

Is Your Firm Ready to Go Paperless?

Answering your questions about transitioning to a paperless tax workflow and whether your firm is positioned for a successful implementation

The term “paperless workflow” has been a key buzzword in the profession for some time now, yet firms that have adopted a true paperless system still represent the minority. The percentage of accounting firms implementing basic workflow enhancements, such as scanning and on-screen review (via dual monitors), is progressing steadily. However, adoption rates of advanced paperless technologies, such as client portals, tax document automation solutions, and document management systems (DMS), are still relatively low.

The bottom line is that technology is a critical component of a firm’s paperless workflow. Leading SaaS applications support digital retrieval, as well as automated organization of tax source documents and data entry into tax preparation software. Advanced DMS and portal systems enable paperless storage and delivery. Regardless of the value, adoption of technology continues to move along at a crawl, and in turn, so does implementation of a true paperless workflow. To understand why firms are slow to transition, we must first comprehend the profession’s level of “readiness” to move forward with a paperless tax workflow.

To get a clear picture of how “ready” the average small, medium, and large firm is to go paperless, we asked nearly 200 randomly-selected firms of all sizes to answer questions on current infrastructure, workflow, and company culture. The purpose of this survey was to gauge where firms are in the transition to a paperless tax process, and where they could make changes that would ease the transition.

Identifying Key Elements of a Successful Paperless Tax Workflow

Technology infrastructure, tax workflow and processes, and **cultural readiness for new technology** are the three key elements that illustrate a firm's ability to shift to a paperless process. How firms scored within each category offers a good indication of the firm's overall readiness to transition to a paperless tax workflow. Those considering making the transition can easily compare their own results to other peer firms to better gauge readiness. Results can also be used to identify specific areas in need of improvement before moving forward with a paperless adoption.

Consider each element individually:

Technology infrastructure represents the building blocks of your workflow—the software and hardware assets that you start with when developing processes. Technology infrastructure is important, but also the easiest to adapt or change. If you don't have a scanner, you buy one. If you're using single monitors, you can add a second or third. The technology infrastructure is the foundation that makes the high level conceptual aspects of workflow possible.

Tax workflow and processes are the blueprints of your workflow. Workflow and processes deal with high-level concepts like standardization and the defining elements of paperless tax preparation—for example, when to scan documents and staff comfort level editing workpapers on-screen during preparation and review. This is a very basic snapshot of your existing workflow and will help to identify structural change required to reshape workflow and support a fully paperless process. It's also important to note that firms must have a thorough and clear understanding of what changes to workflow are required as they move forward with implementation. It isn't enough to simply add technology to existing workflow, especially if it's not a good fit. Firms should first work to fine tune and alter workflow where needed to support the addition of new technologies into the broader system. Thoughtful adoption of technology into a refined workflow will promote elevated levels of efficiency.

Cultural readiness for new technology represents your overall attitude toward technology and how change is viewed and handled internally. Cultural readiness is intangible, and therefore highly subjective. Because this category measures overall perception, roadblocks in this area are the most difficult to overcome because you're working with (or against) the general mindset of colleagues and their willingness to accept new technology and process changes.

Analyzing Survey Results to Determine Opportunities for Workflow Development

Before delving into specific category results, it's important to share some basic demographic information for each survey group—small, medium, and large firms. For the purpose of this survey, small firms are defined as those with 1-9 employees, medium firms 10-99, and large firms 100+.

Small Firms—Of the small firms surveyed, 80% prepared less than 500 Individual 1040 returns annually, and of this group more than one third prepared between 250 and 499 returns. Nearly half of all firms used Intuit tax compliance software: Lacerte or ProSeries, with an additional 21% using Thomson's UltraTax CS.

Medium Firms—Of the medium firms surveyed, 42% prepared more than 1,000 Individual 1040 returns, and 37% prepared between 500-999 returns. More than half of firms used CCH ProSystem fx, 17% used Lacerte, 17% used UltraTax CS, and the remaining firms used ProSeries and GoSystem Tax RS.

Large Firms—Of the large firms surveyed, 89% prepared 1,000 or greater 1040 returns and 7% prepared 500-999. About 70% used CCH ProSystem fx and 19% used GoSystem Tax RS.

In reference to broad survey score results, out of a possible 50 points the average small firm scored just under **60% of its potential**—that’s an average score of **28.69**. Reviewing survey results by category, small firms fared the worst within Technology. Approximately 72% claimed that they “DO NOT use SaaS applications and have NO plans to start.” Additionally, less than a third are using a DMS and only 9% are using portals. These numbers indicate an enormous resistance to technology, despite the fact that technology is the easiest element to change.

The real issue, however, is that small firms don’t seem to understand the advantage technology and a true paperless process offer. Technology innovations allow firms to eliminate manual tasks, create end-to-end digital processes, and standardize workflow. As a result, time and cost savings skyrocket. Proper adoption of technology significantly increases operational efficiencies, enabling small firms to handle a much larger volume of work without additional human resources. Today’s technology, specifically SaaS applications, represents a real game leveler for small firms because these solutions enable them to operate like the larger firms, but without the overhead or major capital expenditures upfront. Consider also that most small firms do not have an IT person on staff, which makes SaaS applications the ideal solution because IT support is not required. Small firms need to realize that today’s leading technologies level the playing field.

Medium firms had an average overall score of **34.16**, which placed them at **68% of potential**. Large firms earned an average overall score of **39.48 — 79% of potential**. While both medium and large firms scored higher than small firms overall, they were not without areas of concern. Medium firms, like small firms, scored the lowest in the area of Technology—with 54% of firms reporting that they DO NOT use SaaS applications and have NO plans to start, 50% reported using a DMS, and only 30% reported using portals or encrypted file exchange for electronic delivery of documents.

Large firms reported 48% with no plans to use SaaS and 48% using portals or encrypted file exchange, but 70% DMS use. Both medium and large firms still have work to do in the area of technology—specifically with SaaS and portal use. This means that medium and large firms are also not taking full advantage of the efficiency gains that come from a true paperless workflow.

Full results of the 2010 survey are detailed below. Be sure to review each question and the corresponding results to see what firms are doing right and where they have room for improvement.

	Average Across All Sizes	Small Firms	Medium Firms	Large Firms
Technology Infrastructure	14.14 (57%)	12.44 (50%)	15.82 (63%)	18.97 (76%)
Workflow & Processes	10.08 (72%)	9.51 (68%)	10.52 (75%)	12.01 (86%)
Cultural Readiness for New Technology	7.25 (66%)	6.74 (61%)	7.82 (71%)	8.50 (77%)
TOTAL	31.47 (63%)	28.69 (57%)	34.16 (68%)	39.48 (79%)

Examining Each Question for Size-Specific Results and Best Practices

Technology Infrastructure	Average Across All Sizes	Small Firms	Medium Firms	Large Firms
Average Score (Out Of 25)	14.14 (57%)	12.44 (50%)	15.82 (63%)	18.97 (76%)

? Does your firm currently own a scanner?

Results: While nearly 100% of all firms surveyed reported owning a scanner, 34% of the total survey population own scanners that are multi-function printer/scanner/copier devices—which are NOT ideal. Different types of scanners have different capabilities—thus different implications for the end user. While multi-function printers (MFPs) make great printers and copiers, they are designed to scan low volumes of documents (about 10-15 pages per day). For firms serious about transitioning to a completely paperless tax workflow, a serious scanner is required. Consider that the average client brings in about 50 source documents per year. If your firm is preparing 250 returns annually, this equates to 12,500 pages—the majority of which will be scanned between January and April. A scanner that maxes out at 15 pages per day will not support your needs.

Best Practice: Invest in a sheet-fed scanner that can scan 30-40 pages per minute, duplex (both sides of a page at once), with a daily duty cycle of at least 1,000 pages. Some quality scanners that fit this description are: HP Scanjet 5000, HP Scanjet 7000, Fujitsu fi-6130, and Fujitsu fi-6140.

? What does your firm use as a filing system?

Results: Results were split fairly evenly among small firms with 32% using paper filing, 32% using a document management system (DMS), and 29% using networked folders on a shared computer drive. Medium and large firms fared better, with medium firms at 50% DMS use and large firms at 70% DMS use.

Best Practice: If you plan to go completely paperless, you need to develop an electronic filing system that works for your firm. This could be as simple as networked file folders on a shared computer drive or something as sophisticated as a DMS. Both options facilitate firm-wide access to documents, which is essential. The key differentiator is that with a DMS, the file structure is built in and the system enforces a uniform filing process.

For firms that develop their own network filing system, development of a unique naming convention is required. However, you do not have to reinvent the wheel—create a filing system that's logical and will fit with your firm's existing conventions. Do you identify clients with a unique client ID? One possibility is to name folders by Client ID and then create subfolders by tax year (Filing System/Client123/2010). Overall, implement a logical and standardized filing structure and make sure everyone within the firm adheres to that structure. An electronic filing system is only as good as you make it.

? Does your firm have dual monitor workstations?

Results: Results are trending in the right direction with 60% of small firms using dual monitors at some or all workstations and 4% using triple monitors. Medium firms reported 90% use of dual or triple monitors, and larger firms reported 96% use of dual or triple monitors. Clearly, the profession as a whole is embracing multiple monitors, which is moving

in the right direction. The value of multiple monitors is realized primarily in time saved. Multi-monitor workstations enable professionals to view multiple documents simultaneously, eliminating the hassle of toggling back and forth, minimizing and maximizing documents repeatedly, and working between monitor and paper copies.

Best Practice: If you haven't already, invest in a second monitor. Dual monitors make it easy to prepare and review returns, allowing you to open the PDF of source documents on one screen and the tax preparation software on the other—for full on-screen review. This eliminates the need to constantly expand and collapse windows and/or look back and forth between screen and paper documents. Firms that use multiple monitors report significant time savings during the busy tax season because complete on-screen review is supported.

Do you use any Software-as-a-Service (SaaS) solutions currently?

Results: Perhaps the biggest discrepancy between firm categories was recognized in the area of SaaS. The percentages of firms that reported they DO NOT use SaaS applications and have NO plans to start are as follows: small firms 72%, medium firms 54%, and large firms 48%.

Best Practice: Firms that report significant time savings during tax season are using SaaS applications to enhance efficiency. Software as a Service supports 24/7 access to applications and client data, so professionals can work from anywhere. Leading scan, organize, and populate SaaS solutions save hours per return because they eliminate manual sorting of source documents and manual data entry. SaaS also allows firms to exchange documents with clients in real time for exceptional service. SaaS-based applications are a powerful element within the paperless tax workflow—allowing firms to accelerate service to clients and increase the volume of work produced without adding professional staff. This means that smaller practices can provide a level of service on par with much larger firms—without breaking the bank.

How does your firm transfer documents to and from clients?

Results: A large percentage of firms continue to deliver files “in person.” Results include: small firms at 69%, medium firms at 50%, and large firms at 26%. Overall, few firms are securely delivering documents electronically via online portals or encrypted file exchange—with small firms reporting 9% portal use and 2% encrypted file exchange, medium firms reporting 22% portal use and 8% encrypted file exchange, and large firms reporting 13% portal use and 35% encrypted file exchange.

Best Practice: While face-to-face interaction with clients is important periodically, the majority of communication can be facilitated using technology. Firms that report the highest levels of efficiency have applied technology that supports online data exchange, including gathering source data up-front and delivering final documents. Remember also that clients are just as busy as your firm, so most will expect and appreciate this level of service and the convenience it offers.

If clients send information via encrypted file exchange or portal (remember—email is not secure!), documents are already in electronic format, making it easy to flow data into your tax software. There are also solutions that will automatically retrieve and aggregate client tax information from the leading financial institutions as the information becomes available. Imagine getting W-2s, brokerage statements, and 1099s directly from the document issuer and hosted in an account with client-specific pages where documents are compiled from all institutions. This means no more waiting for clients to deliver documents or last-minute additions at the end of tax season. Leading firms are taking advantage of this technology today and reporting significant improvements in workflow efficiency.

? Does your firm have an Information Technology (IT) professional on staff?

Results: Not surprisingly, the need for having an IT professional on staff increased as firm size increased. While small firms are more likely to have no IT (49%) or use an IT contractor (46%), 50% of medium firms use an IT contractor, with 40% using dedicated IT staff. Large firms reported 100% dedicated IT staff.

Best Practice: If you're going to implement new technology, it is worth the investment to have an IT professional evaluate the software and make sure it is properly installed. For small and medium firms, a contractor is probably the best way to go. This offers access to skilled support that you pay for only when needed. When implementing a paperless tax workflow, firms need to ensure that scanners are set up properly, files are saved in the appropriate locations, and staff is able to work with electronic documents to prepare returns—that is, adding tick marks and comments using programs like Adobe Acrobat. With so many moving parts, the assurance an IT professional offers will make for a smoother transition. For large firms, because of the complexity of workflow and the sheer volume of tasks, a dedicated IT staff person is recommended.

Tax Workflow and Processes	Average Across All Sizes	Small Firms	Medium Firms	Large Firms
Average Score (out of 14)	10.08 (72%)	9.51 (68%)	10.52 (75%)	12.01 (86%)

? Do all tax practitioners at your firm follow the same workflow to process tax returns?

Results: An overwhelming 86% of small firms have a standardized tax workflow process that is followed by everyone in the firm. Medium firms reported 74% and large firms reported 83% in the area of standardized workflow.

Best Practice: Keep doing what you're doing! A standardized workflow means that process adjustments are more easily applied and will be adhered to by everyone in the firm. It also safeguards against individuals reverting to old practices—standardized processes eliminate this option. Standardizing workflow is an ideal practice for ensuring success of a paperless tax workflow adoption because all staff perform tasks the same way every time.

? Do you scan tax documents?

Results: It's clear that scanning is becoming an industry standard—with 67% of small firms, 80% of medium firms, and 100% of large firms scanning tax documents at some point during the preparation process. However, only 13% of small firms and 40% of medium firms are scanning before preparation. Large firms have an edge in that 61% are scanning before preparation to support a fully paperless process.

Best Practice: When you scan sets the stage for the level of efficiency gains your firm can expect. Firms that scan tax documents before preparation, like many of the medium and large firms, position themselves for a completely automated and highly efficient paperless tax preparation process. By scanning documents before preparation, firms can make use of paperless tax workflow automation systems that automatically extract tax data from scanned tax documents and populate the data directly into tax preparation software. This eliminates manual data entry and paper handling altogether, as documents may be scanned in any order before uploading for data extraction.

Scanning on the front-end also creates a digital library of documents that can be accessed by all staff (through your electronic filing system) throughout tax season, as opposed to scanning after preparation for archival only.

? What is your comfort level with using PDF editing tools, like Adobe Acrobat?

Results and Supporting Explanation: Survey results indicate that 33% of small firms, 56% of medium firms, and 78% of large firms are comfortable using editing tools. The fact is that understanding Adobe Acrobat (or like tools) is critical for editing and reviewing tax documents on screen. Just as you have traditionally worked with paper files, electronic files also require you to tick and tie information. The best way to digitally tick and tie documents is through Adobe Acrobat Standard or a comparable PDF editing program.

Best Practice: Training your staff to use software tools that make it easy to work with electronic documents promotes a highly efficient on-screen review process. Adobe Acrobat provides several useful and timesaving tools that accelerate the tax preparation process, so it's important that firm staff is adept at the software's broad range of features...not just the basic functions. For example, the application's "comment and markup" toolbar has just about everything required—allowing you to make tick marks (the software refers to tick marks as "stamps") and comments directly on documents. Familiarize yourself and your staff with Adobe functionality. A little training on this application will result in significant time savings and a reduction in errors.

Cultural Readiness for New Technology	Average Across All Sizes	Small Firms	Medium Firms	Large Firms
Average Score (out of 11)	7.25 (66%)	6.74 (61%)	7.82 (71%)	8.5 (77%)

? How would you describe your firm's attitude toward new technology?

Results: Early adoption of new technology is progressing slowly in the profession. Thirty-six percent of small firms reported being "early adopters" of new technology, while 44% of medium firms and 64% of large firms reported being early adopters.

Best Practice: Today's applications have been thoroughly tested and proven—with thousands enjoying the value of powerful functionality and intuitive features that increase workflow efficiency. Firms identified as early technology adopters are demonstrating efficiency gains and time savings that are significant. It is this group of tech-savvy firms that are setting the pace of the industry, because they understand that technology does not replace professional staff, but rather accelerates overall efficiencies and enables professionals to produce more while working less. For the 59% of small firms that reported that they will "get there eventually"—eventually should be now.

? How does your firm evaluate purchasing decisions for acquiring new technology?

Results: Fifty-one percent of small firms make technology decisions at the individual level without the input of IT or management. However, medium (58%) and large firms (73%) largely make purchasing decisions where IT evaluates the technology and makes recommendations, but the ultimate decision lies with management and partners.

Best Practice: In order to standardize workflow, it is best to make sure all preparers are using the same software—particularly if it is integral to the tax process. Therefore, moving the decision-making process up the chain to management

is highly recommended. While individuals should continue to make suggestions and provide input on technology, final decisions by management will enforce consistency.

Think back to the latest technology that was adopted by your firm—how did the roll-out process go?

Results: When asked about the most recent technology adoption, both small and medium firms answered in the majority that it was “Not bad, but not great, either,” with small firms at 72% and medium firms at 76%. Large firms reported 50% “Not bad, but not great, either” and 45% “No idea it could be this easy!”

Small firms, specifically, indicated that they were trained on how to use the product, but when an issue arose they had to scramble to figure out how to resolve problems on their own. A firm’s experience with initial implementation of technology can make or break the technology’s chance of survival within the firm—regardless of its value. If rollout goes smoothly, the software is most often fully adopted. If rollout is a nightmare, the software is most often abandoned.

Best Practice: Successful implementations are led by a champion, who oversees the entire process. So, when rolling out new technology, be sure to identify a champion, preferably a partner. A champion’s role is to provide a single, focused point of contact. A champion ensures that the technology is implemented properly, training occurs, and staff is consistently using the application. By naming a champion to your cause, you are more likely to see implementation through to full adoption—and staff will have someone to go to for training and troubleshooting issues.

Key Findings—Breaking it Down to a Handful of Best Practices that Support a Successful Paperless Tax Workflow

The results of the annual survey offer a sound overview of an average firm’s readiness to adopt a paperless tax workflow. Firms of all sizes can use these results to gauge where they fall in terms of technology, workflow, and culture before moving forward with a formal adoption plan. Analysis of survey results also helped to identify several best practices that firms should consider as they develop their own unique paperless tax workflow plan. Best practices are provided below, identified by category—including technology infrastructure, workflow and processes, and cultural readiness.

Technology Infrastructure

Implement SaaS Applications within the Paperless Tax Workflow—Many firms have yet to implement SaaS applications into their workflow, despite the fact that these applications are tested and proven. Firms that report significant time savings during tax season are using SaaS applications to enhance efficiency, taking advantage of 24/7 online availability and powerful document exchange functionality. There are also solutions that automatically retrieve and aggregate client tax information from leading financial institutions as the information becomes available. This means that firms can retrieve W-2s, brokerage statements, and 1099s directly from the document issuer—eliminating the need to wait for clients to deliver needed source documents. SaaS applications are accelerating firm productivity to unprecedented levels, so it is highly recommended that firms take the time to research and identify the appropriate SaaS solutions to implement into their tax workflow.

The Scanner Matters—The first step in a true paperless tax process is to scan tax documents, which makes owning a proper scanner essential. You must understand that not all scanners are created equal. Different types of scanners have different capabilities—meaning different implications for the end user. The best scanner for scanning tax documents is a

sheet-fed scanner that scans 30-40 pages per minute, duplex (both sides of a page at once), with a daily duty cycle of at least 1,000 pages. Some quality scanners that fit this description are HP Scanjet 5000, HP Scanjet 7000, Fujitsu fi-6130, and Fujitsu fi-6140.

Dual Monitors are Essential—Dual monitors make it easy to prepare and review returns, allowing you to open the PDF of source documents on one screen and the tax preparation software on the other. You can view everything you need on both screens at once without having to constantly maximize and minimize windows or look back and forth between paper and screen. Dual monitors considerably increase efficiency during tax season because they support complete on-screen review.

Develop an Electronic Filing System—An electronic filing system can be as simple as networked file folders on a shared computer drive or as sophisticated as a document management system (DMS). Both options facilitate firm-wide access to documents, which is essential to a successful and efficient paperless workflow. However, a formal DMS offers a built-in file structure and automatically enforces a standardized filing process. Creating a filing structure using networked files is also acceptable, but requires that you develop unique naming conventions and enforce firm-wide use.

Tax Workflow and Processes

Appoint a Champion and Make Adoption Mandatory—When rolling out a new process that impacts a major service area, like tax, firms require a champion at the top. Because change is messy and can quickly turn chaotic if not properly managed, a champion at the partner level is recommended. This ensures the appropriate level of authority to ensure full adoption and acceptance along the way. A champion at the partner level can also mandate process adoption and ensure that staff does not revert to traditional process methods once the heat of tax season hits. If given a choice most will resist change, so making the paperless workflow mandatory is recommended.

Standardize the Tax Process—When staff follow a uniform tax preparation process, it ensures a far more efficient workflow than if each staff member follows their own “custom” method. When you have a standardized process in place, it also makes implementing process change much easier, because everyone is on the same page from the start. To ensure standardization, firm leaders must take the time to thoroughly review their existing workflow and identify required improvements before implementing new technologies into that workflow. Simply shoehorning ill-fitting technology into the existing workflow will work against efficiency, so be sure that you first refine your process to support added technologies.

Train Staff Thoroughly on Editing Tools like Adobe Acrobat—Once you begin scanning documents, it is imperative to work with digital workpapers the same way you would paper versions. The best way to digitally tick and tie documents is through Adobe Acrobat Standard or a comparable PDF editing program. All professional staff should be thoroughly trained on the advanced features of this type of software—not just the basic functions.

Cultural Readiness

Adopt a Good Attitude Before Adopting the Technology—Your firm’s culture is critical to a paperless adoption. When the attitude is positive, successful implementation has a much better chance of happening. Firms must move past old ways of thinking—that is, clinging to old processes and resisting new technology. Once firm leaders project a good attitude about technology and understand the value a true paperless tax workflow offers, the team will get on board. And rest assured that full staff support is required to make your transition to paperless a smooth one.

Apply an Incremental Adoption Approach—For many firms, getting staff engaged and on board to adopt a paperless tax workflow remains a key challenge. Humans have an innate resistance to change, which is why introducing a new paperless workflow in small incremental pieces is ideal. Through a phased approach, a firm is able to identify and correct issues prior to a full-scale rollout. Lessons learned early on can be applied as a firm moves forward to ensure smoother adoption in future phases and mitigate disruption among staff. With a phased approach, you can slowly build acceptance among staff as your adoption moves forward.

Let Key Team Members in on Technology Decisions—Open up the lines of communication and let your team know what technology you are considering. You will find that input from IT and your more tech-savvy staff will be helpful. You will also find that adoption of new technology is far more successful when staff has been clued in from the beginning.

Consider each of these key best practices before moving ahead with your paperless tax workflow. Adoption of a major process takes a lot more than you might think. By assessing your own readiness, you can identify areas in need of improvement and potential pitfalls. With this information in hand, you will be better prepared to move forward with your firm's implementation of a complete paperless tax workflow.

Is Your Firm Ready to Go Paperless?

How ready is *your firm* to go paperless? See *how* your firm measures up. Choose the answer that best describes your firm, then give yourself the point value listed next to the answer. Total up the points for each category—**technology infrastructure**, **tax workflow and processes**, and **cultural readiness for new technology**—and compare your scores with the average scores of your peer firms: small firms (1-9 employees), medium firms (10-99 employees) or large firms (100+ employees).

Technology Infrastructure	Your Score
Does your firm currently own a scanner?	
1. No, we do not own a scanner	
2. We have a multi-function printer/copier/scanner	
3. We have a desktop scanner	
4. We have a workgroup scanner	
5. We have multiple scanners	
What does your firm use as a filing system?	
1. We use a paper filing system and store files in file cabinets	
2. We save files on a local hard drive(s), accessible only by the preparer whose computer the files are saved on	
3. We save files on a networked hard drive(s), accessible by anyone in the firm	
4. We save files in a document management system (DMS)	
Does your firm have dual monitor workstations?	
1. We use single monitors only	
2. We use dual monitors at some of our workstations	
3. We use dual monitors at all of our workstations	
4. We use triple monitors!	
Do you use any Software-as-a-Service (SaaS) solutions currently?	
1. No, all of the programs we use are saved to a computer hard drive or hosted locally—and that's how we'd like to keep it	
2. Not currently, but we are considering adopting SaaS solutions for some of our software needs	
3. We use one SaaS solution	
4. We use two to three SaaS solutions	
5. We use four or more SaaS solutions	
How does your firm transfer documents to and from clients?	
1. Clients drop off their documents and pick them up from our office in person or via post	
2. We email documents back and forth	
3. We use an encrypted file exchange program (example: LeapFile or YouSendIt)	
4. We direct clients to an online portal to submit and receive data	
Does your firm have an Information Technology (IT) professional on staff?	
1. No, we perform our own IT work	
2. Yes, we use an IT contractor	
3. Yes, we have one or more dedicated IT professional(s) on staff	
TECHNOLOGY INFRASTRUCTURE SCORE:	

Tax Workflow and Processes	Your Score
Do all tax practitioners at your firm follow the same workflow to process tax returns?	
1. No, our practitioners prepare returns based on what works best for them—and that works for us	
2. No, but we are trying to standardize workflow so that all returns are prepared the same	
3. I am a sole practitioner—so yes, all of my returns follow the same workflow	
4. Yes, our workflow is consistent and followed by everyone in the firm	
Do you scan tax documents?	
1. No, and we have no plans to start scanning	
2. Not currently, but we are considering adding scanning to our workflow	
3. Yes—After Preparation. We scan just for document storage after the return has been prepared	
4. Yes—During Preparation. We work with both electronic and paper files when preparing returns	
5. Yes—Before Preparation. We work only with electronic files when preparing returns	
What is your comfort level with using PDF editing tools, like Adobe Acrobat?	
1. What's a PDF?	
2. I know how to open a PDF with Adobe Reader, but that's about where it ends	
3. I know how to use basic functions, like creating and combining PDFs, but not much more than that	
4. I'm pretty comfortable using PDF editing tools—and even if I don't know how to do something, I can usually figure it out	
5. I am a PDF-editing wizard, I could seriously teach a class on this stuff	
TAX WORKFLOW AND PROCESSES SCORE:	