



Technology is for Client Service

The CPA Technology Advisor
Column: From the Trenches

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- Technology can help proactive people improve client service.
- Technology can stand in the way of good client service.
- Technology can be a positive or negative recruiting factor.
- Technology can make managers more or less effective.
- Technology can help or hurt your firm.

For those of you who have followed this column for some time, or seen one of my many presentations in any given year, you know that I'm frequently recommending the latest and greatest strategies and technologies. However, if you will not invest in training of your team and yourself, technology investments can be a waste of money and time. The greatest disappointments for me are firms that have invested heavily in the technology without buy-in and commitment from the upper managers/partners to use the technology themselves. If you aren't going to invest in training, please don't consider the technologies covered in this article.

When choosing technology, please remember to think strategically, starting with your business plan, before you develop your technology tactics. The products listed below could be idea generators for a new way of doing business. For example, you have probably noticed a lot of press around Software as a Service (SaaS). This hosted method of using software has numerous advantages and disadvantages, but you need to frame this in what works for your business.

Whether the applications live on internal [servers](#) or are completely hosted by companies like Thomson Reuters' Virtual Office (CS.Thomson.com), Real Time Data Services (RTDS, [www.myrealdata.com](#)), InSynq ([www.insynq.com](#)) or Right Networks ([www.rightnetworks.com](#)), should make less difference than what your strategy is with the software. If you can focus most of your decisions on what the hardware or software product does to improve internal or external client service, you will at least have a reference point to keep you from chasing any old thing that comes along.

Software Strategies

Some of the software technologies that have come of age and should be used by most, if not all, of you include the following:

- **Microsoft Office 2007**, which will have a new version shortly.
- **Adobe Acrobat Professional Version 9** — this product seems to be getting annual updates now.
- **VMWare** — virtualization of both servers and desktop give you so much more flexibility in deployment, backup and recovery.

- **Camtasia** — a software tool that enables recording screen capture and mouse movements for training purposes or for publication on websites. This may get supplanted by the Adobe Flash technology included in the latest Adobe Acrobat noted above.
- **Operating system** — Windows Vista, soon to be Windows 7, Linux or Mac OS.

To give you an idea of the breadth of software products available as SaaS products, note the number of products and the broad number of business problems that are targeted:

Free SaaS applications

- **Google Apps** — word processing, spreadsheets and more all accessible through a web browser.
- **Zoho** — like Google apps, but with invoicing and CRM as an interesting twist. The founder of the company responsible for this product was discussed in the Economist Sept 2008.
- **Microsoft Live Applications** (a few of many)
 - SkyDrive — 5GB of free online storage.
 - Office Live Small Business — Free website and e-mail.
 - Office Live Workspace — Save 1,000+ MS Office docs online for free and share them with others.
- **Adobe Buzzword** — Free for now
- **Gliffy** — Online Flow Charting Tool

Applications free to the firm, with discounts to clients

- **Bill.com** — accounts payable routing and approval, integration into QuickBooks
- **SmartVault.com** — paperless support that integrates into QB
- **PaySimple** — payment and ACH system for small businesses

SaaS Tools for CPA firms

- Capital Confirmation — electronic confirmations; even more important now that Bank of America is only going to supply confirmations electronically.
- ProfitCents — audit risk, key performance indicators, verbose financials.
- XCM workflow — a firm-centric, web-based workflow tool.
- The Business Analyst — business valuation tool.
- iLumen — Financial statement projection and practice opportunity.
- TimeBuilder — workflow and paperless for QuickBooks with special construction release capability.
- 1040 Workpaper tools — discussed many times in this publication in the past. These products are SaaS: 1040 Scan by SurePrep and Copanion Gruntworx.
- Hosted Applications
 - • Thomson GoFileRoom — document management
 - • Thomson GoSystem RS — tax processing
 - • CCH Global fx — tax processing
 - • And a promise in the future for many more
- Payroll
 - • Run Powered by ADP
 - • PayCycle

Accounting/CRM Software

- Intuit QuickBooks Online
- SAP Business By Design
- Salesforce.com

Sales Tax software offered as SaaS

- Avalara Avatax
- SpeedTax
- Sabrix

SaaS Building Block Software = Platform as a Service

- Salesforce (force.com) Over 44,000 custom apps.
- [Microsoft](#) (ASP.NET AJAX) – MySpace runs on this.
- Google Apps Engine (your web applications on Google infrastructure)

Hardware Strategies

Some of the hardware technologies worthy of consideration include the following:

1. **Net Rescue** — Continuous [Data Protection](#) backup appliance that backs up all changed files, optionally can back them up off-site, and restart virtual servers in house or off-site.
2. **VoIP phone systems** — a side variety, but I'm most impressed by TrixBox at the low-end, ShoreTel in the mid-market, and Cisco at the high end.
3. **New generation scanners** — particularly notable are the new Fujitsu production quality scanners: fi-6140 & fi-6240 at 60 ppm B/W & 40 ppm Color or the fi-6130 & fi-6230 at 40 ppm B/W & 30 ppm Color and the HP N9120.
4. **Video Conference systems** — particularly the new generation HD quality "live presence" appliances like LifeSize Express or the Polycom HDX4000. Even video phones via SIP H.264 are affordable and useful. Examples are the Packet 8 DV326 or Grandstream GXV-3000.
5. **Automated Time Clocks**, Fixed Asset accounting, Inventory Counts, POS hardware, bar code scanners, and other useful edge equipment from players like Wasp Barcode.
6. **Pigment Ink printers** — much more permanent images.
7. **Kindle** — more than an electronic book. It has the capability to deliver Word documents and manuals electronically in addition the content that can be purchased online.
8. **New generation phones** — whether it is an iPhone, Google Android phone like the HTC G1 or made by some other manufacturer, phones can provide information while you are away from the office, and keep you connected.
9. **Xohm** — this new WiMAX technology is delivering 2 to 4 Mbps of data connection for \$30/month. Although it is too early to know for sure, this could replace broadband cellular for many of us.

What's on the Hardware Horizon?

- Quad core laptops, and into 2009 we will see six core desktops.
- We will also see broader adoption of the VGA/DVI replacement technology DisplayPort.
 - **What is it?**

- Next generation digital display interface technology.
 - Designed specifically for latest graphics and flat panel displays.
 - A VESA industry standard that assures future extensibility while preserving backwards compatibility.
- **What does it do?**
 - Small USB-sized external connector.
 - Long cable support; up to 15 meters.
 - High performance; WQXGA at 10-bit color.
 - LCD panel direct internal connection.
 - Optional audio and HDCP.
 - Interoperability with DVI and HDMI over DisplayPort connector.
- **What version should we expect?**
 - DisplayPort 1.1
 - Product avail Q407/Q108
 - Can support multiple displays, but with single image across the displays
 - DisplayPort 1.x (probably 1.2)
 - Spec expected to be available ~1H09; Product available ~2H09.
 - Additional features from version 1.1.
 - Optional smaller connector to support mobile devices.
 - Faster auxiliary channel allows USB to be carried on DisplayPort.
 - No separate USB cable required between PC and display.
 - Allows for multiple displays with a single output.
 - Supports multiple displays with separate images.
 - DisplayPort 2.0
 - Spec expected to be available ~ 1H10; Product avail ~ 2H10.
 - Speed increase (2X video channel).
- Servers, laptops and monitors are all relatively stable right now.
- New generation of 3D monitors in the not so distant future.
 - Why?
 - Medical — Surgeons look at tumors, drug designers.
 - Geospatial & Photogrammetry, Geowall, air controllers.
 - Molecular Modeling, Data Visualization, Computer Gaming, Oil & Gas Exploration.
 - Multi-user, wide-angle viewing
 - Example products:
 - A Planar StereoMirror
 - B Favalora Perspecta 1.9

As you are busy producing work during the first quarter, I'll watch the new developments in both hardware and software and will help filter through the new announcements and arrivals to help you pick the best technologies to give you a competitive advantage in delivering the best client service.