



# Automate with APIs to solve pain points

WHITE PAPER

**Tax and accounting firms are facing a growing list of challenges impacting their operations and an evolving profession. Issues such as hybrid teams, client management, workflow disruptions, and technology integration have emerged as prominent hurdles. As workplace dynamics continue to shift, so too do the pain points hampering firms' productivity.**

Existing areas of friction were exacerbated by the pandemic and its aftermath. Retaining and recruiting talent, for example, has become increasingly difficult for many firms. Getting everyone on the same page, too, has been challenging as traditional office settings have become less prevalent and team building must now include provisions for remote workers. It is incumbent upon managers and team leaders to find ways to ease the pressure created by these growing pain points. They need to find effective solutions that not only address the needs of their teams, but those of clients as well. This is where automation, such as application programming interfaces (APIs), can deliver substantial value.

Here, we will explore some of the ways a decentralized workforce has impacted tax and accounting firms and discuss the technology and automation strategies firms are using to streamline operations and overcome their challenges.

## How can APIs ease the pain?

An accounting firm's tech stack works best when its components seamlessly integrate with one another and the professionals who rely on their capabilities. As more firms realize this, the shift toward APIs has accelerated.

There are tremendous synergistic benefits to building a full-scale technological ecosystem from the ground up. It does little good to solve only some of the inefficiencies holding back a firm while failing to address other hitches down the line that could potentially neutralize those gains. A technology ecosystem is only as strong as its least effective processes, and that is why it is so important to approach the matter from a bird's eye view.

In order to create this ecosystem, you need the right tools. APIs have become the primary option for the architects and engineers developing the holistic end-to-end solutions dominating the tax and accounting industry.

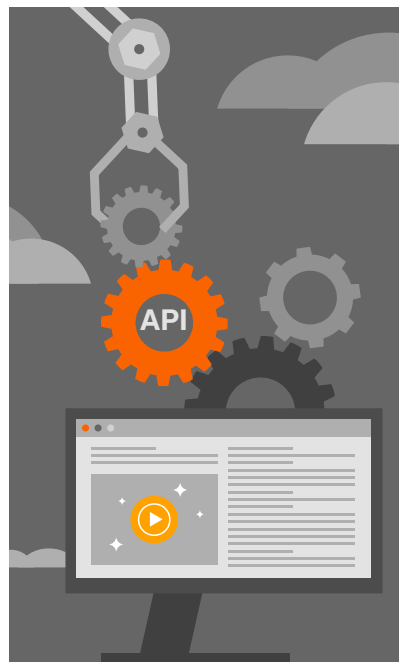
### So, what exactly is an API?

[APIs are bits of software code](#) that let one application access and use the features or data of another application. An API specifies how software components should interact. Simply put, the API is a bridge between two different and separate applications.

Before we can alleviate the pain, we must figure out what is causing it and how it is disrupting operations. In other words, we need to determine "what hurts." In a post-COVID world, many of these issues come from the rapid, unexpected shift in the relationships and expectations between clients, managers, employees, consultants, and third-party business partners.

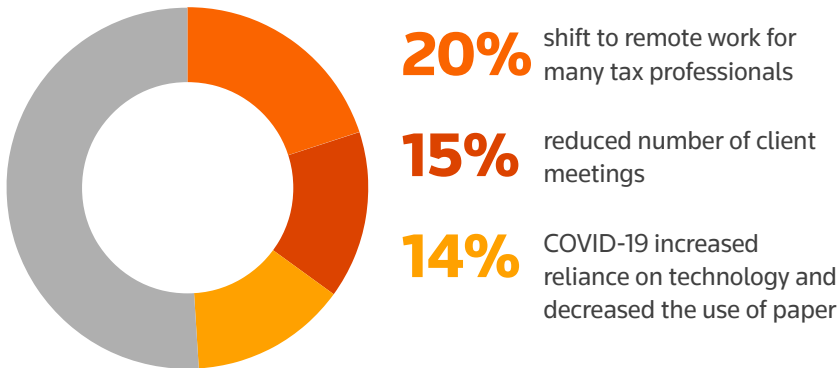
Consider some of these common examples:

- Staff are spending too much time on manual tasks like repetitive data entry or data clean up
- There's a lack of efficient integration across systems and with many third-party applications
- Staff are spending too much time on tax research and keeping pace with legislative changes
- Their software does not automatically download and install the most recent releases and updates
- Clients are not providing requested documents in a timely manner
- Inefficient — and potentially insecure — document collection and exchange



According to research from Thomson Reuters®, the biggest changes facing tax and accounting firms are the shift to remote work for many tax professionals (20%), followed by a reduced number of client meetings (15%). Furthermore, COVID-19 increased reliance on technology and decreased the use of paper (14%).

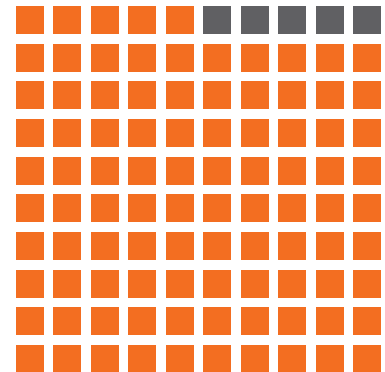
### The biggest changes facing tax and accounting firms



In addition to keeping pace with tax industry changes and meeting fluid deadlines, tax professionals have found themselves needing to provide even more support to their clients — albeit virtually. Firms that can seamlessly navigate these changes will be in a much better position to grow their firms.

Faced with increased client demands, a complex regulatory and legislative landscape, and the commoditization of tax preparation, more firms are placing a greater emphasis on providing clients with higher-value strategic advisory services. In fact, a recent survey from the Thomson Reuters Institute found that nearly [95% of tax professionals](#) believe their clients want business advisory services, a client demand that has accelerated in recent years.

To that end, there are four key areas we will focus on as we look at ways to avoid roadblocks and build a better, stronger, and more resilient technological ecosystem for tax and accounting firms. Those areas are **workflow**, **talent**, **client services**, and **compliance**.



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# Identifying pain points and streamlining workflow through API integration

For many tax and accounting firms, time spent managing all the pain points and challenges that arise from a segmented tech stack leaves them no time to find a solution. A well-planned and well-executed API strategy has the potential to address most if not all of those pain points. Let's take a closer look at some of the most common pain points.

## Workflow: Automating manual processes

APIs enable tech staff to support integrations quickly and effectively and create flexible, interconnected systems and processes. This saves staff a lot of time and can prove especially beneficial for firms looking to bridge the gap between new technologies and their legacy systems. APIs can also help fuel innovation across the firm.

Additionally, API integration makes it possible for a single application to serve as a hub of sorts — pulling in critical data from other applications. This creates the flexibility to connect systems and processes, which ultimately allows firms to provide more targeted information and services to clients.

So, what happens when you add automation across your firm's tax workflow?

- [Teams are able to collaborate](#) without version control issues
- Data passes seamlessly between platforms
- Clients receive more value in the form of less billed time for manual work
- Your staff achieves work-life balance

With integrated technology powered by APIs, your firm can solve disconnected technology issues and unleash its full potential at a fraction of the cost.

There are significant benefits to be gained when firms have the flexibility to connect the dots across systems via APIs. The reality is that when data is siloed in separate applications and systems that can't communicate with one another, or if you're dependent on manual processes to enter and aggregate it, your firm could be missing out on opportunities to leverage it across various tools and users. Let's take a closer look.

## Drive greater efficiencies

One of the most notable benefits of using APIs is that they can save your firm time and resources, and some tasks can be streamlined or even eliminated. This ultimately means greater profitability for your firm. This type of streamlining often provides greater accuracy and reduced risk as well.

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Your staff achieves work-life balance

Traditionally, tax professionals have spent a great deal of time gathering data from clients, loading that data into spreadsheets, reviewing the spreadsheets, determining what data is needed in the columns, reformatting the spreadsheets to be fed into the tax software, and then submitting that file into the tax application. A time-consuming, manual process that keeps them from focusing on higher value and more engaging work. But, with the help of APIs, these tasks can be automated and reduced to just a few minutes.

Using APIs, firms can receive improved data accessibility, process automation opportunities, and the ability to establish fully seamless, end-to-end workflows.

Consider the following potential efficiency gains:

- Integrate with existing business systems to reduce manual data manipulation and streamline your tax workflows
- Reduce internal controls risks that come with the manual upload and download of data files
- Use the same data across multiple solutions — meaning you only import once, saving you input time
- Export data to be used by your partners or in-house analytics team for additional analysis

When everything is connected, it's much easier to ensure that data is processed consistently each time and that tasks are completed in a timely and accurate manner. This helps reduce human error, which can potentially be more frequent with manual processes.

### **Talent: Recruiting and training staff, and filling in the missing pieces**

The impact of rote, manual processes has the potential to go beyond reduced efficiency and productivity. They can also negatively affect employee satisfaction, mental health, and overall workplace morale. Individuals with expertise and training in tax and accounting services want to use their time to handle pressing client issues and building relationships with them.

These benefits of APIs for tax and accounting professionals are clear — reducing costs, driving greater efficiencies, and unlocking new opportunities for growth — but what about benefits beyond the firm's bottom line?

Integrated tools and APIs help your team collaborate better, reduce manual effort, and protect work life balance. API implementation and the efficiencies they can provide can go a long way toward reducing stress on the staff and freeing up their time. For every team member at every level, APIs can empower professionals to achieve their goals both in and out of the office.

*“Every mouse click in a firm has a dollar value associated with it and the more mouse clicks you can reduce throughout the process, the less it is going to cost you to get that return done.”*

*-Michael Knighton, Vice President, Global Accounting Firms Technology, Thomson Reuters*

*“It's not just about APIs, it's about time savings. But it's also about savings in mental health. At the end of the day, the last thing that you want is to have skilled workers doing mundane work, such as repetitive, consistent data entry. Those skilled, talented workers could be providing value elsewhere.”*

*- Peter Walker, Berkowitz Pollack Brandt*

Both employers and employees are looking for every advantage to build a better work-life balance, create efficiencies as remote work grows, and build an operation that can thrive in any social or economic climate. This means hiring and recruiting the best talent available, training them to use emerging technologies, and helping them visualize a career path that keeps them with your firm.

Presently, there are some very real challenges impacting the tax and accounting labor market. In the [Thomson Reuters Institute 2023 State of the Tax Professionals Report](#), data provided by the *Wall Street Journal* indicates the last two years have been particularly challenging for recruiters as more than 300,000 auditors and accountants have left the field. Many, notes the report, took higher-paying work in the technology and finance sectors.

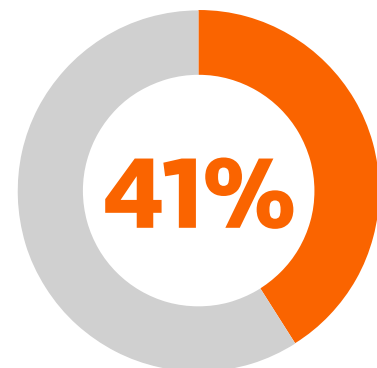
The survey indicates “recruiting, training, and retaining qualified talent will continue to be a key challenge for many firms in 2023.” To that end, approximately two-thirds of employers said they expect it will be “somewhat” or “highly” challenging to find individuals with the skillsets needed to thrive. Almost the same number of those asked reported similar concerns with respect to developing their own staff, and 47% reported they expect retaining employees already on payroll will present challenges.

Automation and technology check a lot of boxes when it comes to solving these issues. Not only does automation make existing workflows simpler and less stressful for existing employees, efficiencies created through the effective implementation of APIs can also help mitigate labor shortages. These types of efficiencies and the innovative culture they tend to support can also serve as a differentiator for young professionals who may be looking for their next opportunity.

Firms struggling to meet labor demands have already begun the process of implementing automation and other technological solutions to offset labor shortage issues. According to the Tax Professionals Report, 41% of those asked said they plan to invest additional resources in automation. More than half of the large firms surveyed said they plan to use those solutions to fill talent gaps while slightly fewer mid-sized and smaller firms expressed a desire to do the same.

### Client services: Improving communication, increasing value

Elevating your firm from billing time to being an indispensable partner by using data and insights to uncover advisory opportunities is a great way to add value. Simply stated, satisfied customers are the lifeblood of a healthy business. Not only do they continue to utilize your services, but they are the best source of organic growth through the referral process. As such, improving client satisfaction through streamlining is crucial.



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Additionally, these considerations become even more important as client demands continue to change. As previously noted, clients have increasingly sought firms that offer expanded advisory services. Building a tech stack that efficiently connects the dots across systems via APIs can support and enhance those practices to deliver a clean, effective, and dynamic customer experience.

With an integrated platform where information from multiple sources is digitally connected, firms save time and resources. It also allows for more accurate, real-time business reporting and accurate answers to client queries. This creates an opportunity for firms to focus more energy on delivering clients higher-value, higher-margin advisory services. Not only will these advisory services increase client satisfaction and ultimately boost profitability, but they also let your staff use their skills in a more meaningful and fulfilling way. With APIs, you can automate time-consuming tasks so that your staff can focus on more interesting and value-added work, including providing the tax advice and consulting services they build their entire careers around developing.

#### Customers want more specialization

A growing number of firms are embracing industry specialization. Targeting a specific niche or vertical enables firms to differentiate themselves from the competition. Leveraging APIs can help firms more efficiently meet the unique needs of those clients.

Case in point, when business professionals who purchase accounting firm services were asked what they would change about their accounting firms, 27% said they wanted more familiarity with the business and its industry, [according to a survey by CPA.com](#), Hinge Research Institute, and Bill.com. (Where Opportunity Meets Value: Business Model Trends for Accounting Advisory Services)

By leveraging APIs, firms can tailor their systems to meet clients' unique business needs more efficiently.

With an API-connected platform, you can provide your clients with the most up-to-date information and advice, positioning your firm as a valuable resource in today's complex market.

Take, for example, a firm that specializes in real estate. By leveraging APIs, the firm can connect software systems to streamline the process of buying and selling property. They can also use APIs to more easily gather data that provides more detailed information about real estate trends. This type of specialization can be extremely beneficial for firms looking to grow their businesses and build long-term relationships with real estate clients.

*"You can have the software help get the data right in those specialized areas. You could also use APIs across different products ... to bring different pieces of information together for the users. One option may be incorporating specific guidance to a process. Through APIs you can take data found in Thomson Reuters Checkpoint Edge and provide in-context information relevant to the subject area in which a tax professional is working. If the user needs more information, you can provide links using our API to go back into Checkpoint Edge and run very targeted searches."*

*-Michael Knighton*



### Consistency creates better client experiences

Another benefit of a well-automated and integrated tech stack is the consistency it will deliver across interactions. Customers value predictability and reliability. When customers interact with your firm, everything from the initial consultation through to the filing of the tax return should be consistent and replicable. APIs help to ensure that their experience is the same across all channels and touchpoints.

If you can do that, it will go a long way toward building a positive relationship and a loyal client.

### Managing compliance: Staying up to date with legislative changes

In today's tax environment, advancements in technology, ever-changing tax laws, and shifts in client demands are the new norm. Firms that operate on outdated or underperforming platforms will find it challenging to sustain growth and their competitive edge.

Tax busy season tends to highlight everything that's working well and uncover opportunities for improvement. Once tax busy season is over, it is an ideal time to flag inefficiencies, identify any gaps in workflow and collaboration among staff and clients, and begin looking at ways to start implementing an effective API strategy.

### Integrate GoSystem Tax with the rest of your tech stack

[GoSystem Tax APIs](#) enable you to automate tax workflow processes related to e-filing, printing, and importing/exporting tax return data. Save time on return filing by letting Thomson Reuters solutions import in real time hundreds of partners into a partnership return or update a specific value within the tax return using live APIs.

Implementing GoSystem Tax APIs is as easy as picking from our standard out-of-the-box and ready-to-go solutions with no developer experience needed. For more complex tax workflows, we offer the ability to customize an API solution that fits your business best.

These endpoints implement a JSON-based messaging structure, which allows for concise, lightning-fast requests to the GoSystem Tax product. The GoSystem Tax APIs have industry-leading asynchronous APIs which allow for time-consuming requests to process in the background while other requests are made.

Live APIs are currently available for the following tax forms, 990, 1040, 1041, 1065, and 1120.

There are nearly 40 GoSystem Tax REST APIs available — all of which can be found on the [Thomson Reuters Developer Portal](#).



### A single source of truth

It is important to consider the benefits of a cloud-native platform (i.e., designed and built in a cloud infrastructure) that provides a comprehensive solution to fulfill your firm's tax compliance and management needs. Having a single source of truth across all integrated applications will help your firm improve efficiencies, increase profitability, and collaborate with clients in a more productive way.

[Consider some of the opportunities](#) a comprehensive, holistic, and cloud-native API tech stack could deliver for you and your clients.

- Easy collaboration between staff and clients, including features like secure eSignature and online bill pay capability
- Creates a customizable folder system to manage documents with full-text search and document annotations options
- Provides visibility into firm projects and staff assignments to drive productivity and confidence with the client
- Provides in-the-moment decision support to your clients
- Helps advise clients on business scenarios with potential tax implications to plan for in the upcoming year
- Links to research tools to provide tailored advice and guidance
- A user-friendly central database for staff, clients, and projects that is easy to navigate from a home page and client dashboard
- Delivers a client status system to maintain up-to-date statuses on all your clients' tax returns at any time and track the progress of any event, such as opening, closing, and importing data
- A deep, integrated workflow system that enables your firm to move to one-time data entry or even zero-time data entry
- A web client organizer that enables clients to complete their tax information online via your website using a customizable questionnaire
- Multi-monitor flexibility across up to four separate monitors
- Advanced, timely, and dependable e-filing capabilities
- With optical character recognition (OCR) technology, untrained, non-professional staff can scan, verify, and export 1040 source documents into tax returns
- Delivers streamlined updates so the tax solution updates itself on its own without requiring staff to exit the system in the middle of a busy tax season



Having a single source of truth across all integrated applications will help your firm improve efficiencies, increase profitability, and collaborate with clients in a more productive way.

## Conclusion

**“The industry is changing. This change is inevitable. It is going to happen. Technology continues to impact this particular profession. It is going to revolutionize it, the same way we’ve seen it revolutionize so many other professions. We find ourselves in the midst of this major shift.”**

**-Corey Greene, Manager – Product Marketing at Thomson Reuters Tax and Accounting**

Tax and accounting professionals are constantly under pressure to meet deadlines and handle complex financial data, which can make effective technology integration a potential game-changer. And perhaps best of all, it can help to relieve some of the pressure staff often experience.

Improving efficiency, driving automation, and streamlining internal processes are essential for tax and accounting firms looking to more effectively meet increased client demands and, ultimately, generate greater profitability. For many of today’s firms, advancements in technology and APIs are making it all possible.

API use has surged in recent years and is changing the way tax and accounting professionals work and serve their clients. Embracing technology to improve efficiency, accuracy, and ultimately client satisfaction is helping firms reach their goals. The positive impact automation and APIs can have on tax and accounting firms is clear, and firms willing to adapt to new technologies will thrive in the long run. Incorporating automation into workflows will help you remain competitive in an ever-evolving industry.

## Learn more about Thomson Reuters solutions

For more information about how to enhance your firm's processes and overcome challenges, check out:

### Checkpoint® Edge

Checkpoint Edge is the next generation of our Checkpoint research and guidance tool for tax and accounting professionals. It delivers the latest in artificial intelligence, cognitive computing, and machine learning technologies, combined with the tax and accounting expertise of our editorial staff. It enables you to find fast, accurate answers with a more fluid and intuitive user experience.

Learn more at [tax.thomsonreuters.com/en/accounting-solutions/c/checkpoint-edge-large-firms](https://tax.thomsonreuters.com/en/accounting-solutions/c/checkpoint-edge-large-firms)

### GoSystem Tax APIs

GoSystem Tax APIs provide a streamlined way to automate tax workflow processes, such as e-filing, printing, and importing/exporting tax return data. This allows you to save time on return filing by importing hundreds of partners into a partnership return or updating a specific value within the tax return quickly and easily.

Learn more at [tax.thomsonreuters.com/en/products/api/gosystem-tax](https://tax.thomsonreuters.com/en/products/api/gosystem-tax)

### ONESOURCE®

ONESOURCE provides software and services to ensure tax and trade compliance for corporate entities and accounting firms worldwide. ONESOURCE can help with nearly any tax-related function, including indirect tax, corporate income tax, tax provision, data and process management, and much more.

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### Schedule an Automation Consultation

Take your tax and accounting processes to the next level by scheduling an Automation Consultation with Thomson Reuters, where you can learn more about the various opportunities that exist for your firm and how our solutions can help.

Unlock a range of incredible benefits for your firm, from streamlining workflows to improving accuracy and efficiency. To learn more and book your consultation, visit [tax.thomsonreuters.com/en/accounting-solutions/c/connect-the-dots-for-a-more-efficient-tax-workflow#form](https://tax.thomsonreuters.com/en/accounting-solutions/c/connect-the-dots-for-a-more-efficient-tax-workflow#form)