Finding the Right Technology for Your Professional Service Firm
Firms around the country have been facing extreme pressures. Whether from shrinking workforces, ever- stricter regulations, or growing competition from their peers, professional service firms have had to make major adjustments to their business practices to continue growing and serving clients effectively. While professional service firms have evolved their business approach with the times, many supporting technologies and processes have remained extremely manual and labor-intensive which can create a roadblock to firm growth and better client service. You need to make sure the firm is running as efficiently as possible. The right technology and process changes can be the tools that your firm needs.

Whether it’s switching to a new technology or a major upgrade, finance chiefs can lead the way to help boost efficiencies and create opportunities. Automating processes, connecting employees, and increasing staff productivity can be critical changes to remain competitive in today’s professional service firms.

Overcoming Inertia: Developing a Realistic Technology Adoption Plan

With all the buzz about what automation and mobility can offer businesses today, finance chiefs know technology is important. So what’s stopping change from occurring? There are four common rationales for delaying investments in IT: cost concerns, inertia, indecision, and business disruption.

The first barrier to change is that many finance executives are wary of how much investment might be involved in adopting new technology: “It’s too expensive.” In fact, many firms have experienced technology upgrades that led to high costs and disruption to normal operations. The cost considerations cover not only the investment in IT and infrastructure but also the need to rethink current staffing and technology support functions. Preconceived ideas about the costs and implementation of new technology can give organizations pause.

There are two ways to get past this notion. The first is to build on your current infrastructure by looking for technology add-ons that are not cost-prohibitive. For example, talking with vendors about how you could make better use of existing systems and solutions. Vendors have likely made enhancements to their systems, and you should keep current with their existing capabilities in order to get the most from your investment.

The other approach is to understand the power of your role. As CFO, you are in a unique position to drive technology changes across the firm. While investment costs may be considerable, do they really outweigh the costs of lost opportunities?
The second rationale for not considering new technology is the age-old mantra, “We’re doing just fine.” Is this what the people at your firm are thinking? If so, be careful. Without the right technology, your firm could be taking huge risks without even realizing it. In a recent CFO research survey\(^1\) of more than 160 finance executives, 8 out of 10 respondents agreed that, if their companies improved their use of technology and automation, they would be able to spend less time on transactional and administrative tasks. Your firm could impact client service as well as staff satisfaction and productivity with the right technology investments. Consider all of the tasks your firm currently does manually, whether it’s invoicing, billing or forecasting for next year. Imagine how much more your valuable professional staff could accomplish if they weren’t mired in paperwork, worrying about whether or not a contract got to a client, or revising errors made in Excel. Implementing real-time dashboards and analytics can allow your staff to save time, worry less, and avoid many mistakes or inconsistencies between offices.

Outdated tools and systems can also create unnecessary obstacles for your valuable professional staff as they do their jobs. Your employees should be able to use technology to work more efficiently for your firm. If not, they may go elsewhere where another firm is investing in better systems. Saving a little on IT is not worth the expense of hiring new employees. You may be okay now, but, as CFO, it’s critical to plan ahead and invest for the future. The professional services market is getting more and more competitive, and clients have higher expectations than ever before. Your firm simply cannot afford to fall behind.

The next reason for avoiding technology investment decisions is simply, “I don’t know where to start.” This is understandable, as some finance executives may not be as comfortable making technology-related decisions as they would be with forecasting for the next quarter or analyzing last month’s T&E expenditures. To make this undertaking more approachable, you don’t have to go it alone. Work with your IT team, vendor representatives, and industry colleagues to get a better sense of what’s out there and what could be. Research and evaluate your critical vendors to see if they are offering the latest technology upgrades to your firm. Workshops and conferences can also be valuable ways to better understand tools and capabilities before you make a significant investment. Their expertise coupled with your knowledge of the business is a powerful combination.

The final obstacle is that many companies resist change to avoid any potential business disruption as they adopt and integrate new systems. Cities cannot grow without building new roads that take future growth into account, and it always involves temporary disruption for its residents. That concept is true for professional service firms looking to grow their client base or expand their business to more markets across the U.S. or other countries. Organizations are looking for new tools and technologies to grow their reach and increase firm-wide efficiencies, however implementing or upgrading these systems can literally change the way they do business.
Are current staffs and resources up for the challenge? While business disruption is certainly a fair concern, think of the payoffs. A “disruptive” technology project can move your firm beyond outdated technology and increase your competitiveness, producing something that is far more efficient and effective. With careful planning, your firm can train or add staff to better pull off a successful IT integration and reap the benefits of today’s technologies.

**Finance Looks Forward: Successful Technology Investment**

With service firms busier than ever, there is even greater demand for growth. CFOs should take this opportunity to become directly involved with the success of their businesses. One part of this strategic role is leading changes—moving past time-worn excuses and considering how firms can use the tools and systems available now to move to the next level. With its expertise and insight into the ins and outs of the business, finance is in a unique position to understand and justify the ROI of technology investment. Take this opportunity to work closely with vendors, colleagues, and partners to analyze and evaluate options for your firm. With ample research and due diligence, you can make the best business case for investment and gain buy-in from leadership.

By investigating and implementing new technology, your firm can become more responsive to client needs, attract and retain top employees, and boost firm-wide productivity. These are all mission critical to success in a competitive professional services market. With so much to offer, smart finance executives are wise to seize every opportunity for innovation.