Practice Management and Growth Drivers for CA Firms

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

15th 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



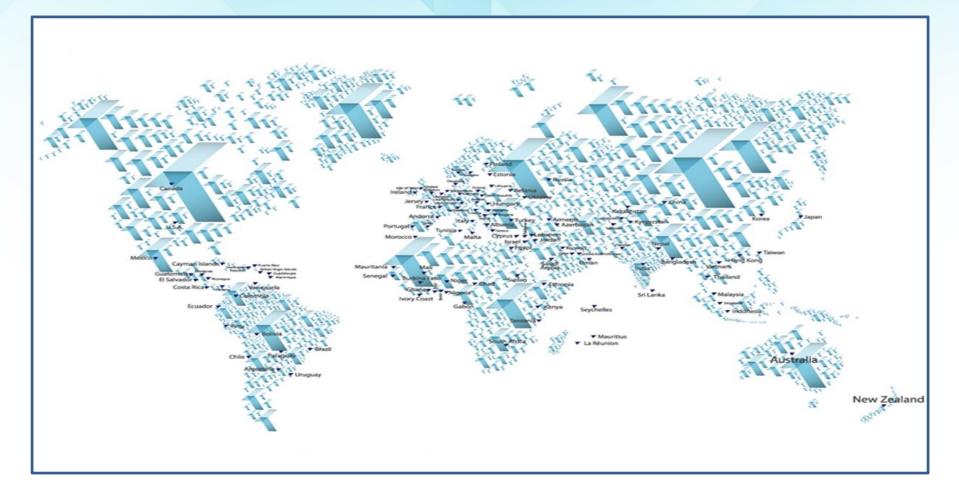
Can we continue with the conventional approach under the current scenario?



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

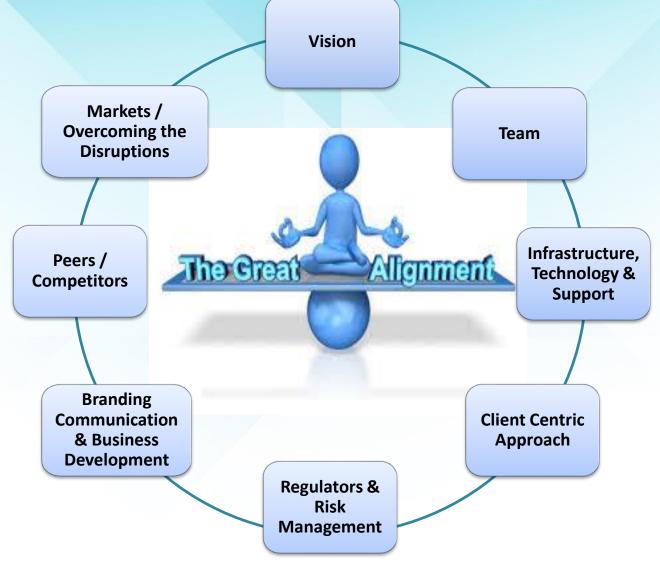




Personal aspirations of people



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
- $\circ~$ 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





Markets

- Trend in the Markets
- What do we need to do continuously to adapt to the Marketplace?
- Is there better way of doing what we do?
- Identification & creation of specialized verticals
- It's a super specialization era, everyone wants the best, no scope for mediocre services
- Be with the market but don't change the basics

Overcoming the Disruptions

• Last but not the least Be ready for growth hazards, challenges & disruptions





Than-Q

