

INCORPORATE ADVISORY CASE STUDY

Amanda Roberts CPA, a director at McConachie Stedman in Toowoomba, says incorporating advisory services in your practice requires a combination of communication skills and smart technology.

When Amanda Roberts joined public practice McConachie Stedman as a graduate tax accountant two decades ago, Australia was on the cusp of one of its most significant tax reforms. The introduction of the GST was a game changer for forward-thinking practices like McConachie Stedman, says Roberts, and it prompted the firm's steady transition from a focus on compliance to advisory services.

McConachie Stedman employs 85 people across its Toowoomba, Brisbane and Melbourne offices and its services include self-managed super funds and financial planning.

Roberts, who is now a director at the firm's Toowoomba office, says advisory services will be fundamental to the firm of the future. *"Since the GST, more clients have been using accounting software packages to enable them to meet their quarterly or monthly compliance deadlines. This has resulted in accountants being able to work with up-to-date data, allowing them to give more effective and proactive advice to their clients. The introduction of cloud accounting has further strengthened this ability,"* she says.

"There will always be a place for compliance, however the focus in the future will be on how accountants can partner with their clients to help their financial success."

As part of its transition to a focus on advisory services, McConachie Stedman invested in both technology and staff. The firm currently uses advisory software packages, such as Fathom and Futrli, which Roberts says help to *"paint the bigger picture"* for clients.

"With advisory software, you're not just printing a profit and loss statement for a client and saying 'this is what you've done'," she says.

"If you want to provide management accounting services, for example, you can sit down with your client to set budgets, determine their key performance indicators, and then the software can build reports with graphs and charts that illustrate performance for regular follow-up meetings."

While software can enhance advisory services, Roberts says it cannot replace human interaction. She adds that strong communication skills are vital for a successful move from compliance to advisory. *"The need for strong communication skills is changing the types of graduates we look for,"* says Roberts. *"We've spent considerable time and resources over the past couple of years on soft skills training for our staff."*

"In the advisory space, you need to have conversations with clients to determine what it is that they need or what they are trying to achieve, or when they want to retire – and how can you help them get there."

Roberts says clients value the firm's advisory services. *"We're getting to a stage where clients are calling us and saying, 'We're looking at buying this house. What do you think?'"*

She adds that the firm is also benefitting from a broader offering. *"It makes our jobs more rewarding,"* she says. *"Our staff are not just finishing a tax return, sending it out to the client and saying, 'See you next year'. They're asking, 'Can we help you with anything else? Do you have life insurance? Do you have income protection insurance? Do you have a will?'"*

Roberts says that the transition from compliance to advisory services cannot happen overnight and that people are the essential ingredient. *"Make sure you've got the right people who can adapt to change,"* she says. *"If you've got staff who don't like change, you won't be able to achieve it."*

"GET THE RIGHT PEOPLE ON BOARD AND INVEST IN TRAINING. AVOID THE TEMPTATION TO JUMP ONTO THE LATEST ADVISORY PACKAGES. NO COMPUTERISED PACKAGE DOES EVERYTHING, BE FLEXIBLE WITH WHAT YOU USE AND TAILOR IT TO CLIENT NEEDS."

Amanda Roberts CPA