It's time to take a long, hard look at the accounting software your
office uses to serve clients. Not because there is anything wrong with what
you've used all these years, but because the software we use has improved
so dramatically over the past few years that the decisions made in decades past
may no longer be valid.

Some 15 years ago, when I first started writing this column, accounting software
was a mess. Rooted firmly in DOS, static and often spreadsheet-based, it sat
there like a three-color lump on the screen. In those days, the big question
was, "Which tax program would print a return the fastest?" Heck,
they even held "shootouts" to time them and declare winners and
losers.
No one even thought about Windows For Workgroups 3.11, or the Mac. If there
was any thought given to the impending release of Windows 95, it was half
anticipation
and half trepidation. Today, the software has improved so rapidly that it is
almost less an evolution than a revolution. In the space of a single half-decade,
we have seen whole genres of software, like payroll, become an online service
… with full HR support incorporated. Virtually every type of software
has gone through an extensive upgrade in usability, navigation and appearance.
Colors in the output have become more vibrant and now routinely include not
only printed output but full-screen presentations in PowerPoint and web output.

We've seen the accounting software industry go from a couple of dozen
major competitors to three strong dominant players in Sage, Microsoft and
Thomson,
with Quicken and others firmly and successfully positioned in their major markets.
In fact, it is interesting to note that in the past year alone Peachtree has

come roaring back to life as a major small/mid enterprise accounting package.

(with Sarbanes-Oxley just the beginning).

The paperless office never arrived, but in its stead we have seen the emergence of document tracking, management and retrieval capabilities that have become mission-critical elements in every accounting office. Educational and compliance tools that once came only in massive paper tomes or on CD are now an online resource, fully indexed and searchable. Service bureaus that were nearly dying at the turn of the century have come back to life — a major part of the tax and payroll services available to accounting firms.

So what does all of this mean to accountants in practice today? In practical terms, it means that the criteria used to select software and online solutions for clients just a few scant years ago may not be valid in the 21st century. It means that just as hardware has evolved to become faster, better, smaller and more connected, software has changed.

For some firms, the change was taken in stride, and no further action is necessary. But for the majority, and particularly those whose programs were acquired, sold, killed off or transitioned, it may be necessary to start from the ground up with a whole new set of criteria and a new selection process.

Painful? Yes. Expensive? Probably. Necessary? Absolutely. The alternative is to operate a firm without the benefits of effective practice, client and document management. Or you may have a software suite lacking just the one or two features needed to land new accounts.

The software and solutions that will drive accounting in the 21st century are already out there. And they're waiting for you.

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