

COVID-19 response series

The new new normal: accountancy after COVID-19

For the better part of the first half of this year, your practice would have quickly adapted to the challenges brought on by these unprecedented times. As you have navigated the impact of the coronavirus (COVID-19) pandemic across your practice and with your clients, you will have turned to technology and tools to continue operating as close to 'business as usual' as possible, while still adding value to your clients.

Steering through the impact it continues to make on your practice is now becoming a long-term strategy. As you answer the question, "Where do we go from here?" and navigate your way back to some resemblance of normality, Wolters Kluwer is at your side with the information and resources you need.

Lead Product Manager for Compliance and former practice partner, Dean Shepherd, says there are lessons to be learned from history to ensure your practice comes out on top. He shares his experiences in the industry and predictions on how you can be poised for growth through the inevitable economic upturn.



Before you go forward, cast your mind back

While people and organisations are still contending with the immediate and urgent concerns of COVID-19, some are also contemplating what the post-virus business landscape will look like. Is a rapid economic recovery likely? Will the business and economic repercussions be with us for years to come? What will be the new normal?

Looking back at previous economic downturns and how forward-thinking firms were able to adapt and move quickly to benefit from the upsurge in growth that came afterwards, is an interesting perspective. Comparing this to the way that more conservative firms reacted, and how they were slower to recover, tells an interesting story.

As a former accountant, and current technologist, my lens tends to be focused on the landscape 12-36 months from now, always trying to predict future trends and what processes and relationships might look like so we can build software solutions to solve tomorrow's problems today.

When I think about the new normal, I'm thinking about a post-coronavirus world. How will that world compare to a pre-coronavirus world and, more specifically, will the world of tax and accounting in the UK have changed?

My accountancy career began in 1996/97, the same year self-assessment went live and, to me, it seemed like a time of great opportunity. The UK economy was comfortably out of the early 1990s recession that saw unemployment hit 10% and interest rates reached close to 15%, something inconceivable to many homeowners today.

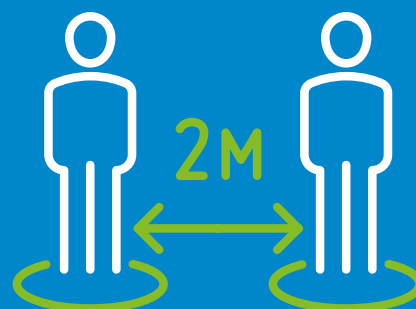
The market for accountancy services was buoyant, as businesses recovered and many new businesses emerged. It was, after all, the start of the internet age and the dot com era.

Accounting practices could be forgiven for thinking they did all the right things at that time to ensure a prosperous recovery. The reality is, many didn't. Don't you want your practice to be one of the successful ones?

In the early 1990s many practices understandably put recruitment on hold throughout the recession, with many cancelling graduate programs. A necessary move for cashflow, but this created a skills gap. There was a distinct shortage of part-qualified and semi-senior candidates.

It is very expensive to have fully qualified staff doing the work normally undertaken by part-qualified staff and semi-seniors. Firms with a little more agility were able to cherry pick the best candidates during the recession and were primed for growth in the period of economic recovery.

Lesson learned: Don't think about the roles you need fulfilled today. Try to think about the roles you will need in a period of growth. Will you be taking on lots more new business start-ups rather than established businesses? Consider the concept of a more flexible workforce, better able to expand and contract in times of high and low demand.



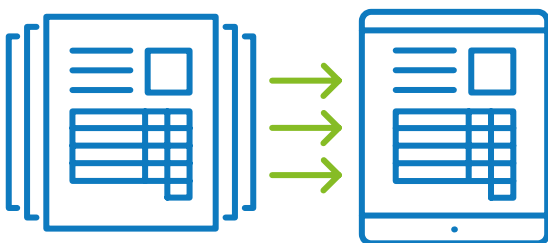
Technology is the answer to adapting to change

Many firms already on the path to digitalisation would have seen this period of prolonged remote working and online collaboration as justification for their continued investment in technology to meet the changing times.

For others, technology is becoming the key component to accountancy firms going forward for them to thrive and compete in the post-COVID world.

Automating routine tasks like data entry and complex calculations frees up time for your team to do more of what your clients value most - providing insight and supporting their business ambitions. Client service is often viewed as the most important driver of client satisfaction in accountancy, as it is in many other industries and markets. After all, accountancy has never been about numbers, it's about relationships.

Forward-thinking firms continue to invest in new technology to their advantage, while conservative firms don't prioritise this. Technology can unlock time and resources within your practice to deliver an excellent client experience by applying automation to tasks that don't need those human qualities of intuition, empathy or mental agility. Automation can create space for you to embrace the future of practice growth - business insight.



Are you set to steer your clients out of uncertain times?

Any major change in the business and economic landscape often triggers businesses to review their professional advisers. COVID-19 is no different.

To mitigate the challenges they face, businesses might look to new advisers for fresh ideas and advice on how to survive the change. This is an opportunity for your practice to shine, both to existing clients and to prospects, with valuable insight.

For your clients, business intelligence can mean actionable insights and information that can inform their strategic and tactical decisions about products, pricing, competition, markets, investments and growth.

For you, having the right technology in place will be key to you making the most of this opportunity. Consider investing not only in the technology to automate your compliance work, but also in powerful insight tools that will help you turn complex figures into graphics, making it easier for you to proactively communicate that valuable insight to your clients in a language they will understand.

Who better to advise your clients on how to improve their profitability, prepare forecasts and build a strategic narrative? You have the intuition, experience and resources to guide them through the changes and help them put their business in the best financial state possible.

In becoming their partner of choice in these troubling times, you can help them recoup any losses they may have made and, in turn, recoup any short-term losses of your own. It's a rewarding cycle of insight and gain.



Remote and flexible working - an old privilege, a new norm

Remote working has taken on a new dimension as businesses navigate the uncertainty around COVID-19. With many of us now facing the prospect of that uncertainty lasting for an extended period, powering your practice with the right tools will be important during this pandemic. But how many businesses will continue this way of working once they are back in the office?

Tools that have enabled secure online communication and collaboration, not only with your team members but also clients, have been an eye-opener for many. Many practices have witnessed, perhaps for the first time, how productive they can be out of the office environment.

Instead of hiring more and more office space, many may adopt more flexible business structures going forward. This would be a huge change with huge potential benefits including reduced costs, hiring from a wider location pool and flexible working patterns for key team members who have family commitments. It could be a key differentiator for attracting new talent to your practice.

We are also likely to see more virtual events being held in the future, long after the necessity to work remotely has passed. While we may be navigating the challenges of creating engaging virtual content for the time being, it's likely that many exhibitors and presenters will become more adept at delivering virtual content in an engaging and compelling way. I am excited to see how these skills are put to use in the future.

Remote, secure collaboration in-practice and with your clients, using cloud and online tools, anywhere, from any device.



Look beyond the initial recovery plan

As we slowly move into a new phase of the COVID-19 pandemic, thinking about how you will adapt to the here and now is important.

But don't forget to think seriously about the roles, technology and relationships you will need in a period of growth. If past economic downturns have shown accountants anything, it's that those who were in the best shape to make the most of the economic upturn when it came, succeeded despite the uncertainty.

Accountants are in prime position to be the trusted partner businesses need as they navigate their way back to the office and to growth. Investing in people, technology and relationships, and adapting practice management and collaboration in the new normal, is ultimately not just a strategy for making it out of an economic downturn but a strategy for riding the economic upturn.



About the author

Dean Shepherd is Senior Product Manager for Compliance at Wolters Kluwer Tax & Accounting UK. He has over twenty years' experience as a practising accountant and Chartered Tax Adviser and is responsible for ensuring our compliance products continue to meet our customers' changing needs. Dean joined Wolters Kluwer after selling his own practice, which he built from the ground up over a period of 10 years.

About Wolters Kluwer

Wolters Kluwer is a global leader in professional information, software solutions, and services for the health, tax & accounting, finance, risk & compliance, and legal sectors. We help our customers make critical decisions every day by providing expert solutions that combine deep domain knowledge with specialized technology and services.



We will continue to deliver tools to help you stay up to date on tax and compliance changes in these uncertain times. We will keep you informed with resources and information to support you as your practice navigates the uncertain times ahead.

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NEW

2020 has accelerated the need for practices to be enabled to work remotely.

For many firms, working with clients in an entirely digital way went from a being a long-term goal to an immediate need. From your clients' perspective, it will be incumbent on you to make the necessary changes and meet their needs.

[Download this eBook to find out how many are.](#)



Join Dean Shepherd in a webinar where he will continue to share his experiences in practice and the lessons to be learned from history to ensure your practice comes out on top.

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