

Practice Management Software 101



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Accountancy firms face numerous deadlines each week.

Whether it's weekly/monthly payroll submissions, quarterly Making Tax Digital for VAT returns, annual personal/corporate tax returns or Companies House submissions, there's a lot to keep track of. Additionally, these are only your compliance tasks, and there are plenty of crucial non-compliance jobs which also need to be handled.

Efficiently managing these workflows is critical, prompting many accountants to turn to Practice Management Software for streamlined processes.

But with various options available, how do you determine which one suits you best?

Explore the rest of our guide as we walk you through the fundamentals of Practice Management Software.

What is Practice Management?

To set the stage, let's define Practice Management. Managing an accountancy firm, also known as Practice Management, much like any business, comes with its own set of responsibilities.

With Practice Management, the ultimate goal is to provide excellent client services while ensuring profitability.

Tasks range from offering valuable advice and handling administrative responsibilities to effective client management and communication.

Often, without the right Practice Management tools, administrative burdens contribute to increased stress for you, your team and your clients.

In this competitive landscape, success hinges not solely on the products you offer but also on the quality of service, relationships and expertise you provide.

What's needed is a solution that allows you to centralise and easily access all client data, deadlines and jobs to be done in one place, along with the associated documents generated during the customer lifecycle.



What is Practice Management Software?

At its core, Practice Management Software is a suite of tools essential for accountants or bookkeepers striving to deliver exceptional service to their clients while staying profitable.

Practice Management Software refers to a specific system that enables you to keep track of a multitude of different jobs, filing deadlines and upcoming deliverables.

Think of it as the behind-the-scenes office manager for your firm, overseeing service delivery, customer acquisition and retention while also offering one source of truth and visibility across all jobs.

When used correctly, Practice Management Software becomes an accountancy firm's backbone, increasing efficiency and profitability while enabling you to report across all your data, from workflow to tax and company secretarial to accounts production.

Key features to look for with Practice Management Software include:

- Centralised client database
- Real-time view of clients and your firm
- Job planning
- Workflows
- Communication tracking
- Data mining
- Staff planning
- Cloud
- Proposal management
- Comprehensive reporting
- Payments
- Ease of use



Why is Practice Management Software important?

Consider the process of handling a client's corporation tax return (CT600) as an example; typically, a practice follows these steps, from gathering information to submission:

1. Send an information request to the client for the current year's tax return
2. Review the client file, including the prior year's tax return and accounts, while noting any ongoing issues or carried forward amounts
3. Review the received information and address any follow-up questions
4. Prepare the corporation tax computation and return, then send it to the client for review
5. Submit the computation, return and supporting materials to HMRC before the filing deadline

This process illustrates the intricate nature of managing tasks in a practice.

But many firms handle much more than this; for example, things can get really complicated when the client doesn't provide all the information in one go or when there are additional compliance deadlines, such as personal tax returns, company secretarial duties, etc.

The challenge lies in keeping track of team involvement and the status of return preparation without a centralised system - something which only becomes more difficult to manage when you add in unexpected staff absences and holidays.

However, with the right Practice Management Software, a firm can digitally track the status of specific tasks and identify the team members assigned to each client, providing a streamlined and organised approach.

Five benefits of Practice Management Software

Improved client services

A smoothly operating firm means delivering better service for your clients. With Practice Management Software, experience fewer missed deadlines, improved communication and a reduced likelihood of common mistakes.

Increase revenue

A highly organised firm with clean processes in place is the benefit of adopting good Practice Management Software. Happy clients are more likely to refer your business to their peers, which leads to increased revenue and supports the visibility of your brand.

Save time

Every minute saved in email correspondence, follow-ups and issue resolution accumulates into hours or even days each month.

Ability to deliver higher value services to your clients

The valuable time you gain back can be utilised to engage in higher-value services, such as providing forecasts, advisory services and creating budgets.

Improve your bottom line

Monitoring KPIs, identifying profitable clients and locating the most efficient employees helps you understand which service lines and processes are the right ones to maximise your profitability. Additionally, with the proposal management aspect of Practice Management Software, you essentially give yourself a pay increase, as time-consuming, non-billable work reduces significantly.



Frequently Asked Questions (FAQs) regarding Practice Management Software

Q: Is it important for the Practice Management Software to link with Accounts Production Software?

Absolutely! The best Practice Management software seamlessly integrates into your business, allowing easy linkage with all your systems.

This means if a specific task is done in your Accounts Production Module, it will automatically update in the Practice Management Software.

Q: How does Practice Management Software help with compliance?

Compliance is a top priority when selecting the right software.

It should not only be up-to-date with current legislation but also commit to consistent updates to stay in line with any changes.

This ensures no compliance deadline is missed + you get reminded of any upcoming deadlines.

Q: How do you select the right software for your accountancy practice?

Take your time in the selection process and avoid quick decisions based solely on factors such as price.

The solution should support what you are overall trying to achieve as a firm.

Evaluate your firm's challenges, both short and long-term, seeking a solution that integrates with all your systems, creating a single source of truth which eliminates task duplication.

Q: How easy is it to implement Practice Management Software?

With the right vendor, it's super straightforward!

They should be with you at every step of the way, helping set up your internal processes.

After completing the essential setup and integration steps, you should be ready to go from day one.

At IRIS, for example, clear step-by-step guides are available, and our support team is always ready to answer any questions.



Q: Can I see what the Practice Management Software looks like before I buy?

Yes, keep an eye out as certain vendors offer a free trial, enabling you to try before you buy.

Q: Can I customise my Practice Management Software to suit my firm?

Absolutely.

Every firm is different, with varying priorities.

Any good vendor will offer the flexibility to customise forms, jobs, services and admin functions to align with your preferred working style.

Q: Can I email and text my customers directly via Practice Management Software?

Yes, you should be able to send one-off ad hoc reminders or automate them as part of a task within a job.

With IRIS Elements Practice Management, text messages come from a no-response number, and there are no additional charges.

Q: Is Practice Management Software a secure place to store my customer information?

Seek software which features an SSL certificate with the latest cipher configurations, ensuring the protection of your data.

How to choose the right Practice Management Software

Not all Practice Management Software is created equally.

Before choosing, it's important to evaluate your top contenders based on a few key considerations.

Understand Your Business Needs

Everyone's definition of growth can vary drastically.

Whether you're content with a small team or envision expanding across the country, your business plan can influence the type of software you need.

Carefully assess your current workflow and communication processes and use this evaluation to identify how the chosen software aligns with your company's app stack and ecosystem.

Top tip: some software vendors, such as IRIS, offer scalable solutions, meaning the software can constantly be tailored to your ever-evolving needs.

Identify Current Bottlenecks

Practice Management Software is most effective when applied strategically to address specific pain points.

The right processes and automation can make a significant improvement far quicker in these identified constraints.

For example, are you wasting an enormous amount of time on non-billable work such as client proposals and onboarding, when proposal management software could eradicate the associated admin?

Reflect on areas where the firm faces challenges, such as falling behind on work, client retention struggles or slow onboarding.

Check Credentials and Support

When seeking the best fit for your firm, it's crucial to assess what others say about the software.

Speak with your peers, seek out customer testimonials and visit review sites.

Usability is particularly important, especially for those less tech-savvy, so free trials are another great way to make sure the software is right for you.

Seek the cloud

For many, cloud software has been a lifeline since the pandemic, enabling firms to maintain their operations from any location with an internet connection.

With many employees now accustomed to working from home, workplace expectations have forever changed.

Ease of access, securely held information and overall visibility is a must.

As a result, your Practice Management Software must feature cloud functionality to meet the demands of the modern workplace.

Prioritise software integration

Frankly, manual tasks are incredibly prone to human error.

As such, your Practice Management software must seamlessly integrate into your firm, ensuring the information automatically transfers to all the relevant modules.

This integration ensures that any changes or updates made are automatically reflected across all systems without the need to re-input the same information.



How IRIS can help: IRIS Elements Practice Management

With decades of experience within the accountancy space, our cloud software, IRIS Elements Practice Management, stands out as a reliable solution.

IRIS Elements Practice Management serves as a central hub designed for accountants, offering a solution that brings everything together in one place for storing and sharing client data.

The software boasts features such as workflow management, tracking client communications and powerful data mining capabilities, enabling firms to effectively plan, allocate and monitor progress.

Why choose IRIS Elements Practice Management Software?

Efficient

Effortlessly manage your practice using automation, checklists, reminders and user-friendly workflows. Keep all your information current by operating from a unified client list.

Adaptable

Take control of your choices. Select the modules that suit your needs, pay for only what you use and add more when it's convenient for you. Explore monthly payment options for added flexibility.

Reliable

IRIS understands the working dynamics of accountants and their essential requirements - trusted by 91 out of the Top 100 Accountancy Firms in the UK, with a track record of serving the industry for over four decades.

Integrated

Integrate the IRIS Elements platform seamlessly with Companies House, KashFlow, Xero, QuickBooks Online and Capitalise.



Don't just take our word for it!

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Our clients are all different and therefore should be treated differently. The way Elements has been built allows us to input information about our clients, their job titles, what stage they're at, etc. and we can use that information to tailor the service we're providing.” - Adam Owens FCCA, Founder of Power Accountants, Business and Tax Advisors Limited

[Read the full story.](#)

“

I'm saving a week each month currently, and I expect that to increase when I take on further employees and subcontractors. I've been able to streamline my processes indefinitely because of the way that Elements is set up, it's clear as to what has been included in the self-assessment returns and any supplementary pages needed can be added quickly. It helps to have all the trial balance, accounts, self-assessment or corporation tax in one place for new staff members and subcontractors, and myself as that in itself saves time.” - Rebecca Williams, Sole Practitioner

[Read the full story.](#)

See for yourself how
IRIS Elements Practice
Management can help!

Get more information and
[a free trial here.](#)

