Modern Practice Playbook

BUILDING FUTURE-READY PRACTICES, TODAY

MALAYSIA 2026



About this report

Cutting through the noise, Modern Practice Playbook is here to guide Malaysia's accountants on building agile, intentional firms.

ABOUT THIS REPORT

Against the backdrop of rapid industry change – from the rollout of e-Invoicing, to shifting service models – this research-informed playbook unpacks what it means to be a modern practice in Malaysia today. Organised across four key chapters – starting with firm structure, through to redesigning workflows with AI, expanding service offerings, and pricing for outcomes over hours – it reveals what top-performing firms are doing differently, and the direction they're pointing the profession.

Commissioned by Xero, Modern Practice Playbook draws on survey responses from **327** independent senior accountants and bookkeepers across Malaysia. Behind every stat is a story – and a lesson worth learning. In order to offer deeper guidance beyond benchmarking, we spoke with practice leaders and Xero experts to uncover their tips on everything from building smarter workflows to charging what you're worth.

SURVEY SAMPLE

The survey sample was designed to reflect the market, with responses primarily sourced from third-party panels in addition to the Xero customer database. The data has been weighted to ensure equal representation of firm sizes.

BENCHMARKING AND DEFINITIONS

Top performers: Learning from top-performing practices isn't just about chasing higher figures – it's about understanding the blueprint for success. Throughout this report, ‘top performers’ are employing firms (two or more full-time employees) with a net profit margin of 41% or above, representing approximately the top third of Malaysia's employing practices. Where their results diverge meaningfully from the average (10+ percentage points), we highlight those differences to show what's possible.

Sole practitioners are excluded from this group, as their lower overheads structurally inflate net profit margins. References to 'all firms' or 'average firms' include sole traders as part of the full sample.

Firm size: Because a small firm and a 50-person practice don't face the same challenges, elements of the data are also cut by firm size across the full sample. Note that sole practitioners are not included in this breakdown as their survey sample size is too small to report reliably.

Grouping	Employee count
Small	2-10
Medium	11-50
Large	51+

Advisory services: in this report, ‘advisory’ refers to value-added services beyond day-to-day compliance and financial management – this includes focus areas such as investment, hiring, adopting tech, e-Invoicing readiness, and new business opportunities.

Survey quotes: to bring the data to life, we've included anonymous quotes from our survey participants.

Multi-response questions: where respondents could choose more than one answer, percentages will add up to over 100%.

AI time and money savings: figures are self-reported estimates, calculated using the mid-point of banded survey responses. RM figures are the reported weekly average annualised. See appendix for the full calculation.

The information in this report is a guide and should not be taken as financial, legal or business advice.

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FOREWORD

Benchmarking and beyond. Malaysia's accounting industry is at an inflection point and you get to determine what happens next.



Koren Wines,
Managing Director – APAC

In the last few years alone, the nature of the conversations Malaysia's accountants are having with their clients has changed.

What might start as a discussion about e-Invoicing or reporting often shifts into something deeper. A compliance question can become an opening for more meaningful guidance and strategic support – a sign of how the profession has evolved, and the opportunity this creates.

But it also raises some important questions. With new regulations reshaping what clients need, experienced talent hard to find and technology transforming how work gets done, the old ways of working are starting to show their limits. Practices across Malaysia are wrestling with the same challenges: how do we structure our firm for what's ahead? What services should we be offering? And how do we charge for the value we deliver? What are top performing practices doing in these areas?

These are the questions this playbook sets out to address across four key chapters covering: practice structure, AI use, service portfolio optimisation, and pricing. Our data can tell you where things stand and what sets Malaysia's top-performing practices apart. By enriching those findings with real-life case studies from leading firms and practical guidance from Xero experts, we've gone beyond benchmarking. We've created this playbook, to equip practice leaders with the insights and examples to build a practice that's ready for whatever's ahead.

As AI and regulatory shifts, such as e-Invoicing, accelerate the pace of change, clients are increasingly looking for deeper guidance from their accountants. The good news is that Malaysian practices are adapting in kind, with 91% already using or experimenting with AI and building more capacity for advisory, deeper client relationships, and the confidence to price accordingly.

You won't find speculation or hype in these pages; just data-backed findings, insights into what other firms are doing to drive success, and the human stories behind them. My hope is that you'll find ideas that inspire your thinking and motivate your growth, along with examples you can learn from and practical opportunities to take forward in your own practice.

Highlights: The anatomy of a modern practice

Malaysia's top-performing firms aren't simply adopting AI or expanding into advisory. They're redesigning elements of their entire operations to unlock the full value of both – from workflows, to service offerings, to pricing. Regulatory changes like e-Invoicing are catalysing this transformation even further.

HERE'S WHAT SETS THEM APART:

THE PROFITABILITY GAP ISN'T EFFORT. IT'S ARCHITECTURE.

Much of practice structure is, by default, a function of size. Even so, top performers reveal deliberate patterns. They are:

2.3x
more profitable than lower-margin firms

Over 1.5x
more likely to structure their teams around defined client segments

Nearly 3x
more likely to serve large businesses

AI IS THE PRODUCTIVITY ENGINE HELPING SAVE TIME AND MONEY*

91% of Malaysian practices are either actively using or experimenting with AI.

Across all staff combined, the use of AI tools saves firms almost **one working day** per week on average.

For top performers actively using AI in day-to-day workflows, those time savings increase:

All firms: 6.4 hrs per week **VS** **Top performers: 8.5 hrs per week**

When it comes to average yearly monetary savings, top performers see a significantly higher financial return:

All firms: RM 141,000 per year **VS** **Top performers: RM 205,000 per year**

**See appendix for survey question details*

E-INVOICING IS OPENING THE DOOR TO ADVISORY OPPORTUNITIES

Advisory offers the

highest

profit margin of any service offered

at 43%

Yet

less than half

of Malaysian firms currently provide it, with

23%

saying they don't have the capacity (a problem that AI is proven to help alleviate for firms).

The question is: how do firms make sure those gains show up on the bottom line?

TOP PERFORMERS CHARGE MORE FOR THE SAME WORK

Top performers are over

2x

more likely to plan a price increase above

20%

They also charge significantly more for the same services – including close to

one-third

more for tax.

The firms creating the most value aren't afraid to charge for it.

IT PAYS TO BILL FOR OUTCOMES OVER HOURS

Malaysian practices bill an average of

76%

of client engagements on non-hourly terms.

The biggest opportunity is moving up the ladder: from task-based fixed fees towards value-based models.

YOUR PLAYBOOK STARTS HERE.

CHAPTER ONE

The modern practice model

Built for success: the structural choices that set top performers apart

Before layering in new technology or expanding your service mix, you need the right foundations in place. While firm size shapes much of structure, no two practices are built the same. But within every size band, Malaysia's top performers pull ahead – and it comes down to deliberate choices: who to serve, how to build teams around them, and never letting billable work go untracked. With e-Invoicing reshaping the business landscape and client expectations shifting, getting the essentials right has never been more important. This chapter sets the scene for everything that follows, revealing how Malaysian practices are structured today, what top performers do differently, and introducing the leaders building modern practices on their own terms.



'Automation and cloud accounting tools can help improve efficiency, accuracy, and turnaround time, but clients still value clear communication, professional advice, and trust. Firms that can combine digital solutions with reliable, personalised support will be able to stay competitive and continue providing real value.'

Malaysian practice leader, Small firm

Key learnings: what the data tells us about laying the right foundations

Firm size plays a defining role in practice structure, influencing everything from staffing ratios to service mix. But Malaysia's most profitable practices share deliberate patterns regardless, and there's plenty to be learned from the choices behind them. Where relevant, we've cut the data by size – so you can take what's most applicable to your firm.

01 SIZE SHAPES STRUCTURE – DELIBERATE CHOICES SHAPE PROFITABILITY:

top performers are **2.3x** more profitable than lower-margin firms. What sets them apart is how efficiently they convert that revenue – through embedded technology, higher-value services, and pricing with discipline.

02 DEFINE WHO YOU SERVE (AND WHO YOU DON'T):

top performers are almost **3x** more likely to serve larger businesses (**31%** vs **11%**). Being deliberate about your ideal client – their size, sector, and complexity – is the structural choice that shapes everything else.

03 BUILD YOUR TEAM AROUND WHO YOU SERVE:

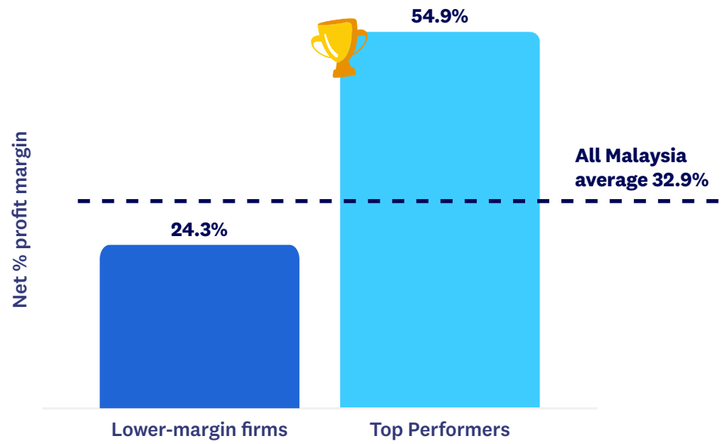
top performers are more than **1.5x** more likely to organise their teams around defined client segments (**31% vs 18%**). If headcount allows, let your ideal client profile shape how you structure.

04 DON'T LET BILLABLE WORK GO UNTRACKED:

top performers are significantly better at billing for tracked time – nearly two-thirds **(63%)** bill more than three-quarters of tracked hours, compared to just **43%** for the average firm. Every uncharged hour is profit that never makes it to the bottom line.

Decoding the profitability gap

Top-performing practices are **2.3x** more profitable than lower-margin firms.



However, they aren't simply charging more per head; the gap in revenue per full time employee between top performers and the average is minimal. What sets them apart is how efficiently they convert that revenue into profit: deeply embedded AI use, a higher-margin service mix, and pricing with confidence.

But none of this lands without the right foundations.

'The real success comes from balancing people, processes, and technology together.'

Alfred Ang, Founder and CEO, CALTRiX

HOW TODAY'S MODERN PRACTICES SCALE WITH SIZE

Before we dive into the blueprints behind top performers, it's helpful to understand how practice structures evolve as firms grow.

	Small (2–10)	Medium (11–50)	Large (51+)	Why it matters
Team structure				
Specialist roles by function	30%	70%	55%	Specialisation increases as firms grow (peaking at medium), creating greater efficiency and expertise.
Client pods or squads	23%	20%	20%	Few firms harness client pods outside of top performers.
Average partners/directors	1.0	3.1	17.8	Growth brings greater leadership capacity for more specialisation and oversight.
Client focus				
Primarily serve larger businesses	3%	6%	37%	Bigger firms tend to serve bigger clients.
Offshoring model				
Fully onshore	43%	31%	29%	The way firms source talent changes as they scale.
Hybrid team (dedicated offshore)	22%	30%	35%	Hybrid teams help firms scale capacity.

WHAT SETS TOP PERFORMERS APART

Top performers make deliberate choices about how their teams are structured and who they serve. This clarity of design is what can make AI, advisory, and value-based pricing land with full effect – the foundation that runs through each chapter of this playbook.

SPECIFICITY AND SENIORITY – TOP PERFORMERS DESIGN THEIR TEAMS DELIBERATELY

Client pods over generalists: over **1.5x** more likely to structure teams around defined client segments (**31%** vs **18%**).

Senior by design: almost **2x** more likely to run a predominantly senior practice (**15%** vs **7%**).

Top performers are less concerned with traditional team structures, and more likely to mould staff around specific client needs. The pattern is the same: a clear bias towards client-facing, high-value work.

TOP PERFORMERS FOCUS ON LARGER, MORE TARGETED CLIENTS

Bigger clients: almost 3× more likely to primarily serve large businesses (31% vs 11%).

Top performers know exactly who they serve. They're not afraid to be definitive – and the data suggests there's reward to be found in focusing on a smaller, more targeted pool of clients.

BILLING DISCIPLINE IS THE BASELINE FOR TOP PERFORMERS

Billing with discipline: nearly two-thirds (63%) of top performers bill more than three-quarters of tracked hours, compared to just 43% for the average firm. Every uncharged hour is profit that never makes it to the bottom line.



XERO EXPERT INSIGHT

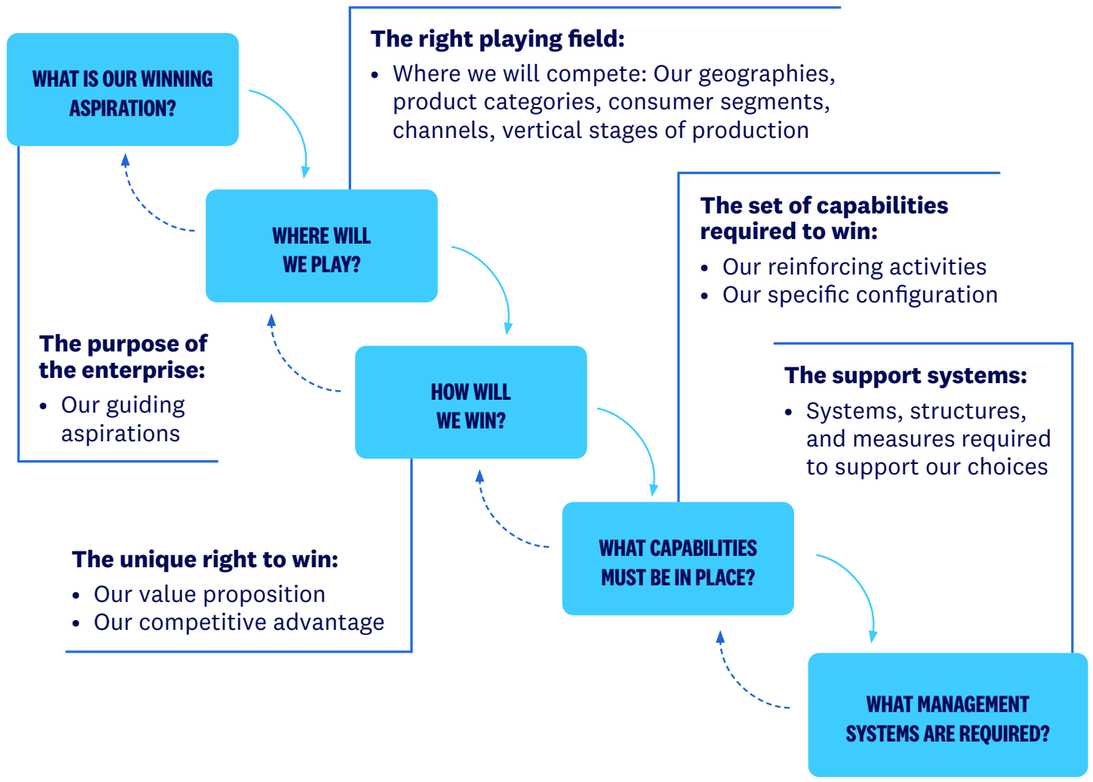
Angad Soin
Global Chief Strategy Officer

YOUR STRATEGY FOR BUILDING A MODERN PRACTICE

You spend most of your time defining success for your clients – but what about your own? The data in this chapter reveals the structural building blocks behind Malaysia's leading firms. But structure alone isn't enough – it needs to serve a clearly defined strategy. The framework, adapted from Roger Martin and Alan G. Lafley's Playing to Win, is a useful lens for any practice leader thinking about where they're headed.

What makes a winning strategy?

An integrated cascade of choices, and reinforcing those choices



Source: Roger Martin and Alan G. Lafley. (2013). Playing to Win.

THE QUESTIONS TO ASK YOURSELF:

- What does ‘winning’ actually mean for your practice? Depending on your goals, this could be anything from successfully expanding your advisory offering, to scaling a firm with genuine enterprise value you can one day sell.
- Does this aspiration provide a clear, inspiring direction that guides all other decisions?
- Where are you not going to play? Focus is essential – do you ever say no?
- What would make a client choose you over another firm?
- The golden question: what would need to be true for these choices to be a winning strategy?

Case study: the firm that went digital from day one



Alfred Ang, CALTRiX

LOCATION: Selangor, Malaysia **FOUNDED:** 2018

'Balance people, processes and technology. Miss any one and things collapse.'

When Alfred Ang founded CALTRiX in 2018, he was guided by two self-made promises: no printer and no photocopier were to enter their doors. Years later, neither has made it into the office. This might sound like a strange detail, but it represents something bigger. Every decision at CALTRiX, from the clients Alfred works with to the tools his team uses, is intentional and built to last. 'I wanted to move away from server-based desktop software,' he says. 'Cloud gave us the ability to give clients real-time data, anywhere, anytime.'

Today, CALTRiX runs as two distinct businesses: one focused on technology advisory and Xero implementation (CALTRiX), the other on monthly accounting services (Amis Asia). Together, they share one goal – helping Malaysian businesses go digital and understand their numbers in real time.



CHOOSING THE RIGHT CLIENTS

The CALTRiX approach is to be equally as deliberate about who they serve. Alfred's ideal client is a growth-stage business that wants to digitise, scale, and gain better visibility over performance. It's a considered choice, backed by data: top-performing Malaysian practices are **over 1.5 times** more likely to organise their teams around defined client segments (**31%** vs **18%**). Finding their niche has also shifted where new business comes from. 'Many years ago we had to create the demand,' Alfred says. 'Now clients come to us knowing they have an API they want to integrate.' Malaysia's e-Invoicing mandate – which requires every B2B invoice to be validated within 72 hours of issue, weekends and public holidays included – has only accelerated this, pushing business owners toward cloud accounting faster than the guidance itself can keep up. 'The guidelines have grey areas that AI can't yet resolve,' Alfred says. 'Clients need expert guidance to navigate them.'

PROOF IN THE NUMBERS

Alfred estimates Xero – including Syft Analytics and automated bank reconciliation – has cut data entry time by 30–40%, compared to firms still migrating off desktop software – a finding that is in line with the 93% of accountants and bookkeepers using Xero who agree they save time by reducing manual data entry (as surveyed in the United Kingdom, Australia and United States)*. The depth goes beyond the core platform, too: for one restaurant client, CALTRiX connected the point-of-sale system, the delivery platform and the kitchen-management software so every order, refund and stock movement flows straight into Xero without anyone needing to re-type a thing. It's the kind of connective tissue that makes cloud accounting actually work for each client's business. Tools like Syft Analytics go further still, giving clients consolidation, budgeting and forecasting insights that show where their business is heading, not just where it's been.

When COVID hit, that digital foundation proved its worth. While others were adapting to remote work, CALTRiX was already in the cloud – and kept growing. The same principles shape life inside the practice. Staff work flexibly, skipping Kuala Lumpur's punishing commute, and the digital-first environment creates career paths that look nothing like traditional accounting. 'A role here can move into tech, into education,' Alfred says – half-joking that he sometimes wonders if he's become more of a systems builder than an accountant. This adaptability has defined CALTRiX since day one, and is what sets modern practices apart.

ALFRED'S TIPS FOR BUILDING A MODERN PRACTICE

1. **Balance people, processes, and technology – in that order:** people set the standard, processes make it repeatable, technology makes it scale. Before investing in a new integration, make sure your team understands the workflow it's meant to support. Software accelerates a good process, but it can't fix a broken one.
2. **Start small and build confidence:** there's no perfect system. Start with a few processes where AI can help, let early wins build confidence, then go further. The firms that scale well learned to walk before they ran.
3. **Turn regulatory change into a deeper conversation:** when clients ask about e-Invoicing, they're often raising bigger questions. Use compliance conversations as an opening to explore what a genuinely digital finance process looks like. The practices that turn mandates into advisory conversations are the ones clients stay with.

CHAPTER TWO

The AI advantage

Turning time saved into real value for your team and clients

Amidst mounting industry pressures, AI promises to arm you with the most valuable asset of all: time. In this chapter, we go beyond adoption rates, uncovering where it's having the biggest impact, which tools are being harnessed, and the way modern practices are rethinking how (and who) they hire. Most importantly of all, our data reveals that effectiveness ultimately seems to hinge on one thing: knowing your processes. Of the practices actively using AI every day, **93%** rate their core business processes as well-documented, compared to **69%** of practices who don't use AI. This is critical to success because those top performers are saving **around a third more** time per week than average (and close to **50%** more in monetary value). How? Because it allows them to understand where to more deeply embed AI into the right workflows – and how to deliberately redirect the time freed up towards higher-value services. While AI handles the routine, leading practices are investing in what can't be automated: deepening client relationships.



'Stay adaptable – embrace technology while continuing to provide personalised, high-value client support. The firms that combine AI with strong expertise and proactive advisory are the ones that will build long-term trust and remain competitive.'

Malaysian practice leader, Medium firm

Key learnings: what the numbers uncover about using AI with intention

AI is a productivity engine behind Malaysia's most profitable firms. But with experimentation now widespread, the gap between top performers and the rest begins with how deeply these tools are embedded into daily workflows – and the benefits extend well beyond time savings alone.

01 BEGIN BY EXPERIMENTING, AIM FOR EMBEDDING:

91% of Malaysian practices are already using or experimenting with AI – but top performers are significantly more likely to have made it part of everyday workflows. The practices pulling ahead are the ones who have moved beyond light experimentation into active daily use. Adoption alone won't move the needle; depth will.

02 MAP YOUR PROCESSES BEFORE REACHING FOR TOOLS:

93% of those who are actively using AI in day-to-day workflows rate their core processes as well-documented. AI can only make your practice run better if you can articulate what your team does in the first place. With e-Invoicing creating new compliance workflows, you can now document processes and build a foundation for deeper AI use.

03 START WITH THE SOFTWARE YOU ALREADY USE:

48% of Malaysian firms using AI look to tools built into their accounting software. Integrated, in-platform tools are the lowest-friction starting point – for Xero users, that means the ease and security of AI that sits directly within their bookkeeping and accounting workflows. Inside Xero, JAX is your AI finance partner, amplifying your expertise by delivering actionable insights and automating routine work – with transparency, traceability, and human oversight built in.

04 TRACK TIME SAVED (AND WHERE IT GOES):

Without a plan, AI efficiency gains risk getting absorbed by low-value tasks. **49%** of Malaysian firms using AI intend to redirect freed capacity towards business development and new client acquisition. Decide where the hours will go – and plan accordingly.

05 GIVE YOUR TEAM TIME TO EXPLORE:

51% of Malaysian firms using AI cite self-led experimentation during work time as one of the training approaches that's successfully increased AI usage — the top pick among several effective options. Create the conditions for your team to learn.

06 HIRE FOR WHERE THE PROFESSION IS HEADING:

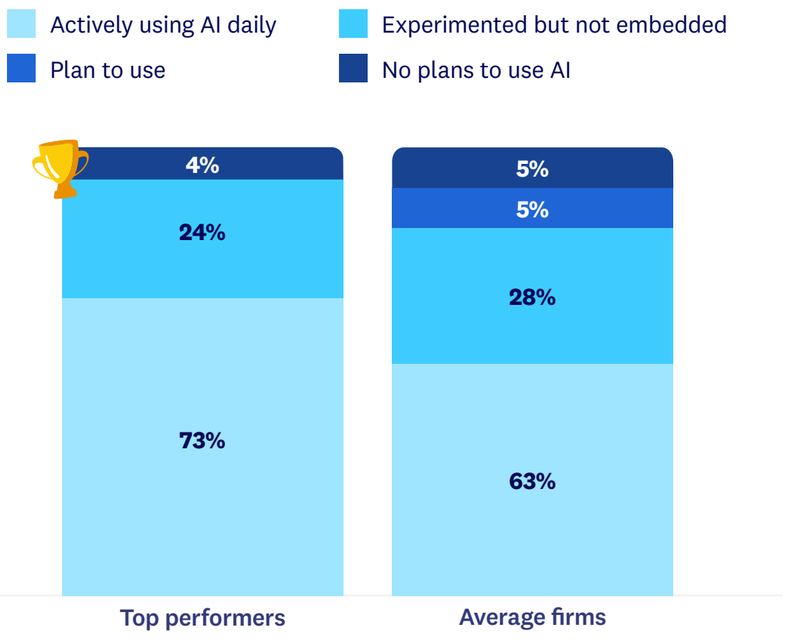
94% of Malaysian firms are already adapting how they hire as a result of AI – shifting toward tech-fluency and prioritising soft skills and relationship management, particularly for client-facing roles.



Top performers are all in on AI. And it shows.

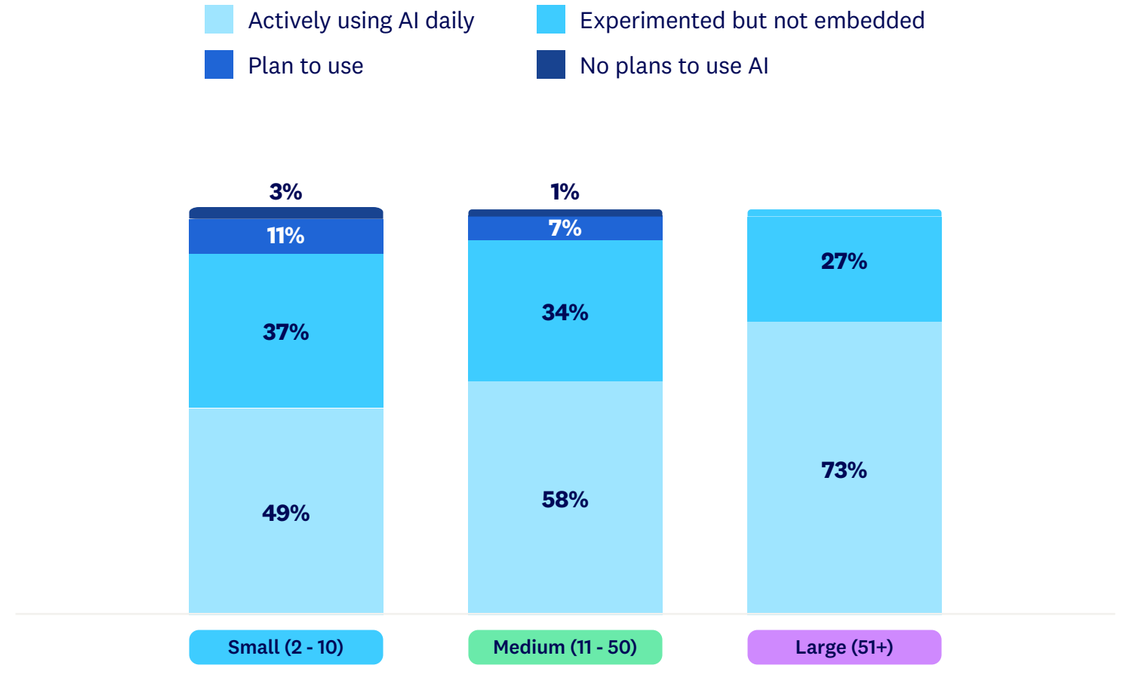
With **91%** of Malaysian practices having at least tried AI, in today's environment, adoption rates only reveal so much. Light use is now the baseline – what separates top performers from the rest is how deeply the technology is embedded.

73% of top performers actively use AI in day-to-day workflows, compared to just 63% of all Malaysian firms.



THE BIGGER THE FIRM, THE DEEPER THE AI USE

It's a common assumption that smaller, nimbler firms move fastest. But when it comes to AI, size has its advantages – medium and larger practices lead the charge, with the workflow volume to make AI pay off quickly and the teams to embed it properly.



There's a tangible difference between reaching for a tool occasionally and building it into how your practice runs. Embedded AI shapes workflows, saves time at scale, and compounds in value the more consistently it's used.

AI IS A PRODUCTIVITY ENGINE SAVING FIRMS TIME AND MONEY

By automating tasks like bank reconciliation, invoicing, and data entry, practices are reclaiming hours in their day. But just how much time?

Across all staff combined, the use of AI tools saves Malaysian firms almost **one working day** per week on average.

For top performers actively using AI in day-to-day workflows, those time savings increase:

All firms:	VS	Top performers:
6.4 hrs per week		8.5 hrs per week

When it comes to average yearly monetary savings, top performers see a significantly higher financial return:

All firms:	VS	Top performers:
RM 141,000 per year		RM 205,000 per year

THE SAME XERO AI TOOLS, BIGGER GAINS

Looking at Xero's AI capabilities specifically, a similar pattern emerges.

While top performers and average firms are equally as likely to use Xero's AI tools, top performers experience higher time and money savings:

All Xero firms:	VS	Xero top performers:
6.2 hrs per week		7.7 hrs per week
All Xero firms:	**VS**	**Xero top performers:**
RM 135,000		RM 179,000

All of which goes to show: the tools are already there. It's how you use them that counts.

The AI you need is already in your toolkit

Malaysian practices harnessing AI look to a range of tools:

- **56%** use standalone AI tools (such as ChatGPT or Claude)
- **48%** use AI inside their accounting software
- **48%** use AI in productivity software
- **36%** use accounting and bookkeeping-specific practice tools

Generative AI tools like ChatGPT, Gemini, and Claude are widely used for research, drafting, and content creation. Used on their own, these tools can save time, but they also introduce risk. The core issue isn't AI itself – it's where and how it's used. On their own, generic AI tools aren't trained on your firm's policies, your clients' data, or Malaysia-specific accounting and tax rules. They don't understand professional judgement, ethical obligations, or regulatory nuance.

AI should never replace professional judgement. Instead, it should support it; handling repetitive, rules-based tasks while humans retain oversight and decision-making.

Rather than relying on separate tools, many firms prefer AI that sits directly within their bookkeeping and accounting workflow. This allows transparency, auditability, and human oversight to be built in. For Xero users, that means the ease and security of an AI-native financial operating system that unifies core financial operations – including accounting, payments, reporting, e-Invoicing – and an ecosystem, into workflows orchestrated by JAX, with every action queued for your review.

That AI-native foundation works in three core ways: connected tools that automate across an entire practice and work wherever they do; collaboration that surfaces client insights before they ask; and custom apps that turn expertise into a competitive advantage. Every one of them is built on Accountable Intelligence™ – Xero's commitment to AI that businesses can trust.

ACCOUNTABLE INTELLIGENCE™

How trust shows up across JAX:

- **Full transparency.** JAX shows its reasoning at every step. Nothing moves without your approval.
- **Reliable answers.** JAX Assure ensures every answer is reliable with built-in guardrails.
- **Enterprise-grade security.** SOC2/ISO certified. Data never trains third-party LLMs.
- **Trusted at scale.** 20 years of trusted small business data, built with you – now relied on by 2M+ businesses.

XERO EXPERT INSIGHT

How you can do more with less using Xero's AI

Smart Document Capture: Smart Document Capture is Xero's built-in way to get cleaner data into the ledger from the start. It reads and extracts key information from receipts and documents automatically, so records can be created quickly without manual rekeying or switching between systems. That means healthier data from day one, less chasing and correction later, and more confidence in everything that follows.

Auto bank reconciliation: Auto bank reconciliation, powered by JAX, helps keep bank transactions and the ledger in sync with less manual effort. When Xero has a high degree of confidence, transactions are matched and reconciled automatically, while exceptions are surfaced for review. You can check the reasoning, correct anything that looks off, and review supporting documents, so visibility and control stay with you. The more it is used within your workflow, the more useful it becomes.

With a healthy foundation in place, JAX helps practices unlock capacity by taking on routine work and surfacing what needs attention. It goes beyond answering questions: JAX monitors signals across the workflow, highlights what matters, and helps teams focus their judgement where it adds the most value. It is designed to support professional oversight, not replace it, and is underpinned by Accountable Intelligence™.

Advanced reporting with Syft: Turn live Xero data into clear, valuable conversations with clients. Syft helps practices create polished reports, forecasts and visual insights that make business performance easier to understand and easier to act on. From tracking performance to planning ahead, it gives you the tools to deliver more confident, forward-looking guidance without building everything manually in spreadsheets.

ENABLING TEAMS TO DO MORE WITH LESS

Already, **47%** of Malaysian practices using AI say it has significantly allowed them to maintain or grow output with their existing teams.

In a profession already stretched thin by talent gaps, rising workloads, and new compliance requirements, freed capacity is one of the most valuable resources there is.

BEYOND EFFICIENCY, AI IS BOOSTING CLIENT INSIGHTS AND EXPERIENCE

Improved efficiency and time savings tops the list of benefits Malaysian practices report from AI **(37%)**. But the gains go further.

The ability to serve more clients without increasing headcount, and team learning and capability building, both follow closely behind at **36%**.

Together, they point to something more significant than productivity gains alone: AI isn't just helping practices deliver faster, it's enabling them to do deeper, better work.

> ***'The most important thing is to integrate AI tools to handle data entry, reconciliation and routine reporting, freeing up time to focus on strategic client advice.'***
>
> *Malaysian practice leader, Small firm*

TIME SAVED IS ONLY VALUABLE IF YOU KNOW WHERE IT GOES

When we asked Malaysian practices what they planned to do with the extra capacity AI gives them, clear priorities emerged:

49% plan to invest in business development and new client acquisition – using freed up time to grow their firms, not just run them.

42% plan innovation projects, such as experimenting with new tools, workflows or niches.

42% plan to design new service offerings or refine existing ones – turning efficiency gains into a more competitive practice.

41% will look to improve their pricing models – using the space AI creates to charge more confidently for the value they deliver.

37% plan to train or upskill their team members.

36% plan to do more high-value advisory work – putting time savings directly into the services clients value most.

Malaysian practices aren't just using AI to keep up. They're reinvesting that capacity to pursue more commercial ambitions: winning new clients, evolving their services, and improving how they price their work.



XERO EXPERT TIP

James Bergin
EGM Technology Research and Advocacy

ELEVATING YOUR AI USE

Avoid the 'productivity paradox,' where efficiency gains from AI are absorbed by low-value work. By knowing your key processes and knowing where the value is, you can deploy time saved to the right tasks to amplify your impact. Examine how the AI capability on offer might augment your ability to do more, do things differently, improve your methods, or remove something of lower value. For example, you could:

- Transform unstructured data into a more usable format to enhance your processes, OR
- Evolve a product or offering (for example, business plan creation) to deliver your specialist knowledge more efficiently at scale, OR
- Move to a different and more structured, scientific approach to experimentation – state a hypothesis, define a method, and gather data to prove or disprove it, OR
- Build quality control into your AI workflows – define standards for outputs, review processes, and checkpoints that ensure what leaves your firm is accurate and consistent.

AI IS RESHAPING WHAT PRACTICES LOOK FOR IN A HIRE

AI is evolving the nature of the work and the skills practices prioritise are shifting in response. Almost all **(94%)** Malaysian firms are changing how they hire as a result of AI.

43% **have shifted toward tech-fluency over traditional accounting skills.**

43% **now prioritise soft skills and relationship management – rising to 62% for top performers.**

Top performers are recognising that human qualities are more appreciated than ever in the age of AI.

THE FOUNDATION OF AI SUCCESS? KNOWING YOUR PROCESSES.

Practices actively using AI every day tend to have one thing in common: clear, well-documented processes.

Among daily AI users, 93% say their core business processes are well documented, compared to 69% of those who don't use AI.

The connection is hard to ignore. Clear processes help practices get more value from AI. As firms implement e-Invoicing, now is a good time to document new compliance workflows. Doing so can make future AI adoption smoother and help those processes run more efficiently from day one.





XERO EXPERT TIP

James Bergin
EGM Technology Research and Advocacy

HOW TO EMBED AI INTO YOUR PRACTICE'S WORKFLOWS

AI can't help streamline your processes if you can't articulate what your team does day-to-day. Successful integration begins with mapping out your core processes to identify bottlenecks and spot where AI can have the most impact.

Try this prompt to kickstart your discovery process: '*You are an expert at business process modelling. Help me model out the core processes of my accounting [or bookkeeping] practice. Start with the functions that are common to most accounting practices and ask me questions about the steps that we take in our practice to do things differently. Use Event-Driven Process Chain (EPC) notation in your diagrams.*'

Then, analyse the resulting process maps and ask questions to help identify where AI can bring the most value, for example:

- These _____ processes are the ones at the core of my business.
- My team spends ____% of their time on _____ activity.
- Our least efficient functions are _____ and _____.
- If I could save _____ minutes on the _____ function, that would improve things dramatically.
- Our highest volume, lowest cognitive load tasks are _____ and _____.

TWO OF THE BIGGEST BARRIERS TO AI? KNOW-HOW AND TIME.

Time is cited as a blocker by **38%** of firms, while **32%** point to a lack of technical know-how.

Many practices recognise AI's potential but struggle to find the time to implement it, while others lack the confidence to get started. The good news: freely available technical training online and in community groups are a strong place to start.

THE BEST WAY TO BUILD CAPABILITY: GIVE PEOPLE TIME TO EXPLORE

Making space for their team to learn is one of the highest-return investments a practice leader can make. When asked which training type best increases AI usage:

51% say self-led experimentation during work time.

45% point to formal training courses.

40% value peer-led coaching.

37% find online self-study useful.

The message for practice leaders: create protected time for your team to master these tools – not just a training budget.



'Celebrate small wins. Start with a handful of processes where AI can assist. Then build workflows with automation and AI agents – take it step by step.'

Alfred Ang, Founder and CEO, CALTRiX

CHAPTER THREE

Service portfolio optimisation

Advisory services: where the profit is and how to build your offering

Extra time is easily filled in a busy practice. But when the hours freed up by AI are redirected towards higher-value work, the return compounds. For Malaysia's accountants, e-Invoicing is proving to be the gateway into exactly this kind of work. Every practice helping a client through the mandate already has a window into how that business runs – a natural starting point for bigger conversations about performance, growth, and what the numbers are really saying. Client advisory delivers the highest profit margin of any service in this year's research, yet less than half of Malaysian practices currently offer it. Better yet, the benefits reach well beyond revenue – to deeper client relationships and a more resilient business model. The pages that follow reveal what Malaysian practices are offering, where the margins live, and what's holding some firms back.



'The future belongs to firms that move from being number processors to strategic growth partners.'
Malaysian practice leader, Small firm

Key learnings: what the data reveals about the advisory opportunity

For the practices that have already made the shift into advisory services, the results speak for themselves: stronger margins, deeper client relationships, and a more resilient business model. As client needs grow more complex, the practices pulling ahead are those expanding beyond compliance into tailored, high-value services. These learnings reveal which services are proving most valuable, where the biggest opportunities lie, and what's holding some practices back. Keep reading to dive deeper into the numbers, hear from Xero's experts, and learn from a modern practice paving the way.

01 THE MARGIN CASE FOR ADVISORY IS CLEAR:

less than half of Malaysian practices currently offer advisory, but those that do report it as their highest-margin service. At **43%**, it outperforms tax and bookkeeping. If you haven't expanded into advisory yet, the numbers make a compelling case.

02 E-INVOICING IS YOUR ENTRY POINT TO ADVISORY:

clients navigating the mandate are already coming to their accountants for help. That's your cue to surface their broader advisory needs – from cash flow, to financial health, and business planning.

03 LOOK TO AI TO FREE UP CAPACITY FOR ADVISORY:

23% of non-advisory practices cite bandwidth as the barrier, yet **nearly half** of Malaysian practices using AI say it has helped them hold or grow output without adding headcount. By automating tasks with AI tools, like Xero's auto bank reconciliation, you can move to simply “review and approve”, and start redirecting that freed up time to value-added services.

04 FORMALISE THE CONVERSATIONS YOU'RE ALREADY HAVING:

a quarter (**25%**) of non-advisory practices simply haven't started – yet many are already discussing cash flow, business goals and future plans with clients. Start with one client, one formalised conversation, and build from there.

05 CONSIDER TAX AND WEALTH ADVISORY AS A STARTING POINT:

36% of advisory practices rank it their most profitable service. And as a natural extension of the compliance relationship, it's one of the most accessible entry points into advisory.

06 USE CLIENT DATA TO OPEN THE ADVISORY CONVERSATION:

benchmarking tools like Xero Analytics let you show clients how they stack up against their peers – one of the most seamless ways to start an advisory conversation without it feeling like a sales pitch.

07 THE SKILLS YOU NEED MAY ALREADY BE AT YOUR FINGERTIPS:

nearly one-third **(30%)** of non-advisory practices cite a lack of skills or confidence as a barrier – yet virtually all **(99%)** advisory practices already use tools to support their work, with Xero Analytics favoured by **59%**. The tools to get started are likely already in your stack.

COMPLIANCE STILL DOMINATES – BUT ADVISORY IS WHERE THE PROFIT LIVES

Look across the Malaysian practice landscape and a familiar pattern emerges. Compliance remains the backbone; with bookkeeping, tax, and financial reporting forming the core of the average service mix.

Service offered	% of all Malaysian practices
Bookkeeping services	59%
Tax services	52%
Financial reporting	47%
Payroll	42%
Client advisory services	42%
Assurance/audit services	37%
ESG/sustainability reporting	36%
Corporate secretarial services	31%

While advisory is offered by less than half (42%) of Malaysian practices, those who do consistently rank it as their most profitable service.

As client needs become more complex, the firms that adapt and offer tailored solutions are gaining a competitive edge – this is where the real opportunity lies.

Practice size spotlight: Bookkeeping and tax peak among small-to-medium employing firms, while advisory offering rises steadily with firm size. The shift towards a more service-driven model exists at every level. The practices making that move are seeing the strongest returns.

WHEN IT COMES TO MARGINS, ADVISORY LEADS THE WAY

At **43%**, client advisory carries the highest profit margin of any service Malaysian practices offer. Tax **(42%)** and bookkeeping **(39%)** follow close behind.

If you're already offering bookkeeping, you have something most other advisors have to build from scratch: an established client relationship and a window into their finances. While expanding into advisory is a shift in how you work, the foundation is already there. And with the highest profit margin of any service on offer, the case for making the move is compelling.



ADVISORY REVENUE IS ON THE RISE

Half of practices offering advisory say its share of revenue has increased over the past five years.

But this isn't just a revenue story. The role itself is deepening, with clients increasingly seeking specialists who understand their industry and can help them plan ahead.

THE TOOLS FOR ADVISORY ARE ALREADY IN REACH

Virtually all **(99%)** practices offering advisory already use tools to support it. Xero Analytics is the most popular at **59%**, meaning most Xero users already have what they need to start the advisory conversation.

Excel follows closely **(56%)**, while specialist platforms built to support advisory services like Syft **(21%)** and Fathom **(33%)** are starting to gain momentum and represent a significant opportunity to scale advisory across the market.



XERO EXPERT INSIGHT

Duran Hamer
GM Sales, Syft Analytics

TURNING DATA INTO A SOURCE OF DIRECTION

An AI-powered analytics tool like Syft doesn't just provide data visualisations. It can identify trends, make suggestions about what to do next, and predict where things are headed. That means automatically creating reports, AI-generated summaries, long-term forecasts, and alerts for unusual activity, which come together to help you and your clients get ahead of what's next.

As for what comes next; it's your hard-earned expertise and client context that turns a report into a conversation – and a conversation into advice that genuinely changes outcomes. For instance, maybe they want to open a new location or hire an additional staff member. AI can handle the automation and analysis, but not the professional judgement; it's you who can guide your clients on what makes the most sense for their business. AI should support your expertise, not replace it.



TAX AND WEALTH IS THE MOST OFFERED ADVISORY SERVICE

Tax and wealth planning is the most widely offered advisory service in Malaysia, with **36%** of advisory practices naming it their single strongest earner (second only to ESG advisory, at **50%**). As a natural extension of the compliance relationship, it's one of the most accessible entry points for practices ready to expand their service portfolio.



Advisory services offered

ESG ADVISORY: HIGH RETURNS, LOW COMPETITION

Only one third **(31%)** of practices currently offer environmental and social governance (ESG) advisory. However, among those that do, **50%** rank it their most profitable advisory service.

As sustainability reporting requirements continue to evolve, ESG remains one of the clearest examples of an emerging service area with strong commercial potential.

THE BIGGEST BARRIER? CONFIDENCE.

Nearly one-third **(30%)** of non-advisory practices say they lack the skills or confidence to offer it.

25%
simply haven't started

23%
cite capacity constraints

The good news: these are practical barriers, not permanent ones. Many practices are already having advisory conversations – they're just not yet formalising or charging for them. Tools like Xero Analytics, Syft and JAX can help bridge that gap – surfacing insights and drafting commentary that turns client data into a conversation worth having.

'Businesses want advisors who understand their industry, communicate clearly, and genuinely care about their growth, not just someone who submits forms before deadlines.'

Malaysian practice leader, Small firm



XERO EXPERT INSIGHT

Simon Foster
Global Director of e-Invoicing

TURNING E-INVOICING INTO YOUR ADVISORY ENTRY POINT

Malaysia's e-Invoicing mandate is well underway, and most of your small business clients are now in scope. However, readiness is still a real gap, and with this comes the opportunity to expand into deeper advisory conversations. Accountants who act early can make an impactful difference – helping clients avoid preventable validation errors, reduce manual work, and navigate the rollout with confidence. Beyond this, it promises to shift your client relationships from reactive compliance to that of a trusted advisor. Your job is to turn a mandate into a plan. Here's how:

1. **Know who's in scope:** phasing is based on FY2022 audited revenue, so the first step is working out exactly where each client sits. Businesses with turnover from **RM1** to **RM5 million** came into scope on 1 January 2026 – though some qualified for a concessionary implementation date. Don't assume a lower-turnover client is automatically exempt – always check against the latest LHDN guidance.
2. **Get setup right first time:** clients need to have registered with the MyInvois Portal. Ensure the registration details in Xero and the MyInvois Portal are the same and are correct.
3. **Clean up client data before submission:** most validation failures come down to incomplete contact records – confirm each contact has the correct TIN, BRN, business registration details, address and phone, and that MyInvois classification codes are in place where needed.
4. **Get the consolidation rules right:** the default is individual e-Invoices for every transaction – consolidation is a permitted exception, not a shortcut, and only applies in specific circumstances. Self-billed e-Invoices are similarly restricted to a handful of scenarios, like payments to agents or foreign suppliers. Smaller businesses get some breathing room: Phase 4 clients (turnover up to **RM5 million**) can rely on consolidated e-Invoices through to 31 December 2027, though it's worth helping them build towards full individualisation ahead of 1 January 2028.
5. **Monitor submissions regularly:** use Xero's reporting tools for transaction-level visibility and to reconcile between Xero and the MyInvois Portal. Consolidated e-Invoices must be submitted within 7 calendar days of month end.

Case study: the firm making advisory the baseline

Jeremy Chia & Carissa Soon, CK Partners

LOCATION: Kuala Lumpur **FOUNDED:** 2015



'We use the monthly financial statements as our starting point. When clients see what their own data is telling them, they start asking for forecasting and advisory naturally.'

When Jeremy Chia wrote 'Why Break Even – a guide to digitalising accounting practices', he was putting into words a belief that still shapes CK Partners today. Namely, that small businesses are more than compliance cases, they deserve deep, considered advice. That founding principle led CK Partners to Xero in 2018, giving the team real-time access to client data and a stronger foundation for client conversations. Since then, CK Partners has expanded beyond compliance into services including Virtual CFO and company secretarial support. Because for Jeremy, that's exactly where the advisory opportunity begins – with a conversation.

GETTING MORE INSIGHTS OUT OF CLIENT DATA

For many practices, the monthly financial statement is the final deliverable. At CK Partners, rather than sending reports and moving on, the team uses them to spark discussions about business performance. As clients begin to understand what their numbers are telling them, the conversation often pivots to bigger questions around cash flow, forecasting, and growth. It's an approach backed by data; 90% of accountants and bookkeepers using Xero agree that it makes client collaboration easier.*

The CK Partners team relies on Syft to power the financial analysis and consolidation work behind their advisory services – using it to turn client numbers into the kind of clear, forward-looking insight that underpins offerings like their Virtual CFO service. Today, Syft works alongside Xero, Dext, Hubdoc, and Claude in CK Partners' tech stack, helping the firm deliver the real-time, data-driven advisory that has become a hallmark of its modern practice model.

Nearly a third **(30%)** of non-advisory practices say a lack of confidence or skills is what's holding them back. Jeremy's experience suggests the bar is lower than it feels: 'The advisory conversation doesn't have to start with a pitch,' he says. 'It starts with the numbers your client already has.'

SEE E-INVOICING AS AN OPENING, NOT AN OBLIGATION

Malaysia's e-Invoicing mandate brought a new wave of clients to CK Partners–business owners who'd resisted cloud accounting for years but now had reason to act. Rather than treating it as a compliance checkbox, the team used it as a doorway into something bigger: helping clients build real financial visibility. Jeremy explains, 'The mandate compelled many business owners to finally adopt accounting software, which created new opportunities to bring more clients into a digital way of working.'

The value of that approach became clear during COVID-19, when 95% of CK Partners' clients remained open after the pandemic. Jeremy attributes that resilience to real-time data and the ability to advise quickly on cash flow, sustainability and government relief when it mattered most.



CK PARTNERS' ADVISORY TIPS

1. **Start with the numbers:** use monthly financial statements as an advisory conversation starter. When clients understand what their numbers mean, deeper discussions often follow.
2. **Use regulatory change as an opening:** every e-Invoicing question is an opportunity to have a broader conversation about how technology can help clients run their business more effectively. Solve the immediate challenge, then help clients see the bigger picture.
3. **Formalise the work you're already doing:** if you're regularly providing guidance beyond compliance, consider defining the scope and pricing it as a dedicated service. A clear offering helps clients understand the value they're receiving and can make advisory easier to scale.

**Source: survey conducted by Xero of 1214 accountants and bookkeepers using Xero in United Kingdom, Australia and United States, May-June 2024.*

CHAPTER FOUR

Evolving your pricing approach

Pricing for outcomes over hours

AI is transforming the economics of the profession. Hourly billing means every hour saved by automation is an hour of revenue lost – a paradox where efficiency becomes a liability. Encouragingly, Malaysian practices are billing an average of **76%** of client engagements on non-hourly terms – and **45%** using value-based pricing say it's made their practice more profitable. Today, the real opportunity lies in value-based models that charge for outcomes, not effort. Top performers are already there: charging **almost a third** more for tax services alone, and **twice** as likely to plan a price rise above **20%**. The gap isn't just about confidence – it's about recognising what pricing actually signals. It tells clients how you view your own skills, dictates who you serve, and how much you take on. Above all, it's a promise that this investment will be even more valuable to their business and achieving their goals. Get it right, and pricing becomes one of the most powerful levers in your practice.



'Providing a transparent pricing structure builds customer trust and reduces misunderstandings regarding service costs.'

Malaysian practice leader, Medium firm

Key learnings: charging for the value you create

Setting the right price for your services isn't just about numbers – it's about understanding your value, communicating it clearly, and building a sustainable business. As practices take on a bigger role in helping clients navigate change, they create more value, and pricing is how that value gets recognised and rewarded. While many Malaysian small businesses remain highly price-conscious, leading firms are showing that value-based pricing isn't about charging more overnight – it's about helping clients see the impact of your work and building confidence along the way.

01 MOVE AWAY FROM TIME AS THE DEFAULT:

Malaysian practices are already shifting towards fixed or value-based pricing models, with **76%** now billing most engagements on non-hourly terms. The direction of travel is clear: clients are buying outcomes, not time.

02 BENCHMARK AGAINST HIGH-PERFORMING PRACTICES:

top-performing firms consistently price with more confidence, charging around **32%** more for tax services, **28%** more for financial reporting, and **26%** more for payroll. Clients aren't buying hours; they're buying certainty, accuracy and expert judgement – and communicating this upfront is key.

03 MAKE VALUE VISIBLE TO CLIENTS:

value-based pricing isn't just a pricing model – it's a communication tool. **53%** of Malaysian practices who use value-based pricing say it helps clients better understand their services, and **48%** say it's made client expectations easier to manage. Clear framing reduces friction and strengthens relationships.

04 BUILD REGULAR, CONFIDENT PRICE REVIEWS:

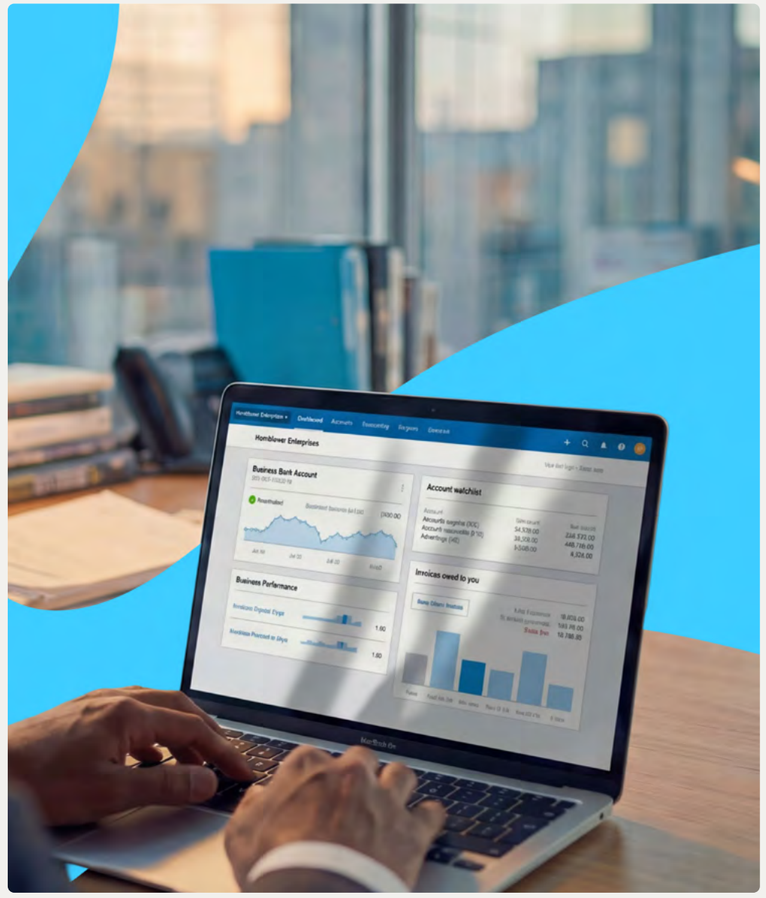
price increases should be part of normal business practice, not a reaction to pressure. **61%** of Malaysian practices plan to raise prices this year, and top performers are twice as likely to plan increases above **20%**. Regular review helps protect margins and reflect growing expertise.

05 DON'T LET EFFICIENCY REDUCE YOUR REVENUE:

hourly billing can penalise efficiency – if AI reduces the time a job takes, revenue falls with it. Under value-based pricing, those gains stay in the business as improved margin, so you benefit directly from becoming more efficient.

06 DON'T LET CLIENT SOFTWARE COSTS EAT YOUR MARGIN:

more than a third **(37%)** of Malaysian practices still absorb software costs within their fees rather than charging separately. The majority **(63%)** have already moved to recover the cost or build in a margin – treating software as part of the value delivered.



YOUR NEXT STEP UP THE VALUE LADDER

Three quarters **(76%)** of Malaysian practices already bill most of their engagements on non-hourly terms – most commonly through fixed fees per piece of work **(29%)**, fixed instalment fees **(26%)**, or value-based pricing **(21%)**.

Non-hourly models — **76%**

- Fixed instalment fees **26%**
- Fixed fees per piece of work **29%**
- Value-based pricing **21%**

Hourly models — **24%**

- Hourly billing **24%**



The bigger opportunity now is moving up the ladder: from task-by-task fixed fees towards value-based models. Unlike fixed instalments – which spread a set fee over time – retainers cover ongoing service, support, or access. These relationship-focused approaches can help generate steadier income, deepen client relationships, and help turn efficiency gains into margin.

When clients pay your fees, they're not simply paying for clean books and a completed tax return. They're paying for the peace of mind that comes with every e-Invoicing submission, every conversation, and every forward-looking projection.

PRICING FOR VALUE CAN PAY OFF

Among practices already using value-based or fixed-fee pricing, the benefits go well beyond the bottom line:

53% say value-based pricing helps clients better understand their services

40% say clients see more value in their services

48% say it has made client expectations easier to manage

35% say it allows them to more easily upsell services

45% say it has made their practice more profitable

34% say it has helped to increase revenue



XERO EXPERT INSIGHT

Sarah Foo
Director of Sales, APAC

MOVE FROM REACTIVE TO PROACTIVE AND PRICE ACCORDINGLY

The way a client perceives your fee depends entirely on the timing and relevance of your insights. If you're looking at historical data, you're usually called in when something goes wrong, so your fee is perceived as a damage control cost. When you work with live data and initiate conversations, that same fee feels like an investment.

The shift is from reactive to proactive. From fixing the books to making decisions. From charging a compliance fee to charging for advice that's worth far more. With real-time visibility through Xero, including tools like Analytics and JAX, it's easier to spot what's coming before your client gives you a phone call. That's when your advice carries the most weight and your pricing should reflect it.

TOP PERFORMERS CHARGE MORE FOR THE SAME WORK



When looking at an hourly rate, top performers charge significantly more than average firms for many of the same core compliance services. The largest premium is in tax services, where top performers charge almost one-third more than the average practice. The pattern holds across financial reporting, and payroll too – suggesting this premium is built on reputation and confidence rather than complexity.

TOP PERFORMERS CHARGE MORE FOR THE SAME WORK

Three in five **(61%)** Malaysian practices plan to raise prices this financial year. The distinction isn't whether they raise prices; it's by how much.

Top performers are **2x** more likely to plan price increases above **20%** this year **(80%** v **39%)**. This is a strong indication that practices that know their value and have the client relationships to support it are pricing with confidence.

WHY PRICES ARE RISING:

47% say clients need more support

45% are offering more advisory or higher-value services

45% are actively shifting their pricing model

43% cite inflation and higher operating costs

38% are passing on software subscription costs

The reasons split into two camps: value creation and cost recovery. Tellingly, it's the value-driven reasons that lead – more advisory, more client support, and evolving pricing models – ahead of inflation and software costs. Malaysian practices aren't just raising prices to keep up; they're doing it because they're delivering more.

SOFTWARE COSTS ARE WORTH RECOVERING

More than **1 in 3 (37%)** practices absorb software costs as part of their fees, without charging clients separately.

The majority **(63%)** have already moved past this approach: **30%** recover the expense by passing it on at cost, while **32%** go further and mark it up, turning the cost into an added margin line.

Where to from here

While the pace of change shaping Malaysia's accounting and bookkeeping industry can feel daunting, moving into the future with the right tools in place is less a leap of faith than a confident step forward.

The practices pulling ahead share a common thread:

- **Deliberate about who they serve** and how they structure their teams, rather than trying to be all things to all businesses.
- **Actively embedding AI into daily workflows** – and extracting around a third more time and close to 50% more in monetary value as a result.
- **Using e-Invoicing as the entry point into deeper,** higher-value advisory conversations.
- **Moving beyond fixed fees per piece of work** towards value-based models.
- **Pricing with conviction,** both charging more for the same work and planning higher price rises.

Taking these steps is made all the easier with the right software behind you. Built for your practice's expertise and your clients' ease, Xero turns live data into clear, visual insights – giving you the clarity to focus on your clients' future. It's why 90% of accountants and bookkeepers using Xero agree it helps them feel more confident advising their clients.*

JOIN OVER 250,000 ACCOUNTANTS AND BOOKKEEPERS USING XERO IN THEIR PRACTICE

**Source: survey conducted by Xero of 1214 accountants and bookkeepers using Xero in United Kingdom, Australia and United States, May-June 2024.*

Your checklist for building a modern practice, today

BUILD THE RIGHT FOUNDATIONS

- [ ] Be deliberate about who you serve – focus beats breadth
- [ ] Never let billable work go untracked – charge for everything you deliver
- [ ] Get your processes in order before reaching for AI tools

EMBED AI INTENTIONALLY

- [ ] Aim to move beyond occasional use, and build AI into the right daily workflows
- [ ] Start with the AI already built into your accounting software
- [ ] Set clear guidelines on consent, data handling and approved tools
- [ ] Measure time saved by AI and direct it towards higher-value work

TURN COMPLIANCE INTO COMMERCIAL OPPORTUNITY

- [ ] Use e-Invoicing as the entry point for deeper client conversations
- [ ] Formalise one advisory conversation you're already having
- [ ] Consider starting with tax and wealth advisory – the most profitable entry point for most practices
- [ ] Use live client data to spot and start advisory conversations proactively

PRICE WITH CONVICTION

- [ ] Move away from hourly billing – price for outcomes, not time
- [ ] Move up the ladder and explore value-based models
- [ ] Build regular price reviews into your calendar – don't wait for pressure to act
- [ ] Recover software costs as a client investment, not a practice overhead

Appendix

SURVEY OVERVIEW

The survey ran from 7 May 2026–23 June 2026 (for full details on the survey sample and approach, see the *About this* report page).

SAMPLE AND WEIGHTING

We weighted the data so that each of the four practice size segments makes up **25%** of the total sample. The unweighted breakdown was:

Practice size	Unweighted n	Weighted %
Sole practitioners (0-1 full-time employees)	26	25%
Small practices (2–10 full-time employees)	107	25%
Medium practices (11–50 full-time employees)	143	25%
Large practices (51+ full-time employees)	51	25%
Total	**327**	**100%**

CALCULATING AVERAGES

Where questions used a banded scale (ranges rather than exact figures), we used the midpoint of each band to calculate averages. See examples below.

Time saved from AI

Survey question:

Q. To the best of your knowledge, approximately how much time does your practice save per week across all staff due to the use of all AI tools (e.g. ChatGPT, JAX, Claude, Dext, Zato, Brief, Onboard Me, FYI Automation etc.) — single choice.

Response option	Midpoint used
We're not saving any time	0
Less than an hour	0.5
1 hour to under 2 hours	1.5
2 hours to under 5 hours	3.5
5 hours to under 10 hours	7.5
10 hours to under 15 hours	12.5
15 hours to under 20 hours	17.5
20 hours to under 30 hours	25
30+ hours	30

Money saved from AI

Survey question:

Q. To the best of your knowledge, approximately, what is the value (in RM) your practice saves per week across all staff due to time saved by use of AI tools? (e.g. ChatGPT, JAX, Claude, Dext, Zato, Brief, Onboard Me, FYI Automation etc.) — single choice.

Response option	Midpoint used to calculate average
RM0 (it doesn't save us any money)	0
RM1 – RM249	125
RM250 – RM749	499.5
RM750 – RM1,499	1,124.5
RM1,500 – RM2,999	2,249.5
RM3,000 – RM4,999	3,999.5
RM5,000 – RM6,999	5,999.5
RM7,000 – RM9,999	8,499.5
RM10,000 or more	10,000
Don't know	excluded

To calculate annual figures, we multiplied the weekly average by 52 (e.g. RM 2,709 per week × 52 ≈ RM 141,000 per year, as cited in the report).

For the open-ended top band with no upper limit, we used the lower bound of the range (RM10,000). The weighted average across respondents was then calculated using these midpoints.

ADDITIONAL DEFINITIONS

AI users: firms that are either actively using AI in day-to-day workflows, or have experimented with AI but haven't yet embedded it consistently. Firms that haven't tried AI, or are only aware of it without having used it, are excluded from this group.

Non-advisory practices: firms that indicated they don't currently offer any advisory services, based on their survey response.

For full definitions of 'top performers', 'all firms', and firm size groupings, see the *About this* report section



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