

Editorial

Plenty of distressed clients but no face to face client meetings. A flood of JobKeeper updates to digest. Staff working remotely. What an incredible time!

The accounting profession has had to adapt to the changing landscape. Client meetings are now being hosted using tools like Zoom, Skype and Google Hangouts. Working from home might sound like an attractive work-life balance option given there's no real commute time, however, it isn't a seamless process.

Imagine an accountant sitting in your office with 3 monitors on their desk and a top of the range printer/scanner. Then, picture them at home with their kids and the television on trying to do the same work on a laptop and a domestic all-in-one printer/scanner. Can they maintain the same level of productivity, high level of accuracy and ethical standards with all the distractions?

The firm of the future might look very different with staff working remotely and lots of virtual client meetings. The demand for office space might shrink as will your rent. When the dust settles the new 'normal' will look very different and there will be plenty of challenges over the next 12 months but there will also be plenty of opportunities.

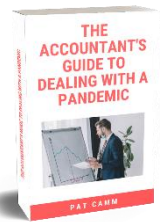
Enjoy the read and if you need help [contact us](#) today.

Pat Camm



THE ACCOUNTANT'S GUIDE TO DEALING WITH A PANDEMIC

There's no text book or instruction manual that tells accountants how they should help their clients prepare or deal with a pandemic. Despite the fact that there's no way to fortify a business against an unexpected natural disaster, right now your clients expect you to have all the answers!



The world was blindsided by the speed and magnitude of the COVID19 crisis and while the coronavirus outbreak is first and foremost a human tragedy, it is also a global economic disaster. It hasn't discriminated either, both big and small businesses have gone into hibernation and sadly, some won't come out the other end.

What's already become clear is that the countries who were proactive and quickly deployed strategies like social distancing, lockdowns and travel restrictions have managed to 'flatten the curve' and control the outbreak.

What's also clear, the proactive accountants who have rolled up their sleeves and jumped into the trenches with their clients will emerge as big winners. Accountants have long been regarded as the most trusted business advisors, however, they have been challenged for that mantle in recent times.



As the first responders to the COVID-19 emergency, accountants have proved beyond all reasonable doubt they are still #1. They have shown great leadership and remained calm and objective despite being bombarded with calls and emails from anxious and distressed clients.

While the government was quick to release stimulus packages, your job was to drop everything, decipher the stream of announcements and then relay the message to your clients. It was a pressure cooker and it's fair to say, JobKeeper was a relief for many but frustrating for others. The firms that were prompt in pumping out emails and newsletters were smart and the firms that delivered a COVID 19 game plan to their clients will emerge as saviors if not heroes. It remains to be seen if the funds will be there to pay fair value for your services and some of the work might prove to be an exercise in building goodwill. The objective is to help your clients get to the other side and if they do, they will remain loyal forever.

It's not business as usual and firms have had to shift their priorities. Regular compliance work has taken a back seat because it's more important to pause and think about what your clients need right now. Having said that, real-time data is critical to make informed business decisions. They're more worried about business survival and cash flow rather than tax returns. Some of the grants and subsidies hinge on proving a reduction in turnover so the March BAS might take centre stage not to mention the need to assist clients with cash flow forecasts, loan applications, commercial rent negotiations and assessing ATO tax payment deferrals.

Others might reach out for help regarding technology and how to work remotely. For the industries booming like manufacturers of cleaning

products, supermarkets, video streaming and IT services, they might need help scaling up to handle the surge in demand. Because cash flow is tight, tax planning remains a key service for all business owners. Only time will tell what impact COVID-19 will have on your workflow, billings, cash flow, future maintainable fees and practice value.

A PIVOTAL MOMENT

There are lots of stories of businesses pivoting to survive. The most notable are restaurants who have successfully converted to take away meals and the more innovative are producing 7 day 'isolation packs' of frozen meals. Many accountants have also been forced to pivot and change their modus operandi. Staff are working remotely from home with many adjusting to their new, temporary working environments.



Of course, working from home sounds like an attractive work-life balance that has virtually eliminated commute time, however, it isn't a seamless process. Imagine an accountant sitting in your office with 3 monitors and a top of the range printer and scanner. Then, picture them at home with their kids and the TV on trying to do the same work on a laptop and a domestic all-in-one printer/scanner. Can they maintain the same level of productivity, high level of accuracy and ethical standards with all the distractions?

The future of accounting might look very different based on the success of this forced remote working 'experiment'. It may well be the start of another industrial revolution and given staffing remains a top five issue in the profession, offering a flexible work environment might be an attractive recruitment tool. Working from home in 2019 was a perk but it could become mainstream in 2020. It demonstrates to the team that you value and trust them. In turn, this shift might produce a domino effect with a



reduced need for large office space which will have an impact on your commercial rent and overheads. Reduced travel time and a bigger investment in IT and cyber security will follow.

Face to face meetings are also off the agenda and being replaced by video meetings using tools like Zoom, Skype and Google Hangouts. Great substitutes but it also changes the dynamic of the client relationship. It might prove a challenge for your older clients and you might need to help them adjust to the new world we live in.

Let's face it, courtesy of the GST tax system, a lot of accounting firms have become 'compliance sweatshops' over the past 20 years. Compliance and deadlines remain important but when business owners are fighting for survival they are focused on more important things like emergency government relief, cutting non-essential costs, preparing a cash flow forecast, getting rent relief, laying off staff and working through JobKeeper entitlements.

CONSULTING WORK IS BACK!

The most important pivot for these practitioners through COVID 19 was it forced them back into doing consulting and advisory work. Guiding clients through relief packages and helping them build cash flows and a game plan through to the recovery phase is the challenge. Of course, most of the stimulus payments are being delivered through the tax system so accountants have become an essential service and clients are again understanding their true value. We are a constant in the life of our clients in both good and bad times and now is the time to shake the term 'tax accountant' and be known as 'accountants and business advisors'.



OPPORTUNITY KNOCKS

It's been chaotic and a lot of firms are simply focused on getting through this spike.



However, you need to recognise this is also a massive marketing opportunity. If you have potential new clients in your pipeline, now is the time to reach out to them. Simply ask, "How are you going." You might just find their current accountant is buried in a backlog of work and mayday calls.

If they're not getting the help they need from their current accountant then you might find they are ready to change accountants. The lesson from this is, don't assume everyone is under control and make sure you reach out to your A and B grade clients because other accounting firms might be circling them like sharks. Now is the time to showcase your advisory skills.

We all know how important your staff are and this crisis has amplified their importance. Some firms have laid staff off which is interesting because other firms will snap up any A grade candidates. Some firms have taken the opportunity to get rid of their under-performing staff and maybe JobKeeper is delaying the inevitable 'burning' of some dead wood. Now is not the time to release your good team members because short term gain might produce long term pain.

The best firms recognise their staff are their most valuable asset and they need to continue to help them expand their skills in business development, leadership and communication. The fact that we are in lockdown or isolation doesn't mean you put these things on hold. Your leadership was under the microscope and the practitioners who offered clients a road map through this maze have won enormous respect from clients and their team.

CLOSE

COVID-19 has brought about the worst financial crisis since the Great Depression and it arrived with little warning. The economic elevator dropped 35 floors in a blink of an eye and now we need to push it back up 35 flights of stairs.

Clearly, it's a long haul but accountants will play a big part in helping clients through the recovery and rebuild phases. I'm very confident that the profession will come out of this stronger than ever and accountants will consolidate their standing as the most trusted business advisors.

You and your staff are probably working non-stop to keep abreast of the announcements, updates and legislation. It's been relentless as have been the client calls and emails. You've probably been forced to make changes in your workplace and smaller firms have felt the full force of this perfect storm. They simply don't have the time or resources to produce newsletters, webinars and then push it all out on social media channels. Remember, in lockdown people are living online and crave information and solutions. If you need any help, we invite you to [contact us](#).

Finally, the most important piece of advice I can give accountants right now is, stay healthy so you can help your clients. It's not easy to eat right, drink lots of water, find time to exercise and get plenty of sleep when your clients are screaming for help.



There is no guarantee that this will just 'end' or that another crisis isn't around the corner. While we all desperately hope that things will get back to 'normal' soon, one thing is for sure, the new 'normal' will look very different.

HOW ACCOUNTANTS CAN AVOID A COVID-19 PLANE CRASH

Accounting firms are often described as recession proof, however, we have just found they are not immune from the effects of a pandemic. The accounting profession has undergone massive change courtesy of the COVID-19 pandemic.



Over the last few months you've probably been very focused on counselling your anxious business clients, many of whom have gone into hibernation. At this time, your clients expect you to be all over the government stimulus packages, loan and debt deferrals as well as the Job Keeper scheme and state government grants. It's been a whirlwind.

The shock phase is behind us and with your help, clients are shifting from the panic phase to the planning phase. One of my accountant clients described the last month as a 'plane crash' complete with fear, panic, spot fires and mass casualties. He said the advice he was giving clients was based on their degree of 'injury' or even survivability. He was very clear, some of his clients won't survive this crisis.

Expanding on the plane crash analogy, your clients view you as their financial 'pilot' and in an emergency you need to put on the nearest oxygen mask so you don't lose consciousness and focus. Right now, you need to help yourself before you can help your clients. It's time to focus on you and your practice and I will examine the impact of COVID-19 on accountants in this article.

With most of your clients blown off course you need to develop a new flight plan to help them navigate their way through all the turbulence. Your team

(cabin crew) are expected to service the needs of your clients (passengers) and regularly communicate with them so they remain calm. By now, you should have relayed all the information about the government stimulus packages to your clients and given them 'crash landing' instructions.

The pressure in the 'cabin' the last few weeks has been extreme with many clients making 'mayday' calls and sending distress emails. In flight, the human body is not designed to survive at high pressure altitude so the solution is to depressurise the aircraft cabin. As accountants, you need to put on your oxygen mask and communicate clearly and regularly with your clients. You need to know everything about JobKeeper and answer all their FAQ's to keep your clients calm. You and your crew need to share the new flight plan with your clients and this is the emergency procedures or flight plan my clients in the [Accountants Accelerator Group](#) are giving clients:



1. Update Your Financials - this includes key figures regarding wages and profitability. These figures are essential when applying for some of the government subsidies that require proof of the decline in revenue as well as qualifying criteria for things like the JobKeeper scheme. It also gives you a picture of their tax position which will help you decide if you need to look at deferral of any tax debts.
2. Prepare a Cash Flow Budget - not easy to produce in these uncertain times but it's all about calculating the business' cash position over the next few months. Factor in the entitlement to government grants and Job Keeper payments. It will help identify the need for finance, when and how much might be required.

3. Apply for Government Stimulus Incentives - Federal Government Cash Boost of between \$20k and \$100k for eligible businesses
4. Apply for State Government Subsidies & Grants - state by state it varies but for example, Victoria and NSW are offering \$10k payments for eligible businesses. These figures can be added to the cash flow forecast.
5. Job Keeper Entitlements - with updated payroll records you can assess any entitlements and those figures can also filter through to the cash flow forecast.
6. Understand the Loan Concessions provided by the banks
7. Consider eligibility for Tax Office Deferral Options
8. Marketing Plan – every business needs a new marketing plan!

In a recent post I examined the different responses to COVID-19 from [Proactive vs Reactive Firms](#). The proactive firms have been on the front foot sending clients a series of updates and an action (flight) plan. The reactive firms have simply been overwhelmed by the volume of client mayday calls and are on the back foot.



The clients of the proactive firms feel their pilot is in full control and having a 'flight plan' means they have a sense of direction so they remain relatively calm. By contrast, the passengers on the reactive flight are in a tailspin, the pilot is not communicating and the cabin crew don't have a system or strategy to roll out. Without newsletters and emails these accounting firms are fielding repetitive questions that are both time consuming and energy (oxygen) draining.

As I mentioned in the post, [What's Your Client Covid19 Game Plan?](#), this is a game changer for accountants and a once in a decade marketing

opportunity. It's no longer business as usual with staff working remotely and many struggling to adjust to having their children in their new workplace. Instead of focusing on getting tax returns out the door and completing consulting assignments, the focus is to help clients understand and claim government grants and subsidies. Right now, clients are more worried about cash flow and survival rather than tax returns.

The March BAS and interim financial statements are now the main priority to calculate and access the government hand-outs. Clients might need help to prove their decline in revenue to qualify for the support packages. They might need help with JobKeeper and require interim figures, possibly a cash flow budget and maybe help with loan applications or ideas on how they can pivot. On the other hand, some clients running supermarkets or distributing cleaning products might need help dealing with their surge in sales.

It's an incredible time and accounting firms are also adapting with some operational changes like conducting virtual client meetings on Zoom. Your clients need you now and just because you can't have face to face meetings doesn't mean you can afford to stop consulting.

You're probably also teaching your clients to work with this technology and at the end of this crisis, the workplace of the future might look very different with some of your staff working remotely. Of course, this sudden transition to working from home also creates new cyber security issues with housemates sharing work computers and employees using their own devices.

No doubt you're probably working long hours which will help your billings but client cash flow is going to be tight. Plenty of firms are offering fixed price packages for JobKeeper assistance and you need to charge for this highly valuable advice. Fixed fees and upfront pricing might give structure and certainty in

a time of uncertainty. Work through your debtors and have empathetic conversations with clients to build stronger relationships to make sure you sit at the top of their payment list. Consider offering alternative payment options such as fee funding. Statements must go out on time and follow up!

There's no doubt that some clients won't come out the other end so there will be losses. As you know, in public practice you have to fill many roles so be prepared to play grief and even marriage counsellor. Most importantly, don't forget your role as pilot because you are the

marketing manager and rainmaker. With the likely casualties, you need to replace those clients so it's not the time to stop your marketing.

In fact, it's time to ramp up your efforts and keep giving your clients updates and encourage them to share them with their friends, family and industry colleagues. Remember, the clients of reactive firms are in the brace position waiting for their pilot's instructions but those pilots are too busy to read the warning signs. There will be a lot of client migration at the end of this pandemic.

Each of your clients who survive this traumatic flight will remember everything about the journey when we get to the other side (and we will!). The movie, *Sully* starred Tom Hanks as Chesley "Sully" Sullenberger, an American pilot who became a hero after landing his damaged plane on the Hudson River with all 155 passengers and crew surviving with only minor injuries. Hopefully you also emerge as a hero in the eyes of your clients.

If you need any help with your flight plan we invite you to [contact us](#) today.



WANT TO GROW YOUR FIRM

Do you expect your firm's revenue to decrease because of the pandemic?

I'm yet to see any data from Australian firms but research from the US suggests 74% of firms are expecting a decline in maintainable fees. Looking at the research from Accounting Today, 26% of firms don't expect their revenue to drop. However, 37% expect a decline of less than 10%, 27% expect a decline of between 11% and 25% and 10% of firms expect a drop in revenue of more than 25%. The conclusion is, it may be too early to really tell but the majority of firms think their fees will drop and I agree with them.

Having specialised in marketing for accounting firms for many years, there's never been a more important time to ramp up your marketing activity. In fact, your marketing could be the difference between Doom, Gloom and BOOM in 2020/21 because a lot of dissatisfied business owners will change accountants as a result of this pandemic. It has highlighted the fact that small business owners want an accountant who does more than just keep the score.

Over the past few years some members of our Accountant's Accelerator Group have enjoyed phenomenal growth. Membership includes the construction and maintenance of a website that has one clear objective – generate new clients. The *Accelerator Website* is the primary growth engine and we fine tune the content to your industry niches, specialist services and geographic location. It doesn't matter if you're looking to attract plumbers,

pharmacists or pizza shops as clients, we craft the content to position you as the industry expert. As you would expect, the website contains lead magnets, calls to action, opt-in boxes and plenty of videos.

The Accountant's Accelerator Group targets proactive and ambitious accountants who want to spend their time HELPING clients, not FINDING clients. We have cracked the accountants marketing code and members are getting a constant flow of enquiries, leads and new clients. Most importantly, these aren't just any type of client, these are your ideal type of client.



Thanks to the internet, outsourcing, technology and of course, COVID-19, marketing has changed. Traditional techniques like letter box flyers, local newspaper ads, face to face networking, club sponsorships and ads in Yellow Pages have lost their marketing mojo. The new marketing magnets for accounting firms are all online tactics including - Google searches, content marketing, email marketing and social media. This is the focus of the marketing campaigns for members of the Accountants Accelerator Group.

For the first time in several years we are opening up membership and in 2020/21 we will be admitting . Each member has exclusive rights to a territory that includes the suburb they operate from plus 5 surrounding suburbs.

APPLICATIONS ARE
OPEN 

If you visit [this page](#) you can read all about the membership benefits and download the expression of interest/application form. If you want to know how this programme can impact on your growth, you can read the following member case studies.

SBG Accountants & Business Advisors
 Location: Melbourne
 CBD Sole Practitioner
[Click here to read SBG's Case Study](#)



Their website has consistently generated more than \$100k of new business for the past 4 years. The firm's Principal Paul Dobson says, "Whenever I need anything creative or marketing related I know I can go to Pat and the team to produce something special. Everyone at PJ Camm & Associates 'gets' professional services marketing."

Nexus Accountants
 Location: Malvern
 South Eastern Suburbs

[Click here to read Nexus' Case Study](#)



"I would say to any accountant who is busy working in their practice and struggling to get their marketing plans in place, the Accountants Accelerator Group is the answer. They customized our website to our niche industries and specialist services and it is generating quality leads. "

Linda McGowan
 Location: Northern
 Suburbs of Melbourne

[Click here to read Linda's Case Study](#)



A suburban firm who has had explosive growth over the past 5 years.

Linda McGowan says: "They re-branded us to appeal to our target market and then built the stand out website in the accounting profession."

If you're an ambitious firm looking to grow we invite you to apply for membership of the Accountants Accelerator Group. If you send us an email at admin@pjcam.com.au we will send you an application form but note that limited territories are available. Applications close for the 2010/21 intake on June 15, 2020.



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Marketing for Accountants

