Small and Medium Practices Committee
International Federation of Accountants
545 Fifth Avenue, 14th Floor
New York, New York 10017 USA

This supplementary user guide was developed to help IFAC member bodies make the best use of the Guide to Practice Management for Small- and Medium-Sized Practices (Practice Management Guide) prepared by the Small and Medium Practices (SMP) Committee. The Guide can be downloaded free of charge at http://web.ifac.org/publications/small-and-medium-practices-committee.

This supplementary user guide includes many examples for illustrative purposes only and does not reflect any policy positions of the International Federation of Accountants (IFAC).

For further information, please email paulthompson@ifac.org.
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The Guide to Practice Management for Small- and Medium-Sized Practices (the Practice Management Guide) was commissioned by the SMP Committee to provide guidance to small- and medium-sized practices (SMPs) on how to better manage their practice and ultimately operate in a safe, profitable, and professional manner. The Guide provides SMPs with knowledge of practice management principles and best practice guidance on a wide range of practice management topics including strategic planning, managing staff, client relationship management, and succession planning. The Practice Management Guide can be downloaded free of charge at http://web.ifac.org/publications/small-and-medium-practices-committee.

As a federation of member bodies IFAC’s primary focus is on helping its member bodies support their SMP constituents. Accordingly, the Practice Management Guide is designed to assist member bodies in encouraging good practice management amongst their membership and is likely to be particularly useful to member bodies in those countries where the profession has limited or no access to similar guides.

This supplementary user guide was developed to help IFAC member bodies make the best use of the Practice Management Guide. Member bodies and practices may either use the Guide as is, or tailor the whole Guide, or individual modules, to suit their own needs and jurisdictions. This user guide encourages member bodies to explore opportunities to use the Practice Management Guide either as a stand-alone publication, utilize the content to enhance or supplement their own material and/or compliment continuing professional development (CPD) activities or, develop derivative products such as training materials, journal or website articles, customized checklists, and forms, for their members.

2. Reproduction, Adaptation and Translation

The Practice Management Guide is supplied free of charge to IFAC member bodies for them to reproduce and distribute as is for them to adapt and/or translate to suit their local/national jurisdiction’s requirements, best practice, custom/culture and language.

Member bodies are requested to contact permissions@ifac.org for permission to reproduce, adapt or translate this publication. For further information on IFAC’s policy statements on reproduction and translation, sample permission request and translation proposal should refer to http://www.ifac.org/Translations/ and/or review the frequently asked questions and answers. Once permission is granted a Word document and InDesign files will then be supplied.

Level 1—Simple co-publication

A member body may choose to simply co-badge and publish the Guide with minor modification. Suggested changes may include

- Updating of cover page to include member body logo
- Review of copyright to acknowledge reproduction with permission of IFAC and include new ISBN requirements
- Customization of Preface (page ii) while keeping appropriate acknowledgements
GUIDE TO PRACTICE MANAGEMENT FOR SMALL- AND MEDIUM-SIZED PRACTICES

- Removal of Request for Comments page (page iii) or replacement with local member body feedback page
- Removal of Use by Member Bodies guidance (page vii)
- Updating of content page (page 1)

These simple changes will allow a member body to publish the Guide electronically or in print form with minimal addition work. The Word version of the Practice Management Guide is formatted and minor changes will not impact on the documents layout, other than for the introductory pages.

**Level 2—Customization**

Topics that are jurisdiction sensitive have been drafted in a generic fashion enabling text to be easily extended, and adapted to best suit local circumstances.

After adopting some of the level 1 suggestions a member body may like to make the following additional changes:

- Inclusion of local jurisdictional guidance, as appropriate. The Practice Management Guide is based on global best practice and general principles and so it may be necessary to do some customization to improve the suitability of the guidance provided to your members. This process can be made easy by using the search feature in the Adobe or MS Word software and undertaking a key word search on 'jurisdiction'. Where this key word is highlighted member bodies are recommend to review the text and customize, if appropriate. For example, key areas highlighted using this search include: privacy legislation, insurance practices, employment law, approved practice structures, technology and XBRL, regulated services, ethical pronouncements, record keeping, licensing and registration requirements.

- Adoption of localised terminology / grammar. Customizing the Practice Management Guide to include local terminology, spelling or and grammar will your member to feel that the guide is more tailored to their geographic location. Key word searches and find and replace functions in applicable software can simplify this process.

- Inclusion of local benchmarks. Consider tailoring the Practice Management Guide by incorporating the use of benchmark references that are specific and meaningful to your jurisdiction. This will assist to add further value and make the Guide more useful to your members. For example, Section 1.8 could be expanded to include local benchmarking services. Section 3.3 dealing with growth may also be updated to reflect the realities of your local economy. Section 4.6 could be customized to reflect local employment practices. Section 8.5 could include local valuation methodologies for establishing the value of a practice.

- Acknowledging local cultural issues. The Practice Management Guide may need to be adjusted to reflect some cultural practices that vary between jurisdictions.
Consider how you can maximize the use of the existing intellectual capital of your member body. Your member body may have already invested substantial resources in developing tools and resources for members in practice. Think how you may utilize a tailored version of the Practice Management Guide as an additional means of reminding members about the great tools and guidance material already available as a member resource. The following examples could be used to provide greater visibility:

- Including pop out boxes or customized web hyperlinks in the Guide can provide greater visibility to resources that are already available as a member resource.

- Customize the references, further reading, and IFAC resources section at the end of each module to include a listing and or links to your existing member resources. Think about your publications, website, online library and CPD courses or tools etc. And don’t forget to think about specific journal articles that you promoted a number of years ago but are still relevant today.

- Highlight access to guidance material available to your members utilizing relevant quotations and hyperlinks. Use quotes that will capture the attention of members.

**Level 3—Translation**

The official language of IFAC is English. However, IFAC recognizes that it is important that members of professional bodies in non-English speaking countries are able to translate and publish its publications in their native language.

One of IFAC’s primary objectives is to develop high quality standards and guidance that enable accountants worldwide to provide services of consistently high quality in the public interest. To help achieve this objective, the Practice Management Guide has been written in clear, concise and simple English so as to enable ease of translation. The Practice Management Guide uses IFAC terminology to the maximum extent possible. Where this terminology was not available terms that can be easily translated have been used. All relevant terms are contained within the Glossary of terms at the back.

**3. Publication of stand-alone modules or content**

The Practice Management Guide has been designed in a modular format making it suitable for use both in printed or electronic format. Each module is designed to be as stand alone as possible so that they may be published alone. Member bodies could customize and publish on a module by module basis over a period of time.

The format of each module is the same; using a standard format makes it easy to identify the content, practical guidance on implementation, case studies, checklists and further readings. However, there will be some instances where material covered elsewhere is summarized: in
such cases this content is highlighted and cross referenced to those modules where the topic in question is covered with more detail.

Modules could also be used as supplementary reading material for certification programs, structured training or ongoing CPD activities.

4. Development of derivatives products

A member body may wish to utilize some of the content of individual modules as a derivative product. Derivative products could include: publications, guides, checklists or interactive tools which can be in print or electronic media.

Some examples of potential products include:

<table>
<thead>
<tr>
<th>Module</th>
<th>Examples of potential publications or checklists</th>
</tr>
</thead>
</table>
| Module 1 Planning for your firm | - Strategic planning for your firm  
- Risk management plan for your firm  
- Sample office manual for your firm |
| Module 2 Practice models and networks | - Forms of public practice business structures  
- Factors to consider in a public practice partnership or shareholders agreement  
- Establishing a practice referral alliances network guide and checklist  
- Evaluating your potential partners guide and checklist |
| Module 3 Building and growing your firm | - Developing a business plan for your firm  
- A marketing plan and checklists for your practice  
- Creating a sustainable practice |
| Module 4 People power: developing a people strategy | - Firm employer and/or employee manual  
- HR employment checklist  
- Firm induction checklist  
- Individual personal development plans  
- Staff appraisal and development guidelines |
| Module 5 Technology and e-business | - Guide to introducing a paperless office  
- Guide to introducing a firm portal  
- Introducing a e-business strategy for your firm  
- Creating a first impression—your firm’s website |
### Module Examples of potential publications or checklists

<table>
<thead>
<tr>
<th>Module</th>
<th>Examples of potential publications or checklists</th>
</tr>
</thead>
</table>
| - | - Checklist to creating a virtual office  
| | - Developing a technology strategy for your firm |
| Module 6 | - Sample client questionnaires  
| Client relationship management | - A guide to client classification and review  
| | - Assessing and exceeding client expectations  
| | - Benchmarking service practice service levels |
| Module 7 | - A guide to developing, implementing, and monitoring a risk management program within your firm  
| Risk management | - Understanding professional indemnity insurance  
| | - A checklist for client engagement & review  
| | - Risk management checklists |
| Module 8 | - A succession plan for your practice  
| Succession planning | - Checklist for purchasing an accounting practice  
| | - Selling an accounting practice checklist  
| | - Internal succession issues checklist  
| | - Admission of a new partner checklist |

While IFAC encourages member bodies to utilize the content of its publications for the benefit of their members, as noted above member bodies should first seek IFAC permission.

### 5. Continuing professional development opportunities

The Practice Management Guide may help member bodies and their members comply with Statements of Membership Obligations (SMOs). SMOs are issued by the IFAC Board and establish requirements for members and associates to promote, incorporate, and assist in implementing international standards issued by IFAC and the International Accounting Standards Board. Specifically SMO 2: International Education Standards for Professional Accountants and Other IAESB Guidance sets out the obligations of member bodies in relation to pronouncements issued by the International Accounting Education Standards Board (IAESB). These pronouncements can be downloaded free of charge at http://web.ifac.org/publications/international-accounting-education-standards-board.

In particular, the Practice Management Guide may assist with implementation of IES 7, Continuing Professional Development: A Program of Lifelong Learning and Continuing Development of Professional Competence. IES 7 requires that professional accountants develop and maintain their competence and that member bodies facilitate and enforce CPD programs. The content of the Practice Management Guide may be incorporated into member
bodies’ CPD activities. The examples provided are for illustrative purposes to encourage member bodies to explore the opportunities to use the content and do not reflect an IFAC policy position.

**Level 1—Certification programs**

Some member bodies have developed formal certification programs in practice management as part of their regulation of members offering public accounting services. Such programs may take many different forms for example, distance learning, e-learning, online, face to face or residential programs.

Structured programs assist to explore ethical and professional challenges a practitioner will face as a partner, principal or employee in a practice, in addition to promoting a commitment to quality services to the clients, the community and regulators.

Certification programs may take the form of a simple voluntary induction program, or be a mandatory structured training requirement for members entering practice and result in the issuance of a certificate of public practice.

The content of the Practice Management Guide could easily be adapted by member bodies for use in new programs, or utilized as an additional resource for existing programs.

The following table includes examples of how a certificate program may be structured and developed. The content is for illustrative purposes only:

| Introduction to public practice | - Local regulator or professional body obligations  
| - Professional services marketplace  
| - Overview of what public practice involves and the required skills and attributes |
| Practice structures | - Business structures for a practice  
| - Practice finances and resources  
| - Facilities management  
| - Partnership agreements  
| - Entry and entry strategies  
| - Business continuity and succession plans |
| Ethics, professionalism and risk management in public practice | - Ethical issues  
| - Risk management  
| - Quality control  
| - Liability and Insurance  
| - Professional standards for specific practice areas |
| Practice planning | - Strategic planning |
Level 2—Structured learning programs

The content from the Practice Management Guide could be utilized into structured learning programs.

Some examples include:

- General or specialist practice management conferences, congresses or conventions (for example, practice management convention)
- Full day training seminars on practice management issues
- Part day training seminars
- E-Learning or online development courses
- Webinars (live or recorded sessions)

Member bodies should consider liaising with other member bodies and fostering good practice.

6. Incorporation of references into other activities

The content from the Practice Management Guide could also be utilized into other activities.
Other examples include:

- Member forums or discussion groups
- Podcasts or webcasts
- Journal or newsletter articles – incorporating links to content in the Practice Management Guide
- Teaser articles – highlighting specific topics from individual modules
- Website content and cross referencing
- Online PowerPoint presentations
- Interviews with local spokespersons highlighting issues of local interest or concern and quoting resources from the Practice Management Guide
- Referencing content from the Practice Management Guide as part of a staff toolkit or resource to assist members

7. **Other free IFAC resources and tools for SMPs**

In addition to the Practice Management Guide IFAC has a range of other free publications, resources and tools for SMPs which can be found in the International Center for Small and Medium Practices (Center) at [http://www.ifac.org/smp](http://www.ifac.org/smp). These additional resources and tools are referenced at the end of each module.

8. **Promotion of the Practice Management Guide and your local resources**

Members are often busy and it is a challenge for them to be aware of the resources available to them. IFAC is developing resources, such as sample journal articles, teaser items for newsletters and general awareness presentations that can be utilized and customized to promote the Practice Management Guide. These resources will be made available in the Center and/or the IFAC MemberNet. Please let us know of any resources your member body develops and, if possible, send them to paulthompson@ifac.org so that we may share them with other member bodies.