WHAT

I WISH I HAD KNOWN

GO CARDLESS
Running a modern accounting practice requires a flair for multi-tasking and a diverse range of business skills.

GoCardless talked to a handful of practice owners and advisors to discover their top tips for financial success in 2018 – and, if they could go back in time, what words of advice they would give to their younger selves.
"Have a forecast and know what your monthly run rate is," advises Lane. "It is no good planning your cash flow if you don't know what you need to cover every month. Always make sure that you have enough cash reserves within the practice for the Armageddon scenario where you just can't collect in the cash from your clients."

Retaining cash to cover a minimum of three months running costs for the practice should provide ample support for extreme scenarios.

Lane also recommends mitigating cash collection issues in advance by only working with clients that pay. "It may sound obvious, but I have seen many practices over servicing clients to extreme levels and not getting paid."

Like other businesses, accounting practices live or die by their cash position, says Bobby Lane, partner at Blick Rothenberg.
Hiring is a challenge: it can be time consuming to source candidates directly and expensive to engage with recruiters (particularly if the hire does not work out).

Gill recommends cutting recruiter fees and generating inbound interest from candidates, through industry marketing and PR.

“We try and stay in the industry news where we can. Participating in this question and answer article is a good example. We also make efforts to be as relevant as possible, and spread the message of how we operate and invest in LimeGreen’s team members’ futures and careers.”

Gill has also worked hard to create a fun working culture (with table tennis and a rooftop terrace at their London office) to create a united team and attract new talent.
Be open-minded when it comes to office space, says Jessica Shears, Head of Accounts at d&t chartered accountants.

With modern cloud software and smart devices, practices no longer need to tether themselves to long term office space or to a set physical location.

Office rental space is one of the highest costs for accounting practices, and contracts often require occupants to commit for at least five years before being able to execute a break clause.

“Nowadays, work can be performed remotely, and with a laptop and iPhone there is no need for a fixed premises at the startup stage,” says Shears. “If we were starting a business with a blank canvas, we would probably make changes to use technology as best as possible from the start, so that we could work from wherever, whenever, as we can now.”

“Be flexible with space.”
Outsource non-core work and excel at everything else – says Dom Ahern, founder of Best Suited, a London-based firm servicing startups.

“With outsourcing, we aim to spend more time on value-added services for clients and build stronger relationships,” says Ahern.

“Outsourcing lends itself to more process-driven compliance work that can be time-consuming but is not pushing forward a client’s business. Cutting this out of our own workflows allows us to be closer to our clients and spend more time solving their problems.”

“For us, the main purpose of outsourcing isn’t to manage workflow at busy times, but to make sure we have the capacity all year round to deliver excellent client service.”
HIRE PEOPLE BEFORE YOU NEED THEM

Finding the right people to join your firm is always a challenge: when you are short-staffed and under pressure to deliver client work, it’s even tougher.

“If you’re really busy, you don’t necessarily hire the right candidate,” says Bulpitt. “But if you plan on hiring in advance, it means that you don’t get to that disruptive, chaotic point of business and you can spend more time to be selective and make sure you get the right people.”

That way, you’ll fill the talent gap and reduce the likelihood of costly hiring errors, he adds: “Every business has made that mistake. You can then waste a lot of time and energy trying to get someone out of the business if it doesn’t work out.”

Don’t wait until you’re desperate; think ahead to bring onboard the right talent, says Paul Bulpitt, co-founder of the Wow Company.
GET YOUR TECH STACK RIGHT

Taking the time to choose the right software tools for your practice can markedly improve the operational efficiency of your practice and support a best-in-class customer service.

“The key thing is to bring in the right technology to allow you to work efficiently and deliver for your clients,” says Falcon Huerta.

There are a number of different tools on the market, so it’s important to do your homework, she adds. “Research all the products you are considering using for different segments of the business, to be sure that you are bringing in and creating the right systems and processes for your firm and your clients. For us, that’s tools like Xero accounting software, GoCardless for payments and Practice Ignition for Letter of Engagements.”

Falcon Huerta also recommends documenting the related internal processes, so new staff members are able to understand and execute workflows related to the firm’s tech setup easily.

Bring in the right technology and document your processes, says Alex Falcon Huerta
FCCA, CEO of Soaring Falcon.
There is a lot of hype and noise about how to use social media to win new clients. Before taking the plunge, first consider the type of clients you are seeking to attract, says Lee.

“Facebook and Instagram may be good routes to finding new clients leads who are home based hobbyists and who may want a low-cost compliance focussed service. However, they may not be your ideal clients. LinkedIn is an effective channel to use to reach businesses who might need advisory and growth related services.”

When it comes to lead generation, focus your energies on the ideal client, says Mark Lee, a strategic adviser to accountants.
Lee stresses that leads from social media and practice websites stand a much higher chance of converting into paid clients if practice owners reveal some personal information about themselves on their website and in online profiles, and then make the effort to meet prospects face to face.

“The best approach is to recognise that prospects want to know who you are. It’s down to you as the practice owner. Don’t hide behind your practice name. Reveal something about you, show your name and a photo online,” says Lee.

Taking the time to then speak with and even meet new contacts can lead to new work, even if they don’t become clients themselves, he adds. “Meet and talk to prospects… some may need a new accountant, others may know people who need an accountant. You need to build trust and confidence without being pushy or salesy.”
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