



2023 REPORT

The State of Accounting Workflow Automation

132 Accounting and Bookkeeping firm owners share the biggest workflow challenges they faced in 2022, how these issues impacted their firms — and if/how automation made a difference.

Introduction

Like many businesses, accounting and bookkeeping firms were jolted into the world of remote work when the pandemic hit in 2020. Firms that had little to no systems in place and managed work manually, had their work cut out for them.

Within a matter of days, offices closed down and everyone retreated to their homes for safety. But client work had to continue — taxes still had to be filed, bookkeeping had to be completed, and payroll had to be done at set deadlines.

Thankfully, with the right systems in place and a great [workflow automation software](#), firm owners like [Christi](#) had everything they needed to continue work, hit deadlines, and effectively manage their practices with absolutely no transition time.

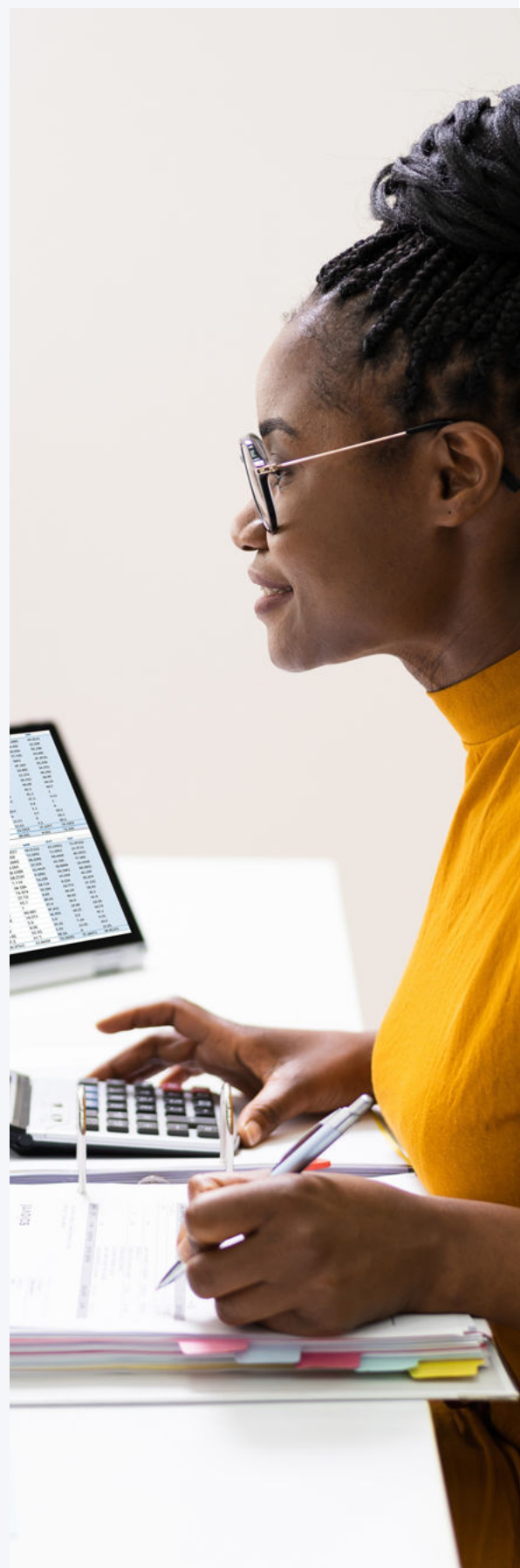
Now, 3 years after the pandemic, more firms are either transitioning into fully, remote work or trying out a hybrid work model, having seen what is possible. Others have fully resumed on-site work and have experienced the frustrations of manually managing their workflows.

However, many are facing workflow challenges that come with tracking tasks, managing employees and clients, handling sensitive information, and hitting strict deadlines in a highly regulated industry — all while working remotely some or most of the time.

Are these challenges unique to only some firms? Is there a way out?

That is why we surveyed 132 firm owners to share their thoughts on the biggest workflow challenges they faced in 2022 and how these challenges impacted their firms, the attempts they made to solve them, and if/how workflow automation helped at all.

Let's dive into what they had to say.



AFTER READING THIS REPORT, YOU WILL:

- ✔ See that you're not alone in the workflow struggles you're currently facing
- ✔ Be able to identify signs of potential issues with your workflow and come up with a plan to solve them
- ✔ Understand the definitive steps you need to take to solve your workflow challenges so you can scale your firm
- ✔ See how workflow automation go hand in hand with good systems and processes to increase efficiency
- ✔ Know the most important things to look out for in a good workflow automation software
- ✔ Know how to measure the effectiveness of the workflow solution you try



Executive Summary

Welcome to the inaugural Financial Cents State of Workflow Automation Report. We learned a lot from gathering and analyzing this data but 5 insights stood out to us:

1) Workflow was the biggest challenge firms faced in 2022, making up 66.7% of the overall general challenges they came up against.

Of all the challenges firms grappled with in the middle of an economic downturn and a huge talent shortage in the industry, workflow was the biggest. Goes to show how big of a deal having great systems and processes in place is. Learn more in [chapter 2](#).

2) Spending time on manual work was the biggest workflow issue firms faced in 2022.

Manual work includes repetitive, admin, and non-billable work that does not move the needle or bring in revenue. They are also not effective in helping firms keep track of work. As a result, 51.5% said the biggest impact of their workflow issues was that it made them miss deadlines. See more in [chapter 3](#).

3) Workflow automation cut time spent on manual work from an average of 1-10 hours to an average of 0-5 hours.

Firms who implemented workflow automation software solutions saw a huge dip in time spent on manual work, giving them back time to focus on growing their firms (and doing other things they love). Learn more in [chapter 7](#).

4) 70.5% consider recurring tasks as the biggest feature in a workflow software.

Apparently, if your workflow software does not have recurring tasks, you should fire it. 70.5% of respondents say this is the most important feature, followed by a workflow dashboard with a bird's eye view of work, and client reminders. Go to [chapter 8](#) for more.

5) 72.7% assess the effectiveness of a workflow automation software by how smoothly their systems and processes run.

Smoothly running systems and processes mean you're getting something right, and 72.7% of our respondents say it's hugely dependent on the workflow automation software you use. Learn more in [chapter 8](#).

Read on to get the full insights along with ideas, tips, and advice to get your workflow up and running in no time.

Table of contents

<u>Who Weighed In?</u>	06
<u>Identifying Bottlenecks</u>	09
<u>Impact On Work</u>	16
<u>Initial Attempts</u>	22
<u>The “aha” Moment</u>	29
<u>Is Workflow Automation The Silver Lining?</u>	38
<u>Before And After</u>	40
<u>Dealbreaker Features</u>	47
<u>Conclusion</u>	53
<u>Key Findings</u>	56
<u>Study Methodology</u>	58

Who Weighed In?

We sent out the Workflow Automation survey to our email list consisting of accounting, bookkeeping, tax, and CPA firm owners. We also shared it in online communities for accounting firm owners. In total, 132 people answered 100% of the questions in the survey.

Let's explore their profiles before we dig into the data and insights.

We started out by asking for their firm size because we wanted to see if there was any correlation between firm size and workflow challenges.

Most of our respondents identified themselves as small firm owners with 1-10 team members.

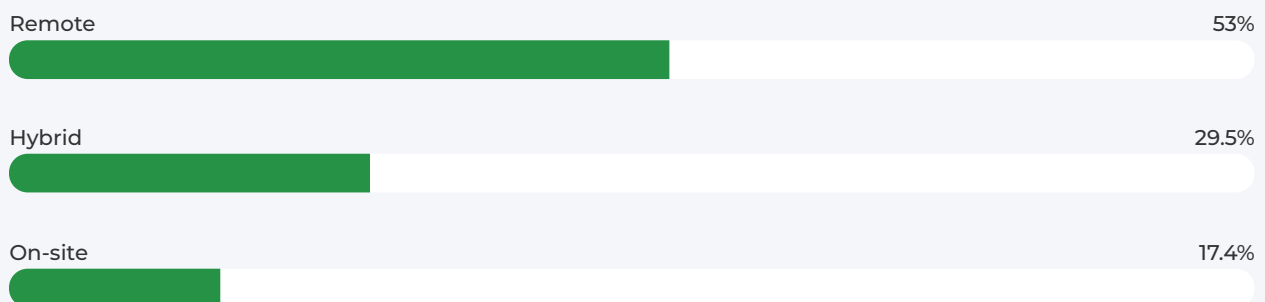
WHAT'S YOUR FIRM SIZE?



Next, we asked for their working style. While some firms have been working fully remotely for years, we know that the COVID 19 pandemic forced many firms to consider remote work. We wanted to see the impact of working style on workflow.

Over half of our respondents identified themselves as fully remote firms. The remaining 50% is split between hybrid and on-site, with hybrid firms making up a larger chunk.

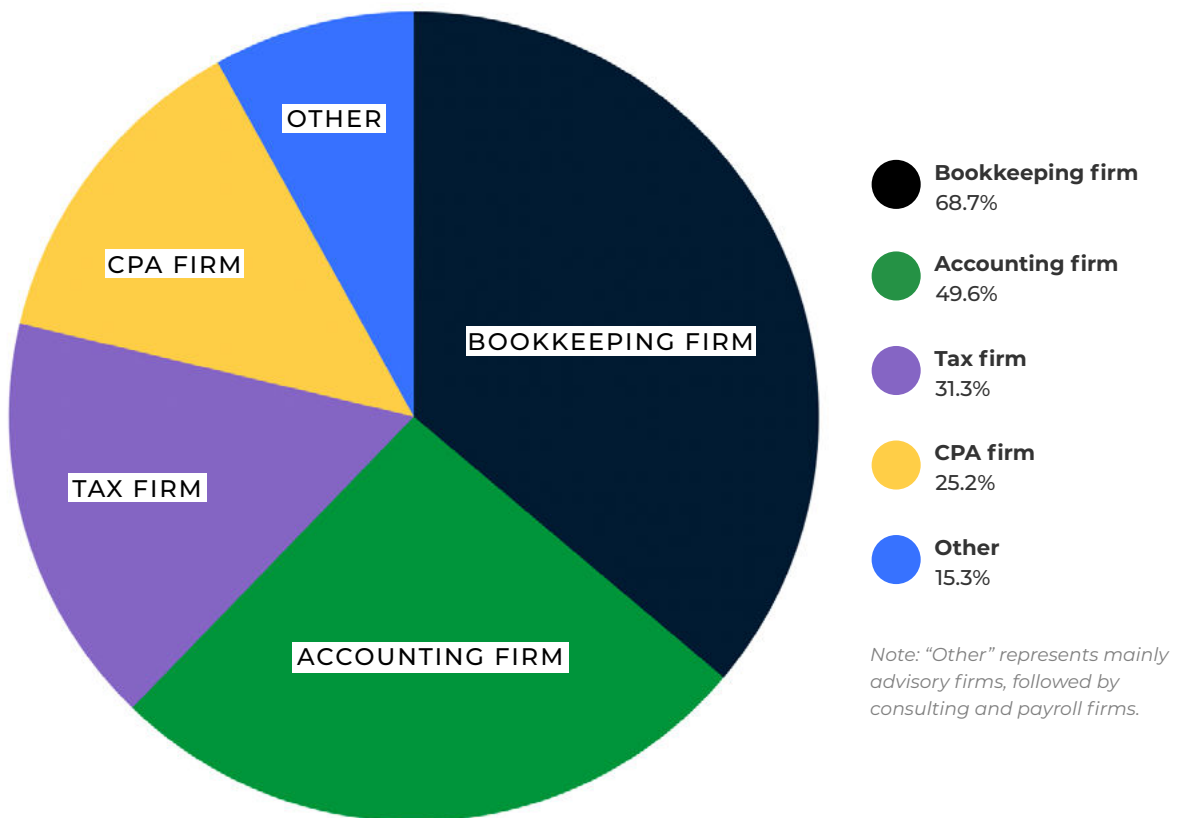
WHAT'S YOUR FIRM'S WORKING STYLE?



Lastly, we asked for the primary services they offer.

There's almost an even split between the types of firms represented, which is to be expected since many firms offer multiple and related services. It's normal for accounting firms to do some bookkeeping work, and for bookkeeping firms to do some tax work.

HOW WOULD YOU DESCRIBE YOUR FIRM?



Identifying Bottlenecks

“Many accounting firms never realize the benefits a smooth workflow process because they don’t document their processes well or automate manual steps in the process.

This kills profitability, slows down work, and causes poor client deliverables, which ultimately slows overall growth.

The #1 way to build a high growth firm is by improving work quality, while simultaneously increasing productivity. You do this through workflow documentation & automation.”

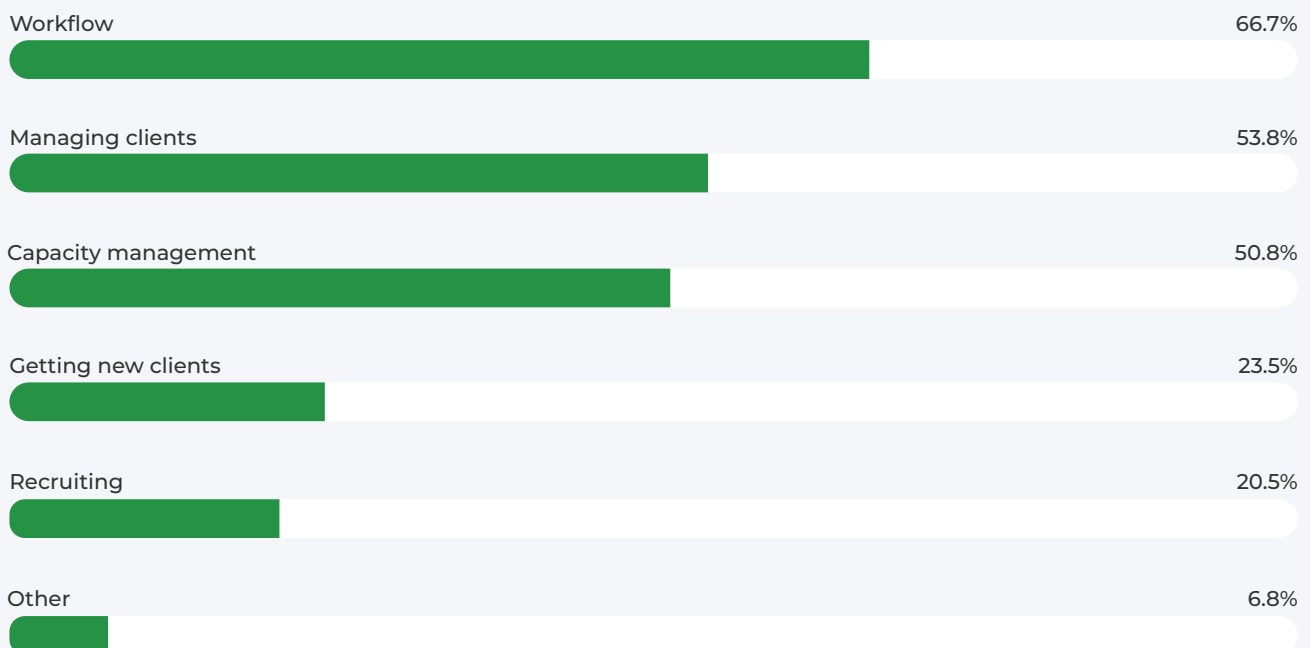


Firms faced a plethora of challenges in 2022 but workflow took the crown.

KEY FINDING

Workflow was the biggest challenge firms faced in 2022, making up 66.7% of the overall general challenges they came up against.

WHAT WERE THE MAJOR GENERAL CHALLENGES YOUR FIRM FACED IN 2022?



"Other" includes the following challenges:

- Tech stack.
- Managing growth.
- Getting my target niche
- Training staff
- Procedures standardization.
- Managing team.
- Requesting and following up on information.

KEY TAKEAWAY

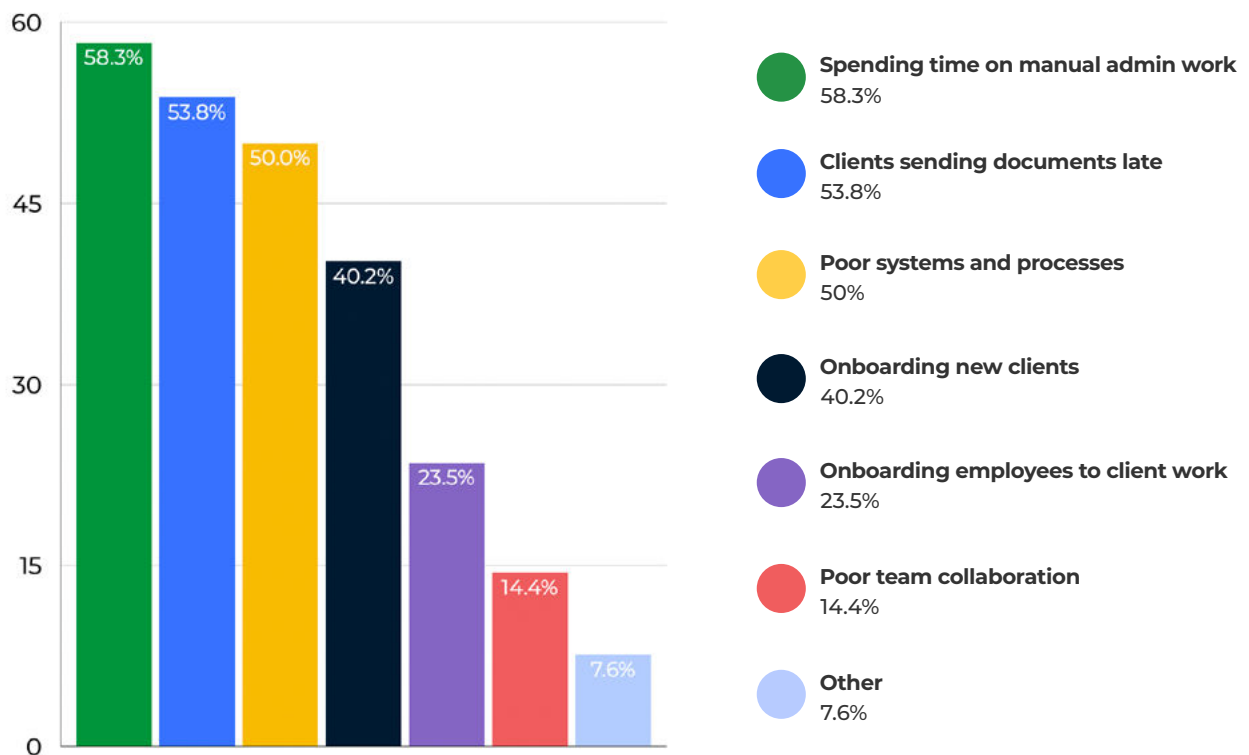
There's no doubt that firms experienced a unique mix of challenges in 2022 especially with the economic downturn, an over saturation of technology apps in the market, and the shrinking talent pool. Moreover, many of those challenges are intertwined, wherein the presence of one automatically elevates the impact of the other.

Too many manual processes frustrate work.

KEY FINDING

Spending time on manual work was the biggest workflow issue firms faced in 2022.

WHAT WERE THE TOP WORKFLOW ISSUES YOUR FIRM FACED IN 2022?



"Other" includes workflow issues such as:

- Late returns filings & clients falling through the cracks.
- Researching for new ways that suited everything.
- Procrastination on my part.
- Managing multiple communication platforms while trying to keep expenses down

	- No firm process for cleanup projects.
	- Briefly taking on too much at once and having a hard time getting organized.
	- Getting staff to use the systems and processes in place.

KEY TAKEAWAY

When a firm is run by 1 or 2 people, the frustrations that come with workflow issues can go unnoticed or at least, be endured. But as a firm begins to expand, you suddenly realize that you're spending a bulk of your time on manual, admin work rather than on the actual work that brings in the money and helps you scale. Little wonder, spending time on manual admin work is the biggest workflow issue respondents pointed to.

Case Study

How Financial Cents Gives Anna Time to Focus on Growing Her Firm

MURPHY & ASSOCIATES CONSULTING

Anna Murphy

OWNER

Bookkeeping

FIRM TYPE

5

STAFF MEMBERS

2018

YEAR FOUNDED

2021

FC START DATE

Illinois

LOCATION

"Financial Cents definitely gives me more time to focus on growing the business. With the work management part of the business being efficiently catered for, I have more time to spend on marketing, hiring, and building relationships so that I can bring in more work. The ultimate goal is to make more money so I can pay the team well and do all that good stuff."

**Anna Murphy** | Murphy & Associates Consulting

✕ BEFORE

"With [the generic project management tool we used before], we would end up with thousands of boards with several tasks attached to them. To know the status of work and delegate it to my team, I'd have to click into each one and look through all the tasks. It was very time consuming."

✓ AFTER

"With Financial Cents, I can get all the data I need to delegate work in one view. And with all our workflows in a centralized location, we set up work such that certain folks are assigned to only do certain tasks. This allows us to become better at delegating work."

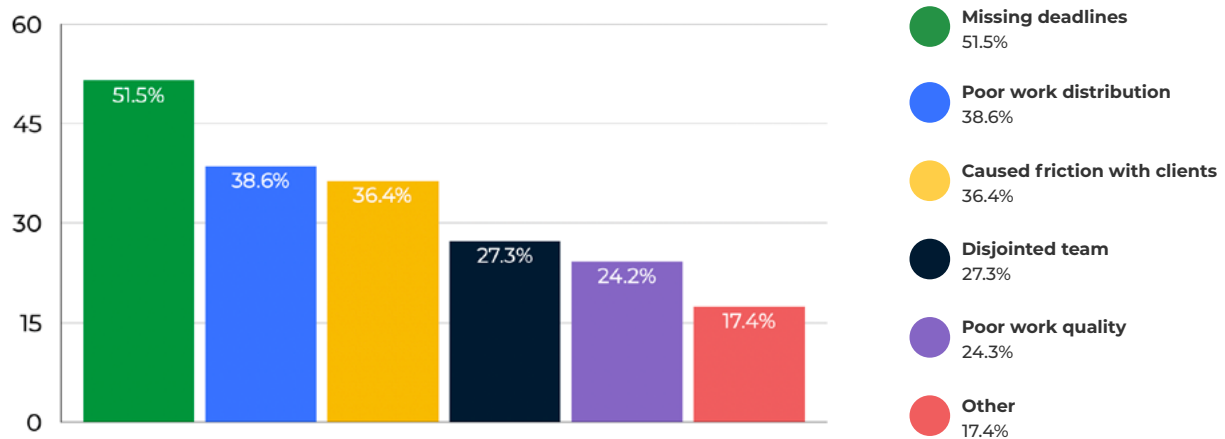
[Read the case study](#)

It's hard to hit deadlines with unsolved workflow issues.

KEY FINDING

51.5% said the biggest impact of their workflow issues was that it made them miss deadlines.

HOW DID THOSE WORKFLOW ISSUES AFFECT YOUR FIRM?



"Other" includes the workflow issues below:

- | | |
|---|---------------------------------------|
| - Poor work-life balance / Poor quality of life for the owner | - Efficiency was not as optimal |
| - Profitability / Turnover | - Reduced speed of actions |
| - Inefficient use of my time / Just cost me more time | - More work outside of business hours |
| - Did not have a view into capacity to take new projects and client budgets | - Appeared less than professional |
| - Time spent on tasks when I could have spent the time doing other things | - Disorganized |
| - It limits the time available to expand the firm | - Confusion! |
| - Stress to meet deadlines / Lateness and extensions | - Frustration |

KEY TAKEAWAY

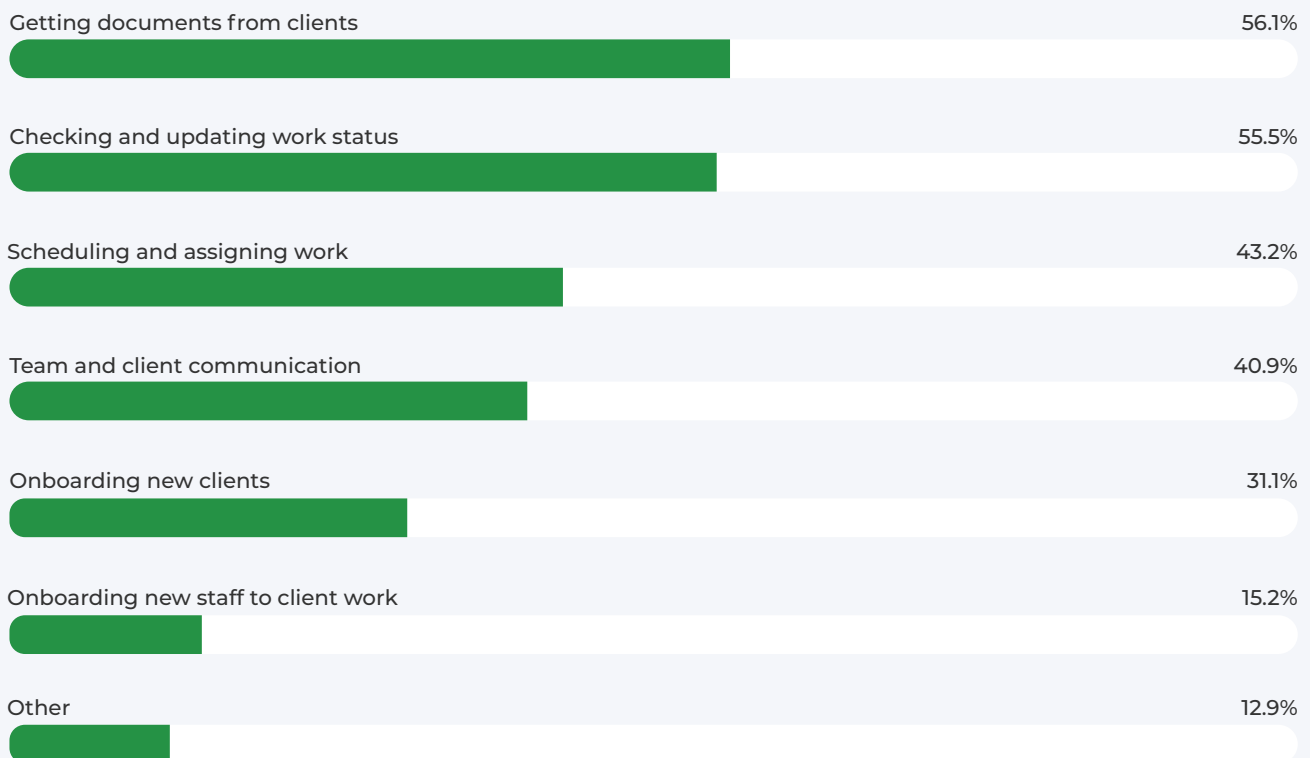
Accountants and bookkeepers are no strangers to deadlines. With multiple critical deadlines to meet every year, they just cannot afford to miss deadlines. Not only does it affect client relationships and referral, it affects the owner and employees' mental health when they have to work overtime, all the time to meet these deadlines. In our survey, we provided a space for respondents to use their own words to describe this problem. Words like frustration, confusion, poor work-life balance, and extensions came up a lot.

Clients can significantly delay work when they send documents late.

KEY FINDING

56.1% automate client document collection.

WHAT AREAS OF YOUR WORKFLOW DOES YOUR FIRM AUTOMATE?



KEY TAKEAWAY

Looking at the processes firms automate, it's understandable why some of our respondents who are solo firm owners confirmed that they do not automate their workflows. With an average client load and only themselves to manage, many can get by with manual workflows. But as they grow and begin to have more clients, projects, and 2 or more employees, workflow automation becomes a major need. That's why getting documents from clients, checking and updating work status, assigning work, communication, and onboarding are the top workflow processes firms manage.

Impact On Work

“Firms leaning into automation are moving up the value chain faster than those who are not. It’s never been easier to be busy, but this can be a trap. A culture of continuous improvement ensures the team is engaged in meaningful work.”

JASON STAATS

Founder, Realize (A high-effort community of accounting firm leaders)

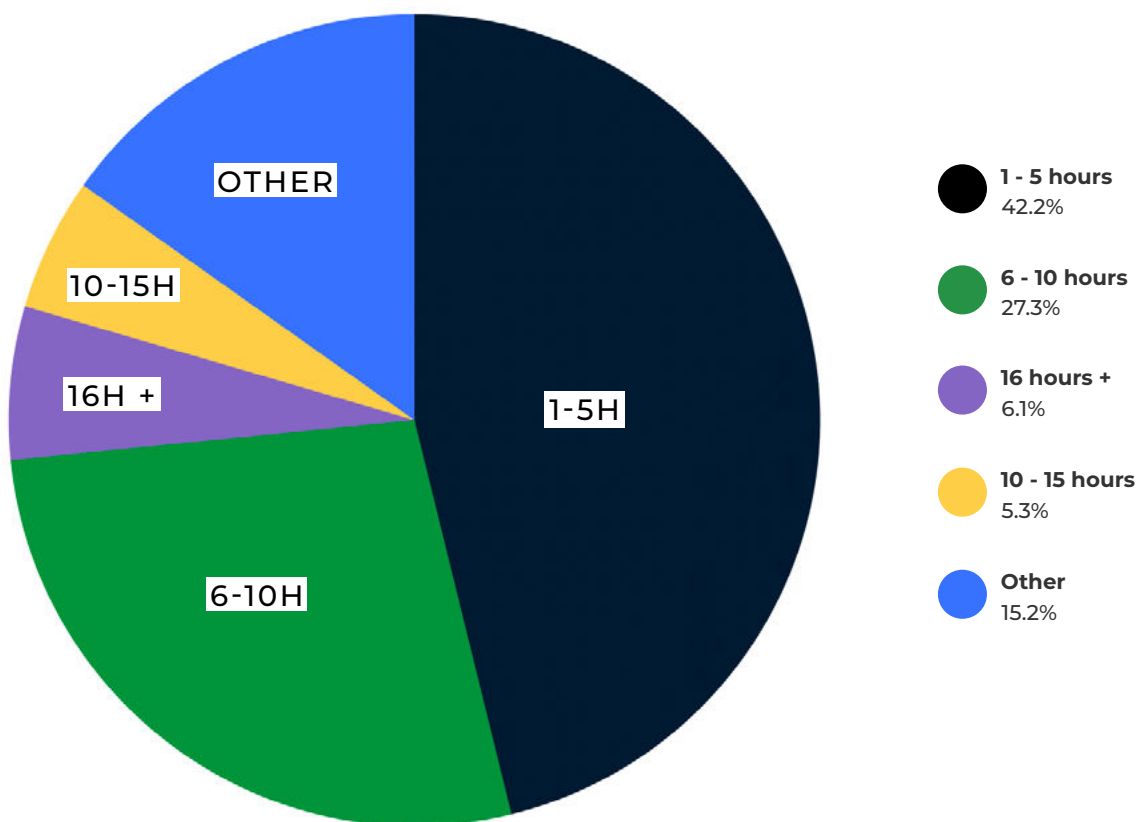


Time spent scheduling and assigning work.

KEY FINDING

Before workflow automation, 46.2% spent an average of 1-5 hours scheduling and assigning work and 26.3% spent an average of 6-10 hours.

BEFORE IMPLEMENTING WORKFLOW AUTOMATION, HOW MANY HOURS ON AVERAGE DID YOU SPEND SCHEDULING AND ASSIGNING WORK ACROSS YOUR FIRM?



KEY TAKEAWAY

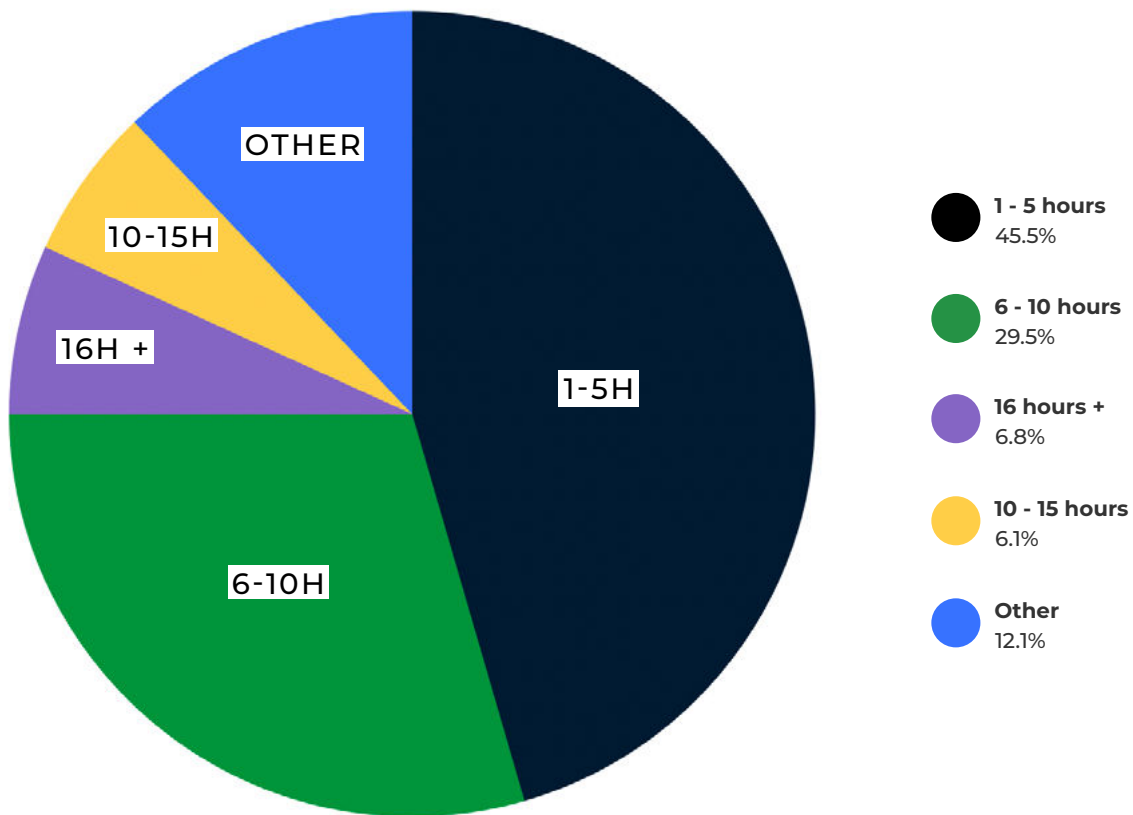
We had earlier noted that the biggest workflow issue firms faced is the time they spent on manual work. Here, we're able to see how it relates to time spent scheduling and assigning work in order to hit their deadlines.

Time spent reviewing and updating work status.

KEY FINDING

Before workflow automation, 45.5% spent an average of 1-5 hours reviewing and updating work status.

BEFORE IMPLEMENTING WORKFLOW AUTOMATION, HOW MANY HOURS ON AVERAGE DID YOU SPEND REVIEWING AND UPDATING WORK STATUS ACROSS YOUR FIRM?



KEY TAKEAWAY

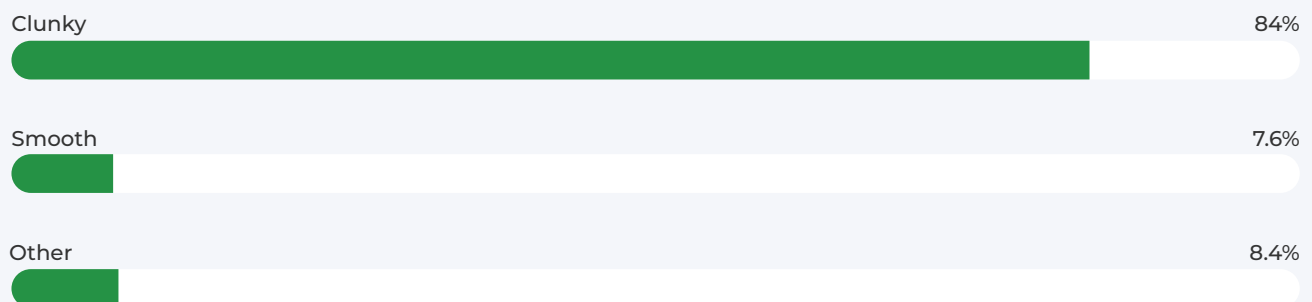
We had earlier noted that the biggest workflow issue firms faced is the time they spent on manual work. Here, we're able to see how it relates to time spent reviewing and updating work status to make sure that tasks are moving along and completed.

The onboarding process.

KEY FINDING

Before workflow automation, 84% had a clunky onboarding process for both clients and new staff.

BEFORE IMPLEMENTING WORKFLOW AUTOMATION, HOW WAS YOUR CLIENT AND STAFF ONBOARDING PROCESS?



KEY TAKEAWAY

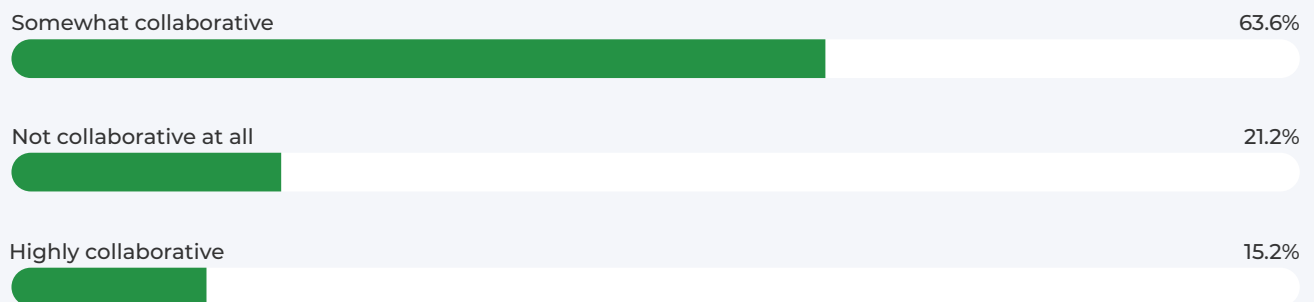
Manual workflows are prone to human errors, forgetfulness, and exerting time and energy on tasks that can be done faster with automation. This essentially means, something like onboarding a new client or staff, which should be a smooth and automated process, will become a clunky and inefficient process.

Collaborating on tasks and working together.

KEY FINDING

Before workflow automation, 63.6% say their firms were somewhat collaborative and 21.4% say their firms were not collaborative at all.

BEFORE IMPLEMENTING WORKFLOW AUTOMATION, HOW COLLABORATIVE WAS YOUR FIRM?



KEY TAKEAWAY

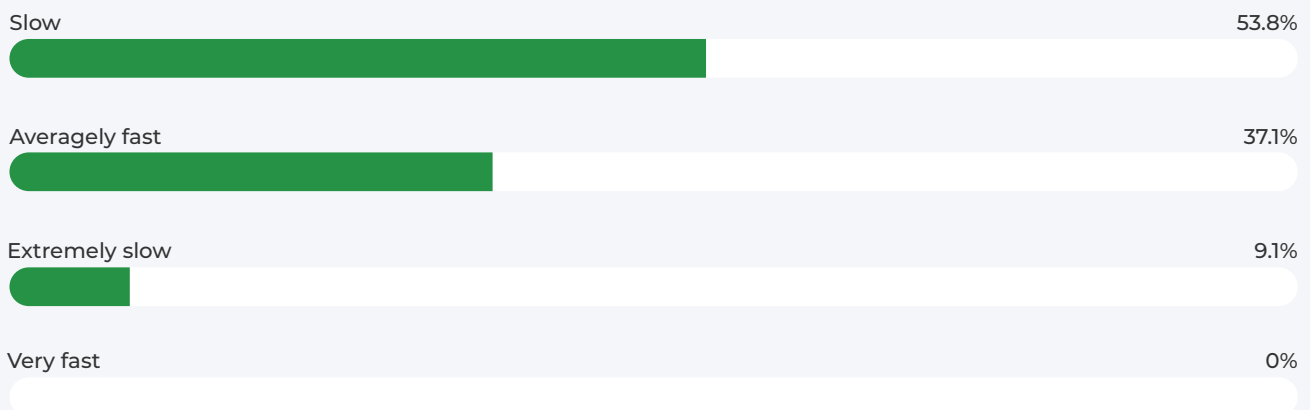
Having workflows in place and automating them will make a firm feel like a well-oiled machine. No one will feel left out. Everyone will know what they should be doing and how to go about doing it so that work goes along well. The contrast is the case for manual or nonexistent workflows where information is scattered, leaving staff members out of the loop on important client updates, and everyone doing their own thing.

Getting documents from clients.

KEY FINDING

Before workflow automation, 53.8% agree that getting documents from clients was slow.

BEFORE IMPLEMENTING WORKFLOW AUTOMATION, HOW QUICKLY DID YOU GET DOCUMENTS FROM CLIENTS?



KEY TAKEAWAY

Chasing down clients for documents is one of the biggest issues accountants and bookkeepers struggle with. Memes have been made about it and everyone laughs but it remains a big pain. Without workflow automation, firms are left with no choice than to accept documents from clients at any time they send them, or slam late fees on clients who submit late, or assign someone to keep following up and hoping for the best. With workflow automation, however, this process can be a completely automated process from start to finish.

Initial Attempts

“Workflow and capacity management are two separate issues. Workflow is a function of how work moves through your firm, who handles what, client touch points, and what technology you use.

Adding staff will not solve a poorly designed workflow system because labor is not a lever with workflow. Instead, labor is a lever for capacity management. Poorly designed workflow systems will add strain to your capacity whereas well-designed workflow systems will free up capacity. In summary, both workflow and labor are inputs to capacity management and have some overlap, but simply hiring more people will not solve underlying workflow issues.”

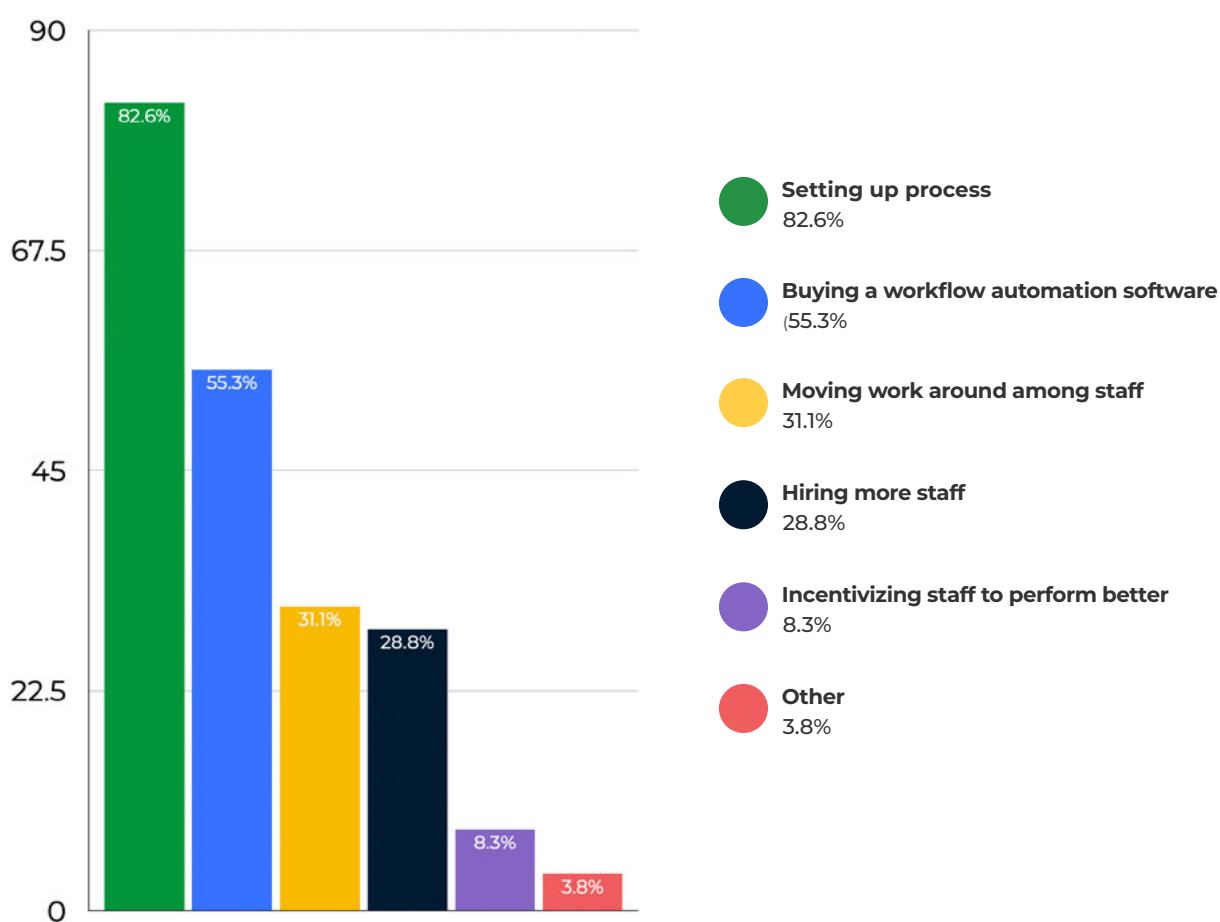


Attempting to solve the problem.

KEY FINDING

82.6% initially attempted to solve their workflow issues by setting up processes, while 55.7% bought (subscribed to) a workflow automation software.

HOW DID YOU ATTEMPT TO SOLVE YOUR WORKFLOW ISSUES?



KEY TAKEAWAY

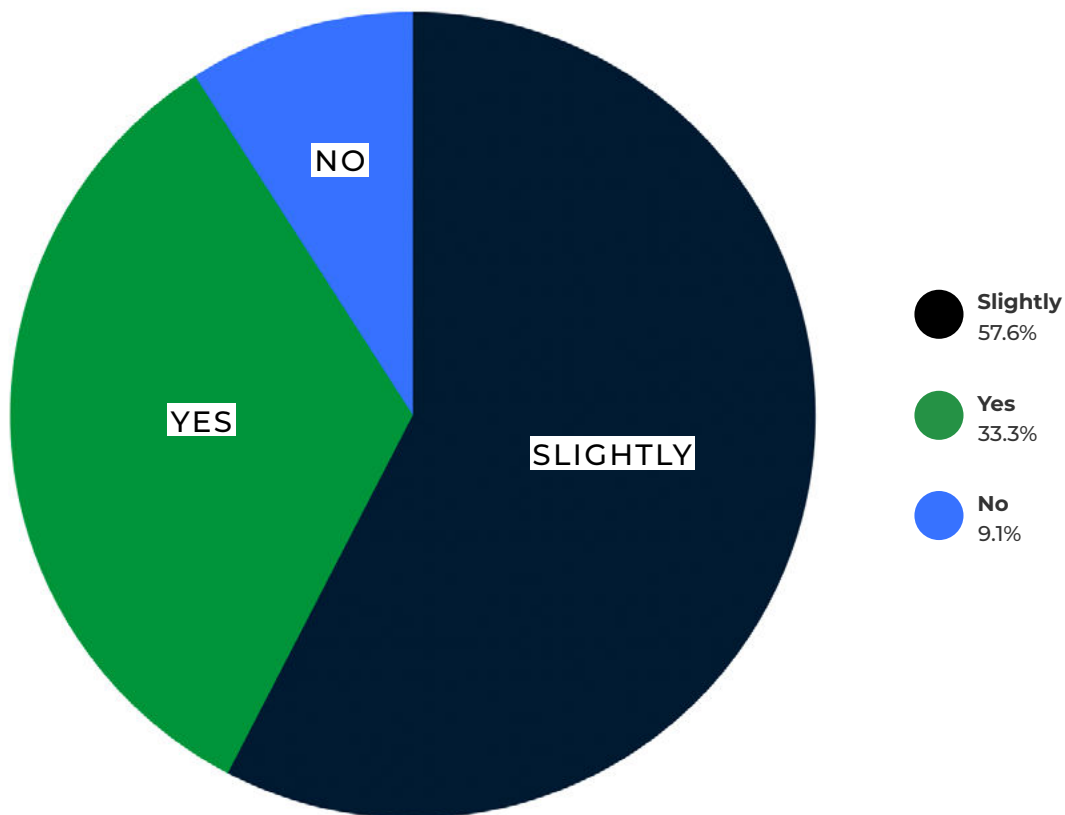
Oftentimes, firms will attempt to solve workflow issues by doing one of the following: setting up systems and processes then manually implementing them, buying a workflow automation software thinking it has the answers to all their problems, or hiring more staff. But do any of these really work?

Did initial attempts work?

KEY FINDING

33.3% said the initial attempts they tried worked.

REFERRING TO YOUR ANSWER TO THE PREVIOUS QUESTION, DID IT WORK?



KEY TAKEAWAY

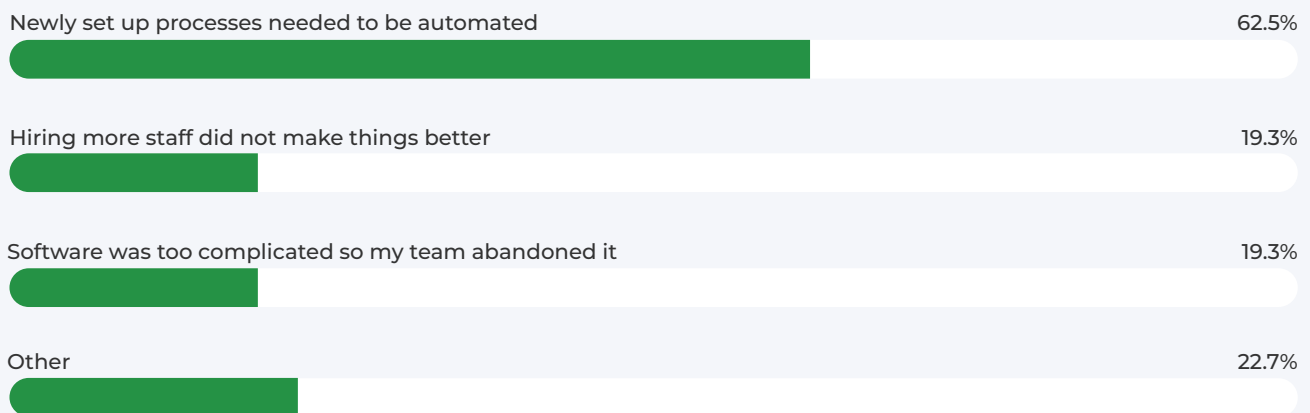
When attempting to solve workflow issues, it's normal for initial attempts not to perform as expected. Sometimes, it may just be a small tweak in your approach that will set you on the right path. You need to step back and take a high level look at your workflow issues and all the pieces you need to put together to solve them.

Diagnosing why initial attempts did not work.

KEY FINDING

62.5% say initial attempts to solve their workflow issues did not work because newly set up processes needed to be automated.

IF YOU ANSWERED YES TO THE PREVIOUS QUESTION, WHY DO YOU THINK THE INITIAL SOLUTION YOU ATTEMPTED DID NOT WORK?



"Other" includes the following reasons:

- | | |
|--|--|
| - The software was falsely advertised as a solution but the app didn't actually do what was claimed. | - It helped somewhat but we still need to automate more. |
| | - Needed more collaboration. |
| - I need to utilize software more. | - Team hasn't fully adopted it and can't see capacity. |
| - Clients are not understanding the importance of providing documentation. | - Software can be clunky, unintuitive, or very expensive. |
| - No time to properly go through software free trial and/or too many options, so it was daunting. | - Missing staff. |
| - Trying to implement while already working on things. | - Since it is only me, I still go with processes in my head. |

KEY TAKEAWAY

Workflow automation software is not a magic wand, it needs a good foundation (systems and processes) to give you the best outcomes. More staff does not mean no more workflow issues. And the team adoption rate for complicated software is widely known to be extremely low, often being one of the major reasons firms stop paying for software.

Case Study

Payroll Solutions Plus Gets 100% Software Adoption with Financial Cents



"We can do everything we want in Financial Cents. And because Financial Cents tick all our boxes, we're going to keep using this product for a very long time."



Shannon Theis | Owner at Payroll Solutions Plus

✕ BEFORE

"We used [a generic project management software] and it just did too much. It was really hard to quickly and easily assign templates to clients, so my team didn't like it."

✓ AFTER

"My team didn't like the two project management software solutions we used previously. That changed when we started using Financial Cents because we don't need 100 hours of training to use it."

[Read the case study](#)

Diagnosing why initial attempts worked.

KEY FINDING

51.9% of respondents shared why their initial attempts worked.

IF YOU ANSWERED YES TO QUESTION 15, WHY DO YOU THINK THE INITIAL SOLUTION YOU ATTEMPTED WORKED?

✓ It made expectations clearer.	✓ Processes do help - I just need them better streamlined.
✓ I had to determine what steps to improve.	✓ I created a better workflow process and checklists.
✓ Ability to streamline work and auto-ask for documents.	Because we needed a centralized platform that everyone could access and communicate from.
✓ Reallocation of work and training helped.	✓ Consistency.
✓ Implemented a good system.	✓ It streamlined the process for me.
✓ I needed to sit down and map my processes, too much duplication and unclear handoffs.	✓ We gave the work to the right person and their availability.
✓ Because having a friendly-user workflow system is really a great option to minimize cost and be more efficient and productive. And the most important is to meet the client's deadlines.	✓ More commitment to workflow processes.
✓ Good communication.	✓ Because we have a really good team.
✓ I had something to follow every time. I was able to hand it very easily to my bookkeeper.	✓ Processes make you not have to think about what to do.
✓ People knew what needed to be done.	✓ Because we implemented multiple options that all worked together to improve all aspects of the workflow.
✓ The basics were there, but it was missing some crucial components.	✓ Centralized location, ability to make notes and search them and communicate with team and clients.

73 out of 132 people answered this question

✓ Better organization.	✓ It worked because all solutions were needed as we are a growing firm. But there is always room for improvement.
✓ Switching to a more robust workflow software helped.	✓ Got more organized.
✓ We spent the time to work out the workflow Clearer vision of what needed to be done.	✓ They gave us feedback & brought our issues to our attention.
✓ Workflow software was the key. Once we could see what needed to be done and which staff member had capacity, things started to fall into place.	✓ Work moves a lot smoother. ✓ We implemented Financial Cents.
✓ I had a good foundation with a workflow I could customize and enter into Financial Cents.	✓ It created a better workflow. ✓ Software works well.
✓ Central organization.	✓ Standard process improved the flow.
✓ It made follow up automatic.	

KEY TAKEAWAY

As we read through what respondents shared, 2 things became obvious. Having systems and processes, and implementing workflow automation are the keys to solving workflow issues. They work hand in hand to get your team on the same page, where they know what to do and how to do it, so they can get work done faster and more efficiently.

“Automating our client document gathering has significantly increased our client communication, almost too much. We are getting answers faster, more documents more often, and maintaining quality relationships with our clients. When we started to grow, we couldn’t keep up with the personalized communication. It was too much time on the phone, too many in person meetings. But now we get chats, uploads, and thank you’s. In combination with a digital phone line that allows texting, our management software has significantly changed the landscape of our business.”



CHRISTINA GRIMM | OWNER, CG BOOKKEEPING
(Financial Cents user and survey respondent)

The “aha” Moment

“I’ve always known the value of workflow automation. In fact, it’s a large part of how I try to get my own clients to function because they’re often doing manual tasks for no good reason. But knowing the value and realizing the value are two completely different things. I started truly experiencing the value of workflow automation when I began to hire a full team at Capovario. So much so, that I wish I’d had the ability to realize this value from the start when I was a solopreneur. I can see now (hindsight is 20/20, right?) that making the investment in workflow automation would have been a great way to ensure that my business processes were efficient and scalable before I started adding more people. Luckily, we got up to speed quickly and [now] see the ROI of workflow automation on a daily basis.”

DAVE KERSTING

Owner, Capovario and Financial Cents user



The defining moment.

KEY FINDING

86% of respondents share how they knew it was time to get their workflows automated.

IN YOUR OWN WORDS, WHAT WAS THE DEFINING MOMENT THAT MADE YOU "KNOW" YOU NEEDED TO AUTOMATE YOUR WORKFLOWS?

- We were doing repetitive tasks.	- Needed to add more team members and things were being forgotten.
- Realizing the amount of time spent organizing versus doing was taking and how that could not be sustainable if we were to scale the business.	- Too many clients to track across employees.
- When I was brought aboard, before it was a one owner business.	- Overdue work.
- Moving further from staff.	- To many people, too many clients with a huge issue to track.
- Lack of focus.	- I took on an employee and we have no systems to fall back on when I'm too busy to assign work.
- The workflow was manual, everything needed to be automated.	- We were not able to take on any more clients.
- Too many clients to keep track of without a system.	- When I was not able to see what others were doing.
- Overwhelmed.	- When it was hard to monitor each employee's project and the client's deadlines were missed.
- Losing client information. Couldn't get client info because it was on someone else's computer.	- Losing clients.
- When I kept losing tasks and failed deadlines.	- Sending emails requesting documents etc, just takes too much time.
- Work became my world.	- Missed tasks.

- | | |
|--|--|
| - I wanted to start to delegate work. Not be the go to person for everything. | - It kept everyone accountable. |
| - When it seemed nothing was getting done. | - Client intake was complete and I had no idea until the client contacted me checking on the status of their return. |
| - With the pandemic and challenges created, automated tasks and workflows needed to be implemented to ensure client satisfaction and firm success. | - Too many post-it notes. |
| - Clients always asking when work will be completed. | - Too much procrastination became an issue. |
| - When I was hitting capacity with time WELL before I was meeting my income goals. I always felt chaotic and like I was forgetting something. | - When I joined the firm and discovered how much work was being missed. |
| - Losing track of client requests. | - The moment when we realized that we have a lot of clients with the same problems. |
| - When new clients weren't assigned or followed-up with and they had to call us. | - Client roster grew, I am solo so I needed simple ways to track projects as well as profitability. |
| - Client frustration, not getting documents. | - Forgetting to bill clients. |
| - To be able to account for every step of the process. | - Too many things falling through the cracks. |
| - Doubling clients. | - Too much time spent chasing customers for information. |
| - Too many clients to manage manually. | - Too many balls in the air and too hard to keep track of deadlines. |
| - Teammates and I forgetting what was discussed during client check-ins. | - As we needed to pull information that was stored in my head. |
| - Same mistakes being made. | - Missing the deadline with getting client work done and putting everything off until the very last second. |
| - Missing documents from my clients. | |

- | | |
|---|---|
| - Automated workflows were essential when hiring qualified accountants became practically impossible. | - Workflow problems. |
| - Missed deadlines and overloaded employees. | - When I was spending two weeks to combine everyone's timesheets into one query to allow me to analyze the data. |
| - Lots of manual tracking, checking and rechecking. | - When COVID hit and we were working hybrid. |
| - I was keeping to-do lists on paper. Just got too many clients to manage that way. | - Too many tasks slipped/fell through the cracks and no good means to assess. |
| - Having to repeat training over and over. | - When a client lost their license due to missed filings. |
| - When we had the first client leave because we were not closing their books quickly enough. | - Spending so much time chasing information keeps me from the things I want to do like spend time with my family. |
| - When I realized, and accepted that I can't handle everything. | - When I saw demos from automated workflow companies. Then it became which one to choose. |
| - Working overnight multiple days already this tax season. | - Better work-life balance. |
| - When COVID hit & we knew that remote working would be in our future requirements. | - Simply seeing what Financial Cents could do and continues to upgrade with workflows and processes. |
| - Not enough time in the day. | - Training new staff. |
| - My email inbox was out of control. | - When I sit at my desk and have no idea where to start, what to work on, or where I'm at with anything. |
| - When I realized I'm spending most of my time on non billable activities. | - When I couldn't afford to continue paying extra people to manage the processes. |
| - Heavy workload and the future growth perspectives that was not possible without automation. | |

- | | |
|---|--|
| - As we grew beyond 3 FT employees. | - Spending hours working/thinking about work. |
| - I'm working on bringing on more clients. It currently takes me about an hour of work to update the engagement letter. I also need to have something where I can see all of my tasks nicely. | - Difficulties assessing why client projects (tax returns) were still pending - missing details i.e. tax docs. |
| - Missed deadlines & overlooked unassigned projects. | - Too many clients, keeping deadlines strait, too manually done. |
| - Too difficult to manage work. | - Couldn't keep track of jobs. |
| - Spending time we don't have. | - Finishing late on the deadline day. |
| - Getting more clients than I could remember their processes in my head. | - When we could not see what was done or not. |
| - The worry of missing deadlines as well as the time spent "worrying". | - Too much time spent on assigning tasks & finding out status. |
| - When I could not meet deadlines. | - Things were getting missed & not being done correctly. |
| - Could not keep track of the workload. | - Tracking the # of clients and what scope is for each. |
| - Too much stuff to take care of. | - Forgot the steps so missed some. |
| - Too many clients to manage our old way. | - Could not duplicate processes. |
| - All got around my head. | - I had a big vacation planned and needed to hire staff to take over during the vacation. |
| - Client deadlines missed. | - Difficult to know status of each client without asking multiple people. |
| - When a major opportunity for new work opened up and I did not know how I was going to handle it. | - Too much going on - I needed a place to put everything and get it out of my. |
| - Missing important deadlines. | - I sold out last year, took almost no time off, and need to buy myself more time. |

I used to be able to "hold" the whole business in my head. Recite our client list, recall what month each one was billed out through, and why each one was behind. One day I was in a new client interview and they asked me what other clients we worked with and I couldn't remember. I had so much information about the business in my head I couldn't remember a single client in our firm. It was the silliest double bind but I realized then we'd grown beyond my working memory and that if I didn't get it out of my head and into a place my team could support me then the next worse case scenario would be that I would start to forget.

Christina Grimm | Owner, CG Bookkeeping (Financial Cents user and survey respondent)

A key employee had an emergency and was out of the office for a period of time and much of the client knowledge and process knowledge was in her head and nowhere else.

Anonymous Respondent

The firm has been growing as I wanted it to, and it was becoming way too overwhelming and taking the joy and excitement out of reaching my goals. 2022 was all about growth, it was happening, and I was not prepared. That's when I knew I needed to buckle down and get things in order.

Anonymous Respondent

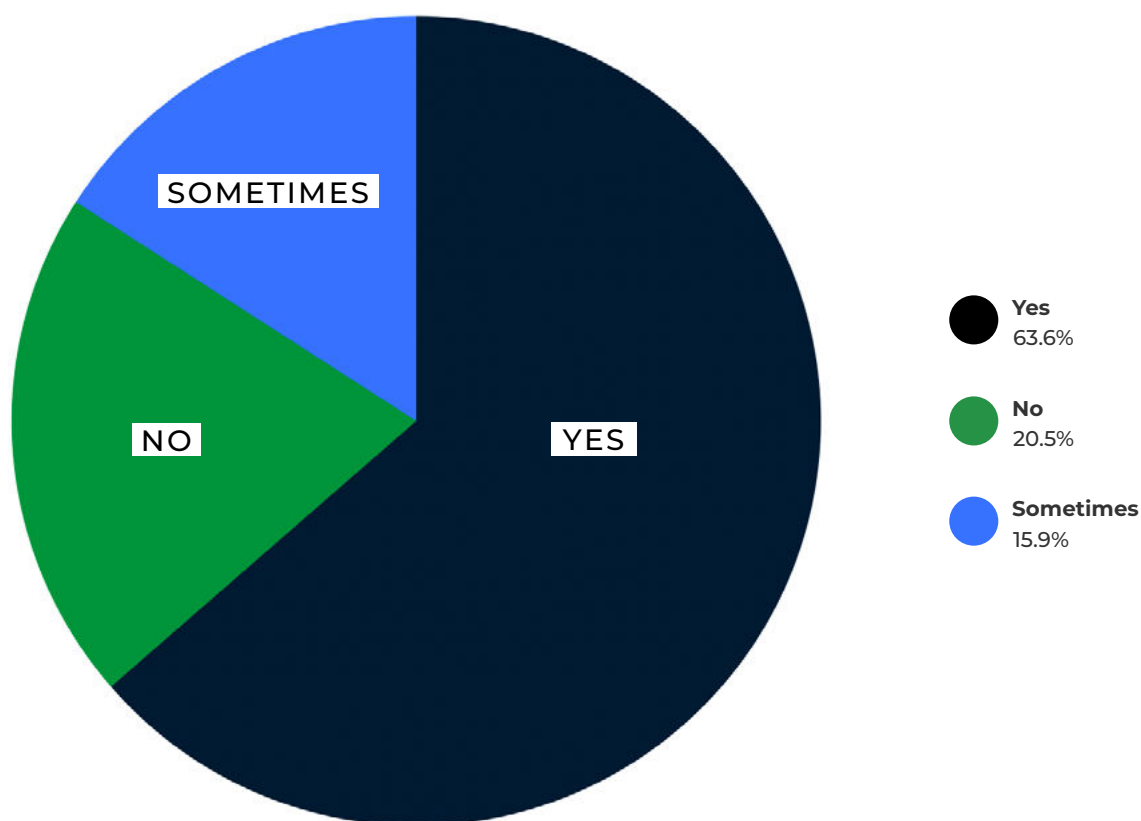
We had too many things slipping through the cracks. We would write down our projects in a notebook and then add them to a spreadsheet. But sometimes, they didn't get added to the spreadsheet and then we'd move past that page in the notebook.

Anonymous Respondent

More firms are using software to automate their workflow.

KEY FINDING

63.6% use workflow automation software.

DO YOU USE A WORKFLOW AUTOMATION SOFTWARE?**KEY TAKEAWAY**

2022 came with unique challenges that made some firms more open to the idea of automating their workflows. For others, booming business and an expanding team made them realize the need for a workflow automation software. And for those already using workflow automation software solutions, they saw the impact it had on their firms and continued to use it.

Case Study

From Sticky Notes to unfit Apps, and Finally to Financial Cents

JTC CPAS		
Bookkeeping, Tax & Payroll FIRM TYPE	28 STAFF MEMBERS	2008 YEAR FOUNDED
2020 FC START DATE	ID, AZ, GA, FL LOCATION	In person / peperless WORKING STYLE

"I am an orderly person and I don't like chaos. Financial Cents makes me feel and be more organized."



MICHAEL MCMULLEN | CPA, Managing Partner at JTC CPAs

✕ BEFORE

"We would write things on a sticky note and place it on somebody's desk because the person wasn't there. And then the person, while shuffling all their papers, mistakenly covers up their sticky notes and ends up not doing what they were supposed to do. The sticky notes get stuck on to something else or get thrown away. Then a client calls and they're upset because something wasn't done or a piece of information wasn't shared with them. It was just total chaos. So, we were like, we need to have a better way to track things."

✓ AFTER

"Now, with Financial Cents we can all stay up to date on the status of work, complete actions without additional steps, and collaborate seamlessly. When a client calls to ask for an update, we can go into the project and see all the history - from the notes we've made, to the emails we've sent, with date and time stamps on them. That's very beneficial to a manager because it helps with managing clients especially when they have a complaint. It's also beneficial for when someone's out of the office, and a client calls, somebody else can go into that project, read the comments, know what needs to happen next and keep the project moving."

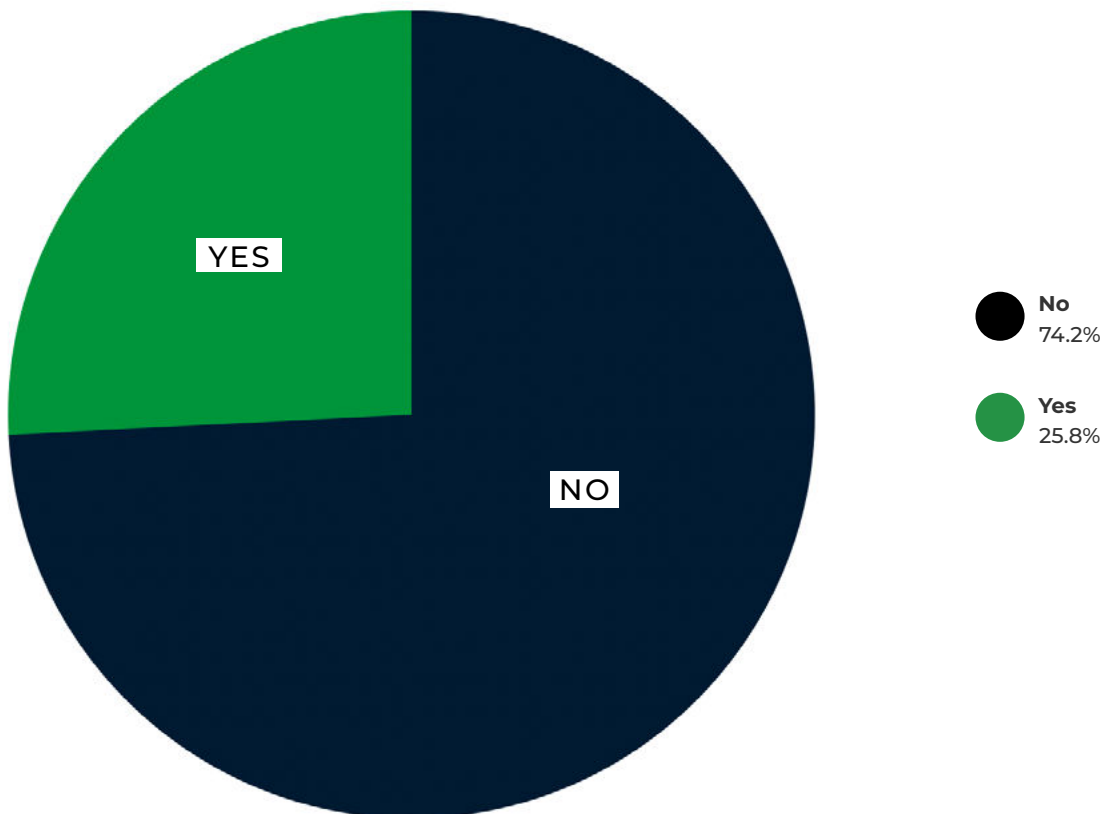
[Read the case study](#)

Can workflow be automated without a workflow software?

KEY FINDING

74.2% agree that it is not possible to automate workflow without a workflow automation software.

DO YOU THINK IT'S POSSIBLE TO AUTOMATE WORKFLOW WITHOUT A WORKFLOW AUTOMATION SOFTWARE?



KEY TAKEAWAY

That workflow can be automated without a workflow automation software is yet to be studied. Most will agree that you need a workflow automation software to automate those systems and processes you've created. Those who are not ready to use a workflow automation system may attempt to automate the process by hiring more labor and setting up alarms or reminders.

Is Workflow Automation the Silver Lining?

“While most firms want to leverage workflow automation to drive inefficiencies, most have a hard time getting there. That’s because they haven’t adequately systematized the critical areas of the business model. Once you’ve systematized your who (your clients) and your what (your packages and pricing), systematizing your how (your processes) becomes infinitely easier.”

RYAN LAZANIS
Future Firm

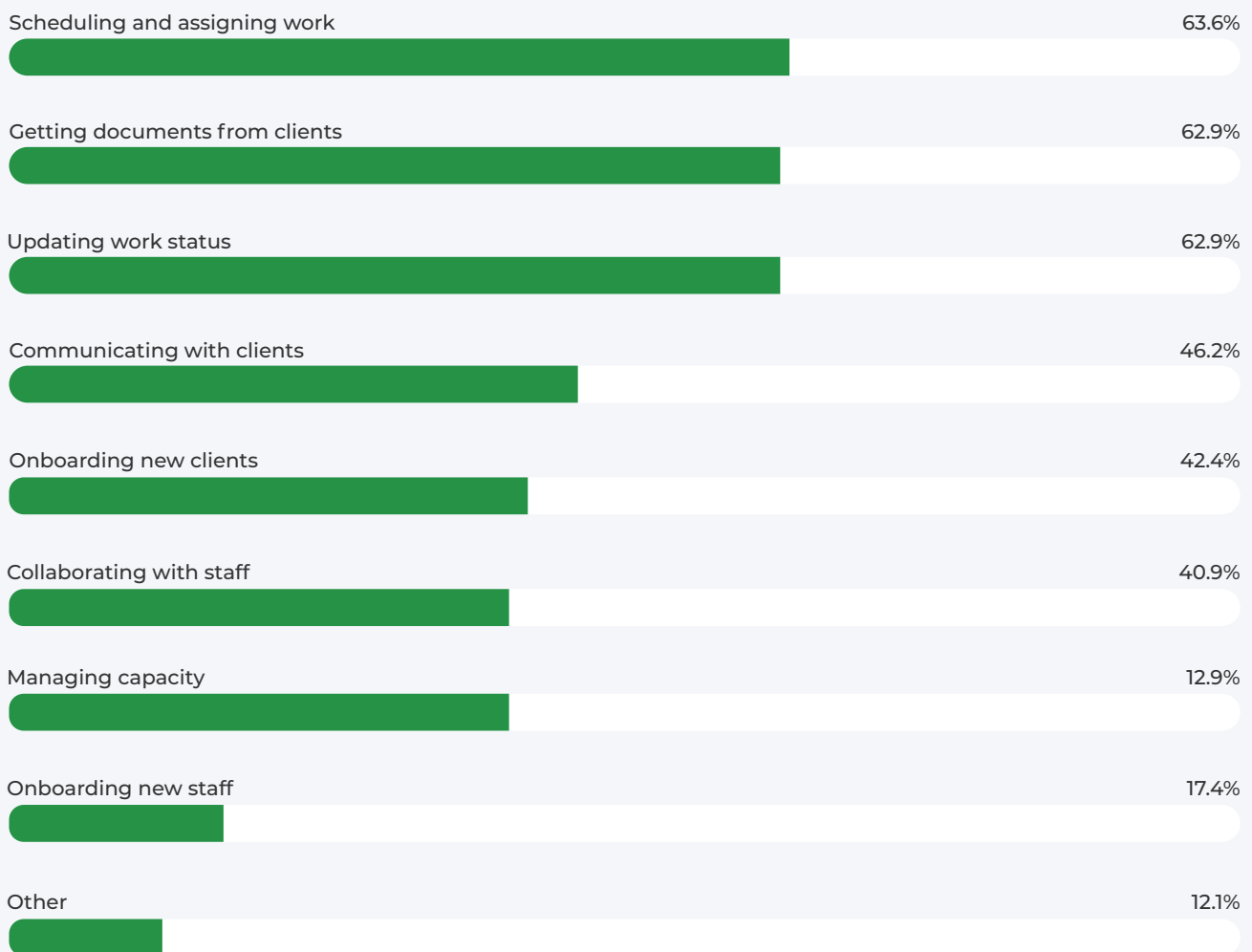


Automating every aspect of workflow with software.

KEY FINDING

63.6% use software to automate scheduling and assigning work while 62.9% automate getting documents from clients and updating work status.

HOW DO YOU USE WORKFLOW AUTOMATION SOFTWARE IN YOUR FIRM?



KEY TAKEAWAY

A good accounting workflow automation software should allow you to automate every aspect of your workflow. This includes scheduling and assigning work, getting documents from clients, tracking the status of work, distributing work, and managing/communicating with clients.

Before and After

“Every accounting and bookkeeping firm is unique. There is no one-size-fits-all solution. Therefore, creating systems and processes that serve your firm and the unique client base that you serve puts you in a far better position to evaluate workflow automation software for the right fit for your firm. Otherwise, you can waste a ton of time and money jumping from app to app without getting the efficiency and effectiveness you’re after.”

GABRIELLE FONTAINE, PB, ASBC
BookkeepingDirect

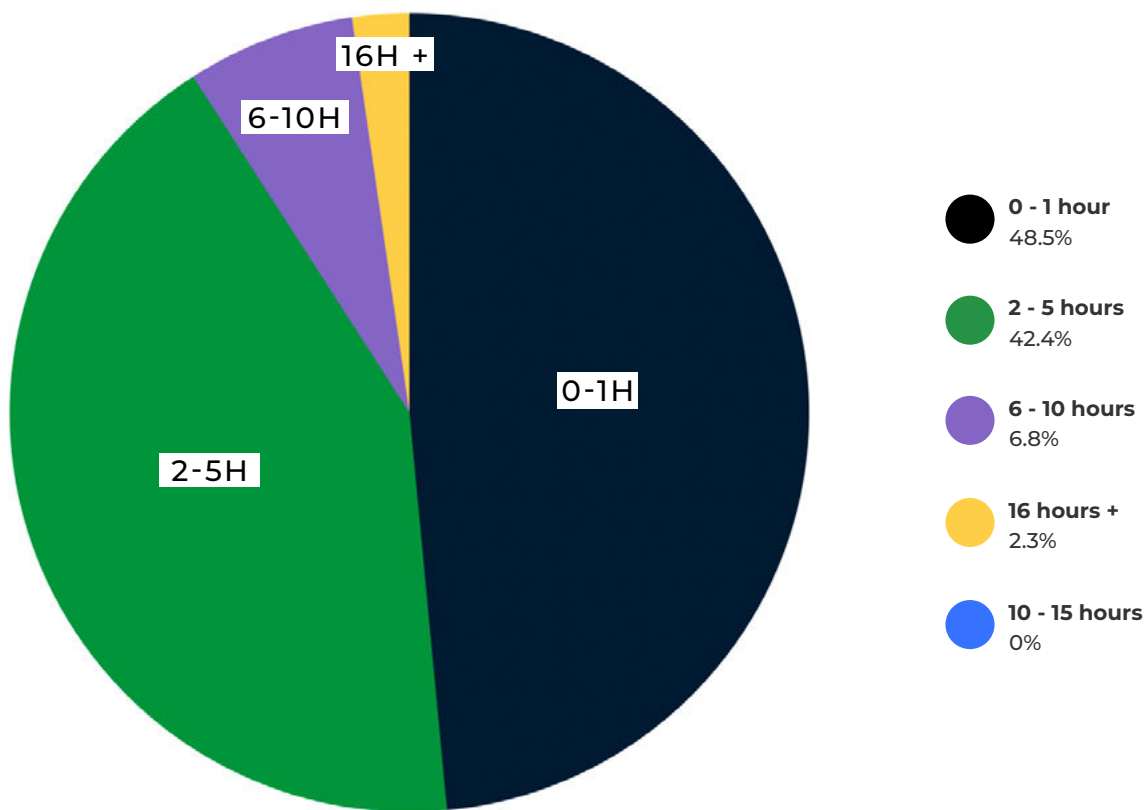


Less time scheduling and assigning work.

KEY FINDING

After implementing workflow automation software, 48.5% now spend only 0-1 hour scheduling and assigning work.

**SINCE IMPLEMENTING WORKFLOW AUTOMATION SOFTWARE,
HOW MANY HOURS ON AVERAGE DO YOU NOW SPEND ON
SCHEDULING AND ASSIGNING WORK ACROSS YOUR FIRM?**



✗ BEFORE

46.2% spent 1-5 hours

✓ AFTER

48.5% spend 0-1 hour

KEY TAKEAWAY

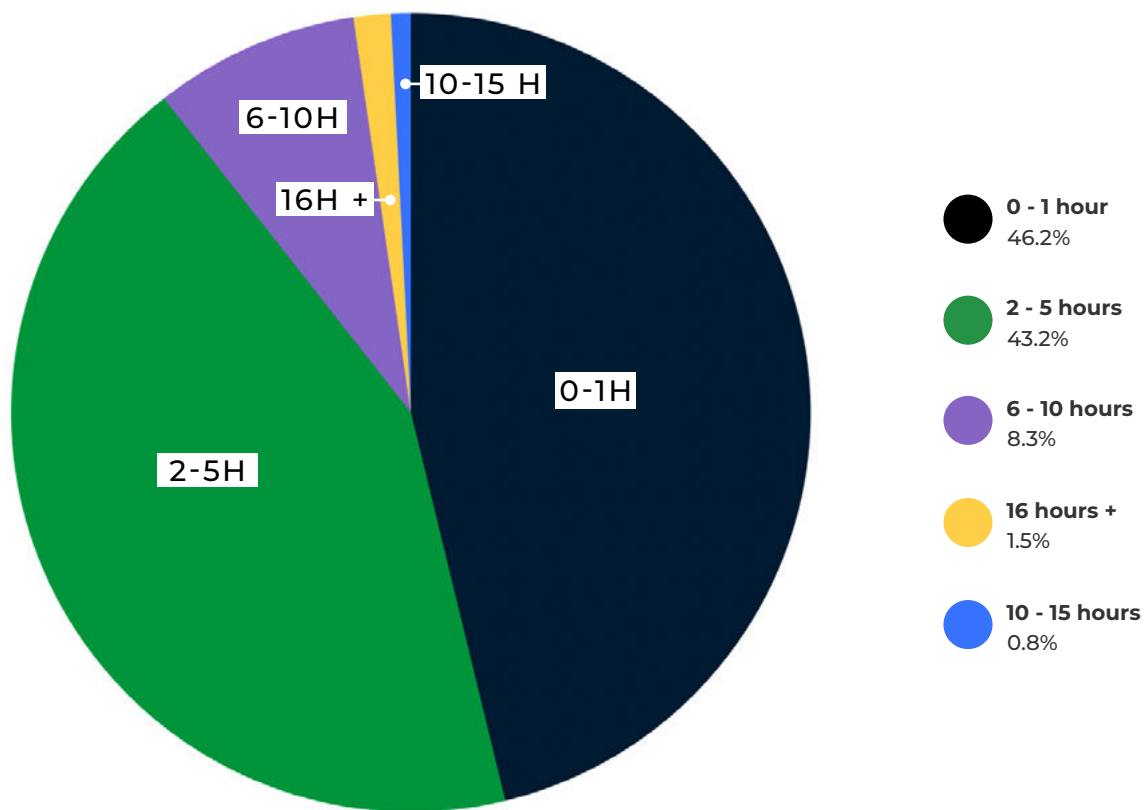
Automating mundane, non-billable tasks gives you back time to do the strategic work of building your business.

Less time reviewing and updating work status.

KEY FINDING

After implementing workflow automation software, 43.5% now spend only 0-1 hour scheduling and assigning work.

SINCE IMPLEMENTING WORKFLOW AUTOMATION SOFTWARE, HOW MANY HOURS ON AVERAGE DO YOU NOW SPEND REVIEWING AND UPDATING THE STATUS OF WORK ACROSS YOUR FIRM?



✗ BEFORE

45.5% spent 1-5 hours

✓ AFTER

43.2% spend 0-1 hour

KEY TAKEAWAY

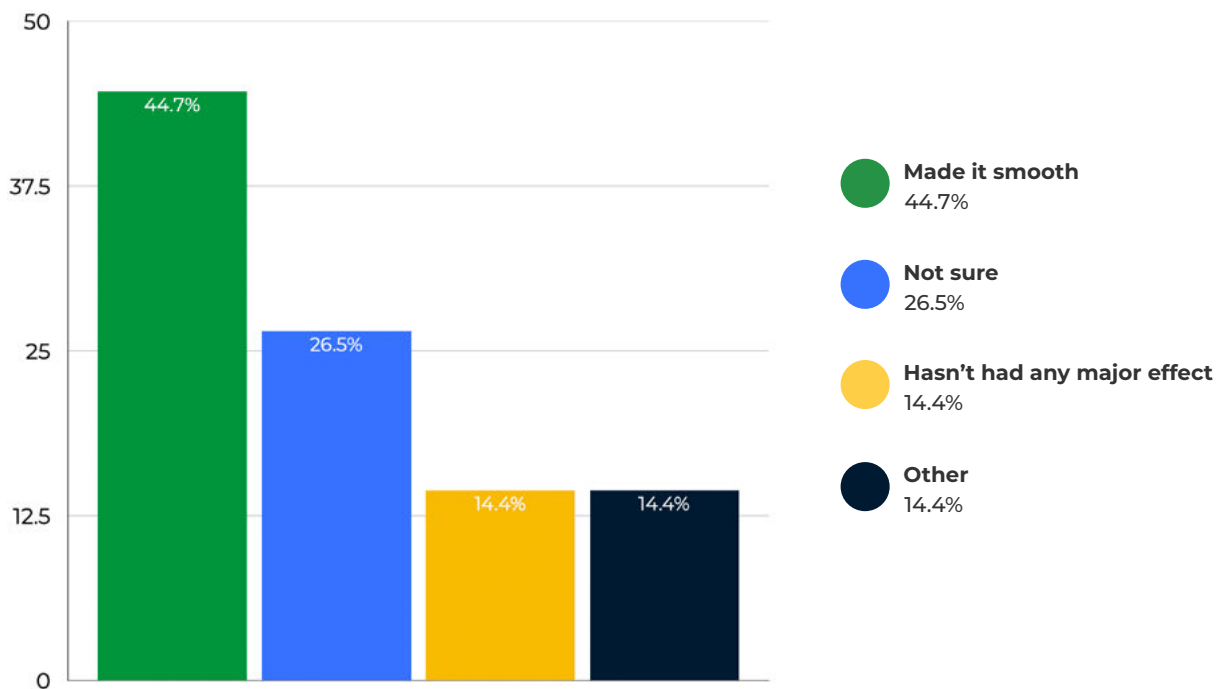
Firms who use workflow automation software to automate admin tasks like updating work status, have better visibility and spend 50% less time on those tasks.

Smoother onboarding.

KEY FINDING

After implementing workflow automation software, 44.7% have a smoother onboarding process.

SINCE IMPLEMENTING WORKFLOW AUTOMATION SOFTWARE, WHAT IMPACT HAS IT HAD ON YOUR CLIENT AND STAFF ONBOARDING PROCESS?



✕ BEFORE

84.1% said onboarding was clunky

✓ AFTER

44.7% say onboarding is now smooth

KEY TAKEAWAY

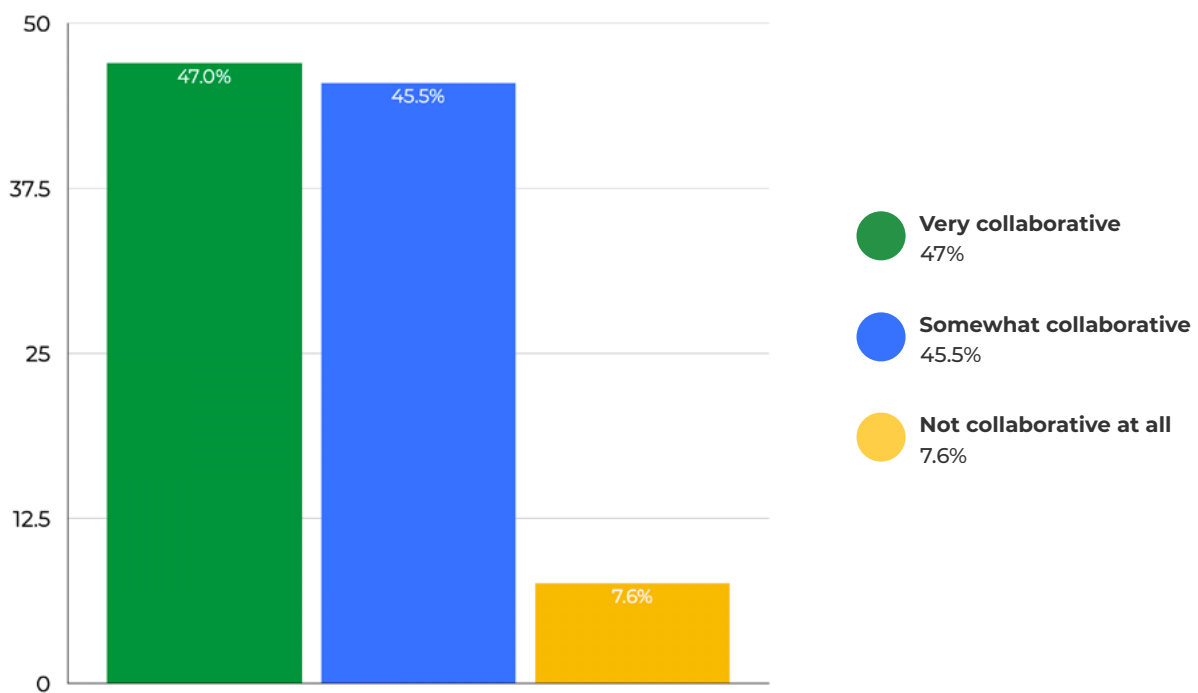
Onboarding is one of those things that can make or mar client relationships. It's their first experience with your firm and such, making it a smooth experience is imperative to a successful working relationship. Same goes for staff onboarding, a smooth experience means they'll hit the ground running and make fewer mistakes. Automating your onboarding process with software can get you there.

Automated workflow processes make firm more collaborative.

KEY FINDING

After implementing workflow automation software, 47% have very collaborative firms, and 45.5% have somewhat collaborative firms.

SINCE IMPLEMENTING WORKFLOW AUTOMATION SOFTWARE, HOW COLLABORATIVE HAS YOUR FIRM BEEN?



✗ BEFORE

*63.6% say their firms were
somewhat collaborative*

✓ AFTER

*47% say their firms are now
very collaborative*

KEY TAKEAWAY

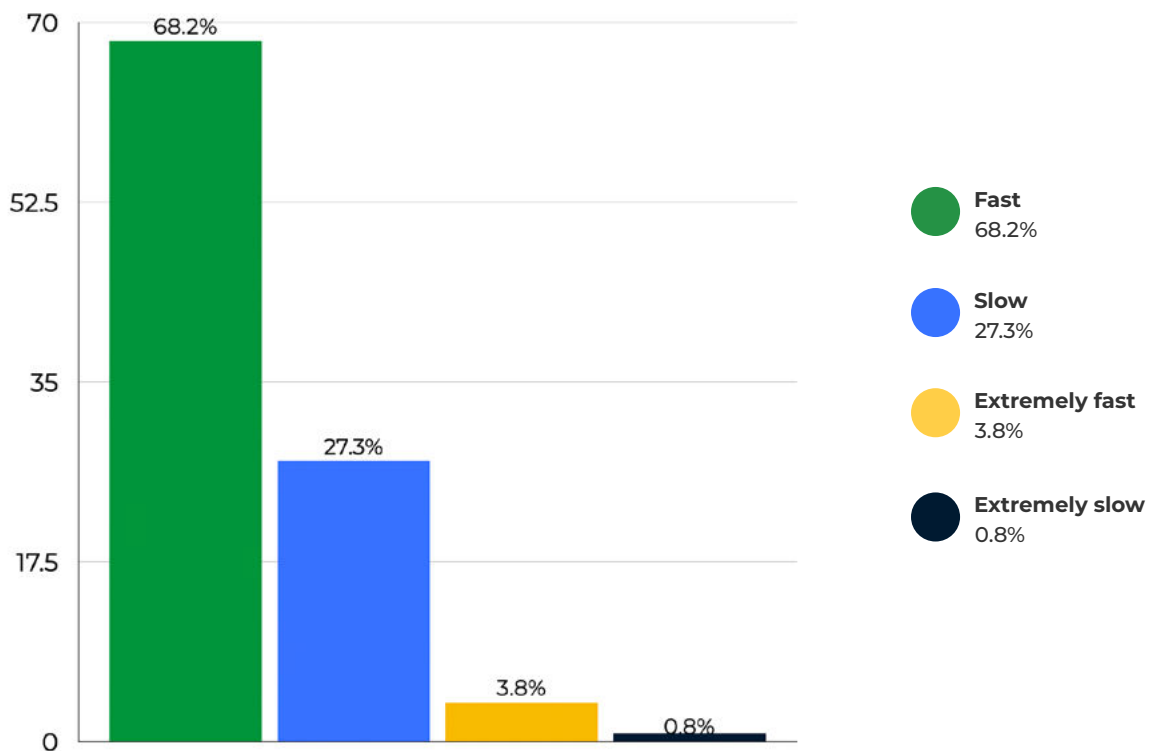
Collaboration is key to the longevity and success of a firm. When team members feel connected, are in the loop of updates, and information is shared quickly and easily, they feel more confident to do good work.

Faster response from clients on documents.

KEY FINDING

After implementing workflow automation software, 67.9% get documents from clients faster.

SINCE IMPLEMENTING WORKFLOW AUTOMATION SOFTWARE, HOW FAST HAS IT BEEN TO GET DOCUMENTS FROM CLIENTS?



✗ BEFORE

53.8% say getting documents from clients was slow

✓ AFTER

68.2% say getting documents from clients is now fast

KEY TAKEAWAY

Getting documents from clients becomes a faster and less-frustrating experience with a good workflow automation software.

The single, biggest impact of workflow automation on firms.

KEY FINDING

Getting work done faster is the biggest impact of workflow automation software on firms.

HOW HAS USING A WORKFLOW AUTOMATION SOFTWARE HELPED YOUR FIRM?



KEY TAKEAWAY

Your workflow automation software should help you get work done faster so you can hit your deadlines, retain your clients, and build a firm you can be proud of.

Dealbreaker Features

“While automation is crucial, the biggest feature an accounting workflow software should have is a simple yet robust project management system. This includes detailed task and sub-task lists, clear descriptions, and the ability to assign and track work at granular levels. Automation should be used to recur these lists and provide visibility for progress tracking. By having clear and accessible processes, accounting professionals can improve accuracy, increase efficiency, and confidently delegate tasks.”

KELLIE PARKS, CPB

Owner, Calmwaters Cloud Accounting

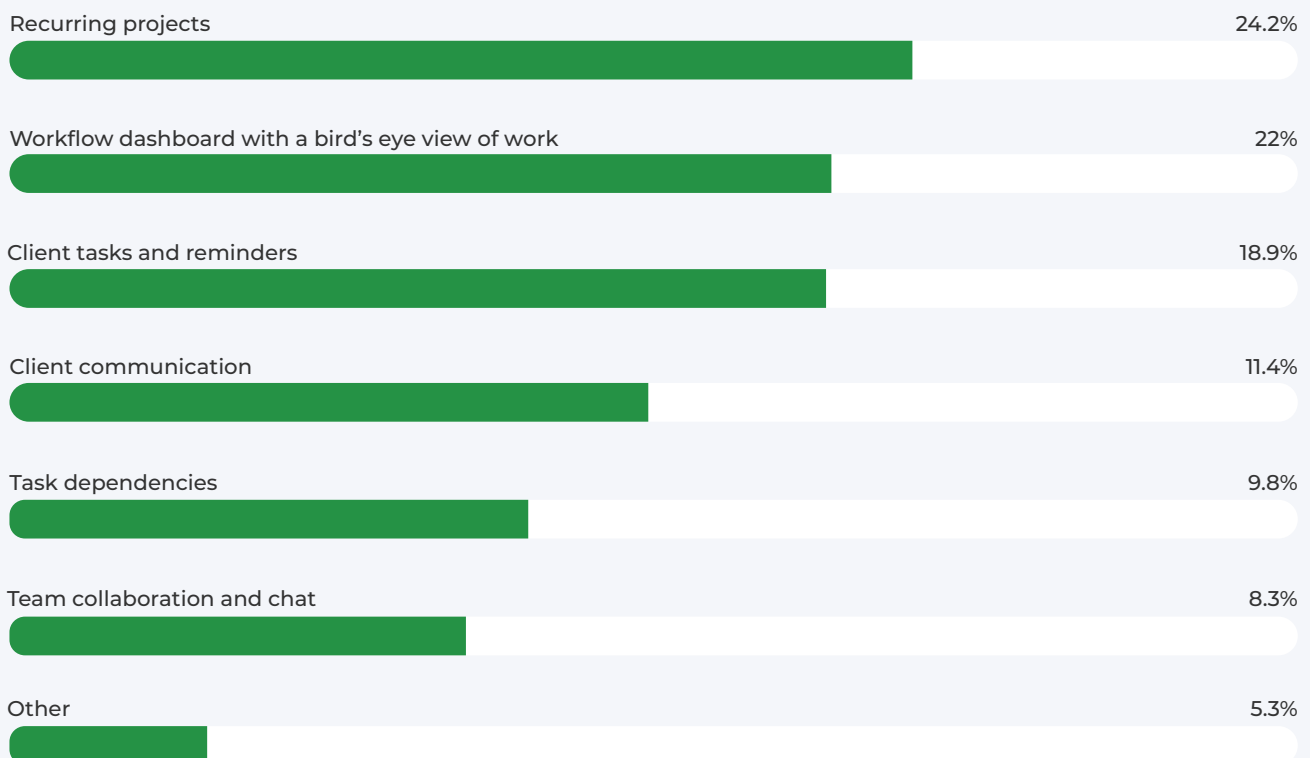


Key features firm owners look for in a workflow automation software.

KEY FINDING

70.5% consider recurring projects the biggest feature in a workflow software.

WHAT MAJOR FEATURES DID YOU LOOK OUT FOR BEFORE BUYING THE WORKFLOW AUTOMATION SOFTWARE YOU USE?



"Other" includes features such as:

- | | |
|------------------------|---|
| ✓ Easy to use. | ✓ Software is billed based on firm usage, not by how many clients I load into the system. That is a top priority for me in choosing software. |
| ✓ Capacity management. | |
| | ✓ Ease of setup that isn't confusing or time consuming, and templates. |
| ✓ Capacity planning. | |
| | ✓ Integration with Accounting and tax software, payment processing platforms, Jotform |
| ✓ Calendar view. | |

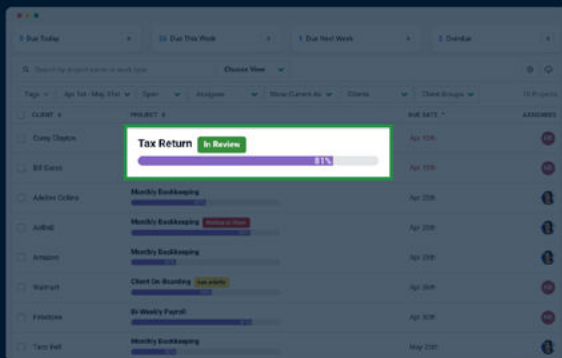
	✓ Document Management.
	✓ Proven solution for colleagues that have similar practice.
	✓ Document Management, Time Tracking (with billable and nonbillable hours), invoicing, ability to add notes to clients, client portal, quick view of all communication with a contact.
	✓ E-signature features (generally not robust/legal enough), "not a portal".
	✓ "Due Date Control" was the most important requirement in my project management system.
	✓ Time recording.
	✓ Ease of use hands down.

KEY TAKEAWAY

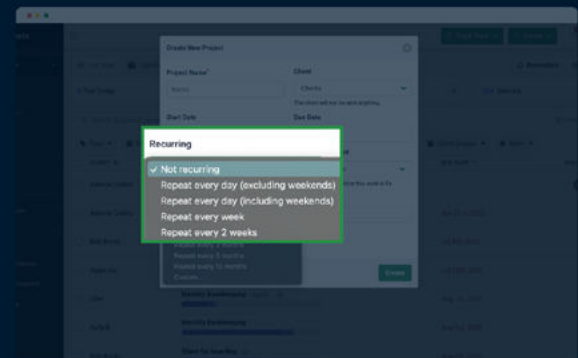
All workflow automation software solutions aren't built the same. Before you pay for one, write down the most important features you need for your specific workflow challenges. Then do your research with these features in mind, ask colleagues for recommendations, [read reviews](#), and try it out for yourself by [starting a free trial](#).

Financial Cents workflow management software has all the features you need to get work done, with a simple user interface that your team will love and find easy to use.

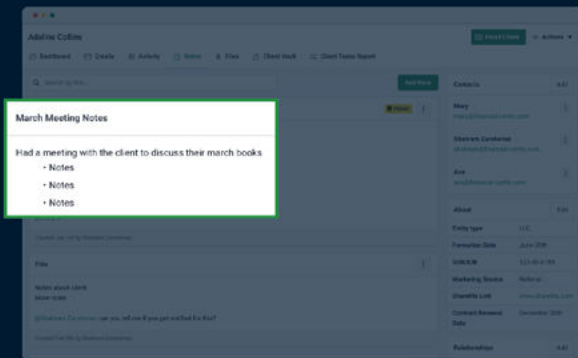
You will **see the progress you've made on both one-off projects and recurring work** so you can hit your deadlines.



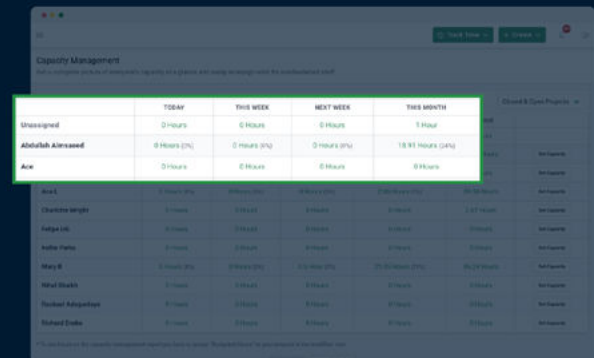
You will set up work to **automatically recur on a set basis**, saving you 10+ hours per week.



You will have **client updates** on the client dashboard with notes that can be **accessed by every member of the team**.



You will be able to **see your firm's capacity** so you can assign or reassign work based on your current needs.



The screenshot shows the 'Capacity Management' dashboard. It includes a table with columns for 'Unassigned', 'Today', 'This Week', 'Next Week', and 'This Month'. The table lists various team members and their capacity for each period.

	TODAY	THIS WEEK	NEXT WEEK	THIS MONTH
Unassigned	0 Hours	0 Hours	0 Hours	1 Hour
Abdulrah Alinsawad	0 Hours (0%)	0 Hours (0%)	0 Hours (0%)	18.88 Hours (44%)
Ace	0 Hours	0 Hours	0 Hours	0 Hours

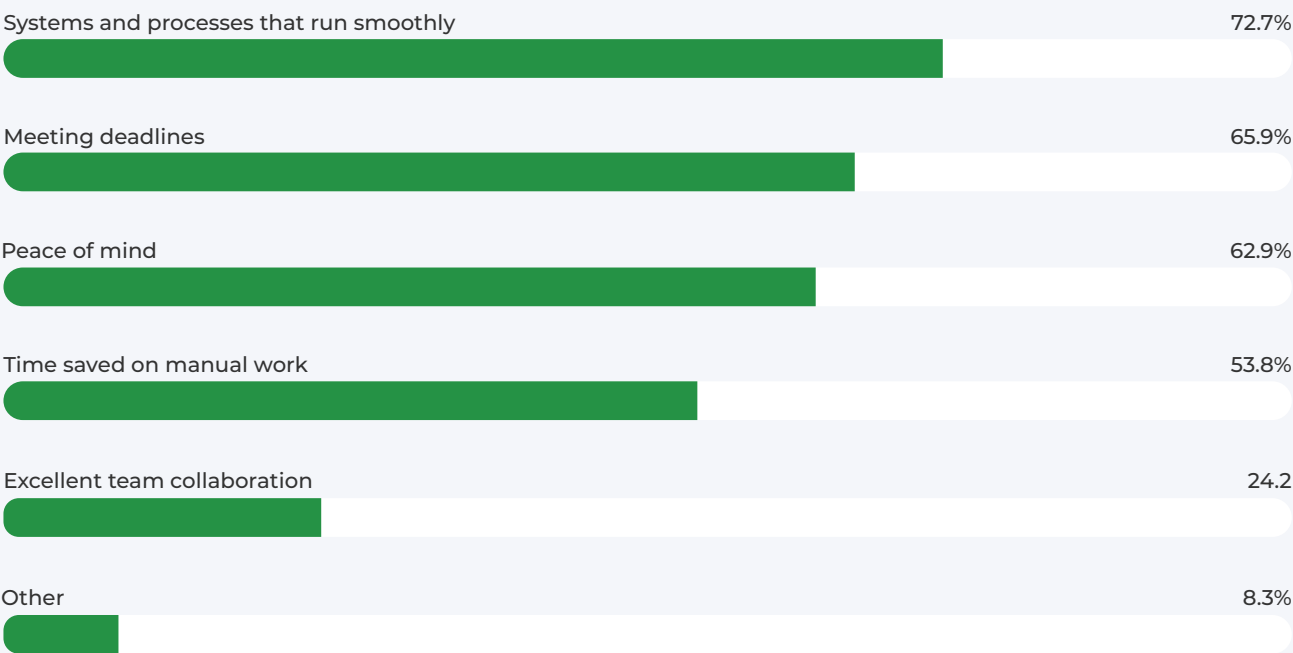
Start a free trial

How to know it’s working.

KEY FINDING

72.7% assess the effectiveness of workflow automation software by how smoothly their systems and processes run. Followed closely by how quickly they meet deadlines, and peace of mind.

HOW DO YOU MEASURE THE EFFECTIVENESS OF WORKFLOW AUTOMATION IN YOUR FIRM?



	"Other" includes:	
	- Peace of mind x10.	- Less time spent on analysis of time and build out of capacity management worksheets.
	- High client service level because we are all on the same page.	
	- To know what work has been done, what is coming up, and deadlines.	- My inner peace feels calm.

KEY TAKEAWAY

It’s good practice to have specific goals you want to achieve with a workflow automation software before committing to one. These goals will determine how you assess how well it’s working (or not working for you). It’s important to remember that changing software after setting up your workflows and onboarding staff can be an extremely difficult and painful process.

Case Study

How Badger CPA Hits Their Revenue Goals with Financial Cents



"Financial Cents provides us with the data that we need to set budgets for our team, hold everyone accountable to those budgets, and make sure deadlines are met."



Amanda Owens | Firm Administrator - Badger CPA

✕ BEFORE

"It was a challenge to keep an eye on workflow and budget to know how utilized people were while also ensuring that the team wasn't overworked and everyone had a fair share of work. Previous software solutions they tried were too generic and complicated."

✓ AFTER

"With Financial Cents, Badger CPA easily creates and automates recurring projects, streamline their processes, and maintain consistent quality in clients' deliverables. The firm's management can now track the team's workload in one simple view, increasing productivity and helping them deliver client work on time."

[Read the case study](#)

Conclusion

Workflow automation helps firms of all sizes get work done and conquer their workflow challenges.

Like the data shows, 68.2% of those who implemented a workflow automation system get documents from clients faster, 47% of them now have very collaborative firms, 44.7% of them have smoother onboarding workflows, 48.5% of them spend less than an hour on admin tasks.

The sweet spot like we also saw in the data, is having documented systems and processes then using a workflow software to automate them.



Introducing Financial Cents

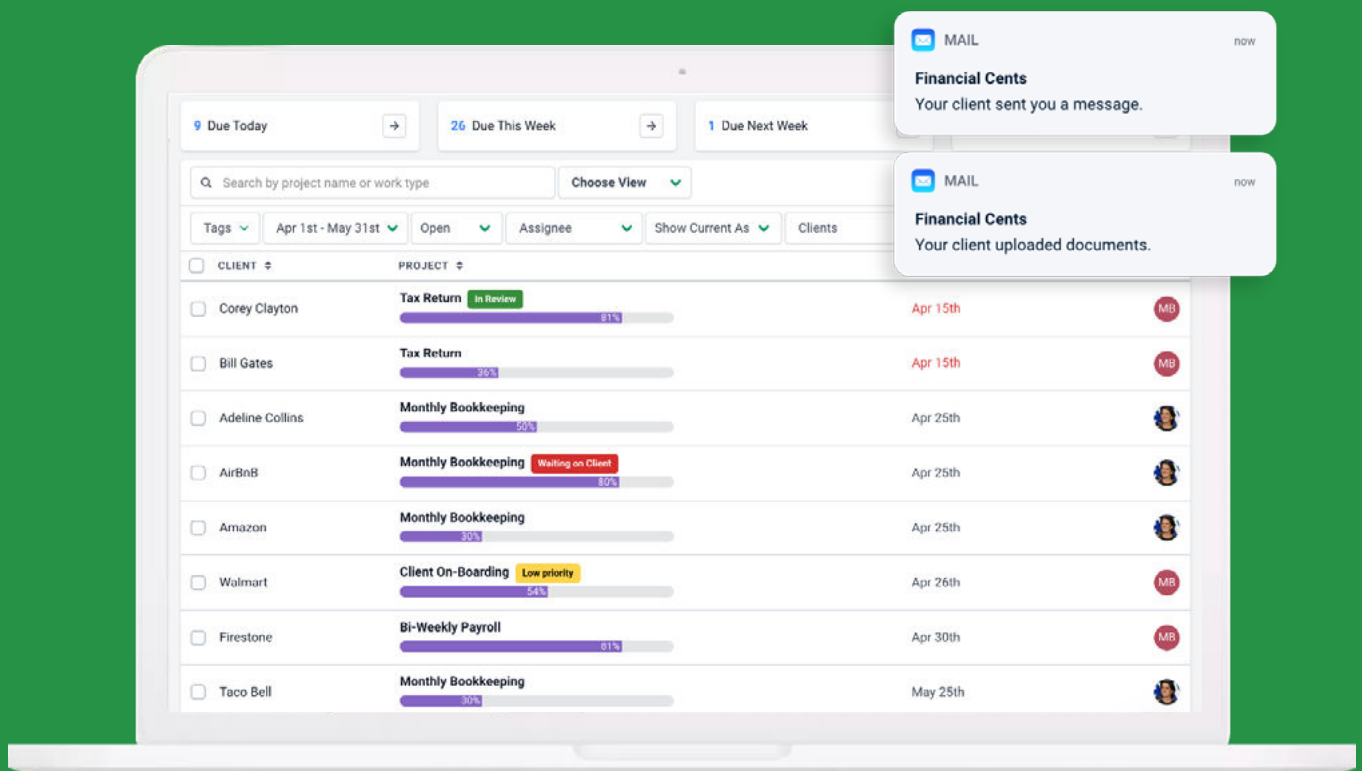
[Financial Cents](#) is a workflow management software that has all the features you need to get work done in a simple user interface that your team will love and find easy to use.

Whether you're just beginning to document your processes or have been doing it for a long time, our

[workflow checklist templates](#) that are both editable and customizable will get you up and running in no time.

Track & assign work, set up recurring tasks, store client information, automate client data collection, and more with Financial Cents.

Start free trial



Key Findings

Key Findings

- **Workflow was the biggest challenge firms faced in 2022**, making up 66.7% of the overall general challenges they came up against.
- Spending time on **manual work was the biggest workflow issue firms faced in 2022**.
- **51.5% said the biggest impact of their workflow issues was that it made them miss deadlines.**
- **56.1% automate client document collection.**
- Before workflow automation, **46.2% spent an average of 1-5 hours scheduling and assigning work** and 26.3% spent an average of 6-10 hours.
- Before workflow automation, **45.5% spent an average of 1-5 hours reviewing and updating work status.**
- Before workflow automation, **84% had a clunky onboarding process for both clients and new staff.**
- Before workflow automation, **63.6% say their firms were somewhat collaborative** and 21.4% say their firms were not collaborative at all.
- Before workflow automation, **53.8% agree that getting documents from clients was slow.**
- **82.6% initially attempted to solve their workflow issues by setting up processes**, while 55.7% bought (subscribed to) a workflow automation software.
- **33.3% said the initial attempts they tried worked.**
- **62.5% say initial attempts to solve their workflow issues** did not work because newly set up processes needed to be automated.
- **63.6% use workflow automation software.**
- **74.2% agree that it is not possible to automate workflow** without a workflow automation software.
- **63.6% use software to automate scheduling and assigning work** while 62.9% automate getting documents from clients and updating work status.
- After implementing workflow automation software, **48.5% now spend only 0-1 hour scheduling and assigning work.**
- After implementing workflow automation software, **43.5% now spend only 0-1 hour scheduling and assigning work.**
- After implementing workflow automation software, **44.7% have a smoother onboarding process.**
- After implementing workflow automation software, **47% have very collaborative firms**, and 45.5% have somewhat collaborative firms.
- After implementing workflow automation software, **67.9% get documents from clients faster.**
- After implementing workflow automation software, **67.9% get documents from clients faster.**
- **Getting work done faster is the biggest impact of workflow automation software on firms.**
- **70.5% consider recurring projects/tasks the biggest feature in a workflow software**, followed by a workflow dashboard with a bird's eye view of work, and client tasks/reminders.
- **72.7% assess the effectiveness of workflow automation software by how smoothly their systems and processes run.** Followed closely by how quickly they meet deadlines, and peace of mind.

Study Methodology

This report was developed ethically and scientifically.

We drafted the survey questions with a focus on uncovering workflow challenges in firms. The questions were reviewed by a certified bookkeeper and we sent the link to the survey out to our email list of accounting, bookkeeping, CPA, and tax firms. We also shared it in accounting online communities.

177 people started the survey, and 132 completed it, for an overall response rate of 74.5% completion rate.

