

# Practice Management and Growth Drivers for CA Firms

**J. B. Nagar CA Study Circle of WIRC of ICAI**

*15<sup>th</sup> July, 2018 - Mumbai*

*Presented by : Sunil Goyal*



# Conventional Approach of Small & Mid Sized CA Firms



# Conventional Approach of Small & Mid Sized CA Firms

- Lack of vision / outlook:
  - Neither plan in place nor adequate benchmarking
  - Resistance to change
  - Minimal focus on overall risks
  - No Client acceptance/continuance procedure followed
  - Unusual accounting practices
  - No professional skepticism
- Inadequate maintenance of database & documentation
- Wrong interpretation of discipline:
  - No structured approach with subordinates and staff
  - Autocratic approach

# Conventional Approach of Small & Mid Sized CA Firms

- No procedures & policies in place:
  - Irrational hiring, unstructured teams
  - Lazy look of office
  - Very less investment in technology
  - No tracking of billings and hesitant to ask clients for prompt payment
  - No concurring reviewers
  - No identification of performance materiality and risk factors
- No focus on the quality of services
- Indifferent to timelines
- No initiative to update knowledge - no mind set, no time

**Can we continue with the conventional approach under the current scenario?**



*The world is continuously changing!  
And we wish to be relevant and intent to Grow !  
What should we do?*

# Our World is also Dynamic



# Our World is also Dynamic

- Technology advancement:
  - Easy flow of information
  - Client is well informed
- Change in business dynamics & increasing complexities
- Substantial increase in competition
- Change in regulatory framework:
  - Frequent changes in various statutes
  - Regulators are becoming more stringent & proactive
  - Multiple deadlines
- Personal aspirations of people



Technology advancement

Change in business dynamics



Substantial increase in competition

Change in regulatory framework



Personal aspirations of people

# Practice Growth & Management Essentials





# Vision

- Our Service, at present and in future - where we want to be:
  - Geographically
  - Vertical of Service Lines
  - Size of the segment - Large, Medium & Small
  - Industry specific planning, documentation, execution & completion
  - Quality deliverables on time

# Team

- Right person on right job
- Team members must have a constant quest for learning and upgrading themselves
- Right career advancement opportunity & structure
- Collective wisdom - unity of command



# Team

- Sharing and caring office environment:
  - Seamless structure results into wide transparency
  - Adequate resource allocation on project
  - Share and Collaborate
  - Quality in work
  - Connected Thinking
  - Invest in shoe of others
  - Bonding of team through various activities at regular interval
  - Appropriate induction and buddy system
- Managing article trainees and provide adequate exposure in different fields
- Training calendar / programme for members of the organization



# Infrastructure, Technology & Support

- Infrastructure:
  - Invest in professional ambience of offices
  - Similarity & consistency among the offices
- Technology:
  - Invest in technology & tools
  - Use technology effectively for improving quality, productivity, management, knowledge, research, tracking work etc.
  - Technology helps - proper billing & collection
- Support:
  - Dedicated support system is essential for a successful organization



# Client Centric Approach

- Respective approach to client
- Solution oriented approach
- Review & weed out the clients
- Understand the business of the clients & its dynamics
- Focus on quality of services
- Value addition
- Have feedback & survey at the desired intervals
- Must connect with the client at reasonable time intervals
- Be open & responsive
- Admit mistakes



# Client Centric Approach

- Schedule business meetings at convenient time to both
- Make proper agenda for meeting
- Dress professionally and be aware of your body language
- Invite client to office at regular intervals
- Make it easy and comfortable for the clients to share their thoughts
- Help client with contacts and if possible, refer business to client
- Organise industry specific seminars for client's staff
- Encourage word-of-mouth recommendations
- Position Yourself as the Solution
- Try direct response and follow up
- Offer free day of counselling on non-project matters
- Send relevant technical write ups to clients



# Regulators & Risk Management

- Adherence to various regulatory norms
- Set up a Quality Control Team
- Cold & Hot file reviews
- International Quality Control Reviews
- Peer review process



# Branding, Communication and Business Development

- Tie up with various other bodies i.e. Legal Firm, Merchant Bankers, PE Firms etc.
- Identification of new business verticals
- Cross selling between all the business verticals
- Choose the client
- Be strategic with networking activities
- Attend targeted business events consistently to develop a strong reputation and gain attraction with prospects
- Communicate timely / adequately at all appropriate times - internal & external
- Branding does matter - not only in logo but entire ecosystem



# Peers / Competitors

- Identify your Peers on the basis of:
  - Size of the firm
  - Size of the team
  - Quality of Service - delivery, timeliness and responsiveness
  - Professional fees / compensation for engagement
  - Geographical reach
- Professional approach towards compliances & risk management
- Adopt qualitative findings of others
- Team up with the peers for engagement whenever required
- Discuss technical issues with peers to get different perspectives
- Understand strategic move of the peers
- Differentiation







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