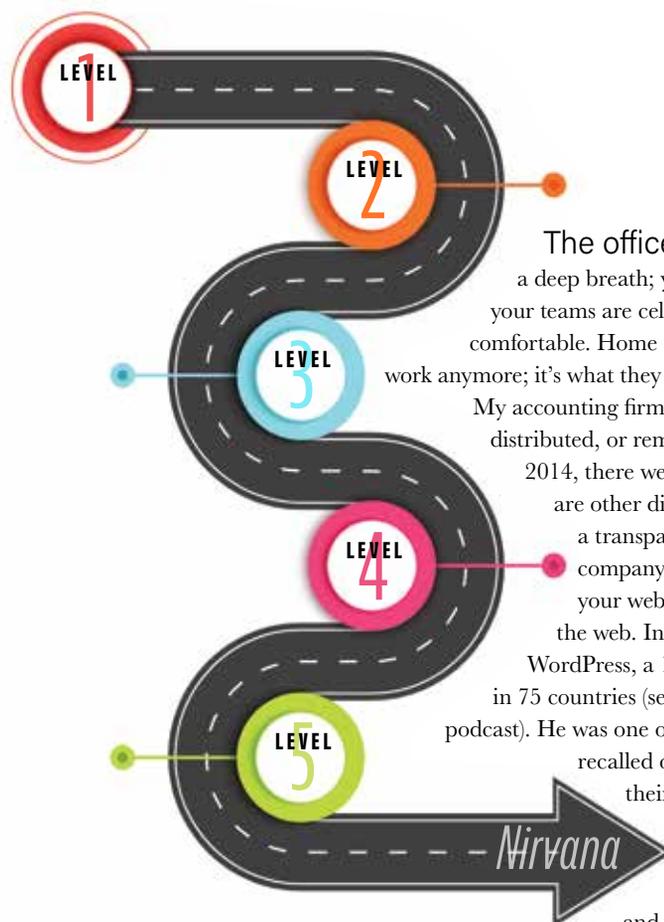


The Path to Nirvana

Five Levels of Remote Work for Accounting Firms

BY SCOTT HOPPE, CPA



The office is officially optional. Die-hard office dwellers can take a deep breath; you're safe. The office is *optional*, not gone. Meanwhile, your teams are celebrating their new flexibility to work where they are most comfortable. Home office, your office or bed? Who cares! It's not about where they work anymore; it's what they produce.

My accounting firm, Why Blu, started in 2014 and is fully distributed. A distributed, or remote-first, firm is one that has no physical offices. Anywhere. In 2014, there weren't many other CPA firms doing this. Lucky for me, there are other distributed companies outside of accounting. They are typically a transparent bunch with inspiration and stories to share. One such company is WordPress. You've likely used WordPress—to either build your website or visit someone else's—because it powers 36 percent of the web. In 2005, Matt Mullenweg founded Automattic, the owners of WordPress, a 100 percent distributed organization with 1,172 employees in 75 countries (see sidebar for related

podcast). He was one of the first on the scene and recalled other companies saying that their remote-first model will work when they're at 10 employees, but never 100. Then they got to 100, and those same people said sure

at 100, but not 200 and on and on. Yet here they are at more than 1,100 and still moving.

There are five levels of autonomy applicable to accounting firms. The model is inspired by Mullenweg, who developed it after the five levels of self-driving car autonomy. The first step to managing a successful remote firm is to figure out where you are, so you know where you need to go.

Level 0: Requires Physical Presence

Level zero autonomy is a job that cannot be done unless you're physically there—think firefighters, construction workers, baristas. Accounting is not a level zero profession.

LEVEL 1: Unprepared

At level one firms, accountants can get by remotely, but they are not as effective. The firm has made no deliberate effort to make things remote-friendly, but people can keep things moving for a day or two when there's an emergency. Perhaps, they will dial into a few meetings. Otherwise, there is no special equipment, and you may use a clunky VPN to access basic work resources like email or your calendar. Many



Tools: Zoom or Meet, Slack or Teams (some email replacement because email is private and locked up). At Why Blu, we have zero internal emails. We reserve our inboxes for external clients. Using an open messaging platform leaves communication flat and accessible.

Challenges: Tools are only as good as how you use them (see the Want More? sidebar for a link regarding Zoom burnout).

What do we lose? Those who practice management by walking around may miss the ambient closeness and in-person information gathering. Address this with partial team hour overlaps across time zones. Pay closer attention to visual cues on Zoom. Experiment with techniques.

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accounting firms were here pre-pandemic and wholly unprepared for COVID-19.

LEVEL 2: Recreating What You Do in the Office, Online

Level two is where most firms now reside, especially traditional firms, because they've accepted that work is going to happen at home for a while. Firms may have turned to tools like Zoom, Slack or Microsoft Teams. We use Asana for project management. An error in many newly remote workers is to confuse downloading Zoom, Slack and having email access with having this "remote thing" sorted out. Instead of redesigning work to take advantage of the new medium, teams recreate what they were doing in the office in a "remote" setting. Everything is still synchronous. Your day is full of interruptions, so you start early or stay up late to do your "real" work while others are off. No real-time meetings are canceled. Firm management has anxiety around productivity (they may think about installing big brother software, but please don't). If you are level two, you have a long way to go.

LEVEL 3: Taking Advantage of the Medium

At level three, firms start to benefit from being remote-first. Your team invests in better equipment, such as good lighting, webcams and audio gear. You build automation across your tools using Zapier, which allows users to integrate web apps they use. We use a combination of Zapier and Google Scripts to build custom workflows across our tools. Audio is particularly crucial because fumbling with the mute button on meetings kills spontaneity. Most people mute due to terrible microphones. A good microphone, paired up with noise-canceling software (Google Meet has it built-in, others can try Krisp.ai), elevates the experience. However, as live meetings move off center stage, written communication becomes more critical.

LEVEL 4: Becoming Asynchronous

Level four is where things get more serious in terms of giving your people autonomy. Your firm is asynchronous and no longer mixes up presence with productivity, or hours with output, as one might on the factory floor. Your people have the freedom to work when and how they want. Before level four, you've assumed your teams are on a computer at the same time, clocking the same office hours. You may start to discover how many meetings are replaceable with Slack conversation. In their essence, meetings are a forcing function to get people's attention on the same topic at the same time. But all you get are people's reactions and biases from gregariousness, gender and status. If something is urgent, then the mode of communication should reflect that. Instead of Slack, pick up the phone or tap that person on the shoulder. At level four, you can draw on a global talent pool. The fact is 99 percent of the world's population doesn't live near your legacy California office. Firms master handoffs across time zones to get 24 hours of productivity, like outsourcing tax work to India. In the end, level four offers the massive benefit of giving knowledge workers time to think, create and get into their flow state. For more on flow, I suggest reading "Deep Work" by Cal Newport.

LEVEL 5: Nirvana

The idea of level five is to keep getting better and leave something out there that is not wholly attainable. At level five, you could do better work than any in-person firm. The fun side of level five is you can incorporate things in your day that you wouldn't usually be able to in the office because they are socially awkward or impossible. Think doing pushups between meetings or, more seriously, picking your kids up from school

without it feeling uncomfortable. Whatever it is you're doing during your workday, your colleagues have no idea because you're still producing.

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wantmore?

As alluded to in the article, check out these resources:

Making Sense Podcast #194: The New Future of Work (Interview with WordPress founder Matt Mullenweg)
samharris.org/podcasts/194-new-future-work/

Zoom Burnout: Why Does It Happen?
nationalgeographic.com/science/2020/04/coronavirus-zoom-fatigue-is-taxing-the-brain-here-is-why-that-happens/

Way to Mobility

Starting on the Path to Going Digital

BY MARGARET E. SCHOPP, CPA

With the massive amount of changes we've been through recently, the last thing I would like to propose is that we add more change; but that is exactly what I'm going to do. If your firm has not done so, now is the perfect time to start on the path to going digital, paperless, cloud based, electronic—whatever you would like to call it. For me, I call it my "Way to Mobility."

We have all read the articles on why to take this step: it saves time, money and improves efficiency, just to name a few reasons. Yet we've been set in our own well-established, comfortable and familiar process, so why change? I will tell you my story and maybe what motivated me will resonate with you.

Piles of Papers

I've been a practicing CPA for more than 20 years, but only six years ago did I make the decision to get into tax preparation. I purchased a firm close to my home in November and by February was knee-deep in stacks and stacks of folders, which contained papers that went back four or five years (you know the color-coded dockets) and permanent files that went back even further. Anyone who knows me knows I organize myself with little piles on the floor. Well, those piles took on a life of their own and before long took over the floor, the conference room table, the bookcases ... you get the idea. I vowed things would change.

At the same time, I love to travel and it has always been on my mind that if, by some stroke of luck I got stuck out of the country for months, I would not fear since I would be able to prepare a tax return without skipping a beat; everything I needed would be either on my laptop or I could access through a cloud application. So I started the



“Way to Mobility” with one small step – scanning and shredding. Get all those paper files converted to digital and send those stacks of folders to the shredder. By the time we were done, eight, four-drawer file cabinets were reduced to three. Yes, we still have a fair number of folders that still have paper still in them, but every year the amount of paper gets less and less as we get more and more comfortable working with the digital copy. I consider it a small victory when another of the four-drawer cabinets goes on Craigslist. So, the first step in the conversion was complete. The momentum had started.

Riding the Momentum

The next step in my journey to mobility was a bit more difficult: implementation of the client portal. While the scan and shred process was easy since it was totally internal, the next step was going to include client buy-in and I was getting a bit nervous. We put one of our associates in charge of the implementation/set-up process and had her train us in the interface with the tax software, access via the app or on-line, how to give rights to clients, etc. We hated it. OK, that’s a bit of an exaggeration; a majority of us hated it. But, after a while, we started to figure it out. Small successes lead to larger successes that kept building. Spontaneous meetings would start taking place where we would share what we learned and that felt good. But again, at this point all the change was internal. We needed to roll this out to the clients.

Unveiling to the Clients

We introduced the system via a cover letter to the engagement letter; we used bullet points and lots of white space so the information was not intimidating. If I were to do it over again, I would also include the same information on the cover of the organizer to ensure that people got it. We focused on the client benefit: saving paper, access to historical returns, we even suggested that clients include non-tax related items such as evidence of homeowner’s insurance (in case of fire) or other important family documents like their trust. And yes, the rollout resulted in lots of phone calls and missing passwords (no, we don’t keep them and no, we don’t know what they are); but, just as we got the hang of it, so did the clients.

The most successful thing we did during rollout was to have a script with screen-shots so we could walk the client through the login or upload process. If I were to do it over, I would have posted that

document on our website so clients could have access or maybe done a video and narrative to show them how to access the system and upload things properly. At the end of the day, we had about an 80 percent to 90 percent adoption rate. There were some clients who just could not or chose not to adapt. While we would love 100 percent adoption, we do still have the paper-based process for them and it serves to remind us about how far we have come and how something that seemed so natural for so long, seems so foreign and, in a way, uncomfortable now.

The Server’s Turn

Yet, we were still not done. My goal of mobility was still not complete because I was tethered to a software program on a computer in my office and no amount of VPNing into that box was going to work. So, the last step in our migration to mobile was the remote server. Again, this was easier to implement since it was an inward facing change and all the complaining was going to come from staff and not clients, but out of the three major steps we took on the “Way to Mobility,” this was the easiest and fastest.

Finding the Way

My “Way to Mobility” is mostly complete. There are still a few tweaks, but for the moment things are good. And while my goal for going through all this trouble with scanning, client portals and remote servers was to serve my travel hobby, I had no idea how useful it would be in the event of a pandemic. Upon receipt of the notice from the county health department, we made the decision to close the office. From there, it took us less than four hours to get set-up and functioning in our respective homes without skipping a beat.

This time of huge change might be the perfect time to start your own “Way to Mobility.” During shelter in place orders, what has been difficult for you, your firm or your clients? What has impacted your effectiveness and are there tools that can address that issue? Right now, clients and staff are all expecting us to shift, to change to address the environment we now find ourselves. Maybe the change we generate ourselves will give our clients and our co-workers confidence in our ability to respond to their needs even when the world looks so very different. 

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