How Does Lohman Company, PLLC Use Wolters Kluwer, CCH Solutions to Power an Efficient and Paperless Workflow?

Moving to a paperless workflow is a big decision for any firm, and as technology has progressed, firms of all sizes are making that leap in an effort to improve efficiency and drive productivity. To successfully make the transition, they need a powerful document management system, such as ProSystem fx® Document.

For Mesa, Arizona-based Lohman Company, the decision to go paperless came after a period of steady growth ranging from 15 percent to 40 percent per year. Over time, the firm noticed that paper-based processes that had worked well in the past were beginning to show signs of strain. Firm leadership recognized that something had to change. Already using ProSystem fx® Tax, ProSystem fx® Practice, ProSystem fx® Engagement, ProSystem fx® Scan and Accounting Research Manager® (ARM), they began evaluating a variety of document management systems, and eventually decided upon Document.

"Prior to our move to Document, our firm was between zero to 75 percent paperless, depending on the engagement and type of information they received from clients," explained Craig Lohman, partner-in-charge of the Assurance department at Lohman Company. "Like many firms our size, our workflow included numerous paper gusset files and electronic supplements. We knew instinctively that improved automated document retention policies and document management processes could drive greater efficiency across the firm."

Why Document?

Document manages the full range of accounting documents electronically, including tax returns, client correspondence, employee records and email. Centralizing all documents in a single, easily searchable repository reduces costs associated with creating and storing paper documents and enables firms to deliver improved client service by minimizing time spent searching through binders for pieces of paper.

In evaluating Document, Lohman Company particularly liked that the solution was well organized, easy to use and customizable to the firm’s workflow. In addition, the integration with other Wolters Kluwer, CCH solutions, and the fact that Document was well tested within CPA firms, made the decision to implement Document a relatively straightforward one.

Upon deciding to implement Document within their firm, the implementation process consisted of three equally important phases:

- Planning
- Installation
- Training

During the Planning phase, Wolters Kluwer, CCH worked with Lohman Company to help the firm think through their retention strategies and how to best organize their files electronically.

"Wolters Kluwer, CCH shared best practices, which helped us benefit from what other firms had learned from their migration to a paperless workflow before us," explained Lohman. "In addition, we took the time to get input from partners, the Information Technology department and key employees. That up-front investment was time well spent as it helped ensure that everyone was on board."

Led by Lohman Company’s IT department with guidance from Wolters Kluwer, CCH, the Installation phase consisted of the installing all of the necessary hardware and software and conducting testing to ensure that the solution was functioning correctly. Finally, the Training phase included a full day of training for all employees to help them get accustomed to the new electronic workflow.

Wolters Kluwer, CCH offers a full range of services to help make transitioning to a paperless environment as smooth and productive as possible. In addition to guiding firms through installation, Wolters Kluwer, CCH provides firm-wide best practices through training and consulting.

Lohman Company Key Data:

- Established in 2000
- Headquartered in Mesa, Arizona
- 21 employees, including 15 CPAs
- Full-service CPA and business consulting firm serving mid-size companies
A Successful Transition Leads to Dramatic Efficiency Improvements

Within a year of going live with Document, Lohman Company had successfully migrated to a 100 percent paperless process. The firm decided to use Document for all static documents and any engagement that did not use a trial balance. Static documents include issued reports, tax returns, financial statements, management reports, correspondence, billing support, tax planning and projections, tax notices and consulting documents. In addition, the firm now houses all Internal Control documents within Document, including accounts payable documents, bank statements, billing support, correspondence, tax returns, and financial statements, as well as Human Resources documents and general firm documents. Similarly, the firm stores all live engagements with changing documents within Engagement. This includes trial balance reports, workpapers, memorandums, supporting documents, permanent file information, and correspondence relating to the engagement. The integration between Document and Engagement makes it easy to move documents between solutions.

The fact that Document is customizable has allowed us to set up different classes and subclasses of folders,” explained Lohman. “We can easily sort, save and retrieve information and protect access to sensitive documents as well.

In the past, the firm had a standard workflow, but it could be difficult to follow procedures consistently, especially when data could take the form of paper, email or electronic documents. Since going paperless, Lohman Company has seen many positive results relating to efficiency and productivity.

“Going paperless has helped our firm tremendously, and we’ve seen dramatic improvements in efficiency — especially in year two and beyond,” said Lohman. “Now every document that comes into our firm has a place to go. Email correspondence is now easily saved and dropped into a client binder, which wasn’t happening consistently in the past. Now, people across the firm can easily see exactly what’s going on with a particular client.

In addition, Document’s powerful search capability has been a big help in helping staff find documents quickly and easily.

“Collaborating with Clients with CCH Axcess™ Portal

When it comes to exchanging documents with clients, Lohman Company selected Portal to upload, store and share all types of documents in a centralized and secure environment. Portal enables the firm to securely share documents with clients, who can log on and gain access to all of their completed documents at any time.

Initially, the firm required all financial-statement clients, large-business tax-only clients, tech-savvy clients, certain consulting clients and certain third parties to use Portal, but more recently, they are seeing all types of clients appreciate the option of a secure platform and 24/7 access to their documents.

“...In addition to providing a safe and easy way to share information, Portal is a great collaboration tool in working with clients and other third-party providers, such as attorneys and consulting firms,” explained Lohman. “And the fact that we have a portal reflects positively on our firm when it comes to prospective new clients. More clients are expecting their accounting firms to be technologically savvy, and Wolters Kluwer, CCH helps us exceed their expectations.

Using Document and Portal, Lohman Company was able to:

- Successfully migrate to a paperless workflow, achieving significant efficiency and productivity gains
- Make all firm documents easily storable, searchable and retrievable
- Automate records retention
- Exchange documents safely and securely with clients while giving them 24/7 access to their completed work materials
Tips for Making the Move to Paperless

Craig Lohman, partner-in-charge of the Assurance department at Lohman Company, has the following tips for firms considering the move to a paperless workflow:

Active manage the migration process. In general people don’t like change, but you can manage it. Communicate early and often throughout the process.

Get buy-in from the top. Complete buy-in from the top is critical in making the transition to paperless a success.

Spend time planning up front before implementation. It’s important to determine how your organization is going to use this process and how it will work within your firm.

Utilize champions within your firm. Identify model users of technology within your firm and train them early on so that they can serve as ambassadors to others during rollout.

Conduct firm-wide training. People need to be trained how to deal with situations in a paperless environment. Follow-up training six to nine months after rollout is also beneficial to iron out any ongoing issues.

Set expectations. Make sure you set proper expectations on your return on investment. The first year is challenging, but firms tend to see tremendous efficiencies in year two and beyond.

For More Information
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