



# **Good Bad Ugly**

## **Insight Modern Technology 2021**

Benchmarking Report and Insights for Australian Accounting Firms



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The key purpose for the 2021 Good Bad Ugly technology poll is to provide clients and the profession with an answer to a very common question our account managers at Business Fitness receive, "What software are other firms using?"

This year the primary area of focus was on practice software, as opposed to previous years where third party app providers and client accounting systems were included. Like prior years, we have segmented the 205 participating firms based on revenue after fully analysing and cleansing the data for illegitimate contributions. The top challenges remain for the accounting profession as revealed in previous years, although it seems data security has taken a step back over mounting software subscription costs:

- Fully utilising your existing systems
- Lack of integration
- Software subscription costs

What does fully utilising your existing systems mean in your practice? What steps does your practice need to take to achieve full value and ROI from your existing systems and consequently software subscription costs? Is full integration between software suppliers possible? Is full integration between modules by the same supplier possible?

Is internal server infrastructure still common in 2021? It is for 39% of participants, but data shows it is a dying environment having reduced from 64% of participants in 2017. Size does matter when it comes to server infrastructure as a clear majority of firms exceeding \$1.5m in revenue either run a server internally or hosted by a specialist provider.

The poll also reveals the technology accountants find most frustrating is practice management and workflow. The potential reason behind this frustration comes from being core to a practice and most used daily, therefore leading itself to this frustration. A special mention must be made of tax and SMSF technology registering the least levels of frustration.

The future spend of practices over the next 12 months has client portal (including e-signatures) and workflow high on the wish list, although one in four practices say they will not be purchasing new technology this year.

In relation to the technology stack, below you will find the preferred options based on revenue groups. As previously highlighted in prior year reports, enterprise firms are embedded with industry suppliers such as MYOB and APS with Xero now entrenched at the smaller end of the market and slowly making progress with larger practices. Most notable in many firms technology stack is the increase in Zoom and Microsoft Teams with the former leading the way.

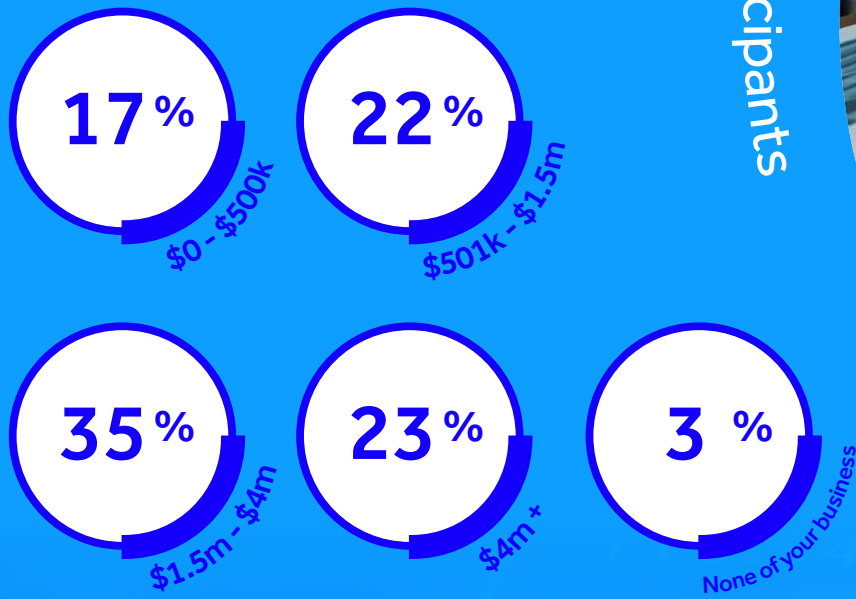
Business Fitness has always been on a mission to help accounting practices boost productivity and growth, and the current environment has been a timely reminder of what we set out to do when we started Business Fitness 20 years ago – and that's to help you standardise, streamline and systemise your processes. This ethos has never been more significant as we all adapt to new ways of working. We hope you enjoy the 2021 edition of the Good Bad Ugly technology poll.



## Participants



## Revenue



## Partners



# Biggest technology challenges in 2021

one

Fully utilising your existing systems

two

Lack of integration between systems

three

Software subscription costs

## Most frustrating technology

one

Practice Management

two

Workflow

three

Document & Email Management

## Software providers users want to receive more from

one

Improved integration between software

two

Better software functionality

three

Additional product education options

## Most popular tech stacks

	\$0 - \$500k	\$500k-\$1.5m	\$1.5m - \$4m	\$4m +
Practice Management	Xero Practice Manager	Xero Practice Manager	Xero Practice Manager	MYOB
General Ledger	Xero	Xero	Xero	MYOB/Xero
Tax	Xero	Xero	Xero	MYOB
Corporate Compliance	NowInfinity	NowInfinity	NowInfinity	NowInfinity
SMSF	BGL 360	BGL 360	Class	BGL 360/Class
Document Management	Google Drive	HowNow	HowNow	MYOB
Workpapers	Smart Workpapers (Business Fitness)	Smart Workpapers (Business Fitness)	In-house workpapers	In-house workpapers
Portal/e-Signing	AdobeSign Xero Document Packs	Xero Document Packs	DocuSign	DocuSign
Advisory	Excel	Excel	Excel	Excel
Other Software	Zoom Microsoft Teams Practice Ignition	Zoom Microsoft Teams Practice Ignition	Microsoft Teams Zoom Practice Ignition	Zoom Microsoft Teams Fee Synergy

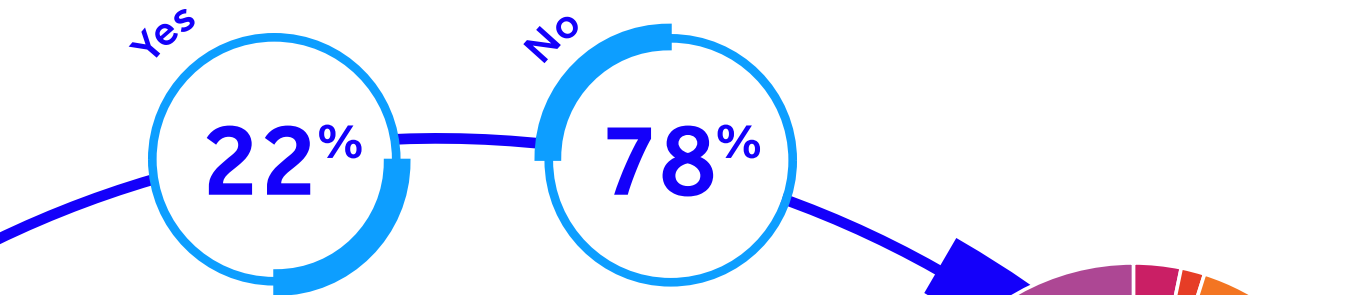


# Practice Management Software

	2017	2018	2019	2020	2021
Xero Practice Manager	30%	32%	41%	43%	46%
MYOB	32%	34%	30%	28%	25%
APS	13%	11%	10%	11%	9%
Handisoft	16%	16%	12%	10%	8%
Quickbooks Accountant Online	-	-	-	-	4%
Karbon	-	-	3%	5%	4%
CCH iFirm	4%	5%	3%	4%	3%
GreatSoft	-	-	-	-	1%
Reckon Elite	2%	2%	1%	1%	1%
Other	2%	3%	4%	7%	6%
N/A – do not use practice management software	1%	3%	2%	1%	3%

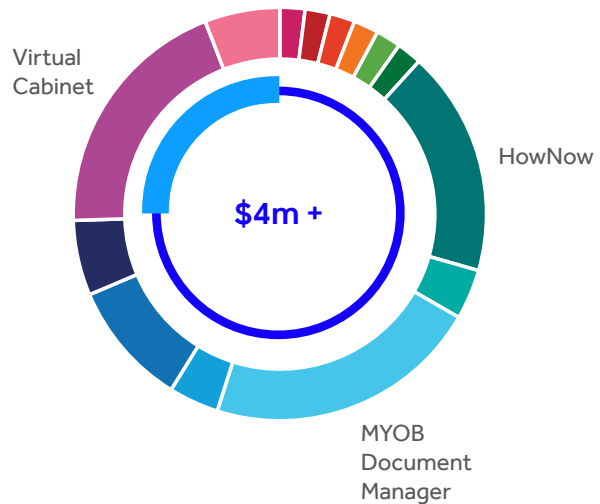
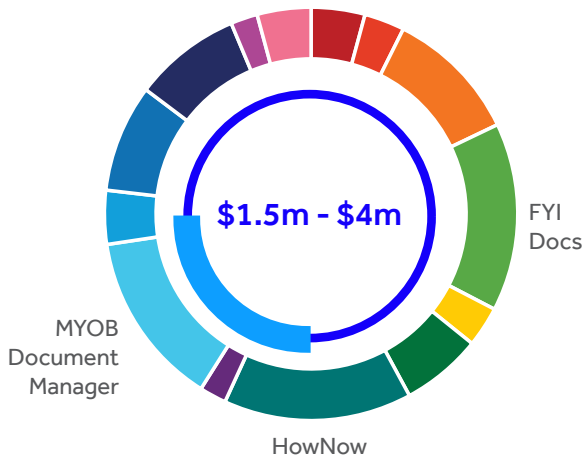
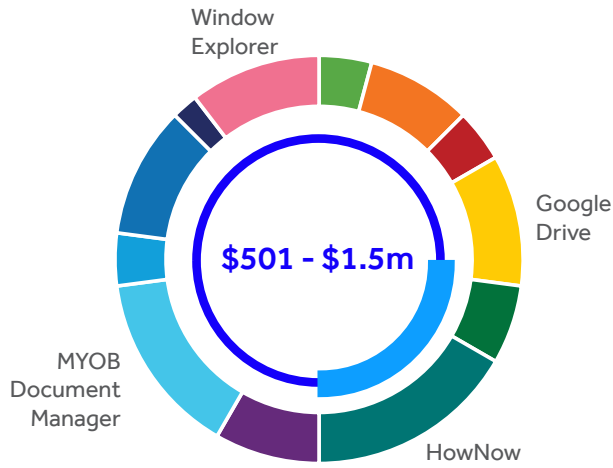
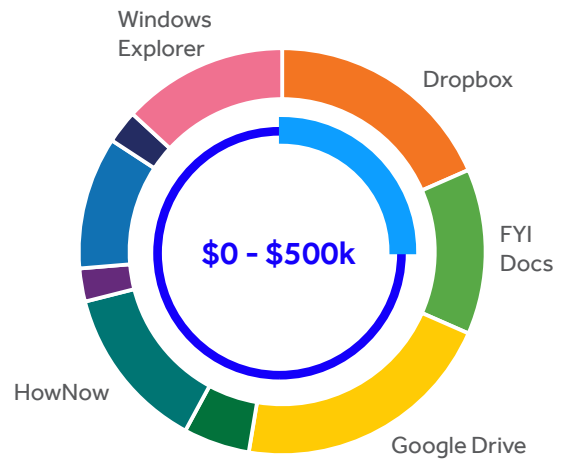
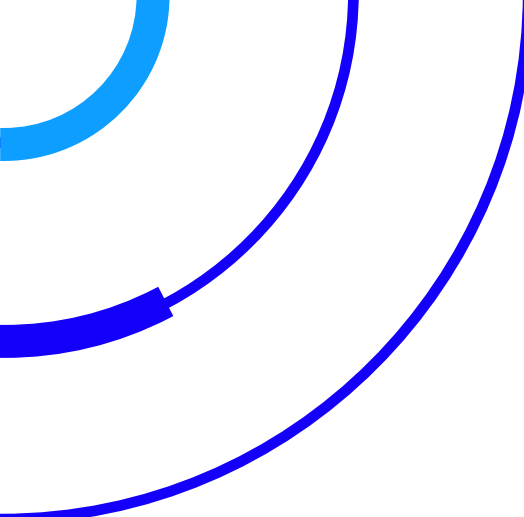
- Firms use multiple practice management systems therefore greater than 100%
- Other – includes Accelo, Netsuite

## Plans to change provider in the next year



- APS
- CCH iFirm
- Greatsoft
- Karbon
- MYOB
- Other
- Xero Practice Manager



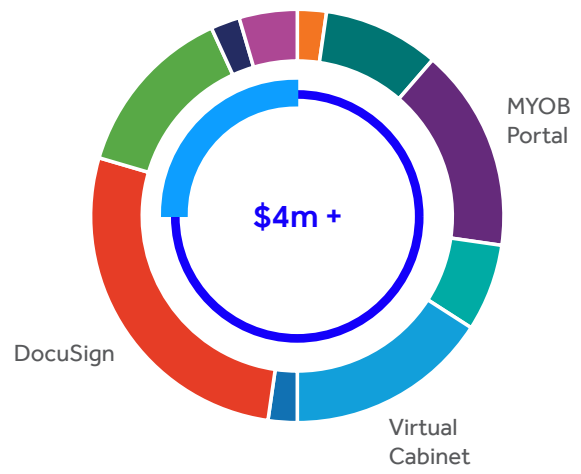
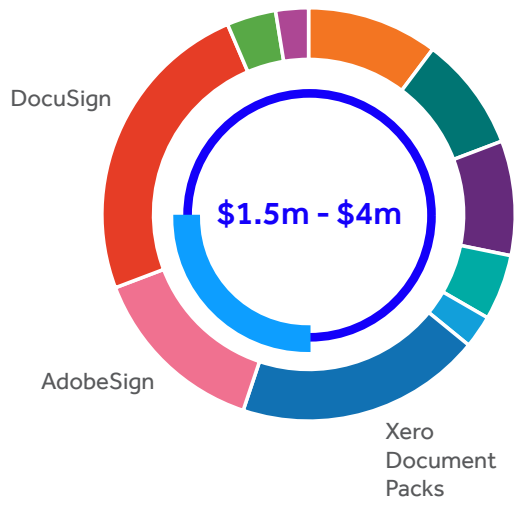
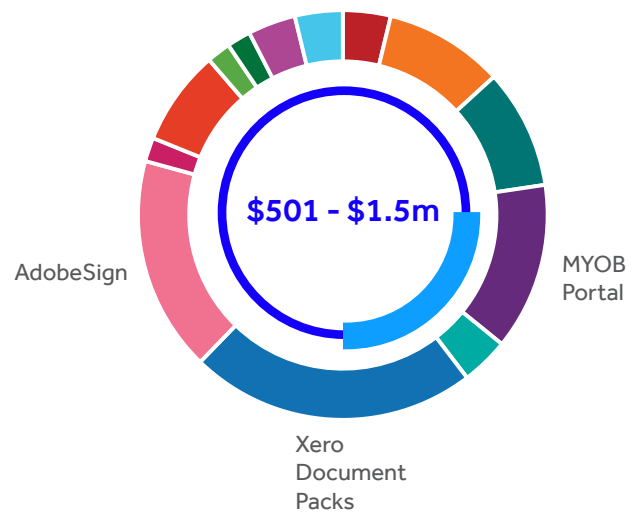
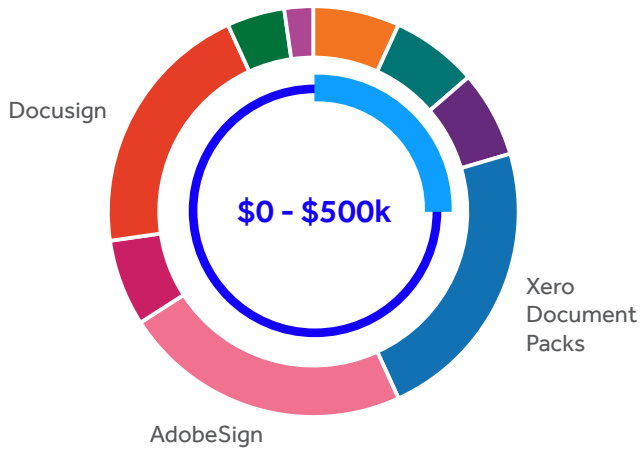


- APS
- Box
- CCH iFirm
- DropBox
- FYI Docs
- Google Drive
- Handisoft
- HowNow
- HowNow Online
- iManage
- MYOB Document Manager
- Nimbus
- Sharepoint
- SuiteFiles
- Virtual Cabinet
- Windows Explorer

Document Management Software

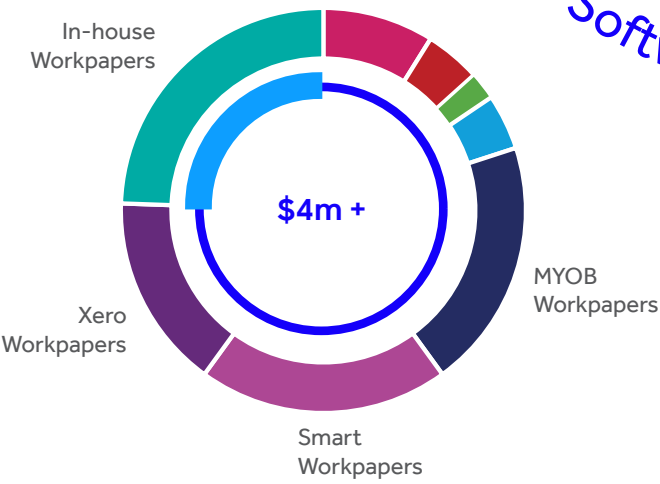
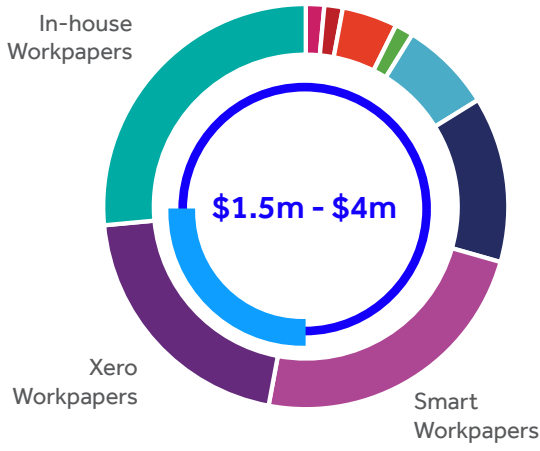
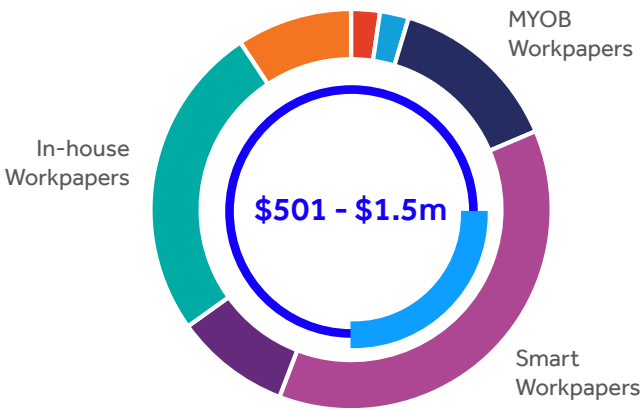
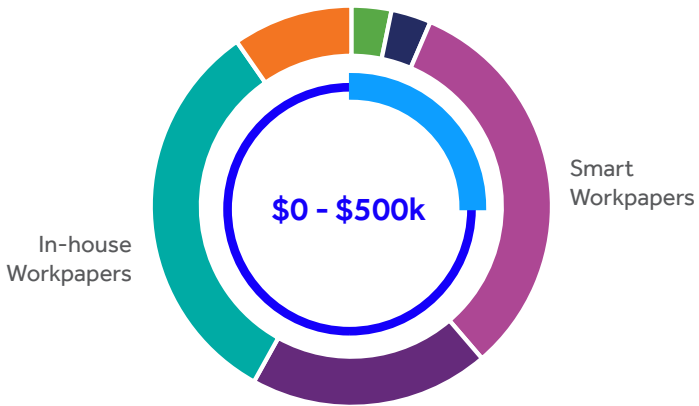


# Client Portal Software



- AdobeSign
- Annature
- CCH Portal
- DocuSign
- Dropbox
- FuseSign
- Handisoft Portal
- HelloSign
- HowNow Portal
- MYOB Portal
- Nimbus
- SignNow
- SuiteFiles
- Virtual Cabinet
- Xero - Document Packs



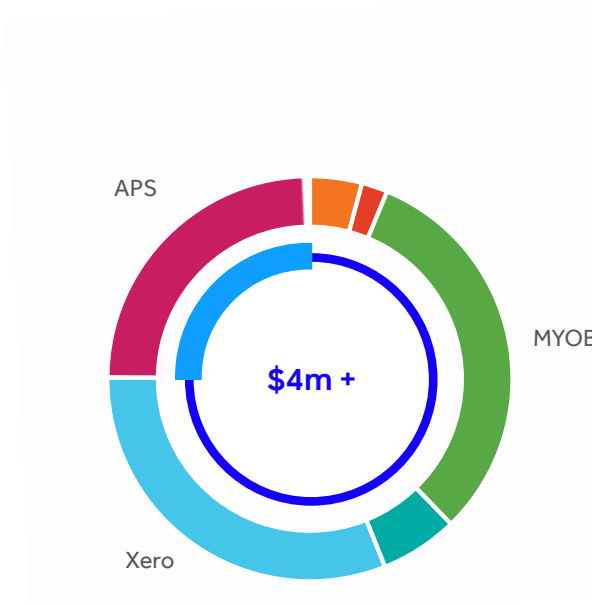
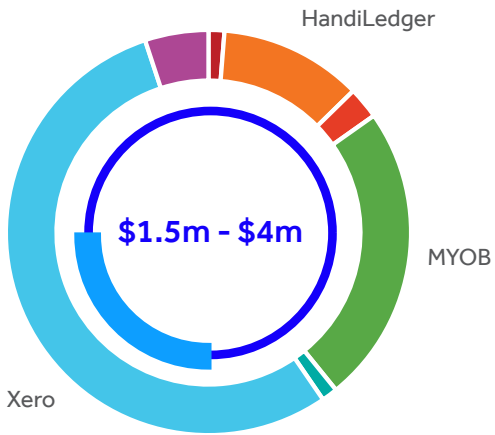
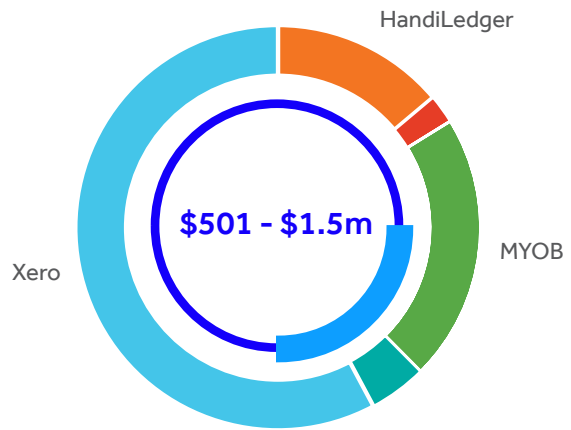
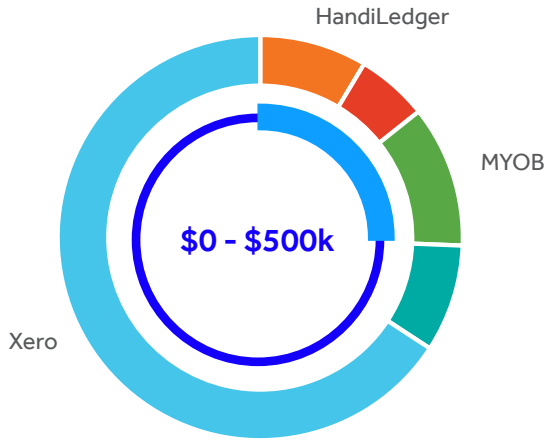


- APS
- CCH
- Change GPS
- Do not use
- In-house Workpapers
- Knowledgeshop
- MyWorkpapers
- MYOB Workpapers
- Smart Workpapers
- Xero Workpapers

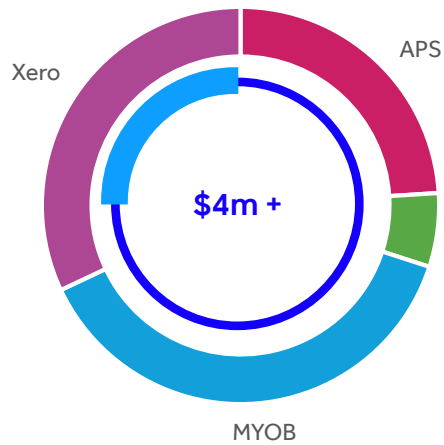
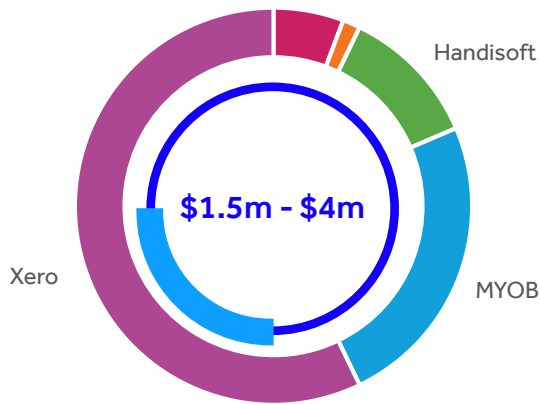
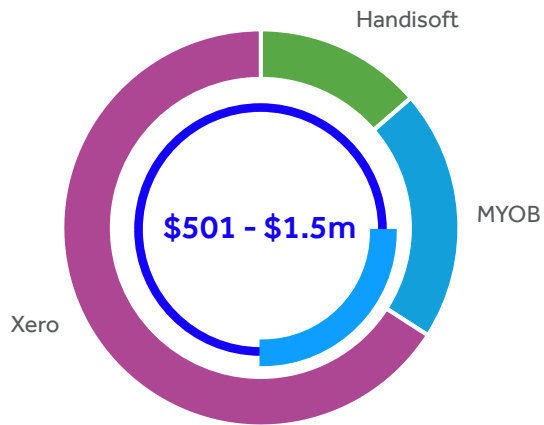
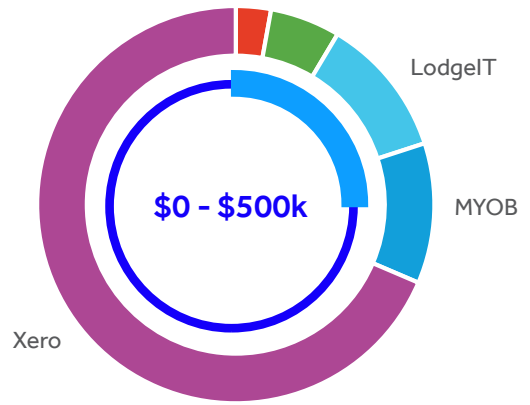
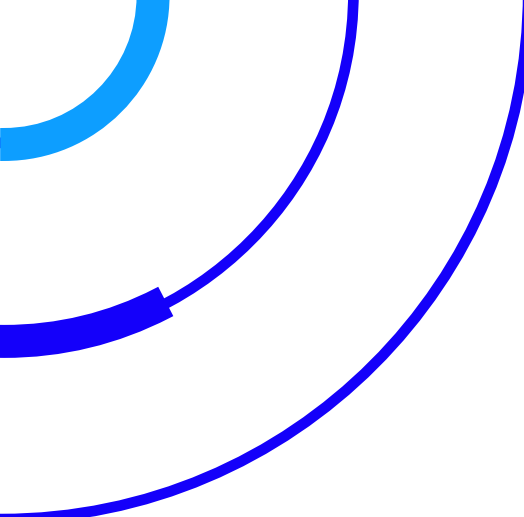
*Electronic Accounting Workpaper Software*



# General Ledger Software



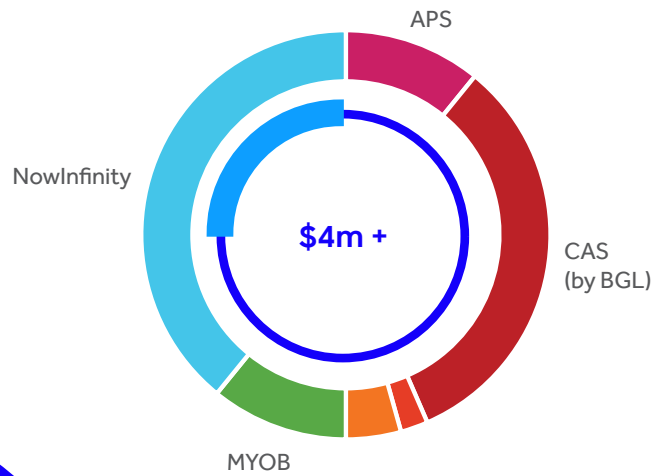
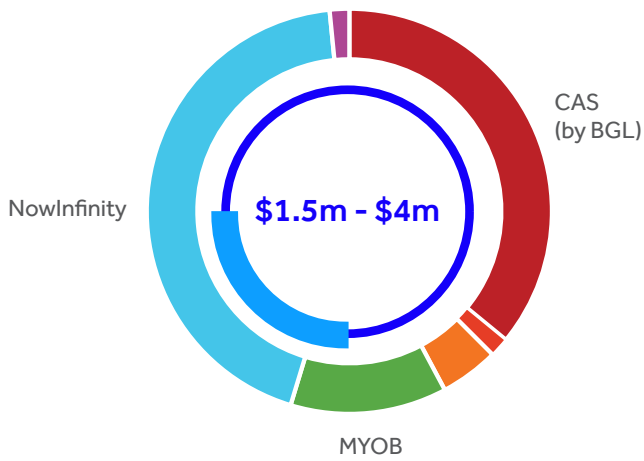
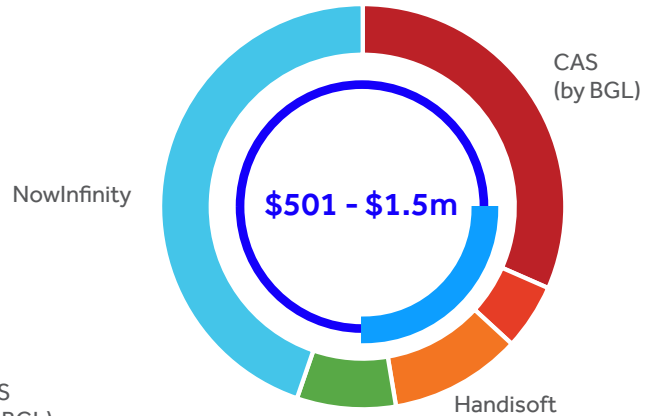
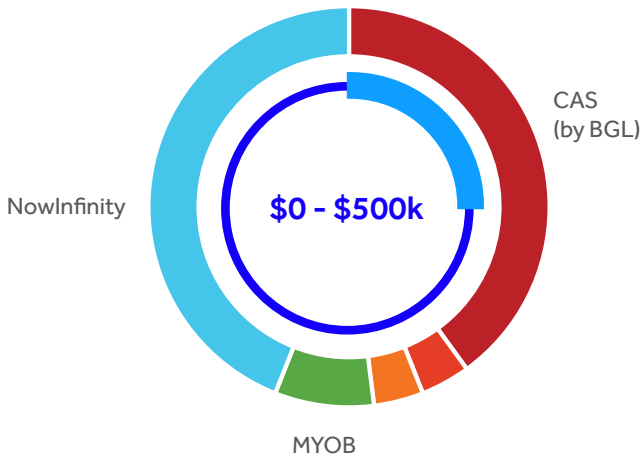
- APS
- CCH iFirm
- Clients Ledger System
- HandiLedger
- MYOB
- Reportance (Business Fitness)
- Xero
- XPA by APS



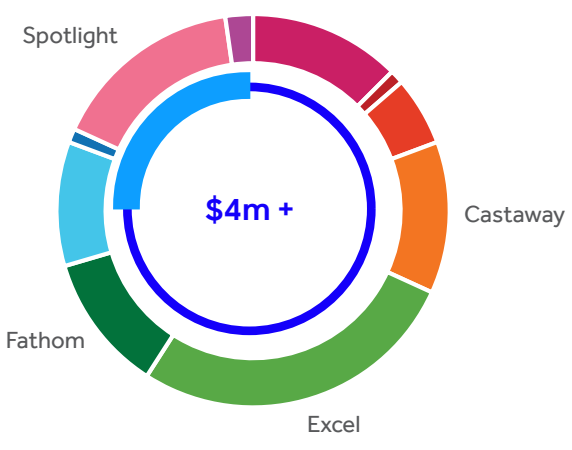
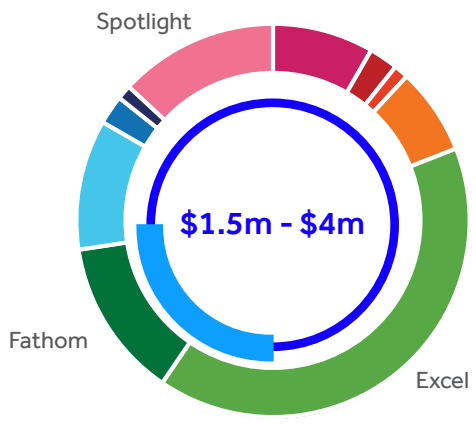
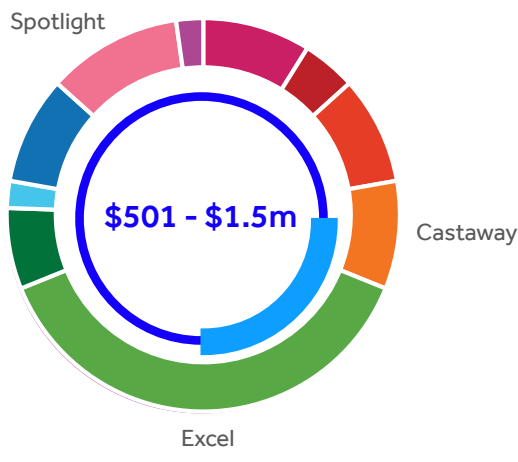
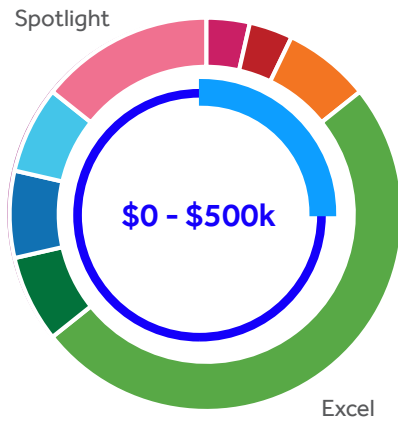
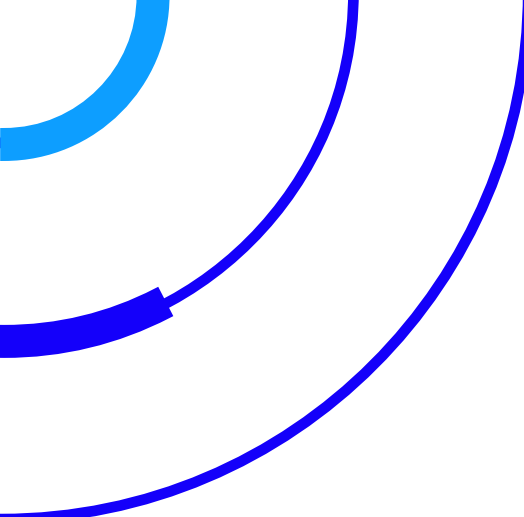
- APS
- CCH
- Elite
- Handisoft
- LodgeIT
- MYOB
- Xero



# Corporate Compliance Software



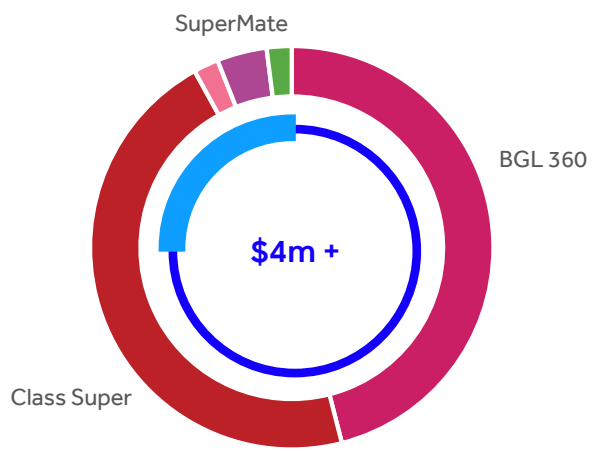
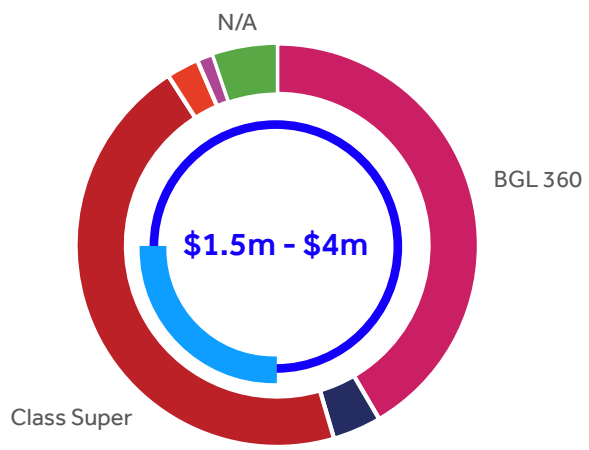
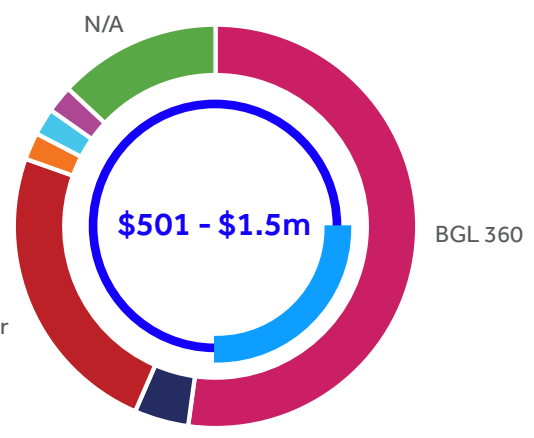
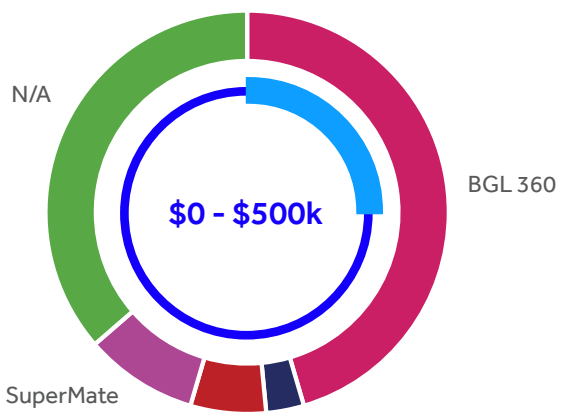
- APS
- CAS (by BGL)
- CCH
- Handisoft
- MYOB
- NowInfinity
- SmartCorp



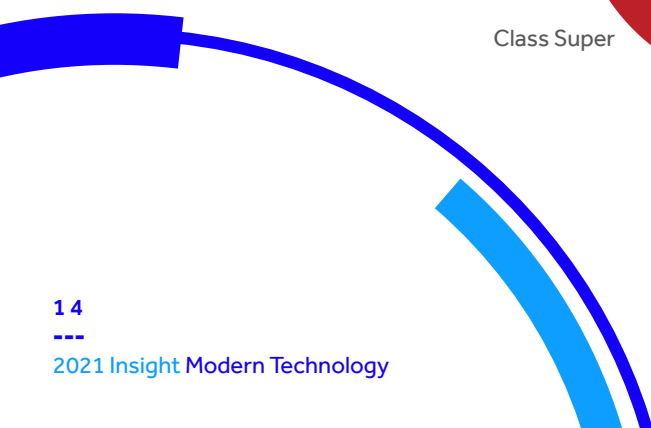
Business Advisory Software



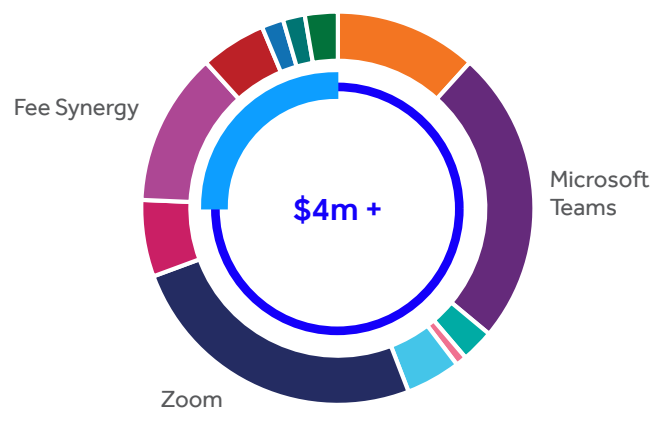
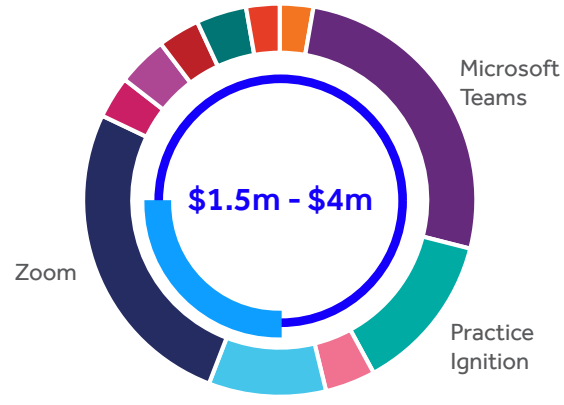
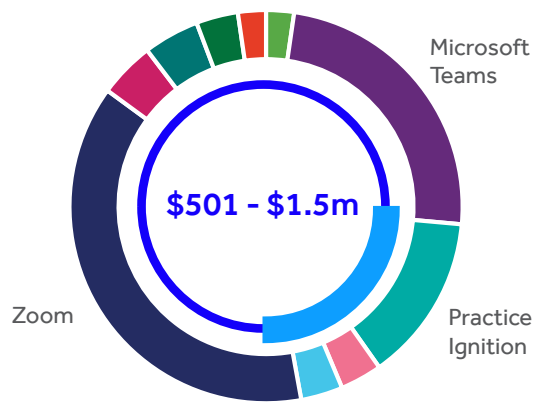
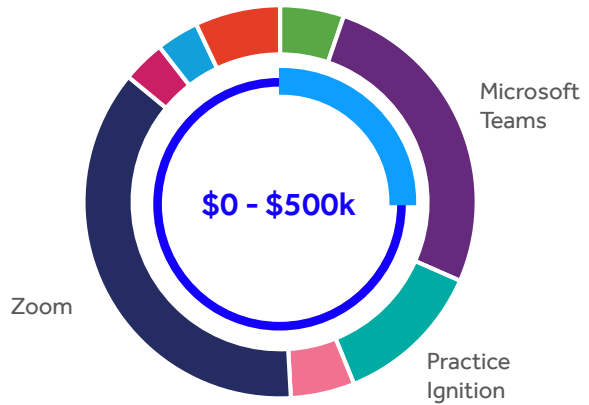
- Bstar
- Calxa
- Cashflow Story
- Castaway
- Excel
- Fathom
- HowNow Online
- iManage
- Futrli
- MYOB Profit Optimiser
- MYP
- Power BI
- Spotlight



- BGL 360
- BGL Desktop
- Class Super
- Client's Accounting System
- My Prosperity
- Not Applicable
- Praemium
- Sage Superfund
- SuperMate

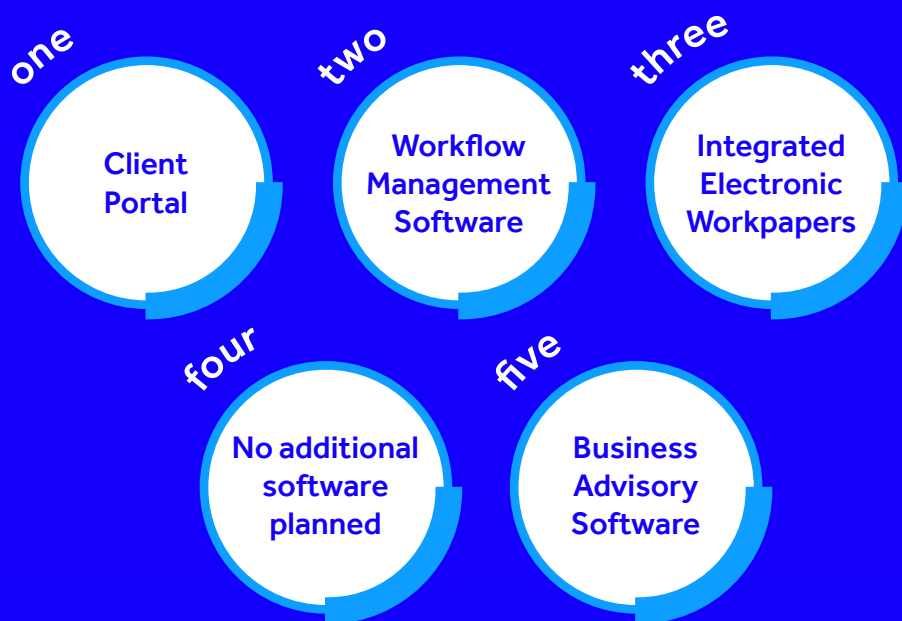






- Account Kit
- ATO Mate
- ATO SmartDocs
- Calendly
- Fee Synergy
- FuseDocs
- Google Hangouts
- Microsoft Teams
- Practice Ignition
- Slack
- SmartAR
- Quickfee
- Quotient
- Xeppe
- Zoom

## Technology firms plan to implement in the next year



## Current server infrastructure hosting

	2017	2018	2019	2020	2021
Internally on your firm's premises	64%	63%	56%	50%	39%
Externally by a specialist provider	20%	22%	25%	21%	28%
Not applicable – do not have server infrastructure	17%	16%	19%	29%	33%

Future Technology Plans



## Plans to move to an externally hosted server infrastructure

	2017	2018	2019	2020	2021
No plans to have server hosted externally	52%	48%	52%	69%	70%
Within the next 3 years	34%	38%	36%	18%	21%
Within the next 12 months	14%	14%	12%	12%	9%

Internal Server Infrastructure

## Plans to become a fully Software as a Service (SaaS) company

	2017	2018	2019	2020	2021
No plans to become fully software as a service	56%	57%	55%	61%	57%
Within the next 3 years	32%	34%	33%	27%	23%
Within the next 12 months	12%	9%	12%	12%	20%



# Who is Business Fitness?

 Good Bad Ugly  HowNow

 Reportance  Smart Suite



Interested in finding out more?



1300 333 424

[info@businessfitness.com.au](mailto:info@businessfitness.com.au)

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