



Beautiful business

# Build a tech stack for business in the digital age

*for your clients and your accounting firm*





Businesses serious about competing in the 21st century are upgrading from manual, paper-based processes to digital, automated workflows. Transitioning to cloud-based accounting is an excellent first step. Instead of having clients transporting file folders full of paper receipts and records to your office at tax time, they can keep records in the cloud solution that their team, and you, can easily access. Plus, analyzing cloud accounting data provides businesses with insights that can help them make informed decisions throughout the year, thereby positively impacting sales, profits, and growth.

A cloud-based accounting platform undeniably delivers value. But these days, businesses need more than accounting software to operate effectively. Operational efficiency, innovation, and excellent customer experiences require digitizing processes beyond bookkeeping and accounting.

However, as businesses advance their digital transformations, they need to ensure that all of the applications they use are integrated with their accounting software. **Integration is key to building an efficient, connected environment where:**

- Data is shared between solutions automatically, eliminating the need to rekey data and reducing the chance of errors.
- Teams make better use of their time, leaving routine, repetitive tasks to technology so they can focus on higher-value activities.
- Cash flow is enhanced when accounting has all of the information it needs to immediately invoice or request reimbursements for digital transactions.
- Businesses can take on more clients without hiring additional employees.
- Employees experience less stress than if they were continuously inundated with paper and manual work.

# Accounting platform integrations that benefit businesses

No two businesses are the same, even if they are direct competitors. So there's no single tech stack that will work for every company. However, some types of software provide value to a wide range of businesses, particularly if they integrate with accounting software.

## + Payroll

Payroll systems share employee records, wages and taxes paid with the accounting platform, streamlining processes (such as preparing W-2s and 1099s) at the end of the year.

## + Document management

This software digitizes receipts and other documents and automatically imports them to the client's cloud accounting software, eliminating paper files.

## + Payments

Payments integration enables that all payments (PAID and RECEIVED) are automatically synced to Xero (i.e., [bill.com](https://www.bill.com), ploto).

## + Billing or invoicing

These solutions allow businesses to generate and send invoices easily and efficiently. Integration with an accounting platform eliminates the need to re-enter information or search for the status of an account on multiple screens.

## + Expense Management

Employees who must track reimbursable expenses can automate the process with expense management software. With integration, that information is automatically shared with their employers' accounting systems.





## Industry-specific solutions

Although businesses often operate with some common processes, other facets of their operations are specific to their industries. Niche software solutions are designed to meet these unique needs and provide the best possible experiences for their customers and employees. **Consider how applications in the tech stacks for businesses in these industries could differ:**

### Real estate business applications:

- Commercial property management
- Compliance management
- Commission management
- Expense management

### Agriculture business applications:

- Crop and livestock tracking
- Farm budgeting and forecasting
- Multi-location inventory
- Sales and distribution

### E-commerce business applications:

- E-commerce sales platform
- Enterprise resource planning (ERP)
- Inventory management
- Online shopping cart

While the software included in the optimal tech stack for your clients may differ, **all of these software solutions integrate with Xero's cloud-based accounting platform.**

# Help your clients optimize their IT environments with Xero

When your clients use Xero, you can provide them with software from the [Xero App Store](#). You can search for specific functionality or your client's industry to find options and subscribe to Software as a Service (SaaS) apps with just a few clicks. Xero clients can log in with their Xero credentials, provision apps, and connect them to Xero from within the platform.



*This used to be something that only Fortune 100 companies had access to. Now anyone can have customized accounting solutions.*

— Xero partner Kenji Kuramoto, Founder & CEO of Acuity

Some of your clients may use the Xero App Store to subscribe to SaaS solutions and connect them to Xero. However, it's more likely that your clients will need your advice. Your involvement can range from recommending apps, to helping your clients choose solutions, and showing them how to get the most value from their new applications.

Xero also gives you the option to white label the App Store and sell apps through your business. You can also generate reports filled with insights based on app use, such as “health checks,” including adoption rates and performance indicators. Then, you can work with your clients to interpret these reports to make informed decisions about the app's value to their business, and whether they need to look for a solution that's a better fit.

## **Kuramoto points out that you can choose from different models to provide your clients with the apps they need:**

- Sell app licenses and keep a portion of the profits
- Pass on savings when clients purchase apps through you to build stickier relationships
- Build a single solution for smaller firms and charge a monthly fee for apps and services

Kuramoto says all models can work; however, larger firms may find it easier to manage if they pass app costs on to their clients rather than managing packaged offerings.



# Build a culture of learning

Kuramoto points out, “It will become necessary to be able to recommend apps. It’s no longer acceptable for accountants to say, ‘I don’t deal with tech.’ We have to respond and help manage data in our clients’ businesses, and the only way to do that is through apps.”

Keep in mind, adding app advisory services to your practice takes time, training, and effort. Your team must be certified on the apps your clients most commonly use – and it may take some encouragement, some leading by example. “Our expectation is that members of our team will lean into the new. It starts at the top,” he says.

He also points out that the most effective way to encourage your team to pursue software certifications is to show them how using apps with their client accounts can save them time and make work easier. “That’s the incentive,” says Kuramoto.

## ✓ Benefit your clients and your business

When your clients use a comprehensive suite of business applications, they can expect these benefits:

- New operational efficiencies
- Enhanced productivity
- Increased profitability
- Improved ability to scale operations
- Greater potential for revenue growth

Furthermore, when your clients have all of the digital capabilities they need, your business benefits through:

- Regular touchpoints with clients
- Visibility into operations as well as accounting
- Team members with the knowledge to serve clients better
- Lower customer churn rates

“ One client told us that for the first time, it felt like my accounting team was running at the same pace as my business.





## How's your tech stack?

While evaluating whether your clients have all of the tech tools they need to operate efficiently, also take a look at the tech stack your firm uses. Any tasks you continue to do by hand that software can do more efficiently are costing you time, resources, and money.

Cloud solutions allow you to optimize your processes. Xero gives you an easy way to build a tech stack for your business so you can operate more profitably and competitively. Also, consider how SaaS solutions can help you expand your business to provide consulting, planning, or outsourced CFO services.

Just as you are helping your clients improve day-to-day operations and make work easier, you can provide those same advantages to your business and your team with new digital capabilities. Explore the [Xero App Store](#), reach out to software solution providers for demos to see the value they provide, and position your firm for growth and success.

