

How

Cloud Accounting

Helps a One-Woman

Firm Win and

Delight Her

Ideal Clients



“I woke up on my birthday and decided, ‘I’m going to start my own business,’”

Erika Dowell remembers. Until that point, she’d held finance, operations, and accounting positions at small businesses. But she was harboring an entrepreneurial streak—and a bachelor’s degree in entrepreneurial management.

Erika also wanted more flexibility. Her partner is in the Canadian military, which means moving around the country is frequent. Besides, office life doesn’t suit her. “I work better when I can change my surroundings: I don’t like being chained to a desk,” she says.

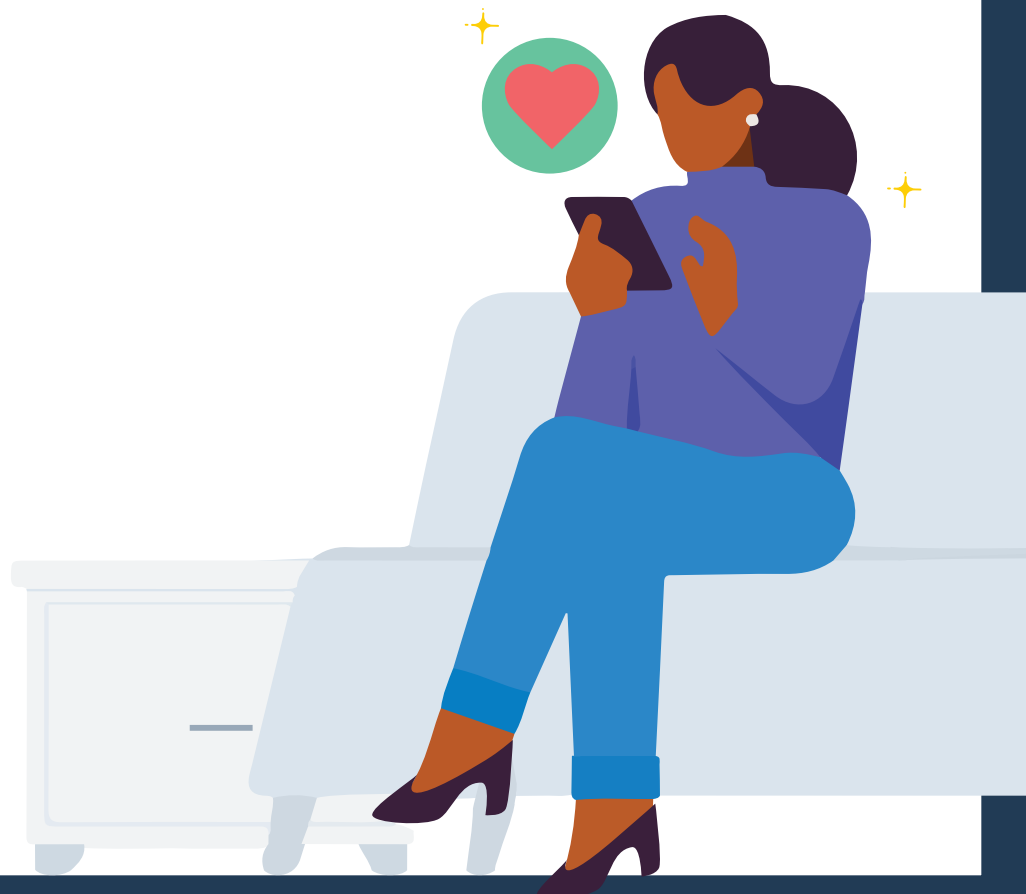
In 2018, after six months of careful planning and building a client list, Erika left her full-time job and founded [Signal Operations Inc](#), her cloud-based remote accounting firm serving every Canadian province while being based in Halifax. She handles all the accounting for more than 40 clients and has two part-time employees supporting with administrative tasks. Having discovered Xero in 2012, Erika now has all of her clients on the platform.

She chose the name Signal because she wants to help her clients recognize and interpret the signals their finances are sending them. With the right tools and her guidance, clients can understand their financial situation on a deeper level, without getting overwhelmed, and use that knowledge to make strategic decisions.

“Seeing my clients go from, ‘I don’t understand anything that you’re saying’ to ‘OK, that makes sense’ is really cool for me,” Erika says.



The visibility, speed, and integrations in Xero have been integral in helping Erika build a one-person cloud-based accounting business that takes the frustration out of finance for her clients.



Clients know what they need to know

Although Erika respects a beautifully crafted spreadsheet as much as the next accountant, she understands that a significant portion of her clients doesn't feel the same way. They want to know what they need to know, do what they need to do, and leave the rest to her.

Xero facilitates this minimal effort by making it easy for small business owners to understand their finances at a glance. On the dashboard, they can quickly check important metrics like cash flow, profit and loss, invoices owed, and bills to pay. These are the building blocks required for robust financial planning.

“Features that allow me to show my client how much money they have, how much to save, and what their cash flow truly is, are a game changer for me,” Erika says.

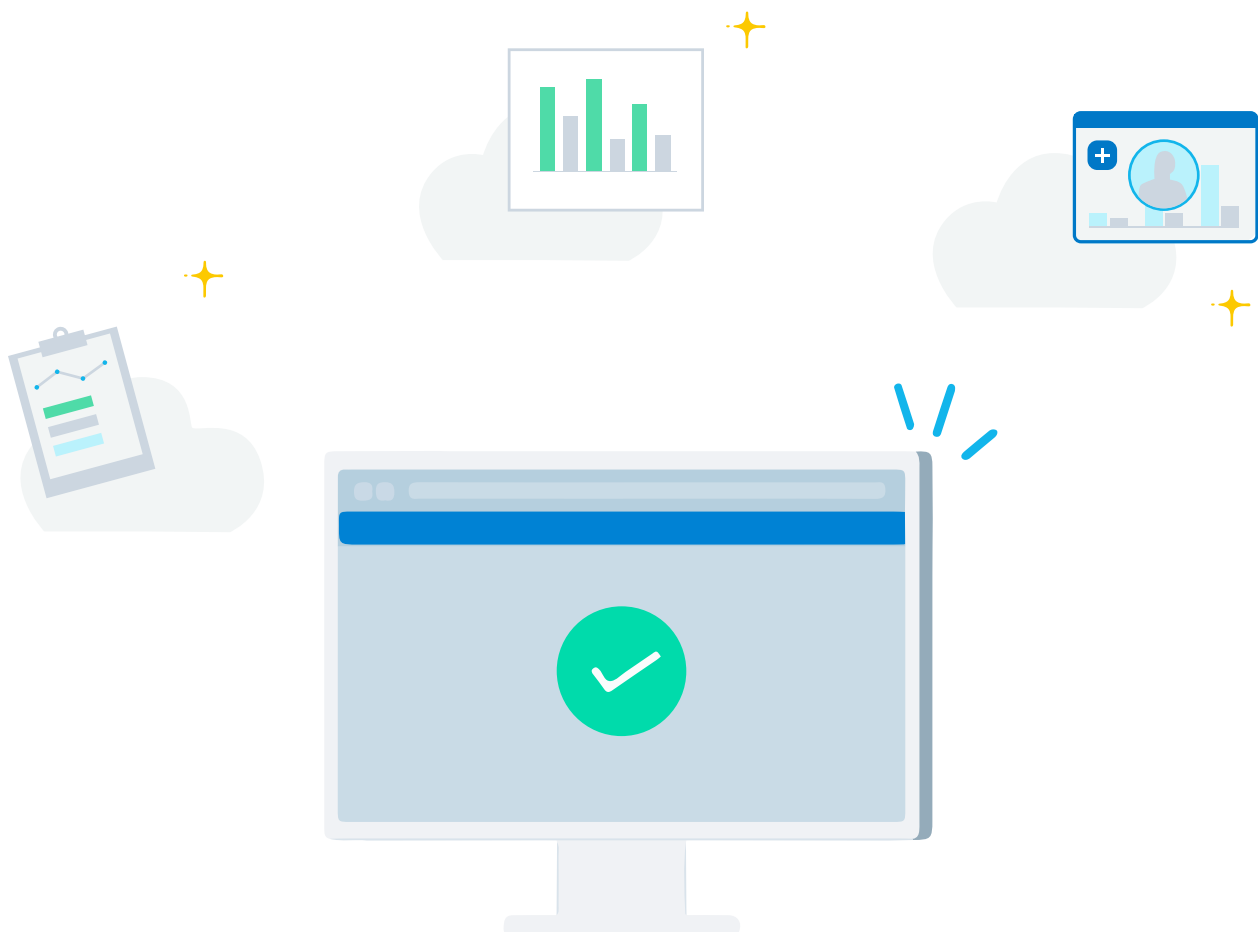
When her clients are already informed, their conversations can move quickly onto strategy. “You know what your cash flow is doing, so you can make an informed decision about, for example, whether you go on that retreat,” Erika explains. “Is it going to stretch your cash? Maybe, but we have other solutions that can help.



Crucially, it's not about information for the sake of information. Some of Erika's clients enjoy studying their finances, but many feel overwhelmed by too many charts and calculations.

Erika looks for the sweet spot. She wants her clients to have data that can help them connect the realities of their finances with their business goals and ambitions, without burying them in numbers and unwieldy jargon. She recognizes this approach in Xero.

“Xero is matter-of-fact, and that's how I talk with my clients,” Erika says. “It's clean, it's not trying to be flashy, it's not trying to make you feel dumb. It's like, ‘This is what's going on in your business. Don't get overwhelmed, there are solutions.’”



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Less switching between platforms means more time for clients

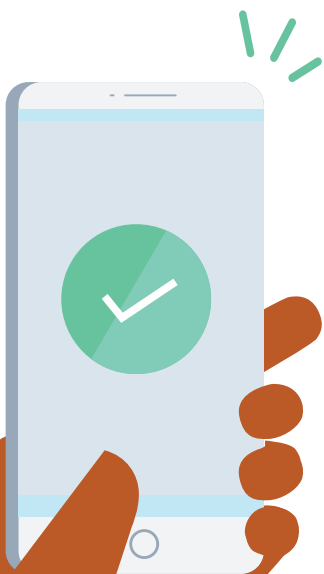
In addition to helping Erika's clients access strategically important financial information, Xero also helps her keep up with their needs as a one-person firm.

One of the key time-saving aspects she most appreciates about Xero are the **integrations** with other software.

Erika works with clients who already use a lot of tech. Normally, working across multiple platforms would mean downloading a report or invoice from each, and uploading it or re-entering it into the accounting software. "That's creating too much work," Erika says.

Xero automatically pulls this data into one place.

For example, if a client uses a payment app like Stripe or GoCardless, Xero transfers invoices and receipts processed on these apps into the bank reconciliation workflow. It's also easier for clients to manually add documents, thanks to Xero's acquisition of Hubdoc, which Erika describes as "an absolute game changer." From a photograph of a receipt, the technology can extract all the information needed to automatically generate an expense, ready for reconciliation.



GOCARDLESS

 Hubdoc
FROM XERO

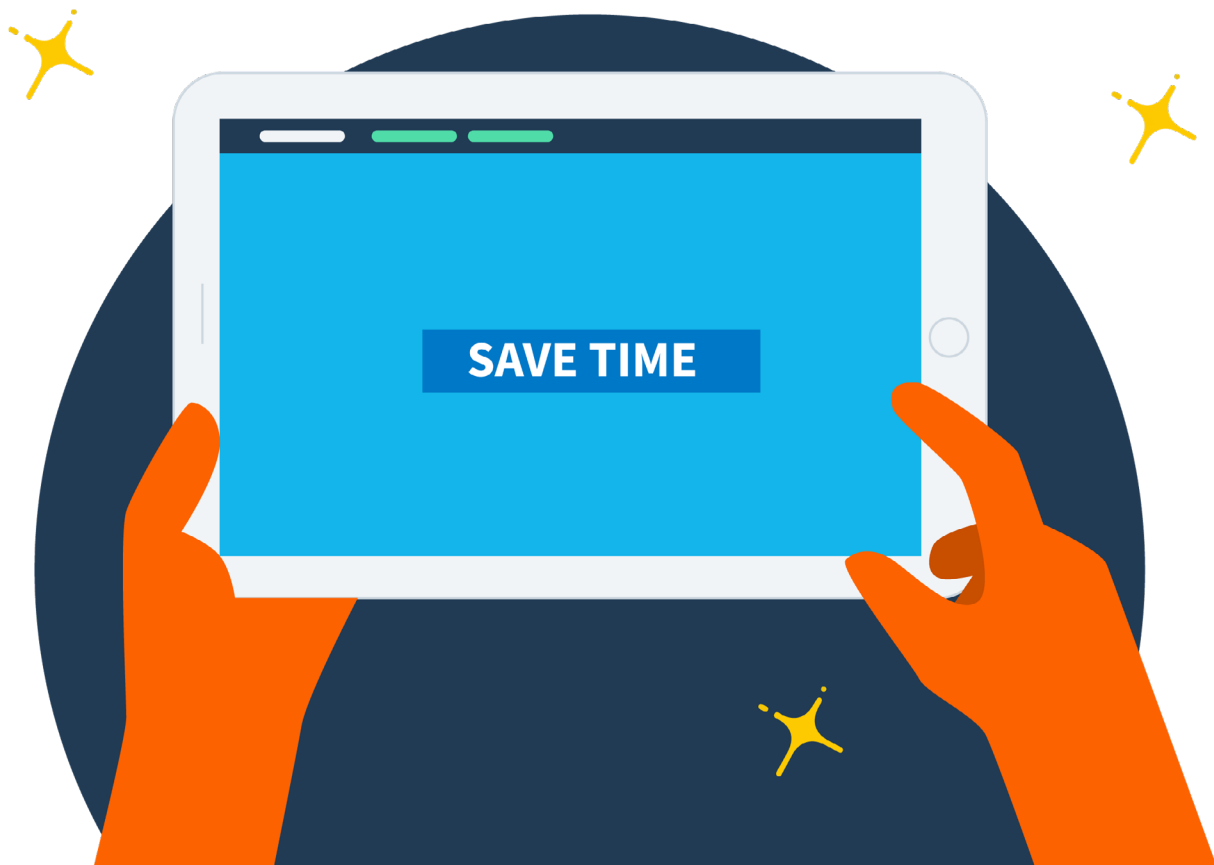
stripe



In reconciliation, Xero uses machine learning to match bank account transactions with invoices, receipts, and bills stored on the platform. It imports amount, date, and payee, so all you have to do is check its work and click to confirm. If you have questions about a particular expense, you can add a note for the client in an attached textbox. Meanwhile, the financial reports update in the background, to reflect the impact in real-time.

Effectively, the software goes the first five miles for you, by automatically filling in data and finding documents, which are stored in the same place and easily searchable. “Logging into five different softwares to reconcile a bank account is so painful,” Erika says.

“If I’m on one platform, and the only switching is between client files, that’s an easier mental switch.” If you still need more information, you can communicate with clients without even switching tabs. **It saves time and headaches.”**



Embrace your specialty

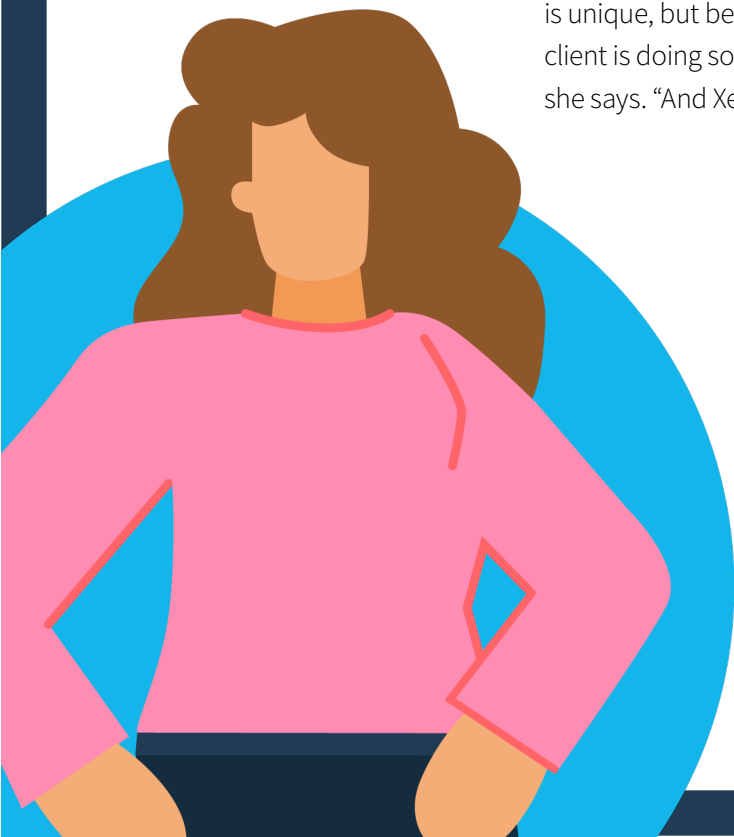
One unavoidable truth about being a one-person firm is that even with part-time help, you can't serve everybody. Instead, Erika advises other independent accountants to identify their target market, and become experts in products or services that attract those kinds of clients.

For example, Erika wants to work with customers who value the efficiencies tech-powered solutions can provide, and who already use cloud platforms. Given this priority, she advertises Signal as a cloud-based accounting service, showcasing her expertise in Xero as a selling point.

“My number one Xero tip is to focus on Xero,” she says.

“Don't get distracted by other things. Focus on it, learn it, become an expert in it. Your clients will start to trust you even more, and when clients trust you more—especially with money—they'll refer people to you.”

Drilling into her niche has enabled Erika to scale as a small business. “Each client is unique, but because I only attract certain types of clients, it's easy to say, ‘This client is doing something very similar to that client, so I can predict their needs,’” she says. “And Xero helps attract those clients.”



Building the life you want

Erika started Signal because she wanted more freedom to work in the way that best suited her. As with most business owners, navigating work/life balance as the boss has been a learning curve for her. Her advice for other accounting teams of one is to read your own signals and know when you need to take a break. “As much as numbers are signals, your body and your brain are also sending signals, and if you don’t pay attention you’re going to burn out,” she says.

Xero has helped Erika create the kind of work structure and environment she woke up wanting all those years ago. The automations help her work more efficiently, and having everything in the cloud means she can work from her kitchen table or somewhere far from home. “It allows flexibility, which is what my lifestyle is about,” she says.

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