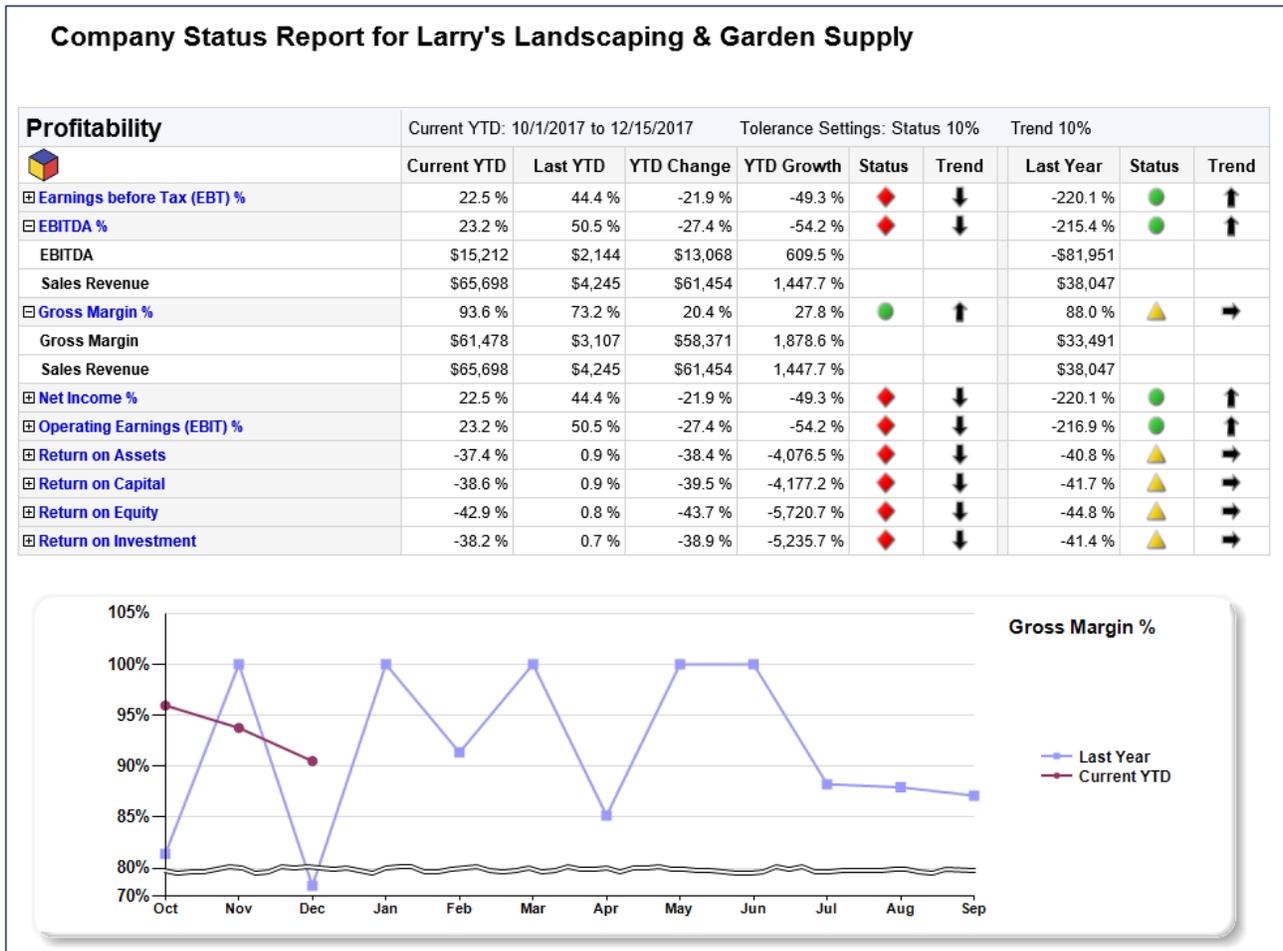


Fig 1 – An excerpt from the standard Company Status Report

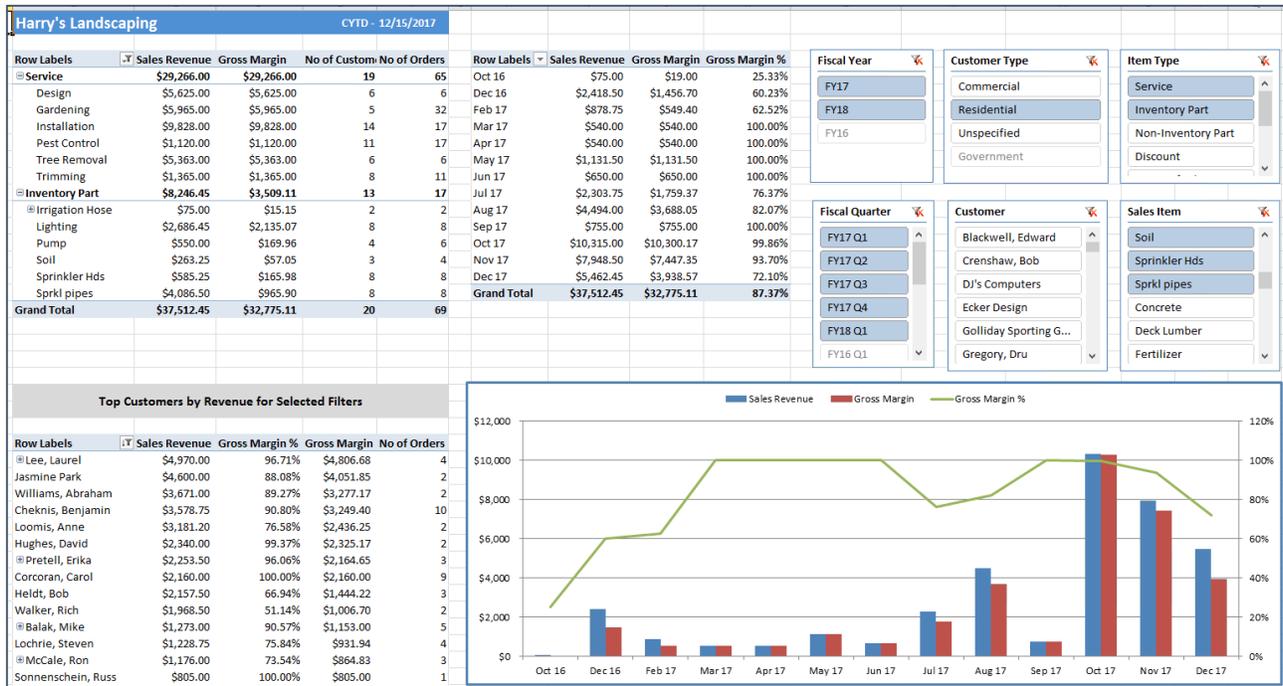


Fig 2 – A custom dashboard created in Excel in around 20 mins.

STEPS TO CONSULTING SUCCESS – A STAGED APPROACH

Stage 1 Total effort <1 hour. Repeat monthly or quarterly.

- Process client data, run the standard *Company Status* and *Sales Dashboard* reports, select relevant KPIs etc. Email to client as PDF.

Stage 2 Total effort 1-2 hours. Repeat monthly or quarterly.

- As per Stage 1 but annotate these reports in Word to add your own analytical commentary – show the value you add, send as PDF to client.

Stage 3 Ad-Hoc Consulting, recurring time or value based billing.

- Review Stage 2 results, do ad-hoc analysis with client.
- Establish specific metrics and KPIs for further monitoring and review.
- Build custom reports & dashboards to support these metrics & KPIs in Excel using pivot tables and charts with the OLAP cubes.

To learn more on "Grow Your Practice by Helping Clients Achieve Better Results", register for a free 90 min webinar with Michelle Long and BizTools.

Wed 29th May, 3:00 PM CDT <https://www4.gotomeeting.com/register/142361887>

1 - The Sleeter Group recently set up BizTools Analytics on a hosted VM with Cloud9 Real Time. Doug Sleeter, CEO of The Sleeter Group plans to use BizTools to quickly analyse data and make more informed management decisions. 2 – Randy Johnston sits on the BizTools Advisory board. 3 – Michelle Long and Sandi Smith-Leyva are independent consultants.