



The Firm of Tomorrow

A Framework for
Public Accounting
Investment

Introduction

The public accounting profession stands at an inflection point. The firms that will lead the profession in the next three to five years are making critical investment decisions today. After extensive consultations with the world's leading public accounting networks, a clear picture has emerged: the path forward requires deliberate, strategic investments across five key dimensions that will define competitive advantage in the coming years.

This framework, The Firm of Tomorrow, is not a theoretical exercise. The framework is a practical guide developed through direct engagement with firm leadership, reflecting the real challenges and opportunities that will define the top firms of tomorrow.

Target Outcomes

The firm of tomorrow has the following five target outcomes in mind as they invest in their necessary process and technology transformations.

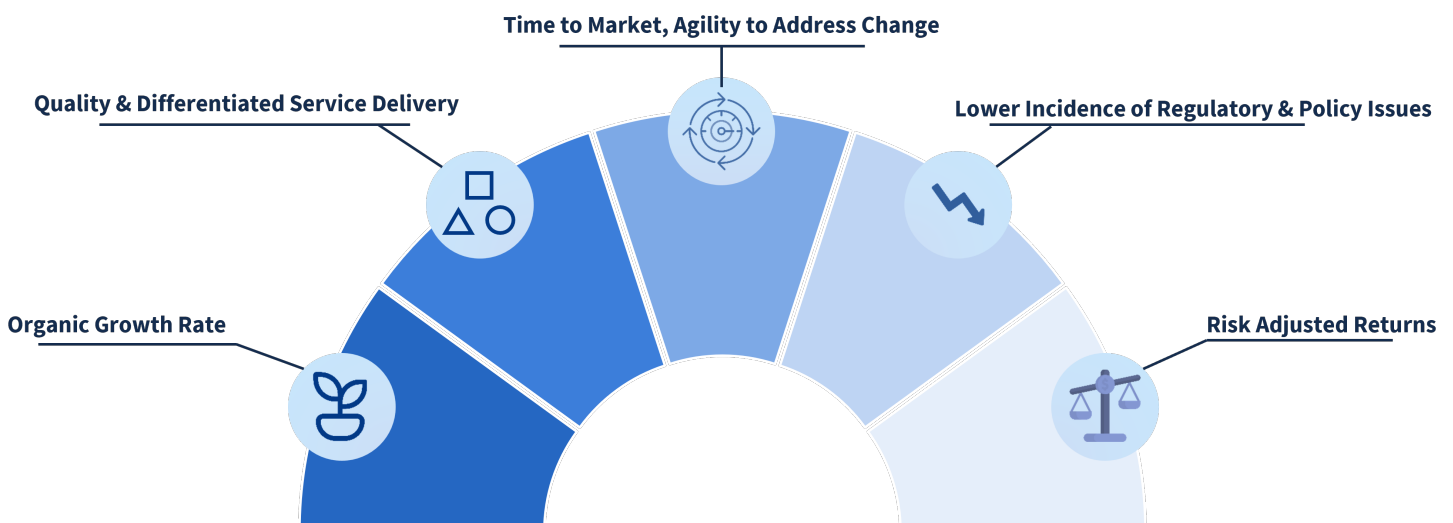
Organic Growth Rate: This outcome is about growth through organic actions instead of financially engineered growth.

Quality & Differentiated Service Delivery: This outcome helps drive premium pricing and promotes customer loyalty in a commoditized market.

Time to Market, Agility to Address Change: Ability to move quickly to turn regulatory shifts and new technologies from threats into competitive advantages.

Lower Incidence of Regulatory & Policy Issues: Protects reputation, avoids fines, and frees leadership to focus on growth instead of putting out fires.

Risk-Adjusted Returns: Ability to grow profitably by taking on clients with higher delivery risk while meeting regulatory obligations.



The Pressures Shaping Today's Firm

Before exploring where to invest, we must understand the forces reshaping the competitive landscape today. Today's firms face several pressures from both within their organizations and from external sources.

External Pressures

1

Clients' Evolving Expectations

Clients increasingly demand integrated, end to end processes rather than siloed services. They expect the same seamless digital experiences they are receiving from other areas in their business. Firms that cannot deliver this experience risk becoming commoditized providers rather than trusted strategic advisors.

2

Capital Market Transformation

Private equity (PE) investment is fundamentally altering the profession's competitive dynamics. Mid-tier firms with PE backing can rapidly scale operations, acquire talent, and invest in technology that was once the exclusive domain of the largest networks. The benefit of PE capital infusion is balanced by the demand to grow more profitable, forcing decisions to invest and cut costs earlier than a firm would otherwise. This democratization of growth capital is also compressing traditional competitive moats.

More insights on the effect of PE investment in the profession are still emerging. Follow Kingland for continued updates on this topic.

3

Talent Shortage Crisis

The ongoing personnel shortage is more than a recruitment challenge. The crisis is a fundamental threat to traditional service delivery models. Firms must do much more with proportionally fewer people, making efficiency gains not merely advantageous but existential.

4

Evolving Regulatory Requirements

Regulatory bodies worldwide are raising the bar for quality management systems. From PCAOB's QC 1000 to IAASB's ISQM 1, firms must demonstrate proactive risk management, continuous monitoring, and unprecedented leadership accountability. The cost of not meeting regulatory obligations has never been higher.

Internal Pressures

Efficiency + Agility

The need to maximize productivity per professional has moved from aspiration to essential. Firms are scrutinizing every process, questioning every manual step, and seeking opportunities to automate to drive greater efficiency and enable more agile process execution.

1

Organizational Restructuring

As firms grow through acquisition and expand service offerings, organizational complexity multiplies, as does the complexity of both managing risk and maintaining auditor independence. Additionally, the introduction of 'platform firms' poses a new competitive threat that influences traditional firms' structuring. The challenge is not just managing this complexity but creating structures that enhance rather than hinder agility and responsiveness.

2

Enterprise Software Migration

The shift from self-made solutions to integrated enterprise platforms represents a massive undertaking for most networks. These migrations promise long term benefits but require substantial near-term investment and change management that is frequently underrepresented in the initial decision-making.

3

User Experience Baseline

Today's professionals (especially early career staff) expect consumer grade user experiences in their work tools. Clunky interfaces and multi system workflows with multiple off-ramps create friction, reduce adoption, and ultimately undermine the value of technology investments.

4

These pressures converge to create a clear mandate: firms must fundamentally reimagine how they operate, leveraging technology and data to create sustainable competitive advantages while maintaining the human expertise that remains at the heart of professional services.

Five Investment Priorities for the Firm of Tomorrow

Five key investment areas have emerged through our engagement with leading public accounting networks. These priorities address the pressures reshaping the competitive landscape and guide the process transformations required to thrive in this new environment.

Accelerating Profitable Growth

The Firm of Tomorrow grows revenue while expanding or protecting margins by investing in highly scalable platforms and applied AI that automate repetitive processes. This approach enables rapid expansion into new markets and services without proportional expansion in headcount. The result is dependable, high-margin growth that funds further innovation.

Protecting Against Competition

As barriers to entry fall, defending market position becomes a more active process as new opportunities for competitive advantage are identified more frequently. Streamlined client acceptance, efficient delivery tools, service line differentiation, and supportive quality infrastructure drive low-risk organic growth from existing relationships.

Seamless Process Integration

Clients see one firm, so internal silos across systems, geographies, and processes must unite. Unified workflows, intuitive interfaces, and role-based personalization eliminate manual hand-offs, reduce cycle times, and let professionals focus on clients instead of administration. The outcome is faster, higher-quality delivery and the consistent firm-wide experience that clients now demand.

Data as a Strategic Asset

Leading firms treat data as a governed, reusable asset captured once and leveraged everywhere. Real-time dashboards transform organizationally mastered data into proactive insights on risk, capacity, and growth opportunities.

Promoting AI to Individual Contributor

The Firm of Tomorrow deploys AI as a true team member, while always keeping human judgment in the loop. A balanced approach dramatically boosts efficiency, expands capacity without adding headcount, all while reducing risk.

Investment Area #1: Accelerating Profitable Growth

Why This Matters

Growth for its own sake is not the goal. The Firm of Tomorrow focuses on profitable growth: expanding revenue while maintaining or improving margins. This approach requires operational discipline, careful resource allocation, and the ability to scale efficiently without proportional increases in cost or risk.

What Success Looks Like

Profitable growth demands three interconnected capabilities:

Scalability with Diminishing Marginal Cost

The firm can quickly expand into new markets, service lines, or client segments without extensive infrastructure build out. Systems accommodate growth without requiring wholesale replacement. Processes that work for a ten-person office scale to a thousand-person office with configuration rather than redesign.

Operational Efficiency

Every process is scrutinized for unnecessary steps, redundant reviews, and manual handoffs. Professionals focus their expertise where it creates the most value. Administrative tasks are automated or eliminated. The firm's cost structure improves even as service quality increases.

Protected Profits

As the firm grows, margin discipline is maintained through careful management of engagement economics, staffing models, and client portfolio composition. Analytics identify which clients and engagements are truly profitable because profit is viewed through a risk adjustment lens, enabling strategic decisions about where to invest resources and where to reconsider relationships.

Kingland's Example: AI Brokerage Financial Statement Processing

A broad set of opportunities to drive efficiency exists in the personal financial interest disclosure process. Kingland's applied AI financial statement processing accelerates profitable growth by dramatically improving operational efficiency in the financial interest disclosure process. By combining generative AI capabilities to read, interpret, and extract key information from brokerage statements with our expertise in financial interest data guiding the model, the solution automates a process that today requires significant manual effort. Firms leveraging this technology meet their regulatory requirement for professionals to disclose faster and with greater accuracy, freeing professionals to focus on higher-value activities. Kingland's applied AI enables firms to meet regulatory requirements more efficiently, lower costs, and scale their operations without increasing headcount.

Investment Area #2: Protecting Against Competition

Why This Matters

The barriers to entry in the public accounting profession are lowering rapidly. Firms backed by private equity can quickly acquire the technology, talent, and client relationships that once required decades to build. The Firm of Tomorrow must defend its market position not by their current moat but through strategic differentiation.

What Success Looks Like

Protection against disruption requires building three defensive capabilities:

Resilient Foundation

Core systems and processes are robust enough to handle disruption without compromising quality. When a major acquisition occurs, integration is measured in weeks, not months. When regulatory requirements change, systems adapt quickly. The firm's infrastructure is an asset, not a constraint.

Inherently Agile

The organization can absorb shocks, such as regulatory changes and market shifts, and adapt without losing momentum. Redundancy is built into critical processes. Processes are dynamic based on the circumstance of each execution. Risk management is proactive rather than reactive.

Promoting Organic Growth

The firm is focused on organic growth, which means streamlining client acceptance to reduce friction in business development, equipping engagement teams with tools that enhance delivery efficiency, and creating a quality management infrastructure that supports expansion into new markets and services rather than constraining it.

Kingland's Example: Anchor Systems

The concept of an "anchor system" (discussed in our [guide to navigating regulatory change](#)) is central to resilience. In summary, the anchor system is highly configurable, scalable, agile, and simple to integrate with other systems and processes. When decisions are made to consolidate systems, the anchor comes out the victor. With such a system, firms create a stable platform that can readily absorb systems through acquisitions (inorganic growth) or expand into new industries and lines of business (organic growth). When a new firm joins the network or an opportunity to expand into a new market presents itself, the firm is already primed to fold the new business into their current without a need for transformation.

Follow the QR code to read "A Growing Firm's Guide to Navigating Regulatory Change"



Investment Area #3: Seamless Process Integration

Why This Matters

The complexity of modern public accounting networks creates natural silos (across service lines, geographies, and systems). Yet, clients desire to experience your firm as a single entity. Friction in your internal processes creates cost and leaks into the client experience. Moreover, regulatory bodies increasingly expect firms to demonstrate how information flows across functions to support quality management objectives.

What Success Looks Like

The Firm of Tomorrow achieves true process integration through three key capabilities:

Unified Workflows

Information flows seamlessly between client acceptance, conflict checking, service authorization, engagement delivery, and quality monitoring. A change in one area automatically triggers appropriate actions in related processes. Professionals spend time on their clients, not on reconciling data across systems or chasing approvals.

Intuitive Experience

Professionals interact with systems that feel natural and require minimal training. Context aware interfaces present exactly the information needed for each decision point. The technology recedes into the background, enabling expertise to take center stage.

Personalized Engagement

Systems adapt to individual roles, preferences, and work patterns. Senior partners receive executive dashboards highlighting exceptions and risks. Engagement teams see task-oriented views focused on immediate deliverables. Quality management professionals access monitoring tools tuned to their oversight responsibilities.

Kingland's Example: Client Data & Family Tree Management

Kingland's Client Data & Family Tree Management solution exemplifies this integration philosophy by meeting professionals at their knowledge level. Rather than requiring professionals to navigate multiple systems and datastores to understand changing client affiliates and manually manage data change, the solution provides a single guided process to collect hierarchy and affiliate data for new clients or updating existing clients to supply data throughout the ecosystem. Client Data & Family Tree Management leverages a straightforward questionnaire format, with applied AI in the background to read hierarchy information from files, to create a view of the client's relationships with consistency and quality.

Investment Area #4: Data as a Strategic Asset

Why This Matters

Every firm collects enormous amounts of data: client information, engagement details, time records, quality reviews, training completions, and more. Yet most firms struggle to transform this data into actionable intelligence. The Firm of Tomorrow recognizes that data itself is an asset to be collected, maintained, and reused everywhere; an asset that can drive better decisions, reveal hidden patterns, and create genuine competitive advantage.

What Success Looks Like

Moving from data collection to data leverage requires three progressively sophisticated capabilities:

Data as an Asset

Information is governed, deduplicated, and accessible wherever necessary. Data management ensures a single, reliable version of truth for clients, their relationships, conflicts, and service approvals. Data quality is not a secondary process but a core operational priority with clear ownership and accountability.

Actionable Insights

Analytics move beyond static historical reports to deliver forward looking intelligence. Dashboards highlight trends before they become problems. Leaders can quickly identify which clients pose elevated risk, which practice areas are experiencing capacity constraints, and where quality issues are emerging.

Predictive Analysis

Advanced analytics and pattern recognition help firms stay ahead of change. Predictive models identify which service lines are likely to face challenges and which markets present growth opportunities. Firms move from reactive to proactive management.

Kingland's Example: Intelligence Dashboards

Intelligence Dashboards deliver a transformative approach to quality monitoring by integrating data across previously siloed systems and processes. Kingland's solution enables simplified integration of systems with API and document reading capabilities to get data across the organization into a single place. Firms leverage data aggregation and automated quality control to provide a single, trusted source of insight for key personas such as global independence leaders, firm and network quality and risk management, and service line leaders. Firms can monitor their system of quality management (SQM) in real time, identify emerging risks, and make more informed decisions through a single dynamic view. The result is a more transparent, efficient, and proactive monitoring environment that enhances risk management and operational performance.

Investment Area #5: Promoting AI to Individual Contributor

Why This Matters

The enthusiasm for AI, automation, and digital transformation can obscure a fundamental truth: professional services firms ultimately succeed or fail based on the judgment, expertise, and relationships of their people. The Firm of Tomorrow neither resists technology nor embraces it uncritically but rather leverages it like a member of the team with similar controls in place. This approach enables firms to enhance their professionals' productivity while ensuring that they remain central to service delivery.

What Success Looks Like

Firms will need to have the following three criteria in mind when promoting AI:

Finding the Balance

Technology handles routine tasks, data processing, and process enforcement, freeing professionals to focus on areas requiring judgment, creativity, and relationship building. The question is not “can we automate this?” but rather “what is the highest value use of our professionals' time?”

Enhancing Efficiency

Automation creates capacity for professionals to serve more clients and take on more complex work. This efficiency directly addresses the talent shortage challenge by enabling the firm to do more with existing staff.

Human in the Loop. Always.

Even highly automated processes include human oversight, review, and ultimate accountability. Systems flag exceptions and recommend actions, but professionals make final decisions. This approach ensures that automation enhances rather than replaces professional judgment while maintaining the accountability that regulators and clients expect.

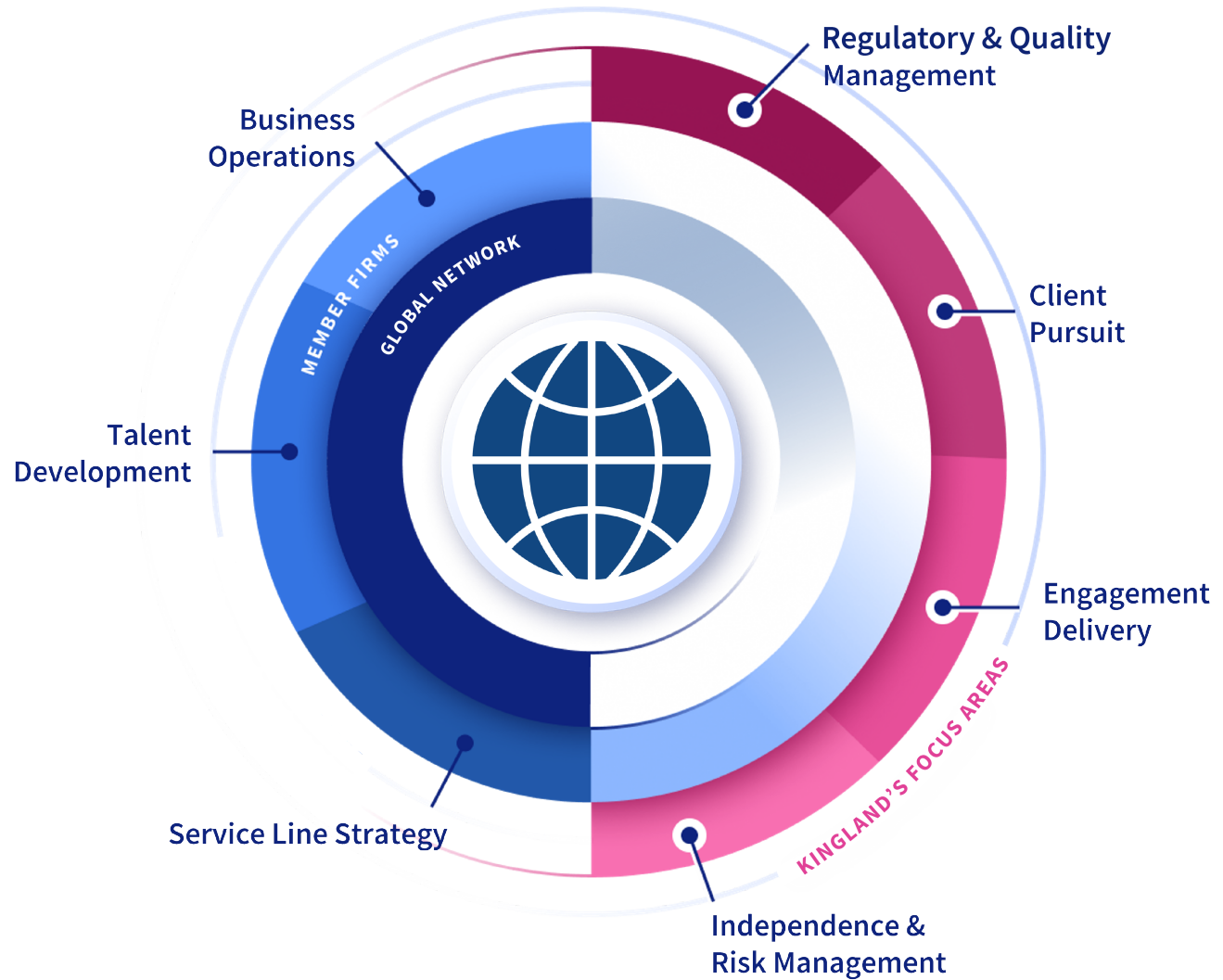
Kingland's Example: Engagement Letter Reading

AI is excelling in repetitive, time consuming analysis that professionals are tasked with today. For example, reading through current engagement letters to identify key clauses that could impact new business, is a great opportunity for AI to take a front seat as an individual contributor on the team. Our Engagement Letter Reading capability illustrates this balanced approach. The technology automatically extracts key terms in engagement letters or other contracts into a database that can be searched or integrated with via API. This data store can then be used by firms to identify contractual clauses that pose risk to new business or identify missing standard clauses in current contracts. Rather than making final decisions, the system presents clear information to professionals for review and approval that today takes hours of time searching. The technology eliminates tedious manual work, but human judgment remains central to the process.

Making Connections Across Business Processes

Investment decisions become more concrete when mapped to specific business processes across the organization. In our engagement with firms, eyes widen when we look at the cross-organizational impact of specific process areas. For example, client acceptance has its home in independence and risk management, but improvements in this process will have ripple effects in service line strategy, client pursuit, regulatory, and quality management.

The Firm of Tomorrow framework segments a firm's operations into seven process areas, visualized as concentric rings around the global network at the center. Four of the process areas, shown in pink, are prioritized process areas for investment where firms are seeing returns. Kingland has focused specifically on these areas for our software solutions.



Key Process Areas for Investment

Client Pursuit

Investment priorities focus on streamlining pursuit processes, enhancing client experience during the sales cycle, and integrating pursuit with downstream delivery processes. A significant amount of data is collected, and decision making is focused on winning new business. Capturing this information to drive and support other processes in the organization is a great way to differentiate with speed to client acceptance.

Engagement Delivery

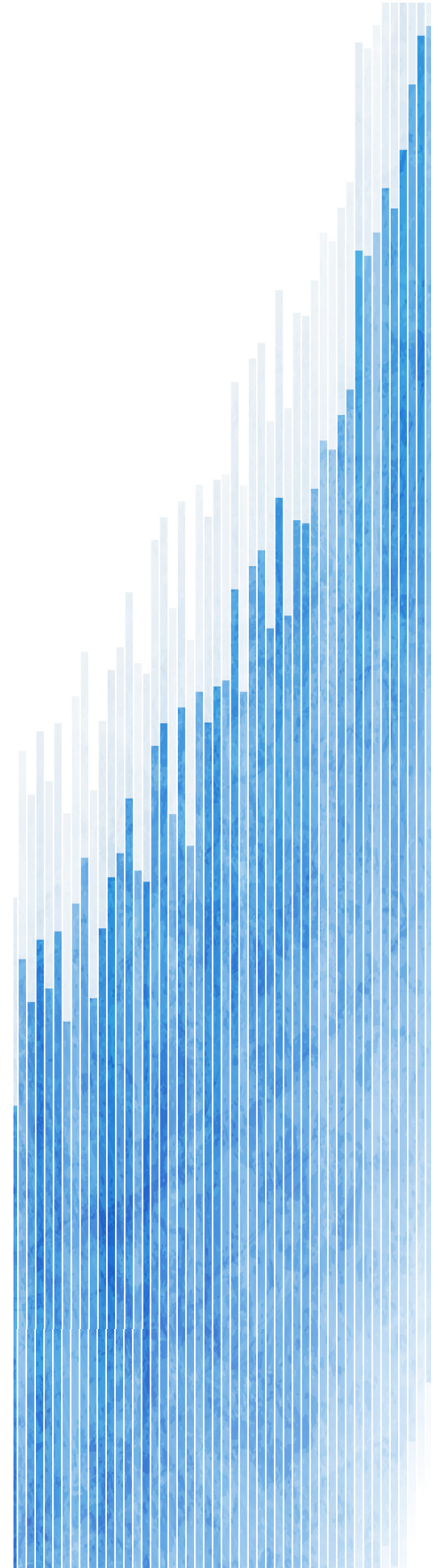
Delivery is where services are actually performed: audit fieldwork, tax advice and preparation, advisory project execution. Technology investments should enhance professional productivity, automate risk management, and create better client experiences. Integration with upstream processes (client acceptance, engagement letter drafting) and downstream processes (quality review, billing) is essential.

Independence and Risk Management

This critical area spans independence assessments, conflict checks, client acceptance, and engagement acceptance. Investment priorities focus on accelerating the “time to yes” for desirable clients and engagements while maintaining appropriate risk management rigor. Seamless integration across these functions eliminates bottlenecks and improves both the firm’s efficiency and the prospective client’s experience.

Regulatory and Quality Management

Investments here are not optional, they are requirements for maintaining the firm’s license to operate. However, leading firms are reframing these investments as opportunities to build competitive advantage through superior quality management capabilities that enable profitable growth.



The Path Forward

The Firm of Tomorrow is not a distant aspiration. It is being built today by firms that recognize the urgency of strategic investment.

The question is not whether transformation is necessary, but rather what to prioritize and how effectively your firm can execute. Firms that move decisively to build seamless process integration, leverage data strategically, protect against disruption, accelerate profitable growth, and balance technology with human capital will define the competitive landscape for years to come.

Assessing Your Readiness

To evaluate your firm's position and identify priority investment areas, consider these questions across the five key dimensions. Your answers to these questions will help reveal where investment is most urgently needed and where you have potential competitive advantages to protect and extend:

Accelerating Profitable Growth

Which clients and engagements are most profitable on a risk adjusted basis, and how confident are you in that analysis?

What percentage of partner time is spent on administrative tasks versus client service and business development?

How quickly can you scale operations to support a significant new client or market?

Protecting Against Competition

If you were to acquire a new firm today, how long would you anticipate it takes to integrate their book of business? How much time do you want it to take?

How long does it take your firm to validate the relationships of your largest clients (e.g. private equity, investment company complexes, fund managers) compared to three years ago? Is it faster or slower?

If a key system failed tomorrow, how long would recovery take?

Seamless Process Integration

How many systems does a professional navigate to successfully validate an audit client's affiliate relationships?

Examine the dataflow for your cross-border conflict checking process. How many steps require manual data entry for data that exists in your ecosystem elsewhere?

How many systems do professionals independently input client data throughout the firm?

Data as a Strategic Asset

How well can leadership quickly answer questions about practice trends, risk concentrations, or capacity utilization?

How much time is spent reconciling conflicting information across systems? Where is data reconciliation a problem specifically?

When was the last time data analytics revealed an insight that changed or supported a strategic decision?

Promoting AI to Individual Contributor

What percentage of staff time do you estimate is spent on tasks that could be automated?

Where do professionals at your firm view technology as enabling their work versus hindering it?

How does your firm's work environment compare to competitors in attracting and retaining talent?



Contact Us

Kingland partners with many of the world's largest accounting networks to provide solutions that drive process efficiency, manage regulatory-grade data, and support their system of quality management with technology. Our integrated solutions address the spectrum of quality management needs, from client acceptance and relationship tracking to independence management and conflict checking.

We understand both the regulatory requirements driving change and the competitive dynamics shaping your strategic priorities. Email **outreach@kingland.com** today to start the conversation about how your firm can set the right priorities to become the firm of tomorrow.

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