Now that I have your attention, let me explain my rhetorical question. One of the topics covered in this issue is about accounting products and how to select the one that works best for you and your clients. While there are many things to consider, I would add the following: Does the accounting package allow your data to stay alive or does it just sit there like a wet noodle, dead on arrival?

Accounting, by nature, is historical and data driven. The recognized "Father of Accounting" was an Italian monk, Luca Pacioli. Pacioli taught accounting to the merchants of Venice, but he was more at home with and interested in math. In fact, one of his students was Leonardo da Vinci. Most of our accounting principles came from one chapter in a treatise on mathematics from 1494. Clearly, our roots in accounting are a bit more scientific than we may have realized and are prone to be numbers focused. Unfortunately, as we have all probably learned by now, "lying with numbers" is a possibility that happens all too often.

When you just look at the numbers, you are missing the bigger picture. As an entrepreneur, I feel that the transaction view is not complete unless you have an "end-to-end" view of what makes up the transaction — the story behind the numbers. For example, knowing that you paid ABC Incorporated last month is interesting, but what about the contract for ABC Incorporated, all the bills/invoices you have ever received from them, all the cleared check images from them and the notes of yellow stickies with comments and directives attached to those bills. All of that information is part of the transaction — the notes, documents, payments and history. Just looking at the numbers is like not seeing the forest for the trees.

Speaking of trees, try this analogy on for size. We have a family tree on

The last 10 years of my career have pointed out to me that the processes behind the accounting transactions are as important as the record of the transaction. To date, accounting software has been focused more on the record and not the process. All of that is changing with the growing adoption of web-based services. As you evaluate your accounting software solutions, you might want to consider the following:

- **Does the accounting product seamlessly incorporate the supporting documents?** I can't tell you how many times I have drilled down on a P&L only to be stumped when I got to the original transaction and wasn't able to see the actual invoice or supporting contract. Ideally, you should get the documents into your solution with an email, fax or scan from you or your vendors/customers.
- **How connected is the accounting software to your bank?** More and more information is getting to the point of being just a click away from your bank. When a vendor calls and asks if you have paid them, it is handy to know the date that the check cleared. Or if a customer says they paid, it's pretty useful to know the date the deposit hit your account. Given the fast moving pace of online banking, this should be a given in any application considered.
- **How well does the product allow collaboration between you and your clients?** Accounting and the processes surrounding the books are an iterative and collaborative process. All the comments, approvals, denials and questions should be attached to your transaction forever. You never know when you'll be curious about the details and not have the same folks on the job to ask.
- **Does the product leverage dashboards that you can customize?** We all know that there are basic dashboard items such as cash flow that every business needs, but we also know that every business has its own buttons.

The advent of dashboards enables you to customize what your clients and

from my mobile phone empowers me to chase down that partner or watch the kids perform in a school performance without missing a beat. Combine this flexibility with the power of collaboration for which the web is known, and you have a must-have feature for accounting software.

The last 20 years of accounting software has focused on reporting and easy access to the data. I think the next few years will focus on creating the "end-to-end" transaction view while helping you and your businesses with the processes surrounding
the data. In the end, this is where the data lives. In the end, you'll
be surprised that with the right tools your creation will take form and you
can claim, "It's alive!"

Firm Management