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*From the Oct. 2008 Issue*

Thomas Friedman made quite an impact with his 2005 best-seller “The World is Flat.” His list of 10 “flatteners” — technologies that interconnect the people and economies of the world in ways never before possible have proven to be eerily accurate. What originally felt a little distant suddenly feels much closer to home.

Here at The CPA Technology Advisor, we work hard to make sure our content is appropriate across the breadth of public accounting, and we take special efforts to keep the stereotypical “small practitioner” always at the center of our efforts. Remember that firms of fewer than 10 comprise over 90 percent of all practices in the United States. It's with this backdrop that I found a few nuggets from our latest reader survey to be so fascinating. Our survey tells us that nearly one-third of you (32.41 percent to be exact) have “clients doing business on an international level.”

Coupled with the well over one-half of you (56.48 percent) serving clients that “sell products directly on the Internet,” one very quickly begins to understand that our profession IS changing, and it's changing to better serve clients who are, in turn, changing to better serve their customers who are, in turn, living in a flat world!

Technology

is at the heart of all of Friedman's flatteners ... except the fall of the Berlin Wall (which to many is attributable to the Star Wars imitative technology), which Friedman admits is metaphorical anyway. Technology is not

only the enabler (i.e., the root CAUSE), but it's also the SOLUTION to

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days" (say the late '70s!), the appearance on PCPS and the SEC Sections of the AICPA seemed to be foreshadowing a true big GAAP/little GAAP divide. As we all now know, that certainly didn't happen. Instead, what happened was an almost crippling growth in standards and a flight to cash basis accounting (and OCBOA) by smaller firms serving smaller clients. Fast forward 30+ years, and we're back at the same dance. IFRS will soon be mandated for all U.S. public companies.

That will almost immediately be expanded (if only by practical market force) to all subsidiaries and then quickly to major trading partners. The professional accounting educational system has already begun incorporating IFRS into its curricula, and the AICPA has announced that the CPA exam will soon include IFRS as part of the "body of knowledge." But this time things are different. HALF of us serve clients selling on the Internet (note: the Internet is not good at recognizing international borders!), and nearly ONE-THIRD of us serve clients doing business internationally.

Our profession is neatly arranged in firm sizes designed to properly serve clients who, when stratified by size, roughly mirror our own stratification. Firms tend to serve clients up to about five times their own size. And there are just enough of US to serve THEM! And if THEY (our clients) begin doing business in ways that will require their reporting to meet IFRS standards, then WE will have no choice but to help them comply. This isn't going away, and we will have to deal with it. Technology caused it.

The good news is that technology will be at the center of the solution, as well. Just as the Internet has obliterated "here" and "there" for sales, it has done the same for services. Professional services firms can now access world-class expertise via the Internet and be fully competitive with

larger, more geographically diverse firms. WebEx, LogMeIn, Citrix, GoToMeeting,

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stood alone as green-bar implemented providers serving our profession. They've now been joined by [PayCycle](#),

[Bill.com](#), [SmartVault](#)

and [FileTaxes.com](#). The

Certification Authority/Browser Forum (CAB Forum), the author of the guidelines for issuing Extended Validation (EV) SSL certificates, recently announced that approximately 5,000 EV SSL certificates have been deployed. If you want an interesting

conversation, ask YOUR vendor why they haven't adopted this new, higher level of security. Send me a note about your chat. I'd love to hear!

Web Find: Last month, I blogged [[www.TheTechGap.com](#)]

about a new Outlook add-in called XOBNI. The acronym is INBOX backwards. In spite of the cheesy name, it's a very slick little add-in. Word is that Microsoft tried to buy them but, like Yahoo!, they valued being independent. If you have e-mail management needs (and who doesn't), you might want to give this a try. Oh, by the way, it's FREE!

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Mr. LaFollette is Executive Editor of The CPA Technology Advisor. He is the Senior Manager of Tax and Technology Consulting at Eide Bailly, LLP, and can be reached at [greg.lafollette@cygnuspub.com](mailto:greg.lafollette@cygnuspub.com).

He also publishes the tax and accounting blog at [www.TheTechGap.com](#).

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