The state of workflow:
Automation opportunities and the risks of standing still
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Introduction

Across all industries, the modern workplace is evolving. Technologies are eliminating traditional roadblocks and inefficiencies, while also streamlining business operations to boost the bottom line. This is a natural evolution for organisations, but business leaders need to recognise their own deficiencies in order to choose a solution that will improve their processes.

The right workflow automation tool can elevate any business to a market-leading position – even those without the resources and manpower of larger organisations. This is because technology is able to handle repetitive, time-consuming tasks, thus freeing up time for employees to focus on more creative and income-generating jobs. These tools are particularly essential as we transition into a new era of work – one where remote working becomes the norm rather than the exception, and workflow needs new solutions to manage a geographically diverse workforce.

But with such a wide variety of automation tools on the market, there is a need for thorough due diligence on the part of the business itself. Leaders must take stock of their day-to-day operations and examine what is currently not working for them – where are the bottlenecks, which jobs aren’t delivering an adequate return on investment, and is every member of the team managing their daily tasks in the most streamlined way possible? If the answer is no, then the business needs a technology solution to help it stay ahead of the competition.

In this white paper, we will explore the state of automation as it currently stands and how it is impacting organisations across various industries. We will dive into the common pain points of accountants and how workflow solutions can boost their output. We will also look at how the natural shift towards more digital operations is disrupting workforces and the economy at large.

Finally, we will provide insight into how APS Workflow is helping the accounting industry shift to a more agile workflow mentality – driving greater efficiencies and creating happier teams and clients along the way.
The age of automation is here, and businesses that fail to recognise the need to transition to more streamlined operations will be left in the dust while their competitors’ output – and subsequently their bottom lines – soar.

The next decade will be of particular importance, according to findings from the Association of Chartered Certified Accountants.\(^1\) Of the C-suite executives and professional accountants who participated in the survey, more than half (55%) “expect the development of intelligent automated accounting systems to have the greatest impact over the next three to 10 years”, with a number of other factors influencing the way businesses operate, such as:

- Rate of change and economic volatility (55%)
- Greater harmonisation of accounting and business standards (42%)
- Adoption of cloud computing by business (41%)
- Different aspirations and expectations of coming generations (39%)

What’s most interesting is that the majority of respondents believe automated accounting systems will drive the most changes over the next few years. So what technologies are already doing that, and how is workflow in particular enjoying the benefits of automation?

\(^1\) ACCA, Drivers of change and future skills: https://www.accaglobal.com/content/dam/members-beta/docs/ea-patf-drivers-of-change-and-future-skills.pdf
The shift to increasingly digital business operations

Like so many major shifts in business, the automation revolution is being driven more by necessity than anything else. Society is becoming increasingly reliant on digital solutions and organisations need to keep up with the pace of change.

Customers always want more, and they want it in an increasingly faster turnaround. For businesses that don’t have the capacity to take on more employees – and thus see their payroll balloon – they are unable to meet these rising demands through sheer traditional means alone.

The solution, therefore, cannot be tied to headcount. Instead, business leaders are recognising the need to leverage technology – namely, automation – to help their teams complete more tasks in a day and in a quicker time than is possible through manual means only.

But there’s no magic button to embracing digital. Rather, the transition requires a deliberate approach from leadership that involves overhauling a number of everyday processes. Laserfiche defines the digital transformation model as a three-step approach, with each step addressing different pain points and delivering rewards:²

1. Digitising: Developing an “electronic filing cabinet” that eliminates the need for clunky paper-based systems. Also creating a secure and centralised system that categorises all your content, meaning less time fumbling around for the right documents and data.

2. Automating: Digitising business practices via user-friendly electronic forms means staff no longer have to deal with repetitive, time-consuming tasks and can focus on more productive and income-generating jobs.

3. Transforming: This starts with business leaders giving themselves complete top-level visibility into their business operations. You can then use the power of predictive analytics and insights to drive innovation and integrate newer, better work processes.

² Laserfiche, Digital transformation by the numbers: https://www.laserfiche.com/ecmblog/digital-transformation-by-the-numbers
From managing workflow to making real-time decisions

The key to any successful digital transformation relies on step two: automation. This is because it focuses on the everyday workflow operations of your team. Without automating, you can never truly evolve as a business that embraces digital.

At a granular level, automation takes care of repetitive tasks such as data entry and template generation – which are both time-consuming and non-creative. For accountants, this allows them more time to spend with their clients and simply be more engaged at work generally. And the stats don’t lie: companies that have highly engaged employees outperform the competition by 147%.³

At a higher level, automation gives management and senior leaders more time to spend on business development. Rather than spending hours of their day assisting staff with time-consuming problems, they can instead explore insights and use the data produced by their workflow software to see where the business can improve. Not only that, but this information gives them the knowledge to make business-critical decisions in real-time.


The flow-on benefits of automation are manifold, from managing workflow to making key business decisions with insightful data.
The ubiquity of automation tools in the mainstream market means it’s an exciting time for business leaders. Advancing technology and a diversity of solutions are driving down the cost of this valuable software, and the predicted benefits include everything from billions of dollars added to the GDP to a drastic increase in productivity.

Recently, McKinsey & Company conducted a deep-dive investigation into the automation opportunities in Australia, revealing the immediate and long-term effects on the national economy. From machine learning and artificial intelligence to advanced robotics and workflow-automation tools, the research firm explored the “enormous opportunity to restore momentum to the Australian economy and extend its 30-year boom in an inclusive way”.

In this chapter, we will share some of the insights from McKinsey & Company’s research paper, Australia’s automation opportunity: Reigniting productivity and inclusive income growth, and reveal how it will change the way Australian businesses operate.4

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A quick look at the benefits for Australian organisations

Having investigated the potential for “midpoint to rapid automation adoption”, McKinsey found significant benefits for both businesses and the Australian economy as a whole.

Average annual productivity growth could improve by 50% to a whopping 150%, while the average Australian would be looking at an income increase between $4,000 and $15,000 by 2030. Moreover, during the same timeframe the national GDP would likely see an increase of between $170 billion and $600 billion.

However, these financial increases won’t come without their drawbacks. Up to 5 million Australians may need to switch jobs by 2030, thanks to automation displacing a share of the workforce. Similarly, there will be a higher demand for employees to be university-educated and possess technological skills. For the ageing workforce, this may present a more complex problem.

Moving towards 2030

By the end of the 2020s, automation will be well and truly a staple of our work lives, no matter what industry. The technology not only allows businesses to be more efficient, but it also provides customers and clients with better outcomes because staff are more engaged.

This is driven by automation taking over up to 46% of current work activities, according to the McKinsey research. That leaves more time for employees to support their clients, while also making them more productive and boosting economic growth. In fact, if the majority of Australian businesses seize this opportunity, McKinsey believes it could add $4 trillion to the economy by 2030.

Disrupting workforces across the economy

Detractors of automation claim, rightly, that the technology will put some people out of a job. While that’s true – with automatable jobs like mechanics, legal researchers and radiologists likely to be impacted first – automation will lead to the creation of new jobs, with the financial benefits contributing more to health spending and infrastructure investment. There will also be a higher need for creative and interactive jobs, such as nurses and salespeople.

Yes, some jobs will be lost. But the more important revelation is that jobs will change. There will be a greater need for workers to have mixed skills, rather than just the ability to handle repetitive tasks. According to McKinsey: “People at work will spend over 60% more time using technological skills and over 40% more time using social and emotional skills.”
Despite the rapid uptake in recent years, automation is not a new concept. In fact, its history can be traced as far back as the First Industrial Revolution in the 18th century, well before the term ‘automation’ was coined by the automotive industry following World War II.5

But what modern businesses are more attracted to is automation via digital means. Namely, doing away with traditional, physical processes that waste company time and employee energy – not to mention money – and replacing them with digital solutions that manage tasks much faster than is possible for any human.

In its research paper, Reinventing business with automation, IBM sat down with some of their major clients to investigate some of the benefits that automation is already providing. Some of the key stats they uncovered included:

- PNC Financial Services Group saw an 80% to 90% reduction in loan applications requiring manual reviews following the automation of its business processes and rules.
- Within just six months, the UK National Health Service Blood and Transplant used a cloud-based automation solution to automate more than 40% of its 96-step heart transplant allocation process.
- The Carlsberg Group reduced the time it took for back-office personnel to process orders by more than 90% – while also eliminating order errors – thanks to automation technology.

5 Medium, The history of automation: https://medium.com/datadriveninvestor/the-history-of-automation-ce135297ce75
Like so many of the greatest revolutions in the workplace, the evolution of automation has been driven by the need for change. Here’s why.

The key drivers of change

It’s not just business leaders who want change. Employees want the tools to help them work better, not harder. Automation is doing that by:

**Consolidating task management**
Jobs and tasks can be managed within a single hub, rather than spread across multiple – and oftentimes competing – software programs. This means individuals, teams and the entire practice can see their most pressing tasks in real-time and check them off in the same platform. This also gives managers complete oversight without needing to physically ‘check in’ on their team.

**Job allocation**
In a busy office environment, priorities can change instantly and some clients need managing with little to no warning. With an automated workflow solution, managers and partners can allocate high-priority jobs and change tasks based on the organisation’s needs in real-time.

**Global connectivity**
Rather than strictly office-based management practices, a digital workflow solution means staff can access what they need anywhere, anytime. This makes supporting clients on the go much easier, and empowers staff to complete their tasks wherever it’s most comfortable for them – which, thanks to the advent of flexi-work, doesn’t have to mean the office.

**Fiscal responsibility**
With a simple format in a single software solution, businesses can track their budget against actual costs with clear, real-time updates.
Putting trust back into your teams

Just as remote- and flexible-working arrangements are helping employees enjoy greater work-life balance, so too is automation putting trust back into teams. The right workflow automation tool can offer a light management touch while deriving maximum output.

This is because automation supports autonomy. Hierarchical privileges in the software, for example, can be assigned to respective teams and give them freedom over their own work allocation. With the autonomy to take control of their own jobs, rather than have them doled out in time-consuming and unnecessary face-to-face interactions, employees become more empowered and more engaged with their work.

A newer, better customer experience

From a purely business perspective, it may seem that automation is mostly beneficial for the company itself, with advantages like greater autonomy for staff. However, the knock-on effects of automation reach far beyond the office.

The customer experience itself improves because of all the positives outlined above. Staff who spend less time with repetitive tasks have more time to spend with clients. Funds that would have otherwise been spent on time-consuming processes can now be funnelled into new business-development opportunities, potentially providing clients with a wider service offering.

By streamlining their day-to-day processes, practices can benefit themselves, their people and their customers.
The value of automation is clear for all to see. But finding the right solution for your organisation can be challenging. Not all workflow tools are created equal, and it’s recommended that you get to grips with your business’s specific pain points before seeking out the right automation software. This is because you want a tool that meets your particular needs, rather than a general workflow application that only provides surface-level automation.

Let’s start by exploring some of the problems that real-life accountants are facing in their day-to-day work lives, and how APS Workflow can offer genuine solutions.

Common pain points for accountants

We work directly with APS users to discover their most common challenges and what they want to get out of their workflow solution. From our conversations with accountants, we found that one of the top concerns was that employees don’t want to become an expert in a product simply to be able to derive value from it.

They want the ability to replicate and scale without needing a ‘gatekeeper’ or ‘champion’ of the data to manage everything. Take, for instance, a young accountant who has a sound understanding of basic technology but perhaps isn’t confident in managing more advanced software solutions. They still want to be able to customise a task or make edits according to their permissions without having to speak to their practice manager every time. Bottom line: workflow isn’t going to grow from the top down, but from the bottom up – which is why APS Workflow caters directly to these people.
How jobs are scheduled and how tasks are managed are also top concerns. We’ve found that accountants see these inclusions as fundamental to whether or not a solution is adopted across the business. And for accountants in particular, it’s a must-have to do their jobs properly.

Finally, consistency and transparency about what’s being entered in the workflow tool are of the utmost importance. Without them, staff won’t have trust in the product and will revert to traditional, time-consuming processes to get their jobs done.

Solutions with a light touch

What can really take a typical workflow tool to the next level is its accessibility and ease of use. Accountants want a solution with a light touch – one that allows them to complete their normal accounting work without interruptions or technical roadblocks.

The best solutions are intuitive – they understand what the user wants and they don’t demand intense training in order to provide high-level automation services. By the same token, however, they do have a wide suite of services that allow users with a more complex understanding of the technology to take full advantage of the product.

Making remote work more efficient

Whether you’re a small local practice or a large firm spread across the country, businesses want software solutions that are adaptable and easy to use while on the go. Not only are more and more employees taking up flexible- and remote-working opportunities, but companies are overcoming the talent shortage by seeking out staff in different cities. It’s also a core strategy for retaining the best employees – with 80% of Australians saying they would stay longer in their role if offered teleworking.7

The digital revolution means many businesses can function entirely online, and leaders want tools that make collaboration and task management a breeze.

A solution like APS Workflow does exactly that. Geographical barriers are non-existent, and new users can be added quickly if there’s a need for outsourcing or offshoring tasks. Managers just want their teams to be able to log in and run with things as they would in the office – and a comprehensive workflow solution means they can do it anywhere in the world at any time.

Templates to streamline processes

The ability to drag and drop templates into your workflow tool means clients with more complex needs can be managed just as easily as an individual who only needs their tax done. In the past, users were forced to add different jobs on an ad-hoc basis and assign individual times against them. Others had to use clunky software and waste hours every week updating tasks, job allocations and deadlines.

No longer. With APS Workflow, everything is centralised in an easy-to-use interface. More importantly, there’s a range of templates available – so even if your client has an SMSF, entity, trust and individual needs, you can pull up a template and not have to worry about repetitive data-entry for each instance.
The traditional accounting practice that only focused on one specific market is essentially extinct. In order to survive in a competitive industry, firms need to expand their offering and market to a diversity of audiences.

That means accountants are typically time-poor, so they can't waste billable hours every week managing tasks that could be automated by a workflow solution. Below, we've compiled a quick-and-easy checklist of what the right software like APS Workflow can do to eliminate business inefficiencies and drive your practice’s productivity.

A quick rundown of how the right automation tool eliminates inefficiencies

With a solution like APS Workflow, you can enjoy all the benefits of automation while empowering your team to focus on more creative, income-generating services. This software will:

- Improve reporting processes and deliver greater visibility over tasks, responsibilities, timings, costs and more.
- Standardise and automate daily work processes, freeing up time typically spent on manual tasks.
• Give both employees and managers real-time access to actionable knowledge and work status.

• Educate staff on new processes and empower them to manage and prioritise their individual deliverables – with autonomy leading to more engaged employees.

• Improve efficiencies within the practice by scaling business operations to help your organisation become more flexible and therefore more competitive.

• Provide greater access to information and help your business produce better work at both the back-end and front-office. Critical activities include task and process automation, automated data capture and much more.

• Help your organisation embrace its digital transformation while simultaneously improving the customer experience and letting business leaders focus on expanding your practice’s service offering.
Conclusion

In an age where hyper-connectivity is the norm and practices are looking beyond their traditional borders for top talent, the need for automated workflow solutions is more critical than ever.

However, before adopting new solutions and overhauling your entire business model, it’s important to do your due diligence and uncover your practice’s biggest pain points. Once those are understood, you can seek out a tool like APS Workflow that meets your practice’s specific needs and helps empower your staff to be more autonomous and productive.

We hope this white paper has illustrated how automation technology will play a vital role in disrupting workforces and the wider economy over the next decade. If you’re ready to meet your competition head-on and leverage the power of automation, contact the experts at APS today. We’ll work directly with you to find out what your practice needs to thrive and then curate a workflow solution that elevates your entire business.
About APS

APS is a division of Reckon, an ASX-listed company. We develop the software used by the best accounting firms in Australia and New Zealand to run their businesses and advise their clients.

But APS is more than just software – our solutions are delivered with a relationship-focused approach. We understand what accounting firms need, and we can design solutions specifically for your business requirements to help achieve your firm’s goals.

If you’re ready to embrace the workplace revolution and create smarter ways to work, we’re here to help. APS can arm you with the right solutions for your business so you can spend your precious time focusing on core business objectives.

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