



Your Future Practice

Practice Management Edition

Benchmark and compare best practice
in implementing practice management
software for Australian accounting practices.

July 2023



Foreword

Welcome to the third edition in our series of *Your Future Practice* reports designed to help accountants keep up with industry trends and ideas for running successful accounting practices.

In this edition we have partnered with Momentum Intelligence to conduct research into practice management software by Australian accounting practices.

Visibility over your practice is a key differentiating factor for practices that are able to exceed their revenue targets, as practices with complete visibility are more likely to exceed their revenue targets.

This research is eye-opening for those looking to understand how practice management software can be beneficial as it explores the correlation of practice management software usage and a practice's visibility, revenue, employee motivation, and productivity.

We trust you will find this edition of *Your Future Practice* useful in helping guide change that drives your practice growth strategy.



About this study

The Access Group is one of the leading providers of practice management software to small and mid-sized organisations in the UK, Ireland, and Asia Pacific. We help over 75,000 customers across commercial and not-for-profit sectors become more productive and efficient.

We deliver practice-wide and industry-focused software solutions that give our customers the freedom to do more of what's important to them.

The Access Group has commissioned independent research firm Momentum Intelligence to create a benchmarking report that helps accounting practices better understand their key practice drivers.

The *Your Future Practice* series of benchmarking reports will explore best practice in Australian accounting firms to help leaders identify opportunities to improve their practice.

This report explores the results of the practice management survey with 454 accounting firms throughout June 2023 invited from Accountants Daily's insights panel.

PRACTICE SIZE

I'm a sole practitioner	10%
2 to 5	36%
6 to 10	18%
11 to 20	14%
21 to 50	10%
51 to 200	7%
201 to 500	2%
501 to 1,000	1%
1,001 to 5,000	1%
5,000+	0%

PRACTICE REVENUE

\$0 to \$99,999	5%
\$100,000 to \$249,999	12%
\$250,000 to \$499,999	14%
\$500,000 to \$749,999	9%
\$750,000 to \$999,999	8%
\$1,000,000 to \$1.49m	9%
\$1.50m to \$1.99m	9%
\$2m to \$2.49m	3%
\$2.50m to \$2.99m	4%
\$3m to \$3.99m	3%
\$4m to \$4.99m	3%
Over \$5m	9%
Unsure	13%

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Your practice's roadmap to practice management software

The *Your Future Practice* series, brought you by The Access Group, is designed to empower accounting practices with data-driven insights to achieve their goals.

As a practice owner or decision maker, understanding the impact that practice management software can have on growth is vital.

These insights give you an opportunity to reflect on your practice to diagnose, optimise, and organise your practice in a manner that will drive growth so you can continue to support more clients in achieving their financial goals.

While these actions require time for reflection, action, and implementation, the insights show practices that are able to effectively implement practice management software are more likely to achieve and exceed their revenue targets.

Your roadmap to growing your practice:

1. Why your practice needs practice management software

The usage of practice management software enables practices to gain more visibility, increase employee motivation, exceed revenue targets, and increase productivity and workflow.

Almost 4 in 8 (49 per cent) of practices do not have complete visibility on their practice's health, while practices with complete visibility are 1.63x more likely to exceed their revenue targets.

2. Practice management software integration

The general trend among practices was higher levels of built-in (native) and seamless integration of their practice's functions with their practice management software.

3. Practice management software drawbacks and areas of improvement

Accountants have revealed their major drawback and most-demanded improvement is practice management software that has a variety of integrations and reporting capabilities which are easy to use and train.



The importance of practice management software

In this chapter, we will uncover:

- The importance of complete practice visibility
- Areas practice visibility is lacking the most
- Practice management software's impact on visibility
- Practice management software's impact on revenue targets
- Practice management software's impact on employee motivation
- Positive impacts of practice management software on practice success

The importance of complete practice visibility

Almost 4 in 8 (49 per cent) of practices do not have complete visibility of their practice's health, with more than 40 per cent only having some level of visibility.

Accounting practices are often the key trusted adviser for small businesses across Australia. In this role, accountants are commonly asked and expected to help business owners and senior leaders navigate their strategic environment.

More than 2 in 4 (51 per cent) of accountants indicated they had complete visibility of their practice's health and performance. The results also revealed that practices with complete visibility were 1.63x more likely to exceed their revenue targets compared to practices with little to no visibility.

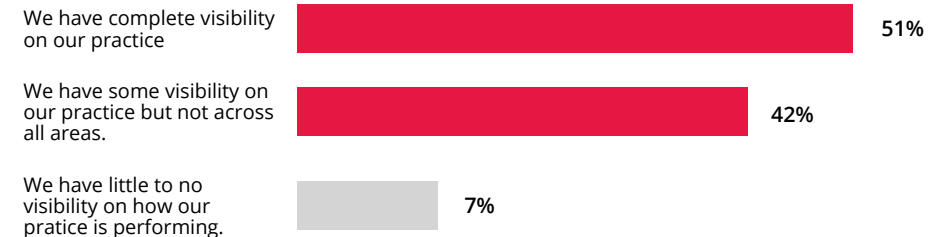
This highlights the need for practices to gain complete visibility on their practice's health, which enables them to meet and exceed their financial targets. Conversely, in practices with little to no visibility, only 3 in 10 (30 per cent) of practices are expected to exceed their revenue targets.

There is a strong opportunity for practices in implementing practice management software to manage complete visibility of their practice's health and performance.

Practice visibility

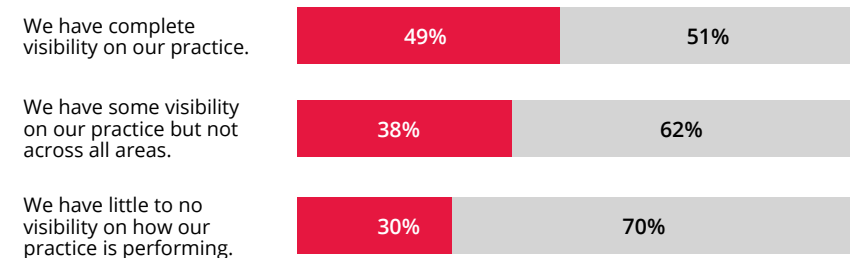
When thinking about your practice, how much visibility do you have on your practice's health?

Sample size: 434 (All respondents)



Meeting and exceeding expectations

When thinking about your practice, how much visibility do you have on your practice's health?



■ Likely to meet or fall below revenue target ■ Likely to exceed revenue targets

Areas in which practices are lacking visibility

More than half of accountants surveyed indicated that workflow management was the main area in which their practice lacked visibility.

The results reveal that a majority of practices are lacking visibility in their workflow management, with more than 4 in 8 (51 per cent) of accountants indicating workflow management as the area their in which their practice is lacking visibility.

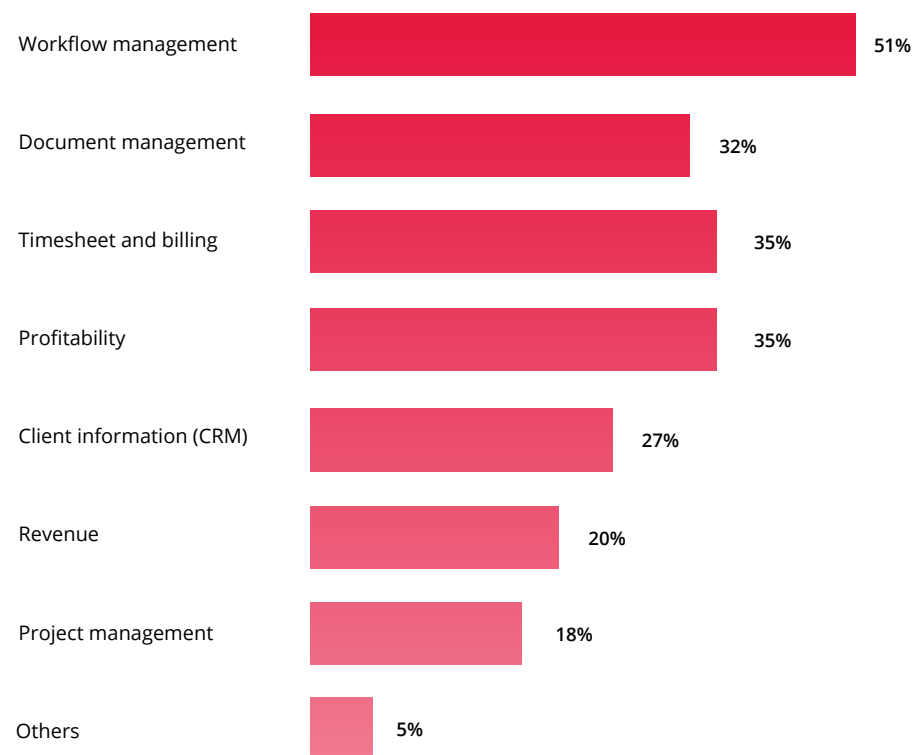
Document management, timesheets and billings, and ability to forecast and measure profitability are other key areas in which practices are lacking visibility. These functions enable accountants to be more productive and efficient, and therefore contribute to a practice's ability to meet and exceed its revenue targets.

The results highlight the opportunities for practices to close the gap in their visibility by investing in practice management software, as practices using the latter are reported to be more likely to exceed their revenue targets.

Lack of visibility

In which areas of your practice do you feel your visibility is lacking?

Sample size: 211 (All respondents)



Practice management software's impact on practice visibility

Practices that are using practice management software are more likely to have complete visibility of their practice's health, compared to practices that have not used this software.

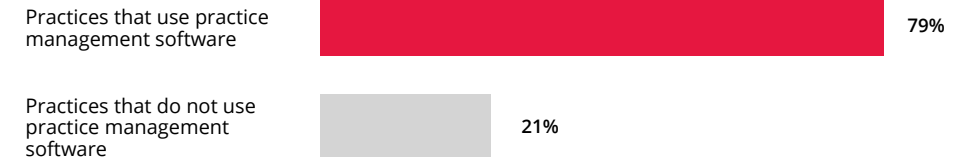
Accounting practices are often the key trusted adviser for small businesses across Australia. In this role, accountants are commonly asked and expected to help business owners and senior leaders navigate their strategic environment.

Almost 80 per cent of practices stated they are using practice management software, while more than 20 per cent indicated they have no practice management software.

Further analysis reveals that practices using practice management software are 1.13x more likely to develop some visibility compared to practices that do not use practice management software, and are more likely to have complete visibility compared to practices that do not use this software.

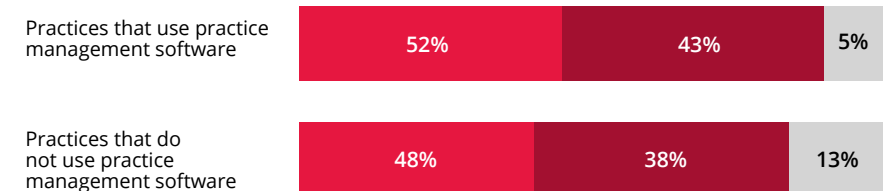
Which practice management software is your firm currently using?

Sample size: 431 (Grouped by practice management software usage)



Practice management software usage by visibility on practice health

Sample size: 431 (Grouped by practice management software usage)



- We have little to no visibility on how our practice is performing.
- We have some visibility on our practice but not across all areas.
- We have complete visibility on our practice.

Practice management software usage correlation to revenue targets

Almost 4 in 5 (79 per cent) of practices are using practice management software, while more than 1 in 5 (21 per cent) of practices are not.

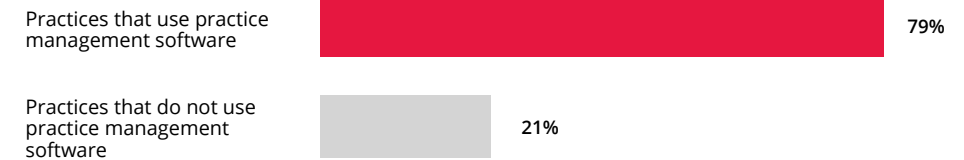
Understanding the benefits of practice management, the majority of practices are using a practice management software, of which 44 per cent are likely to exceed their revenue targets, while only under 40 per cent of practices with no practice management software are likely to exceed their revenue targets.

In this Practice Management edition of the *Your Future Practice* series, best practice will be identified by separating the organisations that believe they will exceed their revenue targets compared to those that will meet or fall below these targets.

The analysis reveals practices that use practice management software are 1.12x more likely to exceed their financial targets in comparison to practices with no practice management software in use.

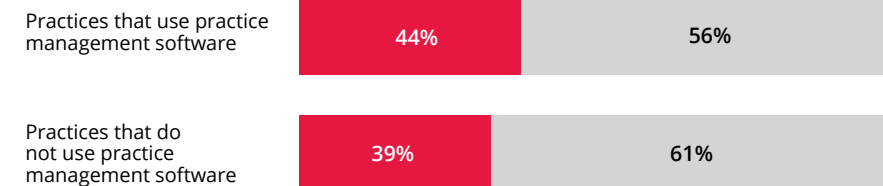
Which practice management software is your firm currently using?

Sample size: 431 (Grouped by practice management software usage)



Practice management software usage by revenue targets

Sample size: 431 (Grouped by practice management software usage)



■ Likely to meet or fall below revenue target ■ Likely to exceed revenue targets

Employee motivation and efficiency

Practices that use practice management software have marginally more employees who feel highly motivated compared to practices that do not use practice management software.

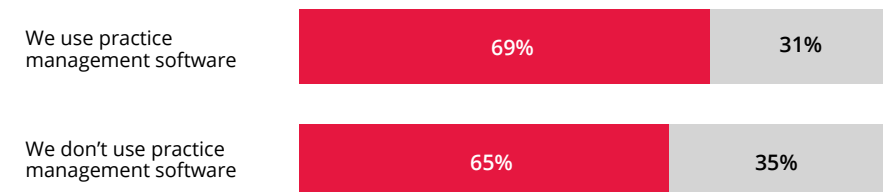
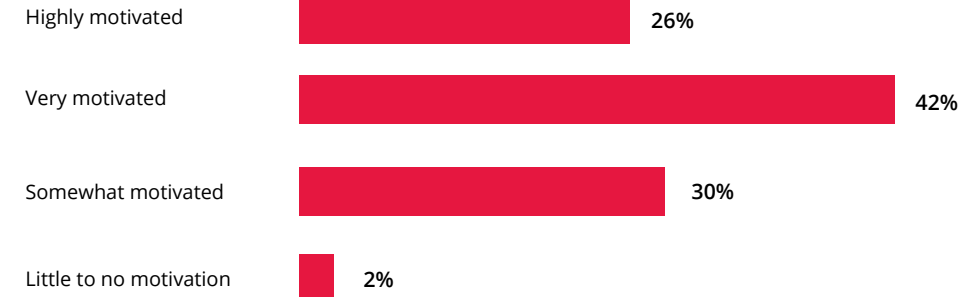
Almost all accountants (98 per cent) surveyed indicated that they felt motivated to some level, with only 2 per cent stating they felt little to no motivation.

Out of the 98 per cent of practices with motivated employees, practices that used practice management software had slightly more highly motivated employees, with almost 7 in 10 (69 per cent) of accountants using practice management software stating they feel either highly motivated or very motivated.

This highlights the opportunity for accounting practices in using practice management software not only to increase complete visibility of their performance, but also to increase employee motivation and exceed revenue targets.

In your experience, how motivated are your firm's employees to complete their daily tasks and contribute to the firm's success?

Sample size: 431 (All respondents)



■ Highly or very motivated ■ Little or somewhat motivated

Positive impact of practice management software

Practice management software has a direct impact on increasing a practice's visibility across several functions. Most noticeably, the majority of accountants surveyed indicated their workflow productivity improved since using practice management software.

More than half of practices (51 per cent) indicated workflow management was the biggest area they have a lack of visibility in. Conversely, results from practices that have implemented practice management software indicated that the biggest impact they had from using this software was greater workflow productivity.

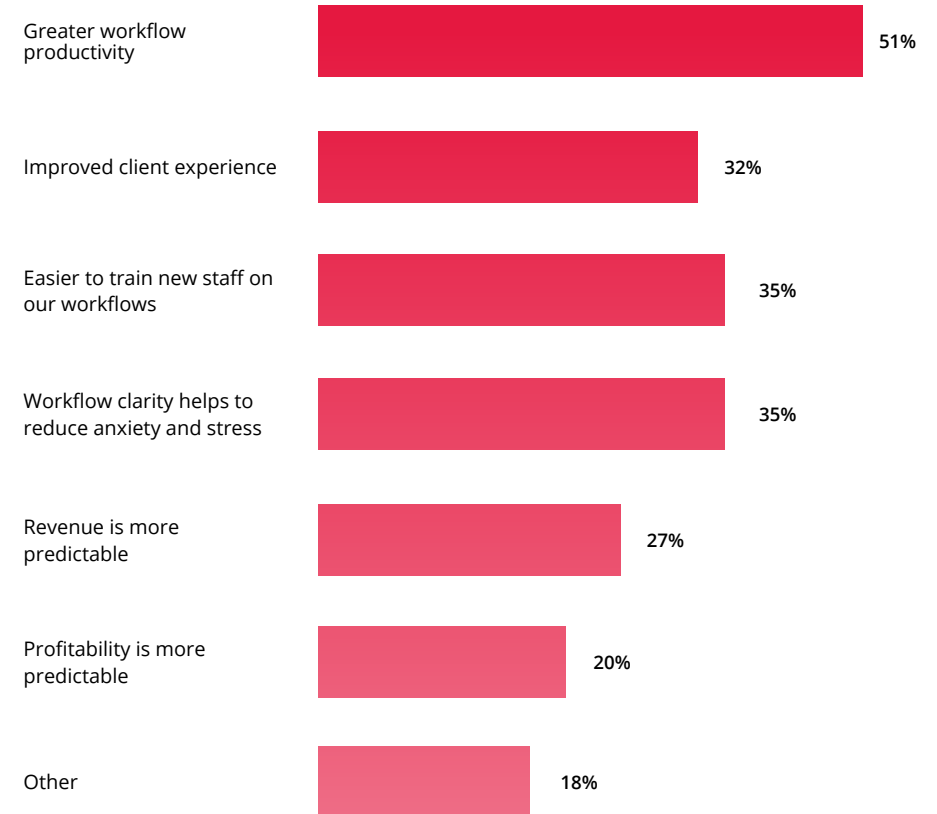
Other areas in which practice management software has improved visibility includes predicting and measuring profitability and revenue, and improving client information management.

This reveals the opportunity practices have to improve their visibility around key practice functions driving day-to-day success such as workflow management, forecasting profitability and revenue.

Positive impacts

What positive impacts has practice management software had on your firm?

Sample size: 351 (All respondents)





Practice management software integration

In this chapter, we will uncover:

- Practice functions impacting day-to-day success
- How practices are integrating practice management software

Importance of workflow management on a practice's success

Accounting practices have indicated workflow management has a significant impact on day-to-day success, with more than 2 in 5 (42 per cent) stating workflow management is extremely important.

Accountants were asked which of their practice's functions had the greatest importance in contributing to their day-to-day success.

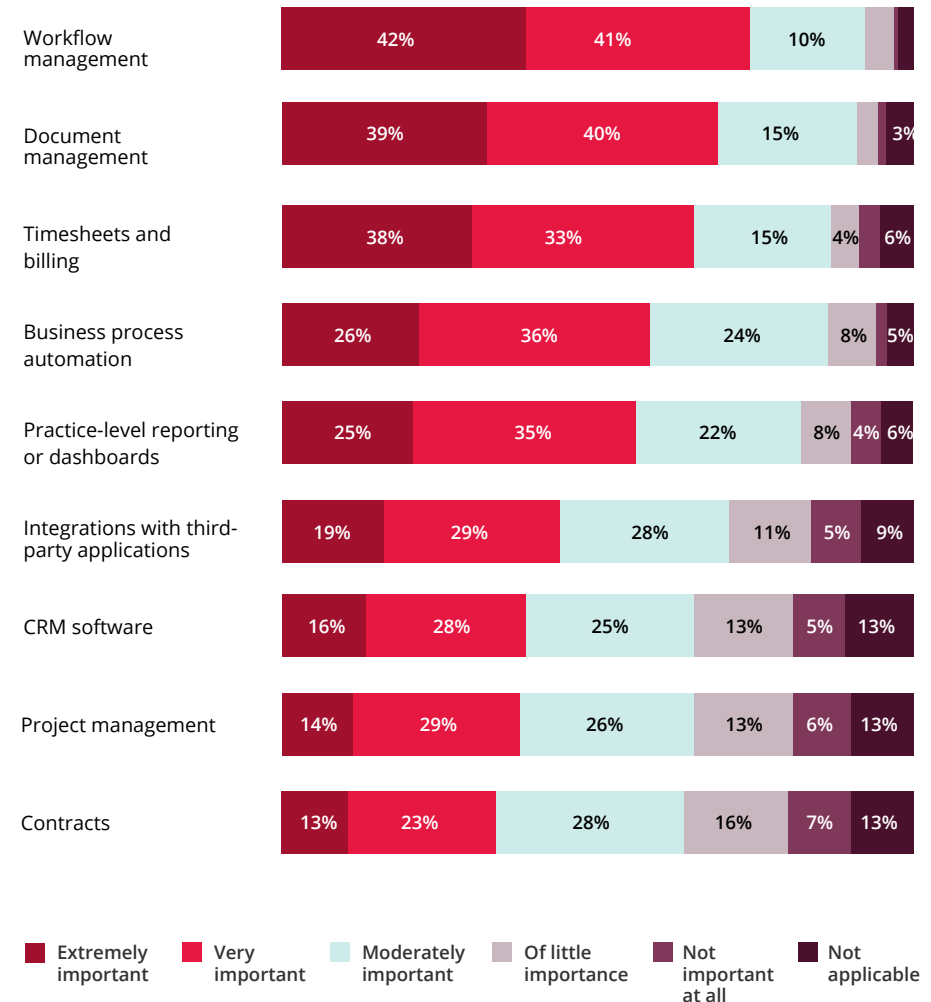
The three most important functions were workflow management, document management, and timesheets and billing. The majority of accountants felt these functions were either extremely or very important in contributing to daily success.

This highlights the growing importance of quality workflow management as it is an important driver in day-to-day success and increasing a practice's ability to meet and exceed revenue targets.

Importance of practice functions

How important are the following functions for the day-to-day success of your practice?

Sample size: 431 (All respondents)



How practices are integrating practice management software

Practices are most commonly natively and seamlessly integrating their functions with their practice management software.

The three most common built-in (native) functions were timesheets and billings, workflow management, and practice-level reporting, with timesheets and billing being the most common.

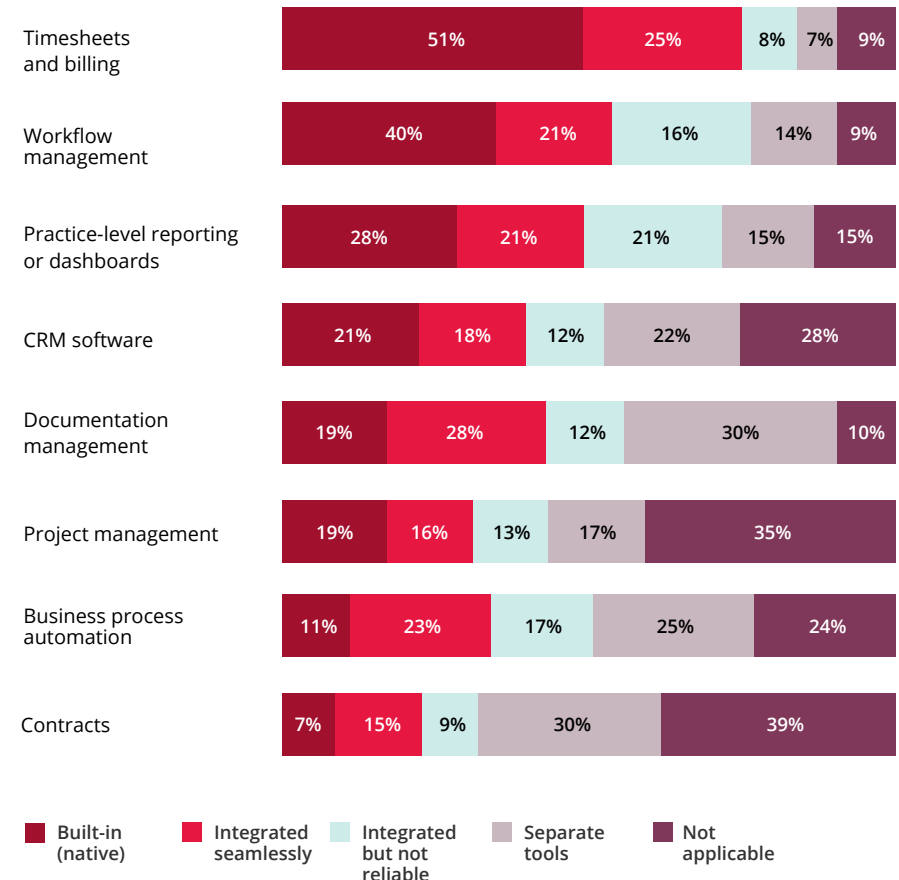
The analysis reveals a general trend among practices towards using native integration for functions that are most likely to be contributing to day-to-day success, such as workflow management, timesheets and billings, CRM software, and reporting.

This highlights the best practice of high performing practices, which have a majority of their important functions built-in with their practice management software.

Integrating practice functions

Which of the following functions are native or seamlessly integrated with your practice management software?

Sample size: 351 (All respondents)





Practice management software drawbacks and areas of improvement

In this chapter, we will uncover:

- Common drawbacks of existing practice management software
- The most demanded improvements in practice management software

Demand for improved reporting capabilities

The majority of accountants indicated the most common drawback with their practice management software was unreliable reporting and limited integrations.

More than 3 in 10 (32 per cent) of accountants stated their practice management software did not provide reliable and useful reporting. Almost 30 per cent stated their practice management software did not provide the integrations they needed.

When accountants were asked what they would like to change about their current practice management software, the majority (20 per cent) stated they would like to see more integrations that were useful for them.

Access Practice Management comes with pre-configured dashboards and reports. Users also have the ability to customise the reports and dashboards via the easy-to-use report writer available with the platform.

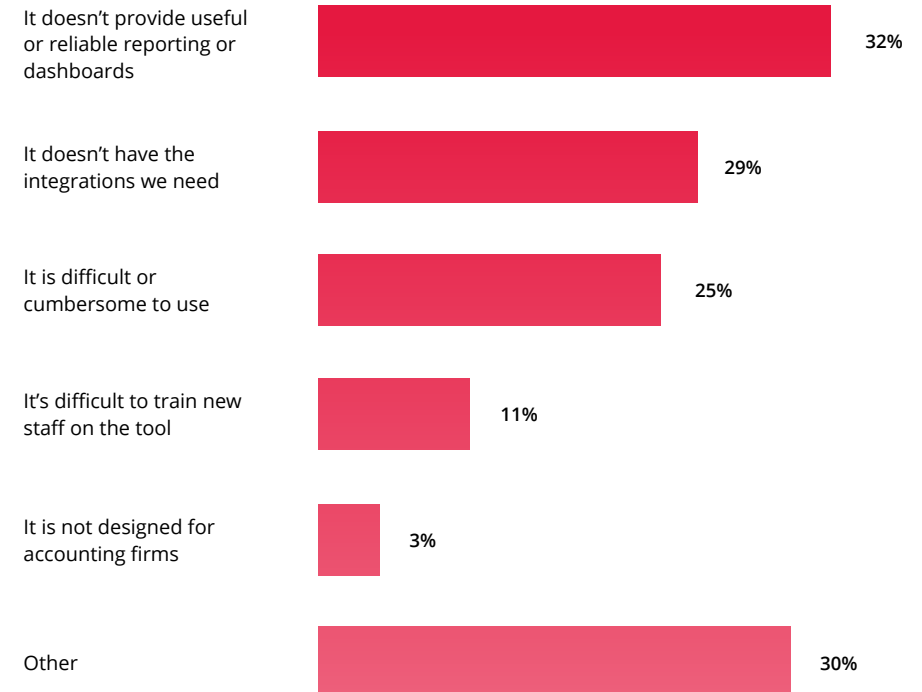
Teresa Dennison

Product Marketing Manager | Accountants
The Access Group

Drawbacks of practice management software

Which of the following best describes the drawbacks of your practice management software?

Sample size: 351 (All respondents)



Most requested improvements

Accountants have indicated a strong demand for a wider variety of third party integrations, more accurate reporting capabilities and an easier-to-use layout in their practice management software.

More than 3 in 10 (32 per cent) of accountants stated their practice management software did not provide reliable and useful reporting, while 29 per cent stated their practice management software did not provide the integrations they needed.

When accountants were asked what they would like to change about their current practice management software, 20 per cent stated they would like to see more useful integrations.

This highlights a demand among accountants for practice management software that has a variety of integrations with reporting capabilities and is easy to use.

Access Practice Management is built on the force.com platform providing integrations via access to an enterprise cloud marketplace to extend capabilities. The job and workflow management tools allow you to automate multi-user processes to save time across your practice.

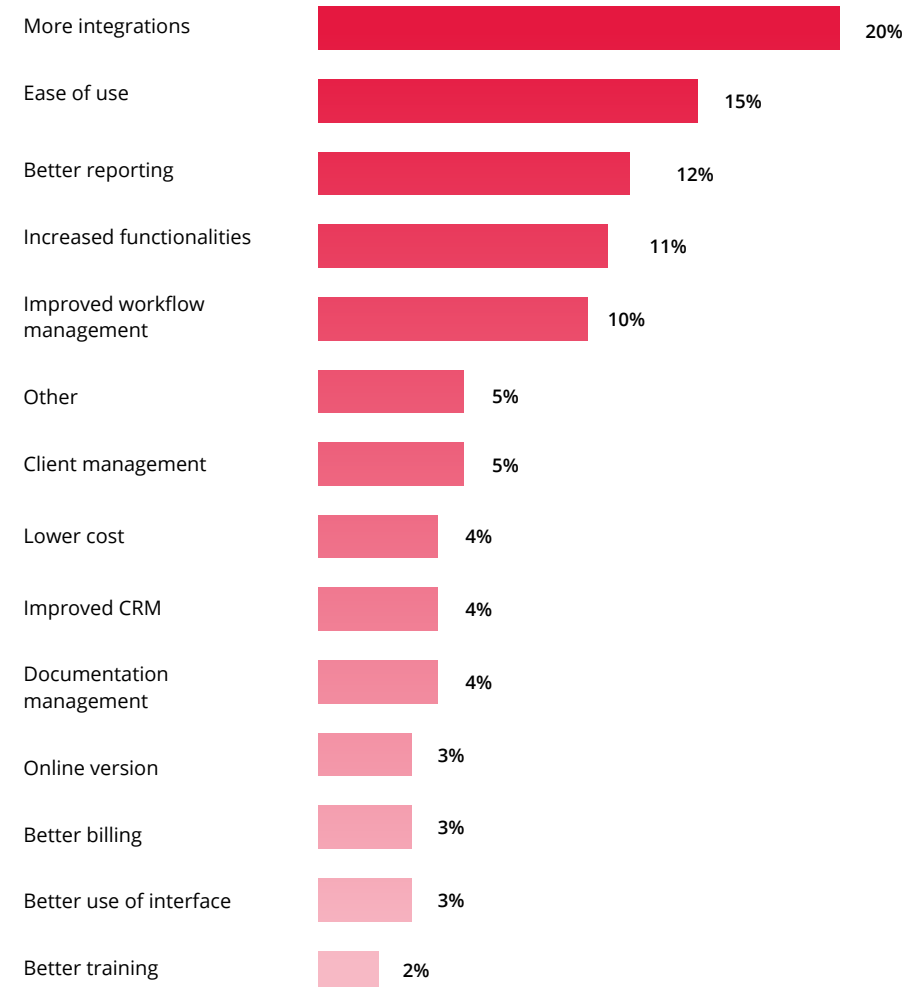
Teresa Dennison

Product Marketing Manager | Accountants
The Access Group

Drawbacks of practice management software

Which of the following best describes the drawbacks of your practice management software?

Sample size: 351 (All respondents)





About the Access Group

The Access Group provides solutions to run your entire practice with best-in-class powerful tax, compliance and practice management software to help optimise compliance workflows and advance every aspect of your accounting practice.

We deliver practice-wide and industry-focused software solutions that give our customers the freedom to do more of what's important to them.

[Learn more](#)

