The challenges you face today and how they can be mitigated
Look forward...

- Four key challenges
- And the emerging trends on how to handle them
State of the nation
Challenges facing the accountancy landscape

An Internet Minute

- 188m
- 481k
- 41.6m
- 1m
- £772k
- 390k
- 3.8m
- 4.5m

Technology evolution
Q. WHERE IS YOUR PRACTICE ON THE TECHNOLOGY ADOPTION CURVE?

Q. WHERE ARE YOUR CLIENTS ON THE TECHNOLOGY ADOPTION CURVE?

50% of Accountancy market are resistant to change.
<table>
<thead>
<tr>
<th>Year</th>
<th>Growth in #accountants</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>1%</td>
</tr>
<tr>
<td>2023</td>
<td>5%</td>
</tr>
</tbody>
</table>

**Technology evolution**

**Talent gap**
The number of practising accountants at accountancies has remained steady, despite strong growth in the number of qualified accountants.

Q. IS THERE A TALENT GAP IN PRACTICES?

Source: OC&C
70/30
Compliance vs Value-add
2019

50/50
Compliance vs Value-add
2023

Technology evolution
Service delivery
Talent gap
Growing number of multi-disciplined firms in Top 50

Q. ARE FIRMS ABLE TO DIFFERENTIATE?

Source: IRIS, AccountancyAge
The number of small & medium sized accountancies have experienced less growth than micro & large, especially in the last 3 years.

Q. IS THE LEGISLATIVE TSUNAMI IMPACTING YOUR FIRMS’ GROWTH?

Source: OC&C
Calm after the storm
Accountancy Pulse Survey
What are your Personal Goals?

- Achieve better work/life balance
- Achieve promotion
- Start my own firm
- Retire
Top Personal Goal Responses

1st
- 64% Achieve a better work / life balance

3rd
- 6% Achieve Promotions

4th
- 2% Start my own firm

28% Retirement
What are the Practice Goals over the next 5 years?
Top Practice Goal Responses

- Increase practice profitability: 55%
- Win new clients: 33%
- Maintain the status quo: 37%
- Sell the practice: 45%
Emerging Strategies

1. Growth
2. Work/life Balance
3. Earnout
Emerging Strategies

1. Growth
2. Work/life Balance
3. Earnout
Would accountants really choose time over money?

19th Aug 2017 | 14 Comments

Philip Fisher tackles the thorny issue of work-life balance and asks, given the option would accountants really choose to work less and receive less pay?

A few weeks ago, this site (along with the problems of [HR] today, who were literally paying for the privilege of working excessive hours due to a clash between their pension schemes and tax legislation.

Ministry, relevant ministers must email AccountingWEB, since last week the government announced its intention to correct the anomaly.

However, members of the opposition say the changes are too little, too late and state representations of the same problem may still work-to-rule, leading me to wonder what the benefits.

To be fair, many people do work exceptionally hard (at a time when contributions which will bear some form of financial penalty on their own. It's not that I'm complaining, I'm just saying that given the choice between working full-time for a salary of £36,000 or full-time for £35,000, everybody would choose half the work and half the pay.

Work-life balance

Millennial accountant Georgia Duffee explains why it is important to prioritise your work-life balance.

24th May 2019

Benefits of flexible working for work-life balance

Millennial accountant Georgia Duffee explains why it is important to prioritise your work-life balance. A few years into my career, without...

24th Jun 2019

How to make flexible working work for you

Georgia Duffee explains how a flexible approach to work helped her recover from overwork and rebuild her resilience, and how you can follow...

30th Jul 2019

How to declutter your always-on work life

Drawing the line between the ease of access to technology and not switching off is becoming more difficult, resulting in many slipping...
Moving from a work / life balance to a life / work balance

Communication

Office 365

Control

- IRIS | Practice Management
- IRIS | Staff Planning

Capacity

- IRIS | Practice Management
- IRIS | Training
- IRIS | Resourcing

Convenience

- IRIS | Hosting
- IRIS | OpenSpace
Emerging Strategies

1. Growth
2. Work/life Balance
3. Earnout
Selling the practice

Della Hudson shares the experience of selling her accountancy practice from making the decision to preparing your firm and staff.

**Selling the practice: Handover and what to do next**
Once you have agreed all the terms of the sale itself you will need to agree how you will handle the transition period. Happy staff First...

**Selling the practice: Negotiating the deal**
Della Hudson takes us through the details of the deal and highlights what extra costs you should budget for. Since I sold my business...

**Selling a practice: Preparing the firm and staff**
Della Hudson explains the preparatory work necessary to make the practice as attractive as possible to buyers, which will also help...

**Selling a practice: The decision and search**
Della Hudson shares the experience of selling her accountancy practice, starting with the difficult decision to sell and an idea of how...
Potential valuation

This example shows the potential difference in the price you could command for your business:

Number of clients: 600
Average fee: £1,000
Annual billed revenue: £600,000

Practice valuation range 0.8 to 1.2 times the annual billed revenue =

£480,000 vs £720,000

Difference in valuation = £240,000
Evolution of a Digital Accountant

First emergence of online accounting technology

Technology expanded, client acceptance and emergence of add-ons marketplace

“Cloud v2” now in mass market enabling the fully digital practice
Digital Firm Blueprint
• Calm after the storm

• Now is the time to plan your strategy

• Understand the impact of :-
  • Talent
  • Technology
  • Services
  • Legislation

• Speak to IRIS if you aren’t sure