Transform the cumbersome into
STREAMLINED.

Santora CPA Group
Newark, DE
Accounting & Tax Services

Santora CPA Group's final step to a completely paperless office.

Workflow Automation

For Kathie Skinner of the Santora CPA Group, automating the firm's control sheets was a game changer.

Skinner, who has been the 35-person firm's administrator for more than three decades at the Newark, DE-based practice, says that though the rest of her firm's processes were already paperless, the team had been "batting around the idea" of going paperless with their control sheets for a couple of years.

Skinner recalls, "We had heard from other team members who recently joined our firm that there was a way to be paperless with our control sheets, [but] we didn't know where to start. Then a solution was brought to our attention, and it solved that problem."

Use of automated workflow software would now help the firm better track engagement status, signoffs and reviews, and identify potential bottlenecks in the process by being able to track how long each step in the workflow takes to complete.

The Problem

Up until January 2015, Skinner tracked every stage of a tax return in the firm's time and billing software via Excel spreadsheets, which was becoming cumbersome given the 27% growth rate the firm had seen in the last two years. Last year, the firm churned out approximately 1,100 tax returns alone with its 35 employees, four partners and two principals. In addition, Stacey Powell, an audit partner, tracked key milestones of audit engagement status via Excel spreadsheets.

"At any given time, it's my team's job to know where each and every job is," Skinner says. "If a client calls and wants to know where their tax return is, we can tell them exactly what stage it's in now. It's now live, current data for us."

It wasn't always that way.

"Before you would know approximately where a return was, but you wouldn't know exactly where it was without having to do a bunch of backtracking," says Skinner. "We had people signing off on Excel sheets, and then we would have to log in that information into our time and billing software."

The Decision

Skinner, along with Powell, facilitated the process of taking the firm's control sheets paperless. They were advised to just do the tax side or just the audit side, but they decided "to jump in with both feet."

The decision of which vendor to use was straightforward – XCM was recommended to them during a firm process optimization efficiency review completed by Xcentric.

Skinner and Powell, along with firm managers and partners, participated in demo presentations to facilitate the decision-making process and to get buy-in up front. In addition, Skinner contacted references from firms using the software for their feedback on the system. Based on the results of that process, the firm decided to move forward with XCM.

The Process

For the first step, they were asked to input detailed information in a series of spreadsheet templates provided by their implementation coordinator. This included client data, as well as separate spreadsheets that would illustrate their current workflows from beginning to final steps. That information was refined during a series of conference calls and then imported to build out the Santora site.

"After they did that, we had to go in and make sure all of the imported information was correct," Skinner says. "I had to put in all the jurisdictions for all the different tax returns; we had to compare the old lists to the new lists, making sure we had everything, and then there were tasks we did that didn't fall into anything they created, so we had to actually create new workflows. It was many, many hours. But well worth it."

Perhaps what changed the most for Skinner and Powell was that their workflow became more efficient by default. They were both asking if anything in what they were doing needed to change.

"We had to continuously look at how our operations worked and how they would need to change for the automated process," says Powell, adding "if several consecutive steps on a job were completed by the same person during the paper process, they would end up having to push the automated workflow to themselves for each of those steps in the automated version, which didn't make sense. We had to think through the change so we weren't being inefficient with the technology. We didn't want to just try to cram what we do into their system; we wanted to use the system to make our processes better and maximize efficiency."

To get ready for tax season, Powell and Skinner spent much of November and December 2014 refining the system – this was over and beyond their regular workload. The system allowed logging in from anywhere, so Skinner would often work at home during the evenings comparing lists. All in all, it took just over two months from the initial overview call to when the system went live in mid-January.

"We literally live by our lists to know what work is coming up, so I had to make sure no project was missed during the transition," Skinner says. When it came to training the rest of the firm, Skinner and Powell hosted lunch and learns, and implementation was discussed at the firm's annual tax season kickoff meeting. In addition, the firm used the series of training videos and self-study manuals provided by the vendor. Management buy-in was there from the beginning, and it was understood that the process was trial by fire.

The First Tax Season

Overall, Skinner says, tax season went very well. The system has given her a more macro perspective of what needs to get done and when, on a daily basis. With two "buckets" on her desktop, she has a better way to track open e-file forms and the processing of extensions. She can also see how long something has been sitting and with what person. "It just makes everything so much easier."

Skinner adds, "When I talked to references while doing my due diligence on the system, they kept saying, 'by March 1 it will be an old habit.' And it was true. Everyone became more comfortable with the new processes every day."

> **Now we know where everything is, at any given time, immediately.**
> –Kathie Skinner

Lessons Learned

The biggest takeaway from the initial experience, in Skinner's words: "Now we know where everything is, at any given time, immediately."

There were, however, some difficulties along the way. Aside from the hours and process of gathering the information needed to set up the system, it became clear to Skinner and Powell that the key to success was to make sure everyone in the firm was trained well. Employees and partners alike needed to know the correct process to move tasks so they routed through the office correctly.

In addition, during an after-season round-up with XCM, they learned their already-implemented workflow system for financial statement audits was complex and that there were suggested revisions to further enhance process efficiency – a realization they wish they had known earlier before implementation. As a result, one of their next steps is to streamline the audit-side workflows.

"All in all, the system has been absolutely beneficial," says Skinner.

The Next Steps

Aside from working on making the automated financial process more efficient, Skinner will be working on refining the tax workflows, since certain jurisdictions need to be completed separately.

Powell and Skinner are also in talks with XCM about a scheduling module (Powell manages the firm's scheduling) so not only will they know where every job is at every step in the process, but also they can schedule engagements all in one application.

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Firm Profile

For over 30 years, Santora CPA Group has provided accounting and tax services throughout the region. Additional services include fiduciary, trust, wealth enhancement, estate planning, profit improvement, HR consulting, payroll, bookkeeping, business valuation and litigation support.

Location

Newark, DE

Staff

35

Authored by Liz Gold, business journalist and regular contributor to *AccountingWEB*.

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