

Key Strategy That Helps Accounting Firms Scaling New Heights



Introduction

Hello!

Do you ever feel like you're constantly chasing a never-ending cycle of administrative tasks, keeping your accounting firm in an ongoing battle to stay afloat?

In a world where data never stops growing and competition never stops rising, is there a way for your accounting firm to keep up with the times without compromising the quality of service or putting in unreasonable amounts of effort?

The solution to your woes is Outsourcing.

This guide will help you know how outsourcing can help your firm supercharge its growth in today's business world.

Unlock your firm's potential and make the most out of what you have with outsourcing.



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What is outsourcing?

Outsourcing is a business practice in which an organisation contracts out a certain process, task, or service to an external entity.

This can be done for various reasons, such as cost savings, access to specialized expertise and technology that the company does not possess internally, or simply to free up internal resources for other tasks.

It is a popular approach for businesses, particularly accounting firms, as it allows them to access specialised skills and expertise without the need to hire full-time employees.



4 successful outsourcing business models

1 Freelancing: A cost-effective model, freelancing allows you to access a wide range of professionals from different countries. You can hire individuals on a per-project basis or even for longer-term contracts.

Pros: Lower costs as you don't have to pay employment taxes or provide benefits, access to specialised talent from different parts of the world, and flexibility in terms of duration and cost.

Cons: Risk of poor quality due to lack of control over the project, lack of ownership over the final product, and difficulty monitoring progress.

2 Project-style work: In this model, you hire an individual or company to provide services for a specific project. This is a good option if you need a one-time project completed quickly and cost-effectively.

Pros: Low cost and fast turnaround time, as the project will be done within the specified timeline.

Cons: This model is set up by outsourcing companies with little local taxation knowledge. As a result, the output generated by their personnel is usually of inferior quality and necessitates extensive revision.

3 Business process outsourcing (BPO): This involves hiring a third-party provider to manage an entire business process, such as payroll, accounting, or bookkeeping. This model is ideal for firms that need consistent and reliable services over the long term.

Pros: Cost savings, access to skilled professionals, improved scalability and flexibility, and increased efficiency as the third-party provider can take on tasks that the firm may not have the capacity to do.

Cons: Communication gap between clients and vendor companies could be one of the major drawbacks as this could lead to inconsistencies in service delivery expectations.

The benefits of hiring an outsourcing team

Access to highly qualified professionals: Outsourcing helps accounting firms access highly qualified CPAs and other professionals with expertise in accounting processes. This gives them a competitive edge and contributes to improved client satisfaction.

Cost saving: Outsourcing is a cost-effective solution as you only need to pay for the services you need. This way, accounting firms can save money and time by avoiding long-term contracts or overheads associated with full-time employees. AccountGlobal provides an affordable and flexible fee-for-service model that allows accounting firms to pay for only the services they need.

Scalability: By outsourcing various accounting tasks, accounting firms can easily scale their operations to meet the changing demands of their clients. This will help them provide better services and increase customer satisfaction.

Improved quality of work: Outsourcing teams have access to specialised software programs and sophisticated tools to quickly and accurately produce detailed reports. This ensures higher quality work for accounting firms, leading to fewer errors and improved customer satisfaction.

Increased efficiency: As the outsourcing team is completely focused on completing specific tasks efficiently, this helps reduce turnaround time for various projects and increase operational efficiency. This eventually leads to improved overall performance from all departments in the organisation.

Reduced risk of data loss: Outsourcing teams have secure systems and procedures to protect confidential data from falling into the wrong hands. This reduces the risk of data loss while ensuring that critical information is always safe and secure

4 Staff augmentation model: In this model, you outsource certain tasks by hiring a team of professionals on a contract basis. This is similar to hiring full-time staff but with fewer commitments.

Pros: Ability to access highly qualified professionals on a short-term basis, cost savings as you don't need to invest in additional infrastructure, and flexibility to scale up or down depending on project needs.

Cons: Limited control over staff can result in communication issues and a lack of ownership of the final product.



Accounting tasks you can delegate to an offshoring team

There are many accounting tasks you can delegate to an offshoring team. Here is a list of tasks you can assign to your outsourced service provider:

- Bookkeeping
- Accounts receivables and payables management
- Developing effective strategies for tax planning
- Developing risk management policies
- Tax return filing
- Payroll processing
- Financial statement preparation
- Reconciling bank account statements
- BAS lodgments
- Business advisory service
- Accounting advisory service
- SMSF Accounting

How to prepare your onshore team for outsourcing?

Lots of accounting firms are afraid of the idea of outsourcing due to fear that their employees' jobs may be impacted. But with proper planning and communication, businesses can successfully outsource without endangering the careers of employees.

Before embarking on an outsourcing venture, firms should follow the following steps to prepare their onshore team for the transition.

- **Help your onshore team to know your business vision:** It's important to ensure that your onshore team feels supported, so be sure to include them in all of the planning and communication surrounding the outsourcing process. Make sure they understand how their roles will change and allow them to contribute ideas.
- **Ask them to identify the task that can be delegated:** Your onshore team can be a valuable resource for identifying what tasks can and should be outsourced. Ask them which areas of the business are most time-consuming or require specialised expertise that an offshore team could provide.
- **Provide clear communication:** Ensure your onshore staff knows exactly what work will be delegated to the off-shoring team and how it will impact their workload. Communication is key to ensuring that expectations are met on both sides of the partnership.

- **Reassure them that their jobs are safe:** Reassure your onshore team that their jobs are secure and no one will be laid off due to outsourcing. Let them know that the move is being made to make the business more efficient, not to replace their roles.
- **Encourage collaboration:** Encourage your onshore team to collaborate with the offshore partner to ensure a smooth transition. This will help to foster a positive relationship between the two sides and help the offshore team better understand your business processes and culture.

By preparing your onshore staff, you can ensure that everyone is informed and comfortable with the transition to outsourcing and make sure your business continue to grow cost-effectively.



How to choose the best outsourcing service provider?

When looking for an outsourcing provider, ensure to follow the below steps:

- 1 First, create a list of potential providers specialising in the accounting services you require. Consider cost, experience, customer service, and certifications when selecting providers.
- 2 Research each potential provider by reading customer reviews and interviewing them. Ask the providers questions to understand better how they operate, the services they provide, and how they provide those services.
- 3 Set up a free trial with one or more providers. This is the best way to determine if their services fit your needs. Pay attention to the customer service experience and how the provider handles the trial period.
- 4 Create a detailed budget. Take into account all costs associated with the accounting service provider, including the price of their services and any additional fees or hidden costs.
- 5 Compare the costs of the different providers and select the one that offers the best value for your money.
- 6 Finally, sign an agreement with the provider of your choice. Make sure to read and understand all the terms before signing so that you are aware of any potential liabilities or responsibilities.

By taking these steps, you can ensure that you select the best outsourcing provider for your needs.

Prepare your business for the transition

After you've chosen the best outsourcing provider for your project, you'll need to ensure that your business is ready for a successful transition.

From selecting the right technology to providing sufficient resources and proper training, here are some key steps you should take before beginning an outsourcing project:

Map out the processes and protocols: Create a detailed plan outlining the tasks to be outsourced and how they will be accomplished. You can use workflow mapping tools to help define the roles and responsibilities of each team member.

Select the right technology: Choose a software solution that makes it easy for both onshore and offshore teams to communicate efficiently. Automation tools can also streamline processes and provide better visibility into project progress.

Train your team: Provide comprehensive training for your onshore staff so they understand how to work with an offshore provider and any new technologies that may be used for the perfect co-ordination.

Designate a point of contact: Assign a point of contact within your organisation who will serve as a liaison between the onshore and offshore teams.

How to manage your offshore team effectively?

When looking for an outsourcing provider, ensure to follow the below steps:

- 1 Introduce your offshore team to your business:** Make sure to get your offshore team up to speed on the ins and outs of your business by providing them with detailed information about the processes, protocols, and culture of your organisation.
- 2 Assign a mentor:** Select an experienced onshore team member who can serve as a mentor for the offshore team. This person will be available if they have questions or need assistance with any tasks.
- 3 Establish clear expectations:** Communicate your expectations clearly regarding the quality of work, turnaround time, communication protocols and other relevant factors essential for a successful collaboration.

Set standard operating procedures (SOPs) as necessary to ensure all team members have the same understanding and expectations of their roles.
- 4 Foster communication:** Encourage open and frequent communication, both formal and informal. Schedule regular check-ins to ensure everyone is on the same page and occasional team-building activities to promote team bonding.
- 5 Implement technology:** Equip your remote team with the necessary tools for collaboration, such as video conferencing, shared documents, task management software, etc. Investing in technology can help you to stay connected and boost overall productivity.
- 6 Monitor progress:** Track key performance indicators such as time spent on tasks or project completion rate to ensure everything is running as expected. Report any issues immediately so they can be addressed quickly and effectively.

- 7 **Provide feedback:** Offer regular feedback to your offshore team, both positive and constructive. This will help ensure their work is up to standard and that they remain motivated and engaged.
- 8 **Show appreciation:** Acknowledge the efforts and successes of your offshore team, as this will help foster a sense of loyalty and trust. Showing appreciation also serves as a great way to boost team morale and keep your remote employees motivated.
- 9 **Set up regular meetings:** Schedule a virtual meeting with your outsourcing team to discuss progress and ensure everyone is aligned. This will help foster collaboration, improve communication and encourage knowledge-sharing within the team.



How do Account Global outsourcing accounting services help accounting firms scale their business effortlessly?

Account Global provides a comprehensive suite of accounting services to help firms scale their business quickly and efficiently. We offer bookkeeping, accounting, payroll, tax filing and compliance services, emphasizing accuracy and timeliness.

Our team of experienced professionals understands the complexities of working with accounting firms and can provide quality solutions that meet the highest standards.

We leverage best practices and cutting-edge technologies to ensure the timely delivery of services with complete precision. Our services are designed to help you streamline processes, save time and money, reduce errors, and minimise the risk of fraud.

With Accountglobal's tailored solutions, you can also enjoy peace of mind knowing that your clients accounting related tasks are in expert hands.

Let us show how our reliable outsourcing accounting services can help you grow your business. Contact us now to learn more about our services.



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