



Future of SMPs: Business Diversification Through Offering New Services

Webinar, 15 April 2021

Housekeeping



- **Please select your language preference (German channel has Georgian translation)**
- **Please type any questions you have into the message chat stating your name and organisation (preferably in English)**
- **Please note that the event will be recorded (in Georgian)**
- **Video recording and slides (pdf with hyperlinks to sources & readings in EN unless otherwise stated) will be available after event**

Presenters



[Paul Thompson](#)

Director, EFAA for SMEs and World Bank Consultant

[Anastasia Chalkidou](#)

Chair of the Greek Advisory Committee at ACCA, Accounting Director co-founder at Quantum BITS.

[Aleksandra Zaronina](#)

Head of SME Professional Insights, ACCA



Agenda

- Opening Remarks – [Sebastian Molineus](#), World Bank Regional Director South Caucasus (*10 minutes*)
- Recap: Practice Transformation – Paul Thompson (*10 minutes*)
- How to Diversify Your Practice – Aleksandra Zaronina & Anastasia Chalkidou (*50 minutes*)
- Questions and Answers (Q&A) – Irina Gordeladze (*15 minutes*)
- Closing Remarks - Paul Thompson (*5 minutes*)
- Reading



“More than ever before the SMP (Small and Medium Sized Practice) is the trusted adviser to smaller businesses, and the Covid-19 crisis is a call to arms for smaller accountancy firms to transform further. Digital transformation of SMPs is key to accelerating the pace of change, ensuring durability, and driving better understanding of client needs.”

“SMPs now have superb client opportunities to diversify in areas such as improving business resilience and continuity, supply chain management, and broader digital transformation. As catalysts for innovation, SMPs can help businesses develop new revenue streams, transform their business models and support growth and share best practices. But this demands new capabilities and skills within the firm, and potentially culture change too.”

[COVID-19 - the SMP's road to recovery](#), ACCA

Practice Transformation – Introduction

Practice Transformation Action Plan – A Road Map to the Future

- Embrace Change
- Leverage Technology
- Focus on Talent Management
- Evolve the Firm Operating Model and Build Advisory Services

Practice Transformation Action Plan – A Roadmap to the Future



Building Advisory Services I

1. Move from Transactional to Strategic Services
2. Re-Evaluate the Services provided and Marketing Strategies
3. Move into a Niche Market
4. Use Networks, Associations and Alliances to Add Value
5. Conduct a Regular Strategic Review

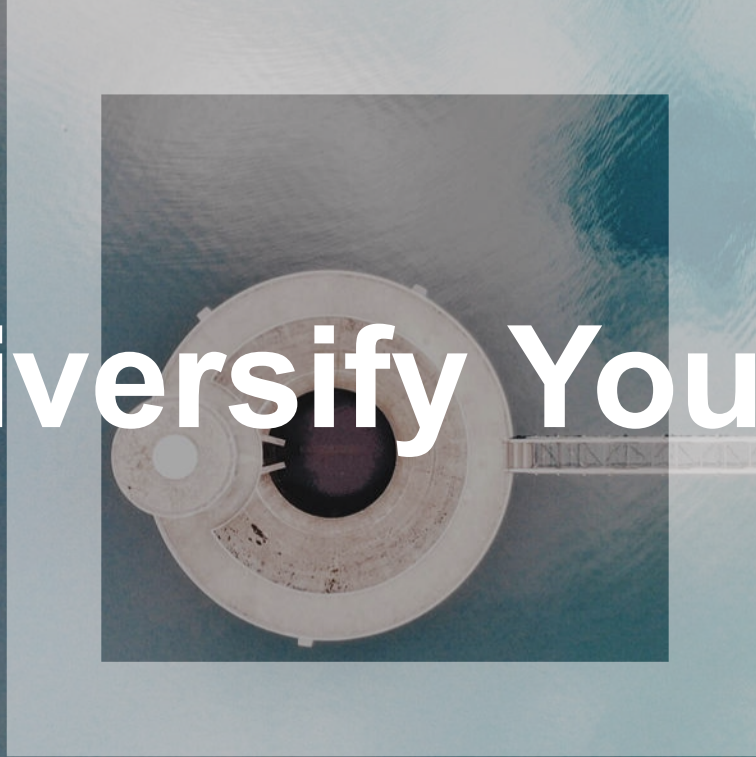


Building Advisory Services II

- Small firms have in-depth knowledge, expertise and trusted relationships with clients
- Advisory is valued as focused on “here and now”
- **When considering new service lines**
 - Steps can be small - no need to be complex or high level
 - Package services – make it easy to understand
 - Explore specialization/ niche markets
 - Cloud accounting systems play a key role



How to Diversify Your Practice



Agenda

1. About ACCA, Professional Insights and ACCA initiatives supporting SMPs.
2. Impact of digitalization to SMPs
3. SMP service Diversification
4. Quantum: Case study



219,000 | **527,000**
members | students
in **179** countries

110 offices
and centres
in **52**
countries

More than
7,571
approved
employers

328
approved
learning
providers

1,901
exemption-accredited
programmes from
908
institutions

453
strategic
partnerships

ACCA Professional Insights

answering today's questions, preparing you for tomorrow



- ***From risk to robotics, our Professional Insights support our members, students and affiliates succeed in their careers***
 - Consultations with employers across sectors, industry specialists, academics and leading forward-thinkers around the world;
 - Findings are shared in the media, at events, professional courses and official meetings, and
 - Recommendations shape business practice, inform legislations and standard setters, and support individuals in their careers.

ACCA Insights app: access all our research & podcast on-the-go

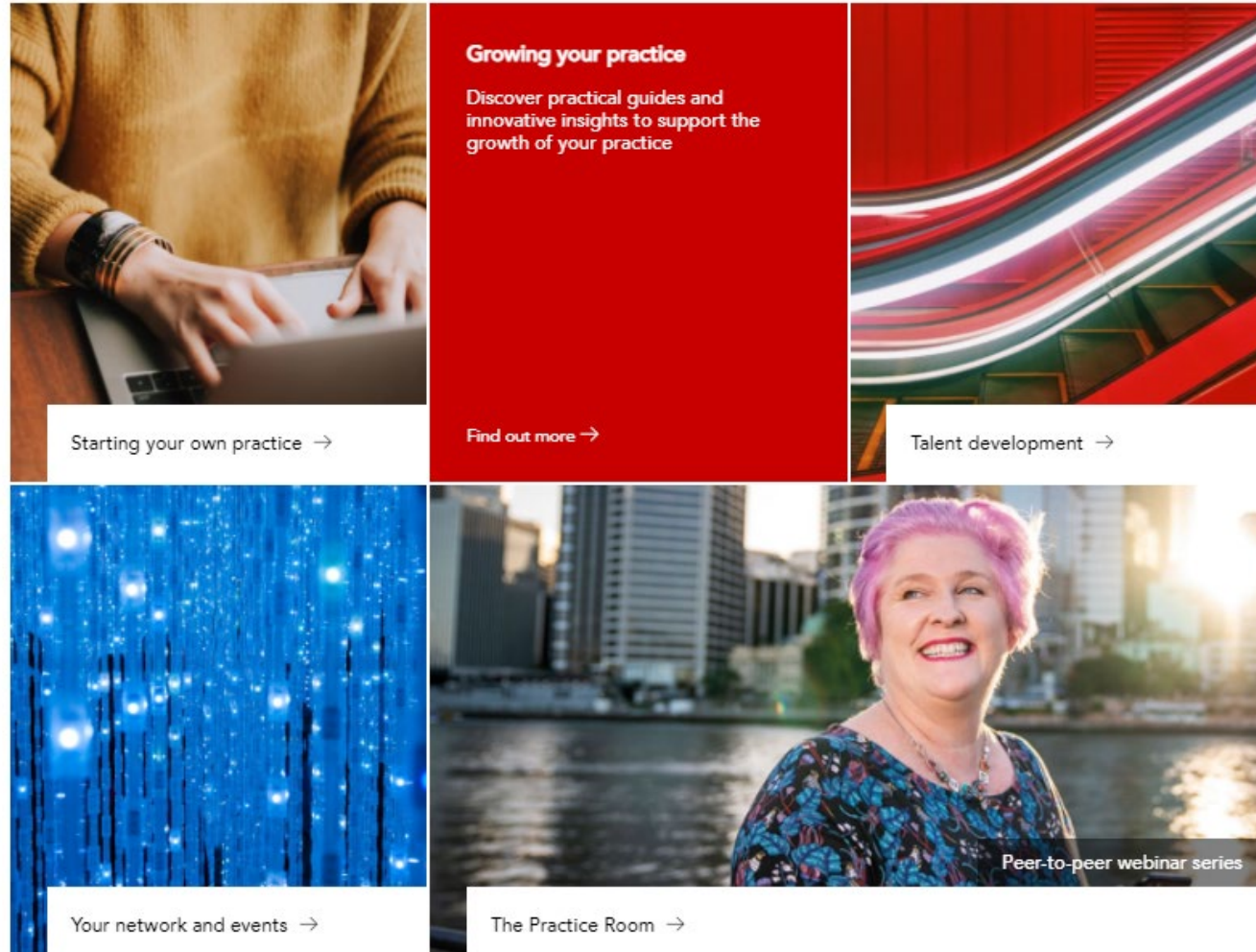


<http://insights.accaglobal.com>

Practice Connect hub

- Starting a practice
- Growing your practice
- Talent development
- Network & Events
- The Practice Room

This new hub amplifies connection by linking together a community of like-minded small and medium-sized accountancy practices so you can share with, learn from and inspire each other. Find all the resources, insights and innovative tools you need to help your practice stay ahead and relevant in a fast-changing business landscape.



The Practice Room

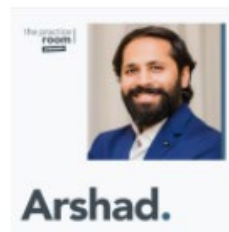
- 15 SMP member hosts from 13 countries
- 43 sessions scheduled for the first 6 months



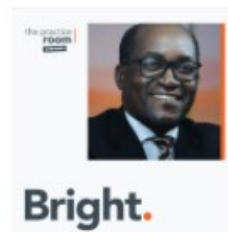
Alastair Barlow →



Anastasia Chalkidou →



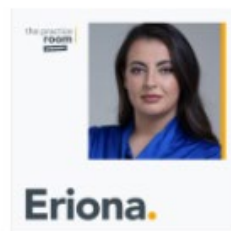
Arshad Gadit →



Bright Amisi →



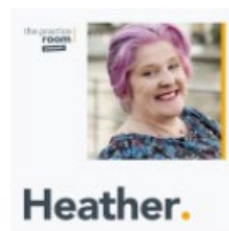
Damien Skeete →



Eriona Bajrakurtaj →



Faheem Piracha →



Heather Smith →



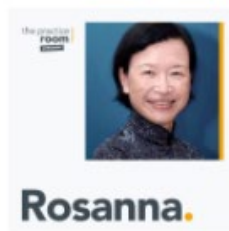
Horace Gyles →



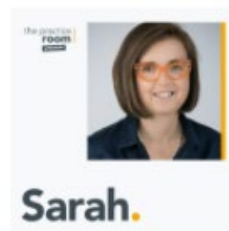
Ramesh Seebarran →



Robert Belle →



Rosanna Choi →



Sarah Whale →



Stacy-Ann Golding →

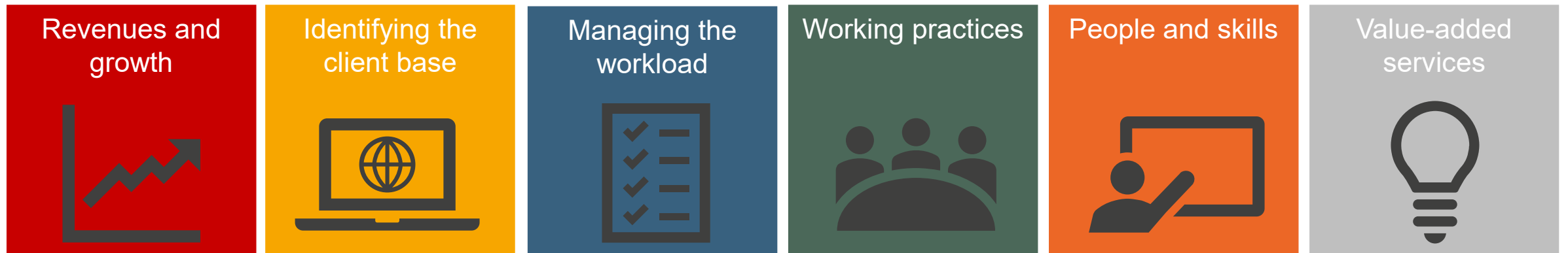


Vintoria Bernard →

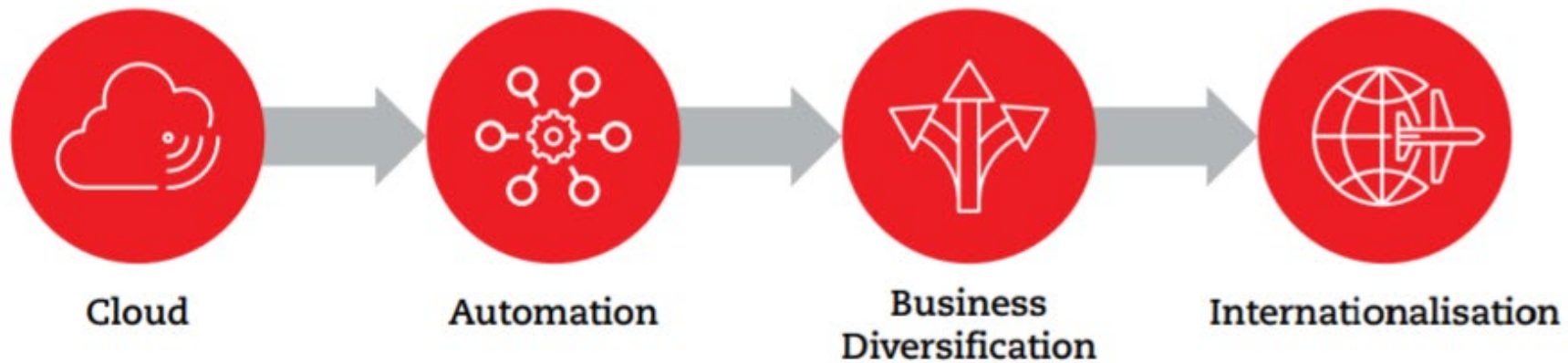
ACCA Reports used for the discussion today



Impact of digitalisation for SMPs



Evolution towards diversification and internationalization



But that is not the only possible scenario..



Key Factors to consider in diversification

- Transformative changes take time and SMPs might not see the benefits immediately
- Spending on the changes should be seen as an investment rather than expenditure
- There is a need for SMPs and clients to have “a mindset change” that SMPs can do more than traditional audit and assurance
- There might be risks and uncertainties, peer to peer support is important(multitude of events organized to support SMPs), it is important to assess if there are any support schemes offered by the governments and the multilateral institutions

Diversification pathways

- Step 1** Identify which services are in demand
- Step 2** “Unpack” your current services and identify your strengths
- Step 3** Link it with services in demand
- Step 4** Identify which of these services are expected to raise productivity levels
- Step 5** Identify your target service
- Step 6** Review your current and target services to generate a connecting progression pathway
- Step 7** Execute according to the pathway identified



Identifying strength-talent focus

- Are your teams able to support your diversification journey?
- What are the skills required to fill in the caps?
- Reaching out to universities and offering internship opportunities to e.g. Technology or Data Analytics students can be mutually beneficial.
- Did you consider using cross-generational mentoring?
- Continuous learning is essential

Find out more on developing talent within your practice in the ACCA [Careers in SMPs report](#) (included in the Readings section)

Examples of service lines

IT solutions
consulting

International tax
advisory

Statutory audit

Compliance in
corporate and
statutory tax

Sustainability-
reporting and
transformation

Debt and capital
advisory/access
to finance

Corporate
secretariat and
legal

Data analytics

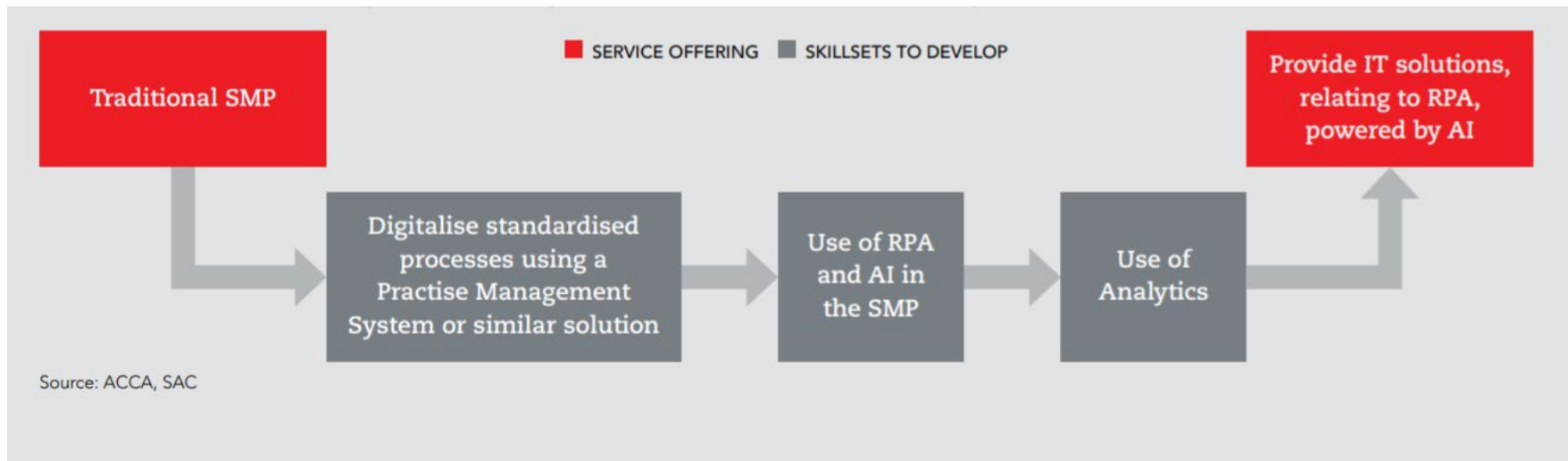
Technology
consulting

Accounting
advisory

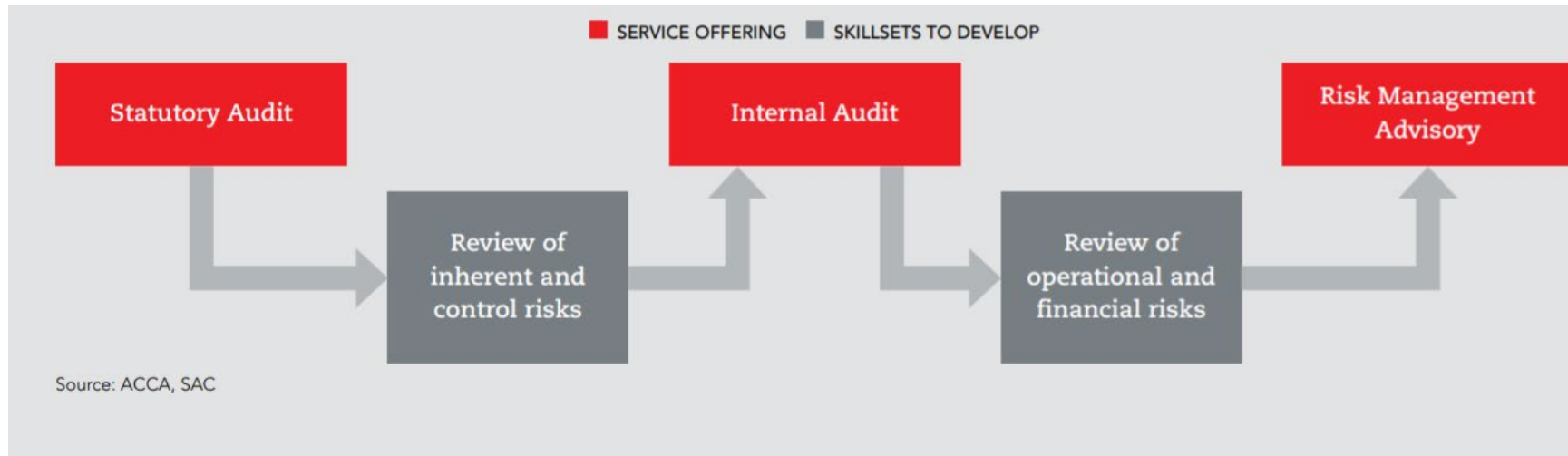
Virtual CFO?

Risks
management

Pathway towards IT solutions and consulting services



Pathway towards risk management advisory



Diversifying Accounting Services



Think Ahead

Anastasia Chalkidou, FCCA

*Accounting Director, Co-founder of
Quantum Business & IT Solutions*

*ACCA International Assembly
Representative Greece*

Who is who



Our services

Single Point of Contact



Our business model

United in diversity





*Thank you for
your attention
and don't forget
our Super Power!*

Follow Quantum BITS:



/QuantumBITS



/quantum-business-&-it-solutions-l-p-



/quantum_gr



<https://www.quantum.gr/>

Discussion Aleksandra and Anastasia

- What were the main challenges on your diversification journey? *(also a poll questions with options) (Investment, Competency, Teams accepting change, Lack of knowledge on what is demanded in the market)*
- How did you choose the service lines/areas of focus?
- Where would you suggest other SMPs to start with diversification?



Questions and Answers (Q&A)

Note – we are happy to receive after the webinar via email to Paul.Thompson@efaa.com and /
or Aleksandra.Zaronina@accaglobal.com



Closing Remarks

- Video recording and slides (pdf) will be shared via email and posted to www.saras.gov.ge
- **Next webinar is planned for latter half of May**

Reading 1/2 (GE = Georgian language translation)



- [COVID-19 - the SMP's road to recovery](#) (GE), ACCA
- [Practice Transformation Action Plan – A Roadmap to the Future](#) (GE), IFAC
- [Why SMPs must embrace the potential of digitalisation](#) (GE), ACCA
- [How PAOs Can Help SMPs Transform their Businesses with Minimal Cost and Pain](#) (GE), IFAC
- [Quick Guide to Digitalisation and Business Diversification for SMPs](#) (GE), ACCA
- [SMP Pacesetters Embracing Technology \(Article & Videos\)](#) (GE), ACCA
- [Transition into Advisory Services - Leveraging Partnerships and Networks](#) (GE), IFAC
- [How CPAs help clients reinvent struggling businesses during COVID-19](#) (GE), AICPA
- [Challenges & Opportunities for Sole Practitioners—and How PAOs Can Help](#) (GE), IFAC

Reading 2/2 (GE = Georgian language translation)



- [Practice Connect hub consolidating resources to support SMPs](#) ACCA
- [Practice Room- a series of SMPs lead discussions, covering various topics related to practice development](#) ACCA
- [The Passionate Practitioner- developing the digitalized small and medium practice,](#) ACCA
- [Quick guide to digitalization and Business Diversification,](#) ACCA
- [Careers in SMP- attracting, retaining and managing talent within SMP.](#) ACCA and CA ANZ
- [The Business Data Insights Playbook,](#) ACCA and CA ANZ

EFAA Secretariat



The European Federation of Accountants and Auditors for SMEs

4 Rue Jacques de Lalaing, B - 1040 Brussels, Belgium

T +32 2 736 88 86

F + 32 2 736 29 64

E secretariat@efaa.com

Website www.efaa.com

Twitter @EFAAforSMEs