



**SOURCEFIT**

DO MORE WITH LESS:

**HOW ACCOUNTING  
FIRMS ARE LEVERAGING  
OUTSOURCING  
FOR COMPETITIVE  
ADVANTAGE**

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# NEW OUTSOURCING MODELS ARE TRANSFORMING ACCOUNTING SMEs

Historically, some accounting professionals viewed outsourcing negatively, associating it with the loss of business to cheaper, potentially lower-quality offshore centers — a source of competition rather than an opportunity for collaboration.

However, new outsourcing models — supported by advanced technology such as cloud services and AI and managed by specialist outsourcing partners — have transformed this perception. Many firms are now recognizing the potential of strategic outsourcing to enhance their capabilities, expand their service offerings, and drive business growth.

This new era of outsourcing offers significant potential to small and mid-size accounting firms grappling with challenges related to staffing, business development, and customer retention.



# INCREASED CAPACITY FOR GROWTH

## SCALING OPERATIONS

## TO MAINTAIN PROFITABILITY

Outsourcing provides a powerful lever for smaller firms aiming to scale operations efficiently, particularly when servicing larger clients — or larger volumes of client work. It offers the flexibility needed to expand headcount rapidly in response to emerging opportunities without the overheads and operational risk of hiring more permanent staff.

### KEY BENEFITS OF SCALING THROUGH OUTSOURCING INCLUDE:

- ✓ Enhanced operational flexibility to meet changing business needs.
- ✓ Ability to rapidly scale up to handle more client accounts.
- ✓ Reduction in permanent headcount and associated payroll costs.

For firms looking to grow without the constraints of traditional staffing models, outsourcing offers a strategic alternative — allowing them to remain agile and responsive to market demands. In reality, as more companies take advantage of this model, it becomes a strategic imperative for firms looking to grow market share while maintaining profitability.

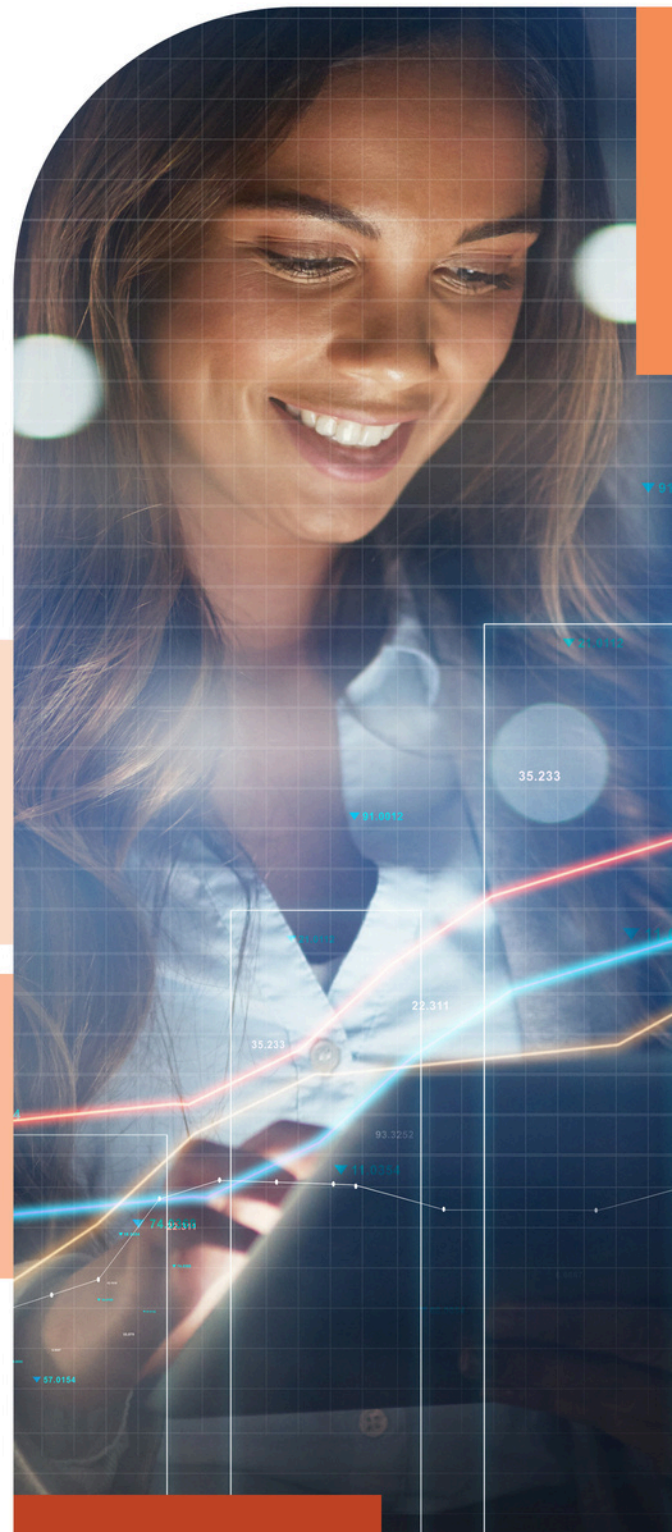
***The result: firms can seize new business opportunities and stay competitive without the high costs and complexities of expanding in-house teams.***

# 79%

of accountants say clients expect additional finance consultancy services <sup>1</sup>

# 82%

of accountants report that clients are demanding a wider service offering <sup>1</sup>



# INCREASED CAPACITY FOR GROWTH

## TRANSITION FROM COMPLIANCE TO ADVISORY SERVICES

Small to mid-sized accounting firms often struggle to shift from a compliance-focused approach to a more profitable advisory model due to limited resources. Working with an outsourcing partner to handle routine compliance tasks enables these firms to redirect their internal talent and resources toward higher-value advisory and consultancy roles.

### KEY STRATEGIC BENEFITS OF OUTSOURCING INCLUDE:

- ✓ In-house teams can dedicate more time to high-value advisory roles
- ✓ More resources are allocated to strategic long-term client relationships
- ✓ Reduced operational pressure on in-house staff, leading to lower churn

Outsourcing routine compliance allows accounting firms to focus on expanding their advisory services, which are crucial for long-term client retention and revenue growth. This strategic reallocation not only strengthens client relationships but also boosts business stability and market reputation.

***The result: firms can pivot to an advisory model, increasing profitability and long-term client engagement while maximizing the use of existing talent.***

# 47%

of accounting firms are solely focused on offering compliance services <sup>1</sup>

# 82%

of smaller firms are unable to offer advisory services due to lack of resources <sup>1</sup>



# INCREASED CAPACITY FOR GROWTH

## CASE STUDY: VASTAM CONSULTING

Vastam Consulting, based in Brisbane, Australia, turned a significant staffing challenge into a growth opportunity through a strategic partnership with Sourcefit — onboarding an outsourced team of experienced senior accounting professionals familiar with Australian public practice requirements.

### KEY BENEFITS FROM THE VASTAM CONSULTING AND SOURCEFIT PARTNERSHIP:

- ✓ Significant reduction in staffing costs and management overheads compared to hiring locally.
- ✓ Access to experienced professionals proficient in Xero, MYOB, and Handisoft.
- ✓ Vastam doubled its client base by focusing on core business and client issues.

The collaboration between Vastam Consulting and Sourcefit demonstrates how targeted outsourcing can stabilize and grow a business. Utilizing Sourcefit's senior talent in the Philippines, Vastam has expanded its client base and refocused its internal teams on core activities such as driving growth and addressing complex client issues.



60% reduction in  
staffing costs  
compared to  
hiring locally

### IMPACT



90% of Vastam's  
total workload is  
now handled by  
outsourced teams



# VALUE-ADDED SERVICES

## TRANSPARENT PRICING AND FLEXIBLE BILLING

Modern outsourcing practices have evolved to prioritize transparency and flexibility, ensuring clients have clear insights into pricing and billing without the constraints of long-term agreements. This development is particularly relevant for small to mid-size accounting firms, which benefit from clear, straightforward financial arrangements and adaptable service agreements.

### BENEFITS FOR ACCOUNTING FIRMS INCLUDE:

- ✓ Clients understand exactly what they're paying for, with no hidden fees or surprises.
- ✓ Assurance that outsourced teams are compensated fairly and receive benefits that align with international standards.
- ✓ Flexibility to adjust outsourcing needs without being locked into lengthy contracts.

The shift towards transparent and flexible billing models in outsourcing offers accounting firms the ability to manage their expenses more effectively while maintaining the agility to respond to changing business needs. This approach not only enhances budget management but also fosters a trusting relationship between firms and outsourcing providers.

***The result: accounting firms can confidently engage outsourcing services supported by a framework that promotes clarity, fairness, and flexibility.***

# 70%

of firms look to outsourcing primarily as a way to reduce costs <sup>1</sup>

# 43%

state that increased flexibility is a key factor in using outsourcing services <sup>1</sup>



## VALUE-ADDED SERVICES

# COMPLIANCE WITH SECURITY AND PRIVACY STANDARDS

Accounting firms handle sensitive financial and personal information, making security and data protection top priorities, especially when considering outsourcing. However, modern outsourcing partners have risen to the challenge, providing services that comply with rigorous standards, including SOC2, ISO 27001, and ISO 27701 — and, in many cases, may have more advanced cybersecurity capabilities than accounting firms themselves.

### KEY BENEFITS OF INTEGRATING AUTOMATION AND AI IN OUTSOURCING INCLUDE:

- ✓ Automation of routine tasks, allowing teams to focus on complex issues.
- ✓ Easier to scale operations up or down based on changing demand.
- ✓ Advanced data analysis, offering clients smarter, more strategic insights.

By choosing reputable outsourcing partners that adhere to recognized cybersecurity and privacy standards, accounting firms can safeguard their client data effectively. This compliance not only protects the firm but also builds client confidence, ensuring that their sensitive information is handled with the utmost care and professionalism.

***The result: accounting firms can ensure top-tier security and privacy for their clients' data while aligning with legal and regulatory obligations.***

[https://www3.weforum.org/docs/WEF\\_Global\\_Security\\_Outlook\\_Report\\_2023.pdf](https://www3.weforum.org/docs/WEF_Global_Security_Outlook_Report_2023.pdf)

# 39%

of organizational leaders agree that cybersecurity is a key business enabler <sup>1</sup>

# 81%

use third-party vendors to manage their cybersecurity functions <sup>1</sup>



# VALUE-ADDED SERVICES LEVERAGING AUTOMATION AND AI

New developments in AI and machine learning have the potential to transform accounting workflows by automating a range of manual tasks and supporting advanced data analysis. However, for small to mid-size firms, the implementation, training, and onboarding costs associated with introducing these systems can be prohibitive.

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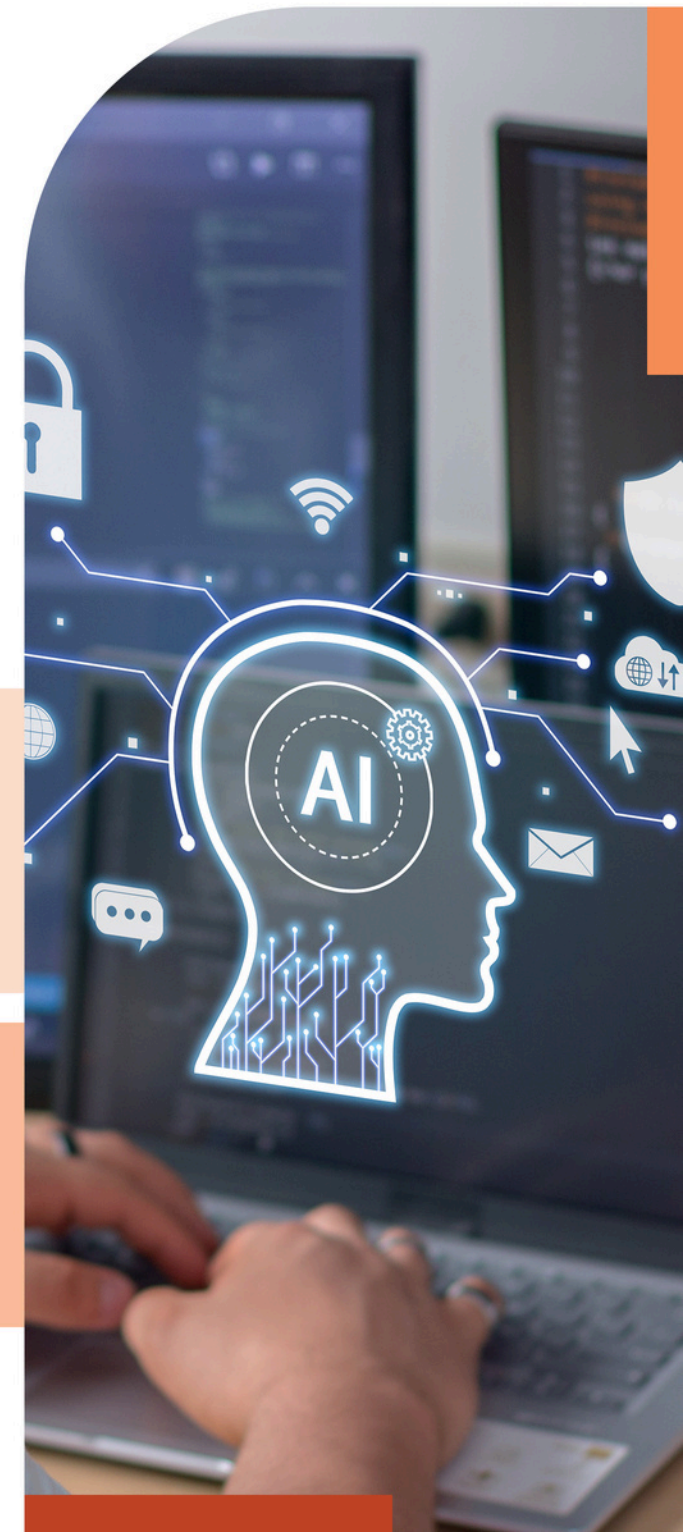
Partnering with an outsourcing provider that already utilizes advanced automation and AI technologies allows accounting firms to bypass the initial investment of setting up these systems in-house. This not only cuts costs but also accelerates the adoption of cutting-edge technologies that can drastically improve service delivery.

# 45%

of accountancy firms are looking to introduce AI/machine learning <sup>1</sup>

# 43%

believe incorporating new technologies increases productivity <sup>2</sup>



# ENHANCED CUSTOMER EXPERIENCE

## EXTENDING SERVICE HOURS

Small and mid-size accounting firms face a significant challenge in competing with larger firms that offer 24/7 client support. By engaging a specialized outsourcing partner with expertise in accounting rather than relying on a call center or automated message service, these firms can ensure that their customers receive expert and timely support when needed.

### KEY ADVANTAGES FOR ACCOUNTING FIRMS INCLUDE:

- ✓ Customers have 24/7 access to address and resolve urgent financial concerns.
- ✓ More accurate and relevant advice and support than general call centers.
- ✓ Quick responses to urgent issues by qualified experts increase customer loyalty.

Outsourcing client support to accounting specialists allows small and mid-size firms to rival the offerings of larger counterparts. This strategy not only extends service hours but also ensures that every client interaction is backed by expert advice and tailored solutions, strengthening trust and loyalty among clients.

***The result: firms are always available for their clients, setting new standards in customer care and boosting loyalty and retention.***

# 57%

of clients feel “low” on their accountant’s list of priorities <sup>1</sup>

# 68%

would switch accountants if they were unhappy with service levels <sup>1</sup>



# ENHANCED CUSTOMER EXPERIENCE

## DELIVERING

# A PERSONALIZED SERVICE

Small and mid-sized accounting firms are increasingly recognizing the benefits of partnering with specialist outsourcing providers to enhance client support. By outsourcing, firms can affordably hire qualified staff, enabling them to deliver personalized, one-on-one consultations that would be expensive to provide in-house.

### KEY ADVANTAGES OF OUTSOURCING CLIENT SUPPORT IN ACCOUNTING INCLUDE:

- ✓ Access to qualified professionals without the overhead costs of full-time staff.
- ✓ More personalized client interactions that strengthen working relationships.
- ✓ Improved customer retention due to higher satisfaction with service levels.

This strategic partnership elevates the level of care clients receive and boosts overall client loyalty and satisfaction, which is essential for competitive differentiation and growth in the market. More frequent one-on-one interactions also provide valuable insights into client needs, creating opportunities to offer additional services that increase customer lifetime value.

***The result: accounting firms can enhance customer satisfaction and retention, delivering personalized service at a manageable cost.***

<https://www.sage.com/en-us/blog/practice-of-now/>  
<https://onpay.com/hr/basics/2019-small-business-finance-hr>

# 87%

of accountants say clients expect better service without an increase in rates <sup>1</sup>

# 39%

of small business clients are dissatisfied with the accounting services offered <sup>1</sup>



# ENHANCED CUSTOMER EXPERIENCE **EXPANDING CAPABILITIES** **AND SERVICE OFFERING**

Small—to mid-size accounting firms often struggle with hiring challenges, the availability of specialized expertise, and high operational costs, hindering their ability to adequately meet evolving client needs and expectations. Partnering with a reputable outsourcing firm can enable these firms to expand their service offerings and win new business.

## KEY BENEFITS OF OUTSOURCING FOR SMALL TO MID-SIZE ACCOUNTING FIRMS INCLUDE:

- ✓ Access to specialized expertise without the need for in-house recruitment.
- ✓ Reduction in costs associated with hiring, onboarding, and training.
- ✓ Introduction of multijurisdictional knowledge to serve diverse markets.

By collaborating with a strategic outsourcing partner to source qualified accounting talent, firms can add new specialisms and adapt more dynamically to market demands. This not only broadens their offer but minimizes business risk by maintaining operational flexibility and scalability, crucial for adapting to client demands and economic shifts.

***The result: enhanced services and operational agility, delivering added value to clients while effectively managing costs and risks.***

# 35%

of accounting firms find recruiting and retaining talent a challenge <sup>1</sup>

# 92%

of accountants have experienced hiring challenges over the past year <sup>2</sup>



# GETTING STARTED WITH OUTSOURCING

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If you're an accounting firm looking to harness the advantages of specialized outsourcing, partnering with Sourcefit is a strategic first move.

Over the past 15 years, we've collaborated with firms worldwide to streamline business processes, source qualified talent, introduce new efficiencies, and enhance client service and financial outcomes.

To schedule a free, no-strings-attached consultation on how our expert outsourcing solutions can help address key challenges facing the accounting sector in 2024, visit [www.sourcefit.com](http://www.sourcefit.com)

