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In collaboration with



# THE CONNECTED ACCOUNTANT

AN INSIGHT INTO EFFECTIVE MOBILITY



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# PREFACE

The ICAEW, in collaboration with Research in Motion, the company behind the BlackBerry solution, has carried out an online survey with 566 ICAEW qualified accountants, who are partners or have a senior role in their practices. Those selected for interview were all at firms with between 10 and 5,000 employees. The interviews took place between 1st and 15th December 2008. For full demographic details please refer to Appendix 2.

In this document, we will make reference to a report published in 2007 by the Bay Street Group, a US consultancy<sup>1</sup>. Using their panel of active accountants, they conducted an online survey with 599 members of smaller accountancy practices (up to 100 employees). Although there are differences in the sample and the paper was published some time ago, there is a high degree of overlap in the key findings and it enables a deeper understanding of the direction in which the UK accountancy profession is moving.

A second source of background information is a paper published<sup>2</sup> by Ipsos Reid, specifically looking at the impact of using BlackBerry smartphones for working out of office. This did not focus on the accountancy profession, but adds specific analysis of usage and ROI for this type of smartphone.

<sup>1</sup> The Connected Accountant: The Growing Mobility Trend (Dobbs Ferry, NY: Bay Street Group, 2007)

<sup>2</sup> Analyzing the Return On Investment of a BlackBerry Deployment, small to medium business (Ipsos Reid, 2007)

# EXECUTIVE SUMMARY

This report, based on an online survey of senior accountants in practice, will demonstrate the growing trend for accountants to adopt mobile technology in order to be 'connected' and work effectively while away from the office.

- Accountants need to be connected to clients, colleagues and information when away from the office.
  - In the largest practices in this survey, nearly two thirds of accountants spend more than 10 hours a week working out of the office.
  - Among the smaller firms, close to a third spend at least 11 hours a week working out of the office.
  - Three quarters stress the importance of being easily accessible to clients while away from their desks, and that this has become more important in the current economic climate.
  - The vast majority recognise the importance of working effectively while away from the office.
  
- Effective out of office working has significant benefits for both the practice and the individual.
  - Nearly all of those in our survey agree that it increases client satisfaction.
  - The large majority believe it improves communication with colleagues and increases both personal and team productivity.
  - A majority agree that it both increases billable hours to clients and enhances their own work/life balance.
  - More than one in three say that they have won new business as a result of being readily accessible to clients while out of their office.

Continued overleaf ►

- Mobile technology is already widely used.
  - The vast majority have remote email access.
  - Nearly 60% of survey participants now have some form of remote connectivity.
  - Around half use a smartphone and a quarter have mobile connectivity through their laptops.
  
- Smartphone usage is set to grow.
  - Current smartphone users see clear improvements in productivity, with 78% of those in our survey having seen an improvement in productivity of up to 50%.
  - More than 40% of non-smartphone users in this survey say they are likely to consider purchasing one in the next 12 months.

# 1 INTRODUCTION

A term first coined by the Bay Street Group, 'the Connected Accountant' describes an individual who can deliver a much increased level of responsiveness, client service and efficiency. Using mobile technology enables accountants to meet the demands of an increasingly connected, always-on, faster moving and far more competitive marketplace.

The accounting market has generally become more challenging, and as the economy slows, those accountants that can react to client needs and demands and recognise the opportunities for success in a difficult market will emerge stronger. Some clients may merge and others contract, but all will be increasingly focussed on cost efficiencies and ways to drive a positive bottom line. Flexibility, the ability to make quick decisions grounded in expert advice and the need to deliver faster, better service to their end-customers, means clients will be even more demanding of their accountants.

Being in practice has never been a desk-bound role, with much of the accountant's time spent visiting and working at clients' offices. Accountants and their clients recognise the value of increased face-time for a deeper understanding of the business and a strengthened partnership to provide more valuable business insight and advice.

Accessibility and responsiveness are key requirements for the modern accountant in delivering excellent customer service. The tools needed to enable this must provide a constant link with the office and with clients, to collaborate in a team that can work 'anytime/anywhere'.

Mobile technology allows accountants to be responsive, flexible, accessible and well informed, to provide optimum support to clients. The larger practices<sup>3</sup> lead the way in this through their use of mobile technology; but the smaller practices are increasingly adopting similar capabilities in order to service their clients more effectively.

So how is mobile technology deployed and what role can the smartphone<sup>4</sup> play in supporting the modern accountant in being 'connected'?

<sup>3</sup> Throughout this report, the term 'smallest' is taken to mean practices of up to 25 employees, 'smaller' up to 50 employees, 'larger' over 250 employees, 'largest' over 500 employees.

<sup>4</sup> The survey questionnaire explained that 'smartphones generally combine mobile phone functionality with other digital information access such as email, web or file access'

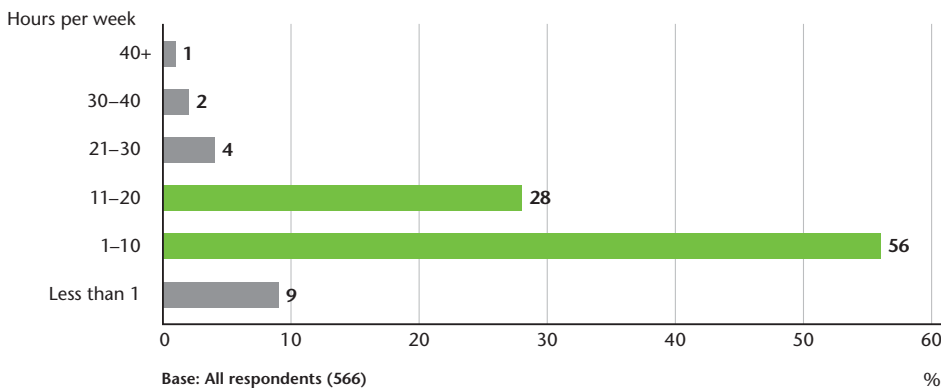
## 2 CHALLENGES AND OPPORTUNITIES

Being a successful accountant has become decidedly more demanding. Our survey found that more than 90% of accountants spend at least an hour a week working away from their office. In the largest practices, nearly two thirds (60%) of accountants spend more than 10 hours a week working out of the office. For smaller practices, close to a third spend at least 11 hours a week away from their office. With clients demanding greater flexibility and more support, this pattern is set to continue. [CHART 1 ▼](#)

**‘Without mobile technology, being out of the office makes it more difficult for clients to contact me and can make it more difficult to ensure that I get the message to contact them on my return. It might also mean that clients look for answers elsewhere.’**

### CHART 1

In a typical week, how much time do you spend working away from your office?



While being away from the office, it is vital for the accountant to stay in touch. The majority (74%) of those taking part in our research stress the importance of being accessible to clients while away from their desks and the more they are out of the office, the more important this becomes.

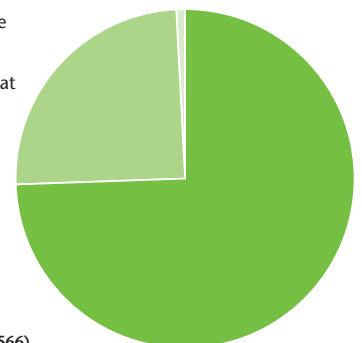
Three quarters of accountants (75%) also feel that the importance of this has grown in the current climate. The larger practices are particularly conscious of the need to be responsive at all times, reflected in their generally higher levels of mobile technology usage. [CHART 2 ►](#)

### CHART 2

In the current economic climate, do you think it is more or less important for your clients to be able to contact you when and how they want?

- 75% Yes, it's more important in this climate that clients can contact me
- 25% No difference
- > 0.6% Yes, it's less important that they can contact me

Base: All respondents (566)

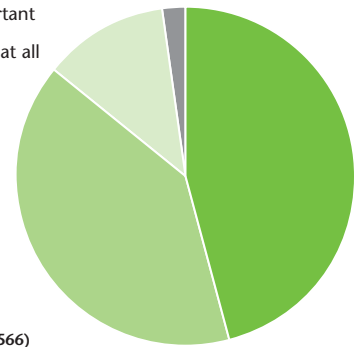


Even more important than being accessible to deliver continued client service is the productive use of time – 86% see it as important that they are able to work while away from their office. Again, the larger practices lead the way (66% see it as ‘very important’ to be able to work out of office), but the practices below this size are not far behind (43%). Solutions that maximise productive time as well as enable improved client service levels when out of office are fast becoming essential to succeeding in a competitive marketplace. **CHART 3** ▶

### CHART 3

From a business perspective, how important is it that you can work out of office in your role?

- 46% Very important
- 40% Important
- 12% Not very important
- 2% Not important at all



Base: All respondents (566)

**‘Being able to access email and respond to clients and colleagues has become very important to me when working out of the office. The efficiency of having a ‘live’ calendar with me assists greatly in planning work activity.’**

Efficiency and client service rely on an unhindered workflow. While out of their office, accountants need to liaise with their teams back at base and call or email their clients. Other key tasks include scheduling meetings, accessing client information and creating or editing documents. Effective mobile solutions make such tasks easier to manage. Again, the larger practices are ahead of their smaller peers – both in the range of tasks they have to perform while outside the office and in the solutions they adopt to cope with these demands.

Accessing client information and creating or editing documents currently ranks lower in the hierarchy of out of office tasks, but it is surely only a matter of time before the increase in mobility we witness now will increase the importance of these capabilities.

**‘It allows me to make greater use of my time, particularly when I am between meetings. It is essential that I can work ‘out of office’ rather than it being a luxury.’**

**‘It adds stress to the working day due to having to meet people and still keep in touch with the office and potential new clients. People still expect you to work as though you are sat at your desk.’**

### 3 MOBILITY – A KEY ENABLER

The 'Connected Accountant' needs to be accessible – in taking up the challenge of working in today's fast moving environment, they need to be able to access information, call and email, review documents and maintain a close grip on the diary, wherever they happen to be.

#### CHART 4 ▼

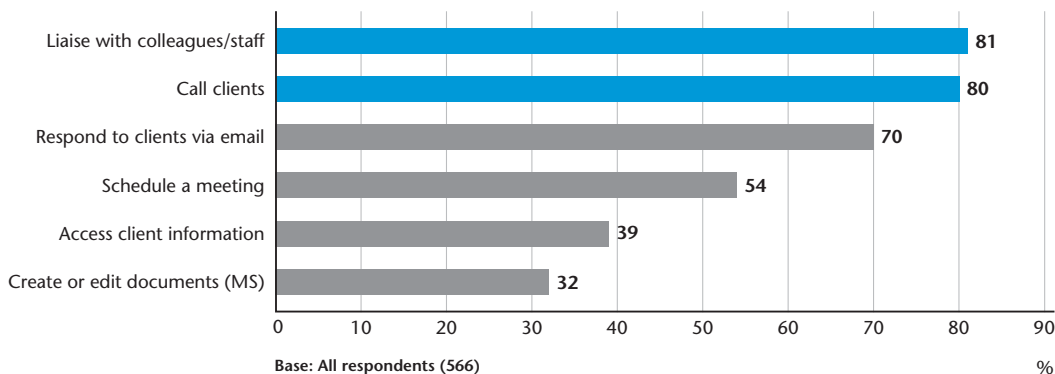
Winning new business with either existing clients or new clients is critical for growth and ongoing success. Although by no means a new approach to acquiring new clients, over a third (37%) of accountants in our survey have won new business while being out of the office – new projects and clients they might not have been able to add to their portfolio if they had not had the tools to respond then and there. For those that use smartphones, this increases to 53%.

Client satisfaction is at the heart of every successful business. Specialist expertise and a solid reputation are very important, of course, but demonstrating that the accountant truly understands the client's business and can employ their skills to maximise their client's business success is even more so. And at the heart of understanding is communication.

**'It enables flexibility and maintenance of a much better work life balance.'**

#### CHART 4

What are the most common requests/tasks you have to do when you're out of the office?



**'I may spend several weeks at a time away from the office. Without remote access to emails and my work phone, this would be impossible.'**

The frustration of those who do not have the necessary tools is evident. They have to return to their offices to synchronize diaries, pick up messages and contact clients with relevant information – it is altogether a much less productive, less effective way of working.

**‘It can make things difficult if you haven’t got the information required at your fingertips.’**

**‘I spend a lot of time away from the office and being able to access information and emails is vital to be able to meet client expectations. Having to deal with a large volume of emails on returning to the office is both frustrating and detrimental to client relationships.’**

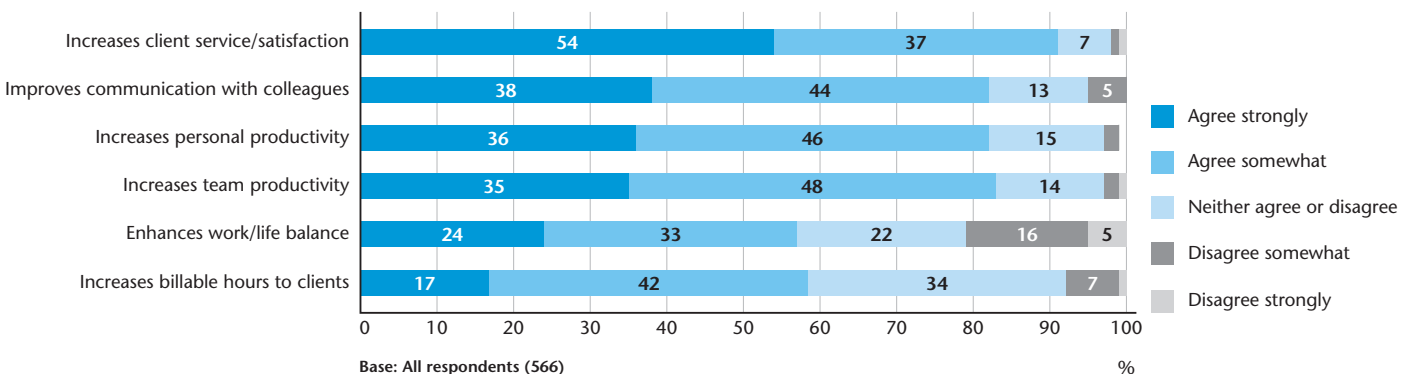
Being able to work effectively out of the office is widely seen to have significant benefits:

**CHART 5 ▼**

- The vast majority (91%) feel it **increases client satisfaction**
- It also **improves communication with colleagues** (82%)
- And **increases both personal** (82%) **and team productivity** (83%)
- A **positive impact on the work-life balance** is also visible, if less obvious (57%)
- And **billable hours to clients increase** (58%)

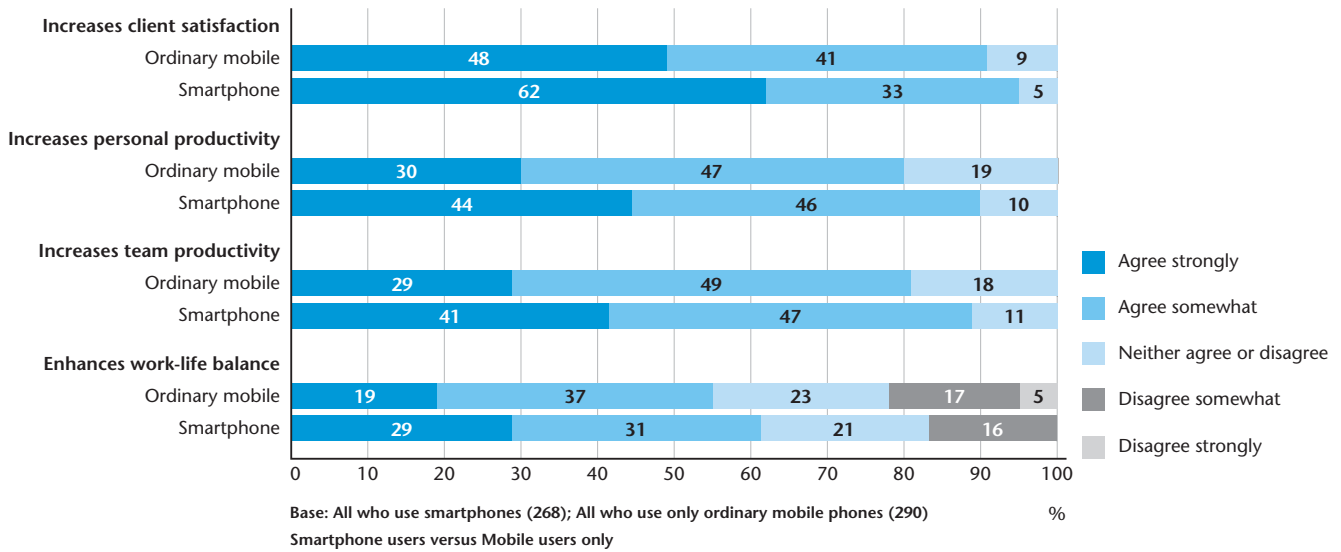
**CHART 5**

How strongly do you agree or disagree with these statements?  
Being able to work effectively out of the office...



### CHART 6

How strongly do you agree or disagree with these statements?  
Being able to work effectively out of the office...



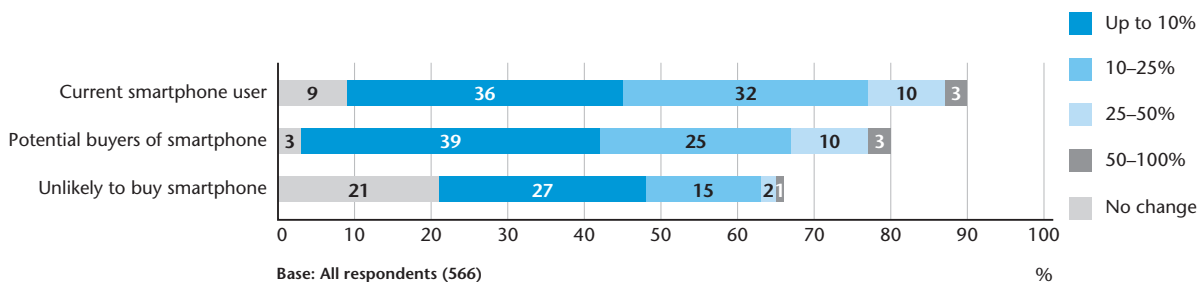
So what impact do smartphone users see in terms of improved productivity and client satisfaction versus those using ordinary mobile phones? [CHART 6 ▲](#)

- Smartphone users are convinced that effective mobile working enhances client satisfaction, whilst users of ordinary mobile phones retain some doubt.
- They also believe strongly that it enhances their own productivity and that of their teams, whilst those who do not use smartphones are much less certain.
- When it comes to their work-life balance, a majority sees this enhanced by effective out of office working because of the much greater flexibility it gives them. They far outnumber those who regard it as an intrusion into their private life.

Overall, current smartphone users are clearly the most positive about the increases in productivity that can be achieved by using this type of device. A convincing 78% of those in our survey have seen an improvement in productivity of up to 50%. Nevertheless, potential users also have high expectations. [CHART 7 ▼](#)

### CHART 7

How much more productive do you think your company can be by using smartphones?



## 4 MOBILE TECHNOLOGY IN TODAY'S PROFESSION

Communications and information technology is ubiquitous, even in more traditional professions like accountancy. All have email and most have systems to help them manage their information and their practice more efficiently. From a communications perspective, email has become increasingly critical as a link between accountant and client as well as within the practice with colleagues and working teams. In fact for some firms, the lack of email access has become unthinkable.

Obvious, then, that accountancy practices would focus on making email available to staff working remotely, to ensure constant access to this vital communication. 83% of accountants can access their email while out of the office – a staggering advance on a few years ago when this was a 'nice-to-have' rather than a necessity.

Of those who do not have out-of-office access at present, 16% have plans to introduce remote access to email in the near future. It is worth adding that the term 'remote access' could encompass a variety of means of accessing emails, including, for example, a fixed line connection from a home PC via a VPN (Virtual Private Network), using a laptop fitted with 'wireless broadband', or using a smartphone. **CHART 8 ▼**

Looking at the mobile technology employed by accountants, virtually everyone in our survey has some form of mobile phone (99%) and most have a laptop (83%). The most common combination is that of a laptop and a smartphone, closely followed by a laptop and an ordinary mobile phone.

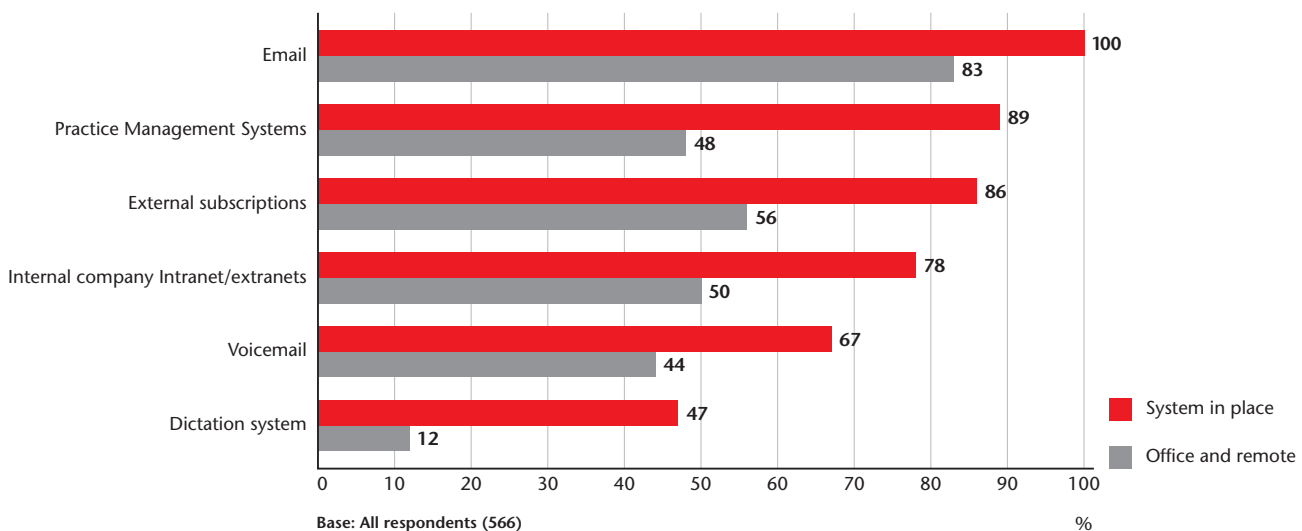
Nearly half now have a smartphone (47%), and most of these employ at least a laptop as well. However, one in six now have both a smartphone and a laptop that has a mobile connection, enabling remote working on more than one level. Overall, 58% of our sample has some form of mobile connectivity via a smartphone or a laptop or both, leaving just over 40% without such a facility. **CHART 9 ►**

The smartphone usage trend is definitely 'up' – 42% of those who do not currently use a smartphone indicated an intention to purchase in the coming 12 months – so if translated into reality, an impressive 70% of all accountants will be using a smartphone within the coming year.

**'It enables me to be available to my clients as and when they need me.'**

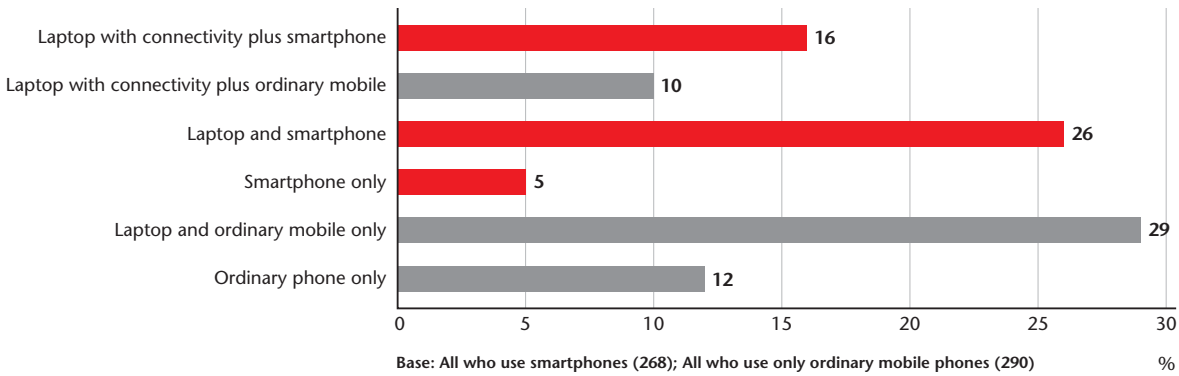
### CHART 8

Which of the following IT functions/systems does your practice currently have?  
Which do you have access to when working outside of the office?



### CHART 9

Mobile technology employed by accountants



The most likely buyers are the larger practices, with accountants who spend at least 10 hours a week out of the office. These tend to be Partners and Account Managers, who spend the most time out of the office with clients. Yet it is likely that the smaller practices will register the biggest rates of growth once they have started on the road to mobile connectivity.

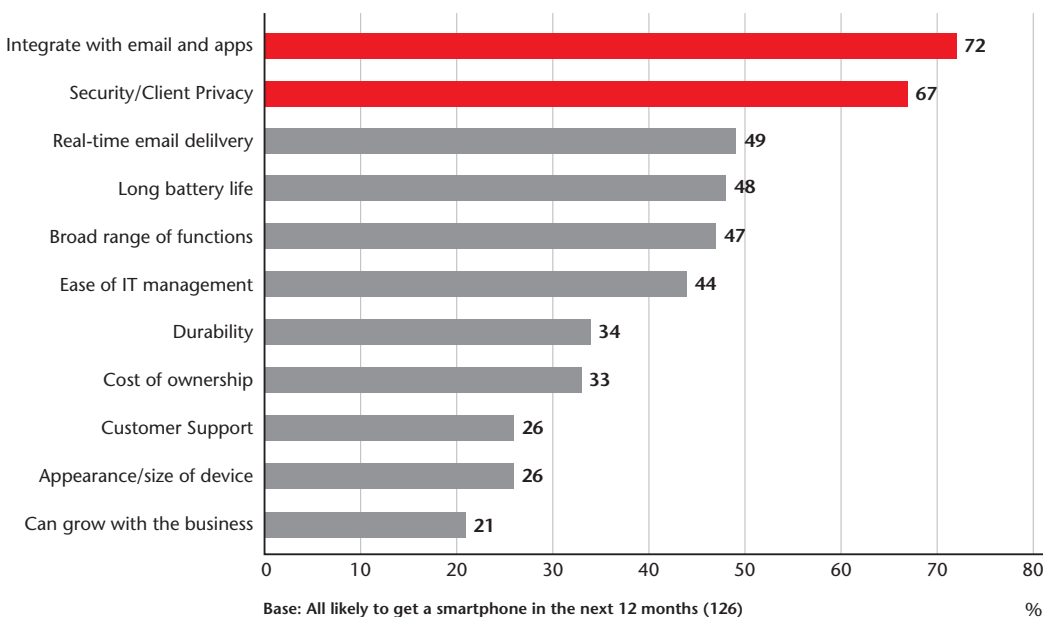
We have found that, for those with more limited experience of smartphone use, a number of criteria are important in the potential purchase of any smartphone. Integration with current systems is the most important of these (72%). Delivering a consistent end user experience whether in the office or mobile is a critical factor for successful adoption of a smartphone solution. Another key criterion is security (mentioned by 67%) – a paramount concern for the industry as a whole.

Accountants working for the smallest practices are most concerned about integration with existing systems. Security is a key criterion across the board, but as larger practices tend to have more experience with and understanding of the capabilities of mobile technology, they are less concerned about this aspect than their smaller counterparts. However, through selection and proper, sound implementation of appropriate mobile technology, protection of sensitive client or practice information can be assured.

Other elements giving food for thought to those taking part in the study mainly relate to usability and management. Real time email (49%), a long battery life (48%) and ease of managing the device within an existing IT system (44%) can all be addressed through thorough evaluation and careful choice of a best-in-class smartphone solution. **CHART 10 ▼**

### CHART 10

If considering a smartphone/multifunction device, which criteria would you deem important?



## 5 BENEFITS OF SMARTPHONE TECHNOLOGY

A further international study, by Ipsos Reid, into the use of BlackBerry smartphones, found that the typical (median) end user converts 60 minutes of downtime into productive time per day, equating to an impressive 250 hours per year in recovered downtime. This was found to apply across industries, as out of office working is becoming more common across the board. If we conservatively take a charge-out rate of £100 per hour for a senior accountant, applying the same logic from the Ipsos Reid study to these UK firms, would suggest that a smartphone could yield another £25,000 in revenue if all the 'recovered' time were chargeable<sup>5</sup>.

Ipsos Reid also found that:

- Smartphone usage, in addition to improving personal productivity, allowed mobile staff to keep work moving for others while they were out of the office.
- The average user reported that using a smartphone increases the efficiency of the teams they work with by 39%. This is equal to more than \$34,515 USD (£23,988.77<sup>6</sup>) annually per user, based on international productivity per employee data.
- Immediacy is another important factor. The average smartphone user processes 2,500 time sensitive emails per year while mobile, and more than 1,990 phone calls per year.

**'Being out of the office in the past has sometimes meant not being able to communicate with clients effectively – being able to respond in a timely manner ensures the client feels that you are providing them with the service they require – in effect getting value for money for our service.'**

<sup>5</sup> However, this may not be fully realisable because, as we saw earlier (Chart 5), slightly fewer than 60% of accountants in our survey agreed that effective out of the office working can increase billable hours to clients.

<sup>6</sup> Based on exchange rate on 19/02/09 1 USD = 0.695025 GBP

## 6 CONCLUSION

As our findings clearly show, time out of the office is increasingly pressured and being 'connected' to clients, colleagues and information has become essential to success.

The effective use of mobile technology such as a smartphone helps the accountant to 'connect', enabling effective out-of-office working through unfettered access to colleagues and clients, office systems, client information and documents. In turn, this increases client responsiveness, satisfaction and retention and improves the productivity and competitiveness of the accountant. Alongside this, the added flexibility delivered can help to improve the work-life balance of a busy professional, even though a small minority may find it an intrusion.

The use of mobile technology is set to continue growing. The trend is clearly for more smartphones to be used by accountants in both small and large practices. No longer is connectivity a nice to have, it's a business imperative and the smartphone an essential tool with a compelling ROI.

**'Being in a very client orientated, service driven practice, the ability to maintain and keep clients up-to-date and in the loop ensures we keep up our professional and respected image.'**

**'Being connected makes my life considerably easier, and makes my clients feel more valued.'**

## APPENDIX 1

### THE BLACKBERRY GUIDE TO BUYING A SMARTPHONE<sup>7</sup>

Top considerations for selecting the right mobile solution

Currently the wireless market is crowded with vendors selling mobile devices and systems. New products are entering the market rapidly as wireless carriers use hardware to battle for a competitive edge they are unable to win with service plans alone.

Choosing the right solution is a real challenge for the practicing accountant. Which wireless device? Which mobility platform? To help firms come to their own conclusions based on the findings of this report and a firm's own situation and needs, we have identified the following top considerations for selecting a mobile solution.

#### Does the solution offer real-time, push-based email delivery?

There is a quantum difference between genuine real-time email delivery and other systems. In the other systems, the user periodically activates an application in the handheld device to check for new email. With push technology, the system pushes new email to the device at the instant it arrives. Unlike competing solutions that require the device to poll a server through the firewall, true push solutions use only outbound connections. That means there is little or no lag time. There are fewer security risks. There is no wait for a user to fetch a download. The delivery is controlled by the sender, not the recipient. Battery life is also much longer. The accountant's advantages in management and collaboration are clear. The sense of comfort a client enjoys is profound.

#### Will the solution integrate with your existing office applications and email systems?

One of an accounting firm's biggest single investments can be its information technology and telecom systems. Accountants want a solution that fits easily and comprehensively into their firm's computer systems and software applications. A mobile solution should require little in additional resources effort to deploy or maintain.

#### What security features are built into the solution to protect client privacy?

Accounting firms need a secure platform that helps ensure information remains confidential and comes from a trustworthy source. The firm must mitigate the risk of confidential firm and client information from reaching the wrong hands. In the event of a staffer's departure from the firm, the firm's management must be able to deactivate the staffer's device by remote control and wipe it clean of proprietary information immediately.

An additional note about security: If an accounting firm's systems are not every bit as safe and secure as that of the client's systems, then it's the practitioner who is, by default, the weakest link.

#### Is the solution scalable and flexible enough to accommodate future demands?

Accounting firms change and evolve. Staff members come and go. New clients and colleagues may work remotely. So a truly scalable solution must allow for a variety of wireless carriers in different locations. And the underlying platform must be both stable and state-of-the-art. Developments are moving swiftly in telecommunications. Practitioners will want a mobile solution that won't become obsolete in a year, or two, or three. They want a solution that's "future-proof."

#### Does the solution offer a broad variety of wireless devices in a choice of form factors, each exceptionally durable and each with exceptional battery life?

Accountants don't need "hip" or "cool" in their tool belt (although it doesn't hurt). Instead, they need a device designed for the "hard knocks" of a mobile professional. The device's form factor is a critical issue in its usability and performance. It must be convenient to use, or it won't get used. At the same time, a smartphone with a dead battery is as good as a brick. The top-rated devices provide up to five hours of talk time and 22 days of standby. A visit to a local cellphone retailer can elicit statistics on which brands and devices are returned for repair or replacement most frequently.

#### What is the solution's real total cost of ownership?

The total cost of a mobile solution includes the price of the devices themselves, the wireless carrier plan, maintenance, and technical support. But it also includes how long the device stays in use and how long the supporting infrastructure can remain in use without expensive upgrades or maintenance. With smartphones, it's easy for a lone customer to get lost in the cracks between the hardware manufacturer, the software developer, and the wireless carrier. Most accountants will want a vendor that offers a complete, end-to-end solution that includes hardware, software and services, such as technical support preferably from the manufacturer directly, regardless of how they purchased the solution.

<sup>7</sup> Reproduced, with permission, from *The Connected Accountant: The Growing Mobility Trend* (Dobbs Ferry, NY: Bay Street Group, 2007), pp. 11–12.

## APPENDIX 2

### RESPONDENT DEMOGRAPHICS

The following table shows the demographic profile of the ICAEW members in practice who responded to our online survey.

#### NUMBER OF EMPLOYEES

11–25	31%
26–50	22%
51–250	33%
251–500	5%
501–1,000	3%
1,001–5,000	5%

#### POSITION IN COMPANY

Managing partner	10%
Partner	48%
Senior staff	36%
Mid-level staff	7%

#### AGE OF RESPONDENT

Under 25	< 1%
26–35	31%
36–45	30%
46–55	26%
56–65	12%
Over 65	1%

Please note that due to rounding, percentages do not add up to exactly 100%

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