



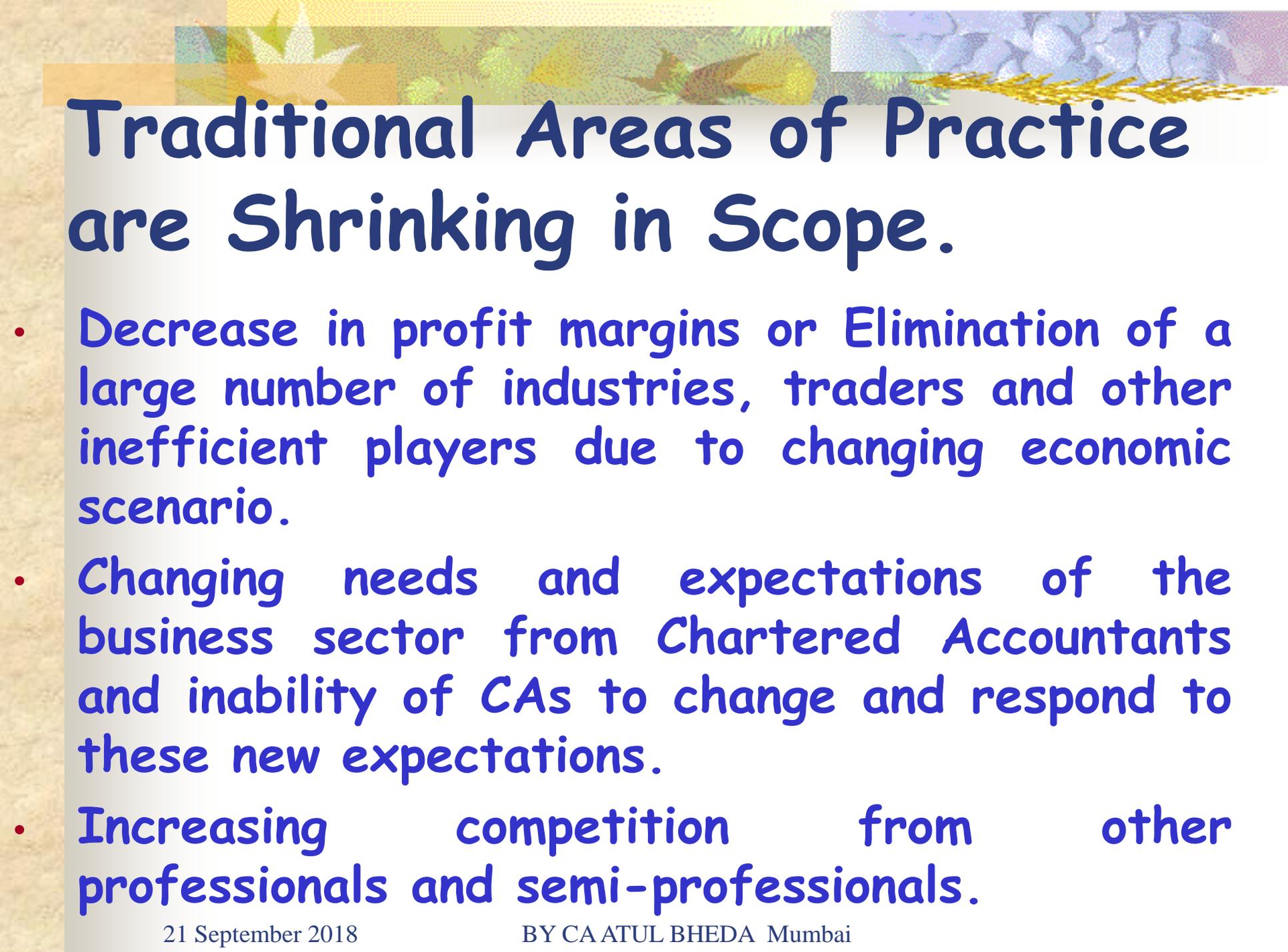
Office Management & Practice Development Strategies for Chartered Accountants

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Bcom, FCA, LLB(gen), DISA(ICA)



Traditional Practice Status Today



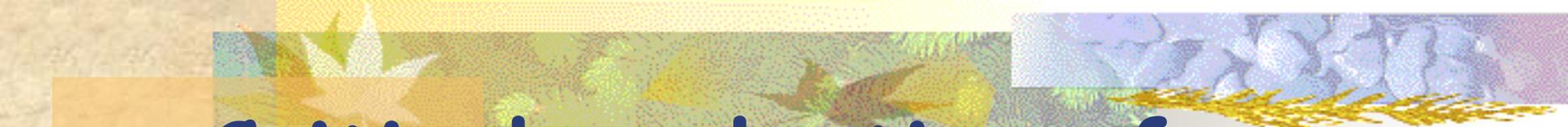
Traditional Areas of Practice are Shrinking in Scope.

- Decrease in profit margins or Elimination of a large number of industries, traders and other inefficient players due to changing economic scenario.
- Changing needs and expectations of the business sector from Chartered Accountants and inability of CAs to change and respond to these new expectations.
- Increasing competition from other professionals and semi-professionals.



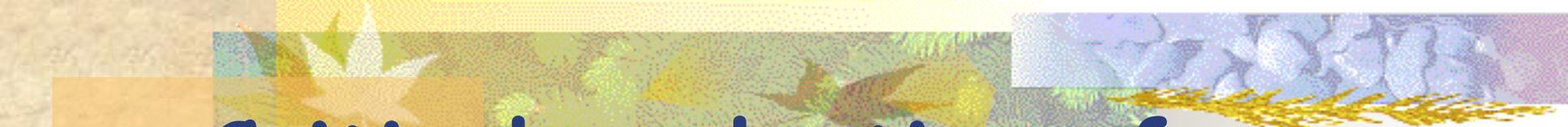
What is required to be done

- Critical review of existing traditional practice.
- Visualising the future scope of traditional practice and need for specialization.
- Specialisation.
- Factors that need to be considered for selecting an appropriate area of practice.
- Manage the transition process from practice in traditional areas to specialising in emerging and niche areas



Critical evaluation of present practice:

- Does the existing practice give the required job satisfaction?
- Does it give you the monetary reward commensurate to your age, skills, ability and efforts?
- Does it match your natural abilities / skill sets. Is it something for which you have an aptitude /liking /flair?
- Has your existing career graph grown positively and in an appropriate manner?



Critical evaluation of present practice:.....

- How do you visualise the future of your existing practice area?
- Does it fit into an overall plan / career path that reflects a progressive and prospective future?
- Are you part of a progressive / proactive organisation. Does it offer sufficient growth opportunities both professional and monetary?



Critical Evaluation Result...

- Inner desire in most Chartered Accountants in practice, to diversify into emerging and niche areas. However very few have been able to turn this into reality, which may be due to many reasons

Inner desire to Change not translating... Why

- Inability to select an appropriate area that matches the aptitude, skill sets and expectations
- Absence of mental conviction to put in the best efforts
- Difficulty in managing the transition process
- Mental block to undertake sacrifices

INTERNAL ISSUES

- Lack of mental conviction, vision, self-belief
- Lack of strong ambition or desire
- Absence of mental readiness to change and adapt
- Inability to take risk.
- Half hearted start and lack of full commitment in the efforts

INTERNAL ISSUES

- Tendency to give up before reaching the perceived target
- Failure to identify and improve over weaknesses for e.g. drafting skills, communication skills, etc
- Tendency to blame circumstances, rather than concentrating on self-improvement
- Failure to sharpen the tools on regular basis



EXTERNAL ISSUES

- Lack of work exposure to emerging / new areas
- Lack of financial resources and infrastructure
- Lack of present clientele to tap potential of new areas
- Lack of marketing skills



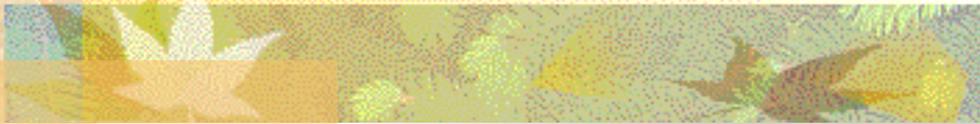
EXTERNAL ISSUES

- Lack of contacts
- Lack of awareness of niche areas
- Inability to select an appropriate area that meets individual / organisational existing skill sets, aptitude etc



Understanding professional age profile:

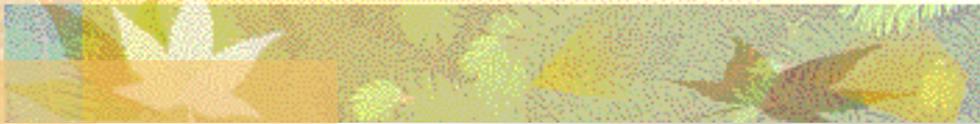
- Initial years - First 3 to 5 years:
- Next 3 to 5 years in the profession:
- Next 8 -10 years:
- Further period:





Friday, September 21,
2018

CA Atul Bheda



Calculation of Man Hour Rates ...

Calculation of No. of Working days in a month

No. of Working days in an Year		365
Less: i.	Holidays for Sundays	52
ii.	No. of Days - continuing education	26
iii.	National Holidays, Bank Holidays and unscheduled Holidays on account of Bandh, etc.	17
		<hr/>
		95
		<hr/>
		270
Less:	Annual Leave including Sick leave, etc.	30
		<hr/>
No. of Working days in an year		240
		<hr/>
Therefore No. of Working days in a month		20
		<hr/>

Calculation of Hourly/ Daily Rates of Fees...

Minimum Expected Net Monthly Remuneration for a C.A.	50,000	100,000	200,000	500,000
Minimum Expected Net Yearly Remuneration	600,000	1,200,000	2,400,000	6,000,000
Add: Overhead Expenses (as given below)	1,000,000	1,000,000	1,000,000	1,000,000
	1,600,000	2,200,000	3,400,000	7,000,000
Therefore Rate per Day	6,667	9,167	14,167	29,167
Therefore hourly rate (assuming 6 hours chargeable)	1,111	1,528	2,361	4,861





Areas of Professional Practice

- Tax Advisory & Compliance
- Outsourcing
- Assurance Services
- Corporate Finance
- Business Consulting

Tax Advisory & Compliance

- Tax Returns (Corporate / Expatriate / Individuals)
- Tax Representations & Due Diligence
- Transactional / Withholding Tax Compliances (E-TDS / E-Filing Services)
- Cross Border Taxation & International Tax Services
- Transfer Pricing

Tax Advisory & Compliance

- Excise, Customs, Entry Tax, Cess etc
- VAT (State and Multi-State VAT)
- Service Tax (GST)
- SEZ & STPI Compliances

Outsourcing

- Accounting systems & Accounting Services
- Management reporting
- Payroll processing and Management
- Receivable / Payable management
- Expense claim management
- Statutory compliances- ROC,ROF, Labour laws etc
- Fixed Assets Register & Tagging
- ERP Implementation



Outsourcing

- Employee Stock Options
- Valuations of Business & Share Valuation
- Joint Venture Assistance
- Exchange Control Formalities
- Advisory services on Corporate laws, SEBI, FEMA and other allied laws
- Incorporation of new companies / LLP



Assurance Services

- Audit and Assurance IFRS & US GAAP, Statutory Audit and Tax Audit
- Recasting / Restatement / Conversion of Financial statements to IFRS & Audit under ISA.
- Internal & Management Audit
- Certification
- Systems Review and implementation
- Process & MIS Review



Assurance Services....

- Financial Due Diligence
- Risk Advisory Services
- Corporate Governance
- Cost Optimization
- Management Audit
- Risk Management & Mitigation



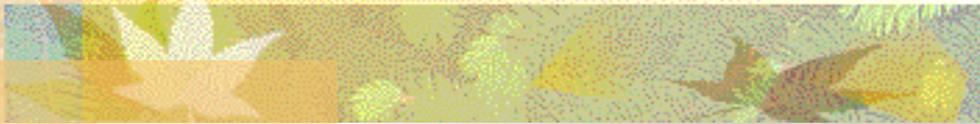
Corporate Finance

- Transaction Support Services for payroll processing etc.
- Providing optional transaction structures
- Analysis of alternative structures
- Drawing up a Road Map for implementation of agreed structure
- Reviewing and finalising documentation
- Project leadership/co-ordination
- Capital Market & Fund Raising



Business Consulting

- Doing Business in India
- Business Strategy
- Feasibility Study
- Setting up Industry
- Foreign Investments Consulting





SWOT ANALYSIS

Strengths

Weakness

Opportunities

Threats

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From Generalization to Specialization

Specialization calls for a structured, focused approach to a particular subject



- Once upon a time, a very strong woodcutter asked for a job in a timber merchant and he got it. The pay was really good and so was the work condition. For those reasons, the woodcutter was determined to do his best.
- His boss gave him an axe and showed him the area where he supposed to work.



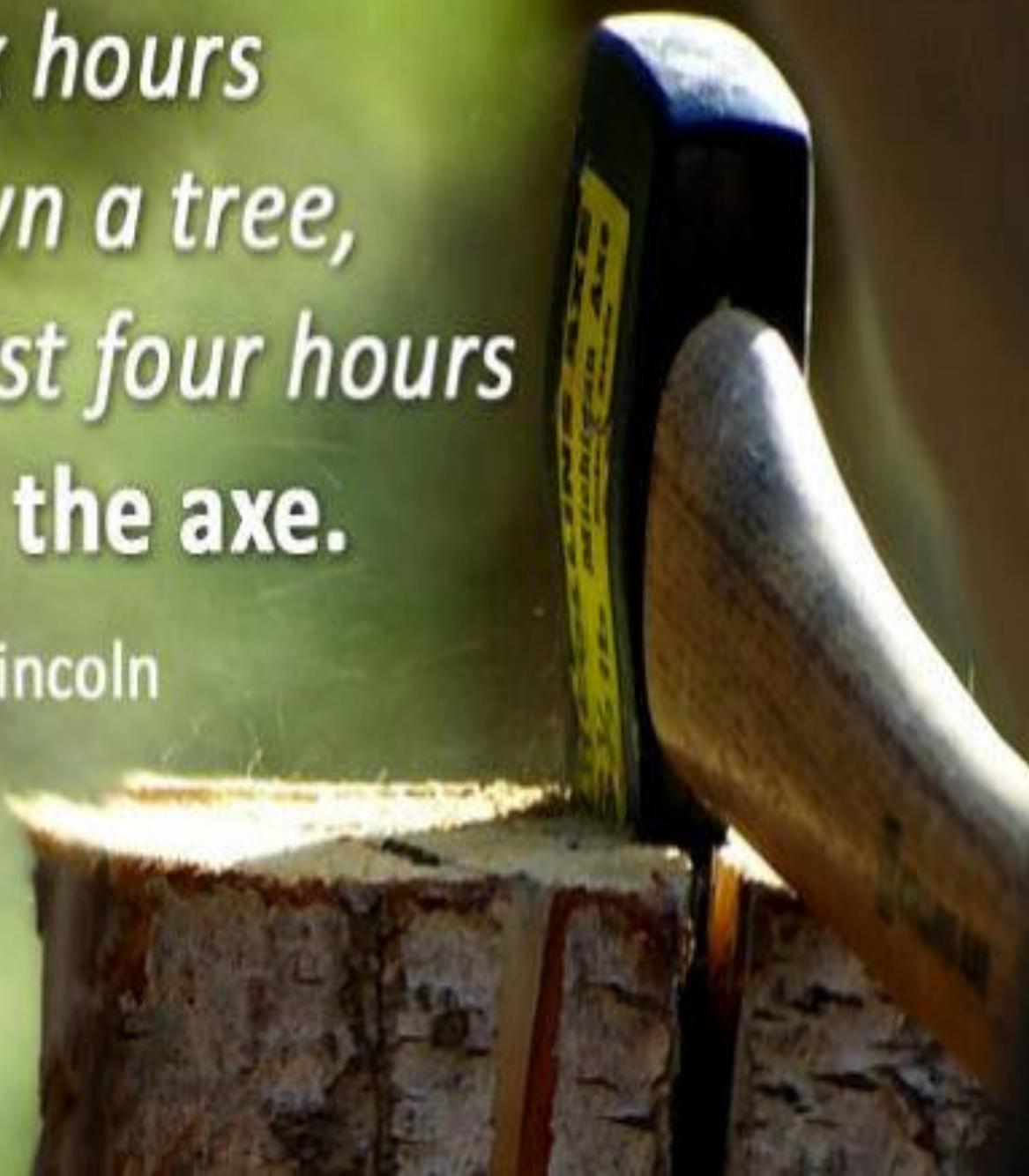
- The first day, the woodcutter brought 18 trees.
- "Congratulations," the boss said. "Go on that way!"
- Very motivated by the boss words, the woodcutter tried harder the next day, but he could only bring 15 trees. The third day he tried even harder, but he could only bring 10 trees. Day after day he was bringing less and less trees.



- "I must be losing my strength", the woodcutter thought. He went to the boss and apologized, saying that he could not understand what was going on.
- "When was the last time you sharpened your axe?" the boss asked.
- "Sharpen? I had no time to sharpen my axe. I have been very busy trying to cut trees..."

*If I had six hours
to chop down a tree,
I'd spend the first four hours
sharpening the axe.*

~ Abraham Lincoln





From Generalization to Specialization... Process and Approach

- Short Listing of two to four avenues for practice
- Carry out thorough micro analysis of the selected areas
- Shortlist on one area and draw out a blue print / action plan.
- Delegation



From Generalization to Specialization... Process and Approach...

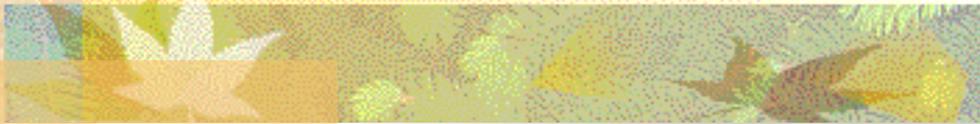
- Eliminating non-focus areas or non-focus clients
- Creating Time for Advanced Study/
Technical Expertise i.e Research
- Marketing
- Building Team and Organisation



From Generalization to Specialization...

Qualities to be developed

- An analytical mind and the readiness to walk that extra mile.
- Willingness to study the subject thoroughly.
- Ability to adapt to changes, yet open to suggestions from both seniors and juniors.
- Continuous and timely updating oneself on the subject open to opportunities to teach and participate in technical discussions, however poorly paid or burdensome.



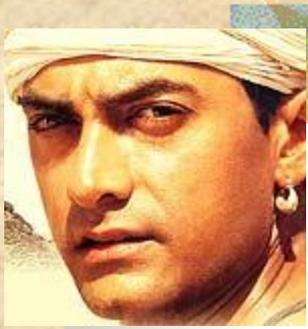


Lessons in MANAGEMENT
- THE LAGAAN Way -



THINK OF CHALLENGES AS OPPORTUNITIES:

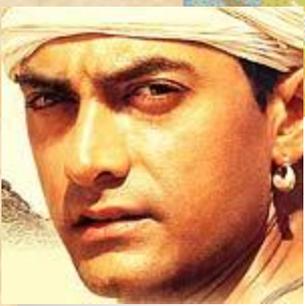
**Captain Russell's challenge to Bhuvan
to play the cricket match
was taken up by Bhuvan
as an opportunity to bring happiness
into the lives of his village folk.**



BE DETERMINED IN FACE OF OPPOSITION:

Right from the start when the entire village opposes Bhuvan's having taken up the challenge to the time when the rest of his team refuses to play because he wants to take in an untouchable in the team.

We face this situation many times in our organisations. Many a time, we give up and accept what we feel is perhaps a *lesser* decision. It is at times like these that we need to speak up- as long as we know we are fighting for the right issue, and not against an individual.



GIVE EXAMPLES TO ENHANCE UNDERSTANDING:

Bhuvan simplified the challenge of learning cricket by portraying it as something similar to gilli-danda.

**Analogies have that effect
and can be powerful in helping tame the seemingly difficult.**

**As managers and leaders, we too have this task
of motivating the team members to take up challenges in the projects.**



MAKE A BEGINNING:

Bhuvan did not wait to start.

He did not see around.

He made bat and a ball, got the kid interested and started.

***Only when we close the door behind us,
we will see the doors in front start opening.***



SMALL VICTORIES ARE IMPORTANT AT THE START

Bhuvan hitting the ball for the first time in full public view and inculcating a feeling of participation among them.

When starting any project it is important to have small wins at the start to motivate the team.



BUILDING THE TEAM:

Building the team is like recruitment.

One needs to select the right people and motivate them.

**He understands the pressures and the soft points of people,
and uses this knowledge
to make them part of his team.**

***Each* one of his team members is treated as special, as being different.**

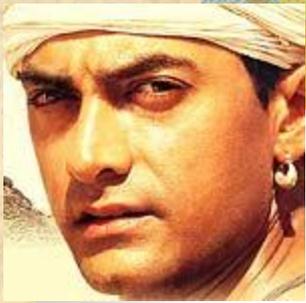


ALLOCATING ROLES:

Bhuvan also assigns responsibilities to each of his people.

**Just getting the people in the team is not good enough.
They have to be told what the goal is.**

**A team consists of different individuals.
The objective is to make them all work together like a fist, like a team.**



SUPPORT THE TEAM MEMBERS:

**Bhuvan backs his team members to the hilt,
even when they make mistakes.**

**It is indeed important in any team that the captain backs
the *right person*, at the *right time*, for the *right job*.**



Lead From The Front:

Never Give Up... that was Bhuvan's winning mantra.
This attitude of his also enabled him to give his best shot
even at the last ball and thus win the match.

**In sport, in business and in life.....always *be alert*, because
you never know *when* opportunity may knock on *your* door.**



DEFINE THE ENEMY:

To the British it was just a game but for Bhuvan it was fight against the British oppressors and a win against them would bring 3 years of 'TAXFREE' life for his village folk.

For Bhuvan the enemy was defined as bad, oppressors and merciless British overlords.

This clear definition helped him to fight towards a specific goal.

**In any case,
having a clearly defined enemy
works as a rallying point for the team.**



OVERCONFIDENCE DESTROYS:

Captain Russel and his team members thought that the match would be a cake walk for them because they were a lot of good experienced.

But was here that they committed a mistake, they were overconfident and overlooked the ability of the enemy and this is what made them lose the match.

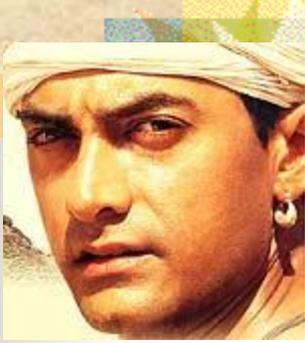
**Anyone can take a lesson from here,
to never OVERESTIMATE oneself
and UNDERESTIMATE others.**



TRAIN and PRACTICE:

**There are no shortcuts for physical and mental fitness.
Bhuvan and his team strongly believed it and never
compromised on it.**

**There is only *one* mantra:
To be well trained and have good enough practice....
which is
*HARD WORK!***



NEVER GIVE UP:

Even the last ball of the match was played with hope. *5 runs to win out of 1 ball*, but Bhuvan played it great expectations as though it could win the match for the team and that is exactly what happened.

He never gave up on his ability and this is what made him win the match.

In sport, in life or in business always be alert and keep giving your best to situations, because you never know when opportunity strikes.



Make the best of Limited Resources:

Bhuvan made the best out of his limited resources.

The tools for the game were all made by the village folk and were made out of the best that they could lay their hands on.

As entrepreneurs we too must be innovative.

The focus should be on getting the work done and not on the availability of resources.



Take the unexpected in your stride:

One after the other all the good batsmen in Bhuvan's team fell, but he did not lose heart, he played on his best shot and gave the team its victory.

Similarly one should not look at defeats on the path as setbacks. One has to learn to take the unexpected in one's stride and move on.



Its about Team Spirit:

**No matter how well Bhuvan played in the match,
nothing would have been possible
if all the team members did not put in their efforts**

**Bhuvan showed how an average team filled with team spirit
can overcome a group of talented, experienced
but under-motivated individuals.**



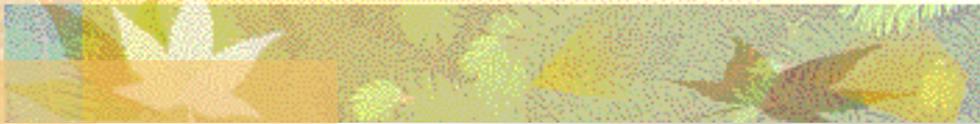
Its about People:

The film 'Lagaan' is all about how ordinary people can do extraordinary deeds.

Its about bringing out something from within us. Something which has been hidden and long forgotten.

Something whose existence we didn't know.

As we go about our lives, we should remember that each one of us matters, that each one of us has it within us to make a difference.





CHALLENGES

- COMPETITIVE CHALLENGES
- REGULATORY CHALLENGES
- TECHNOLOGICAL CHALLENGES
- INTERNAL CHALLENGES



COMPETITIVE CHALLENGES

- Too many CAs in practice
- Undercutting of fees
- MNC Accounting firms, big and medium
- MNC Management consulting firms
- Professionals from other professional bodies.



REGULATORY CHALLENGES

- Indian Accounting Standards
- Financial Performance Reporting (SEBI, NSE, RBI etc.)
- US GAAP
- Auditing standards. Quality Control. Peer Review.
- Company Law/ Indirect Tax & Direct Tax



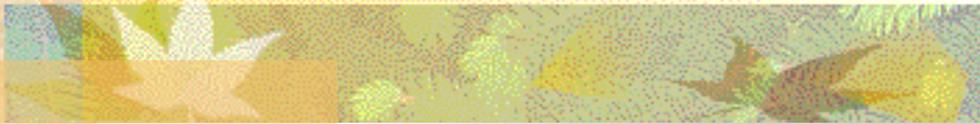
TECHNOLOGICAL CHALLENGES

- Use of CAATs, Spread Sheets etc.
- Too much dependence of I.T. resources
- Pirated Software
- Virus
- Rapid Hardware Up gradation



INTERNAL CHALLENGES

- Maintaining Fees
- Staff Productivity
- Maintain Clients
- Compliance on due dates
- Trained Employees
- Liquidity





AREAS OF MANAGEMENT

- PERSONNEL MANAGEMENT
- TIME MANAGEMENT
- SPACE MANAGEMENT
- CLIENT MANAGEMENT
- FINANCE MANAGEMENT
- COMMUNICATE & SYSTEMS MANAGEMENT
- KNOWLEDGE MANAGEMENT



PERSONNEL MANAGEMENT

- DELEGATION
- STANDARD INSTRUCTION SHEETS
- TRAINING
- TIME SHEETS
- MEETINGS



TIME (SELF)

- OFFICE TIMING
- SYSTEM OF APPOINTMENTS
- TIME AT DEPARTMENT
- TABLE CLEARANCE
- TIME FOR CREATIVE THINKING
- TIME FOR PHYSICAL FITNESS
- TIME FOR FAMILY



SPACE

- PLACEMENT OF ASSETS
- PLACEMENT OF STAFF
- STORAGE OF RECORDS



CLIENTS

- SERVICE
- EDUCATING CLIENTS
- 80:20 PARATO'S THEORY
- EVALUATION OF SERVICES RENDERED
- CLIENT RELATIONSHIP
- PROSPECTIVE CLIENTS



FINANCE

- BILL PREPARATION/RAISING
- BILL TIMING
- BILL COLLECTION
- FOLLOW UP
- EXPENSES



COMMUNICATION

- TELEPHONE
- LETTERHEAD
- CARDS
- COVERS/ENVELOPS
- REPLY/FEEDBACKS
- MESSAGE SYSTEMS



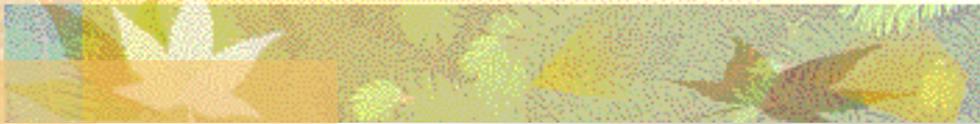
KNOWLEDGE

- BOOKS
- SEMINARS
- STUDY CIRCLES
- OTHER MATERIAL



WORK

- TIME SCHEDULES
- REGISTERS
- MONITORING
- FOLLOW UP
- DEPARTMENTAL WORK





Once upon a time a tortoise and a hare had an argument about who was faster.

- They decided to settle the argument with a race. They agreed on a route and started off the race.





The moral of the story is that slow and steady wins the race.



The hare was disappointed at losing the race and he did some Root Cause Analysis (RCA).

He realised that he'd lost the race only because he had been overconfident, careless and lax.



The moral of the story :

**“ Fast and Consistent will always
Beat the Slow and Steady ”**



But the story doesn't end here.

The tortoise did some thinking(RCA) this time, and realised that there's no way he can beat the hare in a race the way it was currently formatted.



The moral of the story ?

“ First identify your core competency and then change the playing field to suit your core competency ”



The moral of the story ?

It's good to be Individually Brilliant and to have strong Core Competencies; but unless you're able to Work in a Team and Harness each other's Core Competencies, you'll always Perform below par because there will always be situations at which you'll do poorly and someone else does well.



**There are more lessons to be learnt
from this story.....**



Note that neither the hare nor the tortoise gave up after Failures.

The hare decided to work Harder and put in More Effort after his Failure.



**The tortoise changed his Strategy
because he was already Working as
Hard as he could.**

**In life, when faced with Failure,
sometimes it is appropriate to Work
Harder and put in More Effort.**



**Sometimes it is appropriate to
Change Strategy and Try
something different. And
sometimes it is appropriate to do
both.**



**The hare and the tortoise also
Learnt another vital Lesson :**

**“ When we stop Competing against
a rival and instead start Competing
against the Situation, we Perform
far Better ”**

A decorative header image showing a hare and a tortoise in a landscape. The hare is on the left, and the tortoise is on the right. The background is a mix of green and yellow tones.

To sum up, the story of the hare and tortoise teaches us many things; Chief among them are :

- Fast and Consistent will always beat slow and steady.
- Work to your Competencies.
- Pooling resources and working as a team will always beat individual performers.
- Never give up when faced with failure; and finally,
- Compete against the situation NOT against a rival.

ANY QUESTIONS

THANK YOU