



Five Minutes With...Randy Johnston

Many years ago I took a training course on what was then a revolutionary new technology, the Internet. I always thought of the Internet as a “[series of tubes](#)” but [Randy Johnston](#), the Executive Vice President of [K2 Enterprises](#), set me straight. Randy is perennially listed as one of the 100 Most Influential People by Accounting Today for his leadership on technology issues affecting CPAs.

In our five minutes, Randy talked about why CPA firms are slow to adopt new technologies, the benefits of using more than one monitor, and what he’d do if he was the managing partner of a CPA firm.

mjr: Am I just imagining it, or are we—as a profession—slow to adopt new technologies?

rj: CPAs are relatively late adopters, and there are a few reasons for that. In general CPAs tend to be a conservative lot.

mjr: We like to make sure we’ve got all the details in front of us before we make a decision.

rj: That’s part of it. CPAs don’t like to adopt new technology unless they know it will pay off, which by the way, is not just an issue for CPA firms. To a degree, businesses that have a non-corporate ownership structure think this way. Law firms are slow to adopt, too, for the same reason. Partners look at technology investments as if it’s their money being spent—and in a very real sense, it is.

Firms also are concerned about the level of disruption that new technology can cause. To be fair, firms have had some bad experiences in the past, so there may be an appropriate level of reticence to trying new things. But the fear of disruption is a concern.

mjr: It’s not all bad, though, right? What are some of the most innovative uses of technology you’ve seen recently in the profession?

rj: 1040 workpaper scanning technologies is at the top of my list. Both SurePrep and CCH have products that read, organize and pdf tax workpapers, and they’ve gained pretty good adoption for technology that’s only 2 or 3 years old. Copanion GruntWorx is another product that is pretty effective at this.

Broadband cards are another good technology. CPA firms have been pretty quick to jump on those, once they did the math

mjr: What do you think is the most underutilized technology currently available to CPAs? Why is it underutilized?

rj: The one thing that continues to bother me the most is multiple monitors. I don't know how people work off just one monitor. I currently use 4 monitors, and I can't imagine how it would be to work with just 1.

mjr: I can't either. I've had two monitors on my desk for years.

rj: Studies show that having multiple monitors will result in a 5% to 20% productivity gain. A good 20 inch monitor is about 300 bucks, so depending on the billing rate, it could pay for itself in a couple of days. In my classes I ask how many people are using multiple monitors, and it's only about a third of the class. 70% to 90% of people should be using more than one monitor.

I think that people don't do it because they don't understand or don't believe that having multiple monitors will boost productivity.

mjr: If you were the managing partner of a CPA firm, how would you approach technology so your firm could create a sustainable competitive advantage vis-a-vis your competition?

rj: I would actively have a program of identifying 2 or 3 technologies each year that the firm will learn or learn to use better.

mjr: So people don't know how to use their cell phones?

rj: They know how to use things, but the idea is to learn how to use them better. For example, in general, automated audit engagement managers are used incorrectly or are underutilized. The same is true of tax prep software.

I'd ask people "what are you having trouble with?" Maybe they don't know how to do conference calls on their cell phones. Fine. Just pick out a few simple things each year, and in a few years think about how much better the whole firm will be.

mjr: People under 25 are supposed to be more technology savvy than guys my age, right? Do you see that generation of CPAs driving more innovation into the profession? Is it possible to drive the adoption of new technology from the bottom up?

rj: It is possible to drive technology adoption from the bottom up. What you have to do is listen to what people are doing, watch the way innovation is happening and find a way to use it appropriately and make it more business friendly. Instant messaging or Facebook—these are innovations that could lead to productivity, IF used appropriately.

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