

A photograph of two women in an office setting. On the left, an older woman with short white hair and glasses is smiling and looking at a tablet. On the right, a younger woman with dark curly hair is also smiling and looking at the tablet. They are both holding the tablet together. The background is a blurred office environment with desks and computers. The image is framed by a purple diagonal banner in the top right corner and a purple graphic element in the bottom left corner.

Moving to the  
Cloud is Right for  
Your Firm. Here's  
How to Get There.

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# What is the Cloud?

Surprisingly, for all the technological progress accountants have made during the pandemic, many stopped short of transitioning to the cloud. In this guide, you'll learn why it's advantageous to make the transition, what exactly "the cloud" is, and what steps you can take to start switching from your current process to a cloud-based one.

First, we'll briefly review exactly what "the cloud" is. This ubiquitous buzzword litters tech articles, but many people don't understand what it really means. For businesses, a lack of clear understanding often results in an unnecessary barrier to adoption – in other words, since they're not sure what the cloud is, they don't want to transition to it.

Traditionally, things like documents, photos, and software programs are saved locally to your computer. You can't access them from someone else's laptop – just your own. While this is fine, these files also take up space. You've likely had to delete things to free up room on your computer once or twice, or you've had to purchase an external hard drive to create additional space to save things. And, if you don't back everything up carefully and save it to said external hard drive when your computer crashes, all of your data is lost.

With the cloud, you don't have to maintain an on-site or locally-owned server. Everything is on the internet – software, services, etc. You can access the information from any device anywhere in the world, so long as you have an internet connection and the credentials to log into the database/software. If you have an iPhone and a Mac, you've been using the cloud for years. Apple's iCloud service stores things like your photos for you via the internet. This means you don't lose them when you switch to a new device or have to worry about your data security being compromised.

Many vendors you're familiar with offer [cloud accounting software](#) that operates the same way. Some examples include Intuit's QuickBooks Online and SmartVault's online document storage and file sharing solution.

# 7 Benefits of Working in the Cloud for Accountants

Transitioning to the cloud offers several significant advantages for accounting firms looking to stay competitive, including increased security, better client collaboration, and easier, safer access to essential documents.

## 1. Your Data is More Secure

Protecting your clients' data from cyber attacks is crucial to maintaining your reputation, retaining your customers, and avoiding costly downtime due to breaches. "We need to ensure that we are handling all of our client data in a way that meets all regulations while giving ourselves and our clients peace of mind," advises [Robin Johnson, owner of TaxAssist Accountants Norwich North](#).

The cloud is the most secure place to store your data for numerous reasons. First, only you and other authorized users can access it. Second, it's encrypted at all times ([unlike most emails](#)), and you won't need to spend money hiring an IT expert to maintain and safeguard your information: Cloud providers have teams for just these purposes.

Cloud vendors have greater resources than small firms and solo practitioners and invest heavily in ensuring their customers stay safe while using their services. You'll benefit from advanced security measures like network segmentation, which confuses attackers by making one network look like multiple. Many cloud providers offer multi-factor authentication (MFA), which provides a high level of cybersecurity by requiring users to enter a password and additional information to access data.

Third, you can store your data on a private, or dedicated, server, which you won't have to share with other companies. This option is popular among businesses that handle confidential financial information, like accounting firms, and it provides an additional layer of protection and other benefits.





## 2. You'll Save Money

Gone are the days of shelling out hundreds of dollars every time your practice's chosen software program gets an upgrade. Cloud-based accounting software vendors frequently update their features and security throughout the year at no additional cost to the user. Furthermore, you won't need to purchase extra storage space, multiple servers, or a space to house those servers. Nor will you need to hire an in-house IT expert or an outside contractor to maintain and manage those servers.

## 3. Client Collaboration is Easier

Working in the cloud can solve some of the everyday headaches you experience when working with clients, such as chasing people around to remind them to submit documents, playing phone tag, or resending important information to a client who lost your first email in their inbox. That was a reality for [Christa Skoupy, CPA and her staff](#). They used to manually email encrypted PDFs to their clients. "Sometimes we had to email a client numerous times because they would lose the email or forget to download a document. It really became time-consuming," she recalled. These situations, while minor, are frustrating for both parties and make your firm look disorganized and difficult to work with. Smooth client collaboration is a crucial element of increased client retention and referrals – the backbone of your business. The cloud is a highly effective way to streamline your process, facilitate communication, and make your clients' experiences positive.

## Firm sees significant growth, better work-life balance with a new document management system.

Commonwealth Business Services, a full service tax, accounting, and business consulting firm in Virginia, was using a document management system (DMS) that required them to manually upload documents. The firm's owner, John Coleman, CPA, realized it was inefficient, so he replaced it with a more powerful DMS and client portal.

They went from preparing about 400 tax returns in 2019 to over 670 in 2022—more than they have ever done. Implementing SmartVault, "really has allowed us to keep adding tax clients without having negative impacts on our ability to serve them efficiently," he said. But, it's not just about the work. John has better work-life balance, even during the busy season. "I was afraid I was going to miss my children's [baseball] games due to my work. That never happened during this tax season. I was front and center not only for each game, but also every practice."

[READ THE STORY](#)

## 4. Cloud Software is User-Friendly

Traditional software requires everyone – accountants and clients alike – to spend time learning how to use it, which creates a major barrier to making even necessary changes. Cloud software, however, is designed to be user-friendly and intuitive, regardless of how tech-savvy a person is.

Not only will you be able to come up to speed on the features quickly, but you can rest assured your clients, regardless of their skill level when it comes to tech, will have an easier time as well. Think back to when you started to use Google Drive. It didn't take much instruction (if any) for you to learn to use it. The features were self-explanatory and more intuitive than programs like Microsoft Word, the gold standard of pre-cloud document creation and a notorious struggle to master.

Upgrading to the cloud will make your system more accessible. Since it's easy for anyone to use, the client onboarding process will be easier, thus resulting in a more positive client experience.

## What Do Your Clients Expect?

**Intuit's 2022 Taxpayer Insights & Intelligence Brief summarizes the wants and needs of over 3,000 US taxpayers. Here's what it found.**

**Over half of taxpayers prefer digital communication. That means saying bye to in-person meetings, hardcopy documents, and snail mail – all things that require more effort and time than working in the cloud.**

**When it comes to document sharing, storage, and security, 73% want a secure place to upload documentation to their Tax Pro throughout the year, and 86% expect their tax documents and information to be stored with industry-standard security.**

**How can you meet these high expectations? It comes down to the accounting tech you use. Read the blog to learn more.**

[READ THE BLOG](#)



## 5. You Can Focus on Revenue-Producing Client Advisory Services

For years, experts have been encouraging accountants to move from offering tax compliance services to providing client advisory services. These enhance your value to your clients, future-proof your practice, and help you grow your profits and expertise. Automating your tax practice by transitioning to the cloud will free up time for you to focus on providing services that make additional money. Cloud-based accounting programs perform basic accounting and bookkeeping tasks, including scheduling reports, posting transactions to the corresponding ledgers, creating invoices, and more.

## 6. It Makes You More Attractive to Top Talent

Hiring top talent has been a significant challenge for accountants over the last few years, along with retaining good employees. Transitioning to the cloud is one step you can take to make your firm more attractive to high-quality staff members.

Allowing employees to work from anywhere contributes to a great work-life balance, which is incredibly important to today's workforce. A Gallup poll that explored job seekers' priorities revealed 61% of people cite work-life balance as incredibly important. Additionally, since transitioning to the cloud will lower your operating costs, it frees up money in the budget to create an attractive benefits package, another top item on the job-seeker wish list. The same Gallup poll demonstrated 64% of respondents consider pay and benefits to be pivotal factors when deciding whether or not to accept a job offer. You'll find few other solutions that directly address current and prospective staff members' major concerns.

# Nearly half the accounting profession quit their jobs. Here's how tech can help change that.

A massive number of accounting professionals (about 300,000) have decided the job wasn't worth the crushing stress. While no one solution will solve the problem entirely, transitioning to the cloud will make a big impact on the conditions accountants work in — but only if you choose the right software.

If your software is old and difficult to use, team members will quickly get tired and frustrated. A powerful DMS, through automation and streamlined workflows, reduces the extensive hours that cause burnout and mental and physical health problems. Plus, the current talent seeking jobs in the profession expect to work for firms that are modern and up-to-date on their tech stack. Read the blog to learn more.

[READ THE BLOG](#)



## 7. Disaster Recovery is Easier

While the word “disaster” might make you think of once-in-a-generation weather events and other freak scenarios only the most cautious worry about, in business, it actually refers to something much more ubiquitous: an outage, which generally equates to a power failure.

Whether at the office or home, a loss of electricity, however brief, is a significant business interruption and often means lost data and extensive money and time spent restoring everything. And you’re likely to experience at least one disaster during the life of your business. While exact estimates vary, most experts agree that the majority of companies – between 70% and 96% – were affected by an event that resulted in data loss in the last three years.

We also lose data in simple mistakes, like misplacing documents or throwing away the wrong files. For those working in the cloud, disaster recovery was easier, resulting in less downtime. You don’t need to have a secondary data center, as you do with traditional disaster recovery. Instead, cloud providers store your data on multiple remote servers, which they maintain and back up regularly. They’ll help you restore your data quickly. Better still, using the cloud actually reduces your vulnerability to disasters. Storing your information on remote rather than on-premise servers means that even if a flood or other weather event impacts your home or office, you won’t lose everything.



# Crucial Considerations for a Smooth Transition to the Cloud

A successful transition requires a clear strategy. You must consider things like the role of technology, how the process changes will impact your staff and clients, whether people will adopt the new workflows, and more.

## Review Existing Workflows

It's important to take inventory of your current processes and confirm that they support your business goals. In your review, consider things like which devices and tools you use today. Are there repetitive tasks in your workflow that can be automated?

Another crucial step is asking your staff for feedback. They'll shed light on their daily tasks and what roadblocks they hit. "Listening to staff is probably [the biggest contributor to implementing the best processes](#) in our practice," Amanda Mondt, Team Lead in Process & Program at Clergy Advantage, shared on a SmartVault webinar. Amanda's firm encourages staff to write down their thoughts and suggestions about their processes and the tech they use. They then meet to go over each comment. "This gives our staff the confidence that they're being heard and part of deciding how their work is."

## Go digital: Create and sustain the paperless workflow you've always wanted.

Manual workflows, repetitive tasks, and keeping up with hardcopy paperwork just doesn't make sense anymore. Our culture has gone digital. And as more and more businesses offer digital collaboration with their clients, accounting professionals who don't do the same are more likely to get left for a competitor. There is a lot to consider before making the switch. This eBook will walk you through these considerations so you can develop a paperless accounting workflow that meets your specific needs.

DOWNLOAD THE EBOOK

## Understand Security and Compliance

You must consider the security and compliance requirements of your business, including the regulations you're required to follow. This means looking at the software and hardware you use, as well as [evaluating your current operations](#). Think about your teams, both in-house and virtually, and the contractors or vendors who have access.

Review the flow of information you receive about and from your clients all the way through to when you are finished with the information and are ready to store it. Document as much as possible about how it is cared for and accessed. Consider things like where your data is stored. Is it online, off-line, locally, or in the cloud?

Identify all potential points of failure in your workflow, systems, or personnel. For example, if your business stores all vital information in only one place, what would happen if that access failed or was destroyed? This also applies to people. Perhaps your bookkeeper is the only one who knows vital or sensitive information about a client. If that person leaves your company, how would you recover those details — or would they just be lost?

## Invest in the Right Cloud-Based Technology

One of your priorities should be a document management system (DMS). A DMS enables an efficient workflow and a positive, high-quality client experience – both of which are [crucial to your firm's productivity and profitability](#), says Executive Vice President of K2 Enterprises and *Accounting Today* Top 100 Most Influential alum Randy Johnston.

Johnston says many accounting professionals haven't updated their document storage solution since the 1990s because they either don't know how or because they're not aware of the new software programs that have replaced the previous clunky ones. This could be why, even today, many firms are still struggling with the mundane tasks of trying to gather documents from their clients, track everything, and deliver accurate reports and analyses.



# 4 Things Your DMS Should Help You Accomplish

A powerful DMS can help you secure, optimize, and streamline your digital workflows.

## Save time and money by streamlining workflows.

Standardize and digitize how you collect, manage, and share documents with software that's built for your unique security, compliance, and workflow needs. Your DMS should empower you to work smarter with unlimited storage and guest users, so it scales as your business grows. The security measures and access controls must also protect your data with the highest standards.

## Future-proof your practice by going paperless.

Your DMS should let you and your clients upload, access, delete, and share files from any web-enabled device. With a click of a mouse, you can send clients — whether it's one, twenty, or a thousand — an email requesting exactly what you need and receive a notification when they complete that request. The most powerful DMS include an autofiler, meaning you don't have to worry about chasing emails or manually saving documents to the right place. The DMS would take care of that for you.

## Increase customer satisfaction and collaboration.

A custom-branded, online portal gives your clients a secure, easy, and professional way to collaborate with you from wherever they're located. It's easy to invite clients to the portal, and they can access the portal directly from your website. Customizable folder templates automatically put the right folders in each client portal, making onboarding a breeze.

“Our tax prep has grown progressively year over year. I can honestly say that we've seen this growth because our operations are very streamlined. We are so much more efficient now since implementing SmartVault.”

Christa Skoupy, CPA

Auxilia Accounting

► [Read the case study](#)

## Reduce manual tasks with powerful integrations.

Your DMS should integrate with the leading accounting and tax applications you already use and trust like Lacerte, ProSeries, QuickBooks, and more.



Over 2 million people use SmartVault to get more done in less time without compromising security, compliance, or accuracy. Schedule 15-minutes with us to see how SmartVault can empower your practice.

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