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The term *workflow* as it relates to tax, accounting and other segments of information administration, is not new to business professionals. The use of technology tools to

aid in the control of workflow is, however, on the rise and is helping many

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areas ranging from protection of sensitive content to improved procedures relating to organization assets. In the following two examples, both benefits are illustrated.

1). Jenkins, Adkins and Jones, CPAs has a traveling audit staff that consists of six accountants. These auditors submit weekly expense reports in order to receive reimbursement for the expenses they incur while working on behalf of the firm. In the past, the expenses were documented on a spreadsheet, which was printed out and given to the audit manager for review. Amounts that surpassed a predefined dollar threshold were supported with receipts stapled to the report. Once the audit manager reviewed and approved the reports, she forwarded them to the payables clerk who would enter the expenses into the accounting system, making sure they were charged to the proper general ledger accounts and engagements. This required a fair amount of time, and occasionally errors occurred during the entry process.

Recently, the firm began using an online workflow tool design to help with expense reporting. The auditors now build their expense reports from anywhere an Internet connection is available or from a mobile computing device such as a smartphone. The camera built into many phones may be used to capture images of required receipts and easily attach them to the applicable expense. The field auditors now take less than half the time previously needed to complete the reporting task. Once reports are submitted, the audit manager reviews them, alters them as necessary and then approves them for payment by the accounts payable clerk. The manager can view the underlying receipts in any PDF viewer. The AP clerk no longer needs to re-enter the information into the accounting system; instead, she imports it from the workflow mechanism, reducing both time required to key the information and the occurrence of data-entry errors.

2). A manufacturing entity was struggling with control over its raw goods inventory and contracted with a technology provider to help with the problem. The consulting company determined that, due to the large volume of materials handled, proper

documentation of things such as product type, location in the warehouse where

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control number for the corresponding goods. They placed hand-held Wi-Fi-enabled scanners into service and created three different types of barcodes to aid warehouse workers. The first series of barcodes was stored in a notebook kept near the dock where product was received. When items arrived, the receiving employee would find them in the barcode book and use the scanner (on the barcode in the book) to record the receipt of goods. Then, using the keypad on the device the quantity received would be entered. The inventory control system would then generate a new barcode, specifically associated with a particular receipt and print a label that could be affixed to the received product. Finally, as items were placed into bins or onto shelves in the warehouse, a third barcode found at the actual warehouse location was scanned to associate the goods with a specific place in the building. The addition of this workflow process, which included the use of computing hardware alongside a software component, saved time and added much greater accuracy to the raw goods inventory, making the overall organization much more profitable.

Components of an Electronic Workflow Process

Some of the key components generally found in an effective electronic workflow system include routing capabilities, authorization, monitoring and alerts. In many cases, organizations that utilize technology to control the flow of processes do so in an effort to properly route information. Companies that use a purchasing system, for example, want requisitions for goods to go through an authorization process. These requests can be automatically routed to different individuals with varying levels of authority depending on their dollar value.

Authorization control can also be an extremely important aspect of a strong workflow scheme. Good systems can make it difficult to circumvent internal controls relating to the proper approval of transactions. Additionally, companies can

configure their systems so that the information flow is affected not only by the

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Many of these “software checks” can be achieved using database procedures that run periodically and scan for values in the information. These are fairly simple to create and can help establish tremendously beneficial controls.

Finally, alerts associated with issues found as part of the monitoring process are paramount to most successfully implemented workflow systems. Many organizations find it nothing short of amazing that a communication thread is started without direct user action. Systems use email, instant messaging, pop-up messages and even audio prompts to alert the proper individual to the possibility that an issue has arisen.

Workflow Examples

Companies and individuals are using workflow tools every day and have become accustomed to their presence. One such example is found in Microsoft Outlook: The use of email to schedule meetings along with subsequent rescheduling efforts as participants accept or deny the request for interaction is a regularly used electronic workflow tool that has become common enough to be taken for granted. Other applications often used by accountants also have workflow functionality built in.

Accounting software ranging in price from a few hundred dollars up to hundreds of thousands of dollars have built-in workflow capabilities. Products that don't have the required tools may be improved via an association with third-party add-on software. Tools to capture payroll data, aid with purchasing processes, improve customer relationships, control inventory and even automate standard general journal entries are all available in or for a variety of applications.

Tax software products can import data from outside sources such as financial institutions or business management applications and route the information in order to reduce tax preparation time. Workflow processes can continue as

practitioners work on tax documents. They are routed to various forms and sections

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help!

Karl Egnatoff, CPA.CITP, began his career in public accounting by participating in audits of financial institutions, nonprofit organizations, governmental units and private sector companies. He is an inaugural graduate of the Certified Integration Developer (CID) curriculum developed by Microsoft and holds numerous technology certifications such as Microsoft Certified Professional (MCP) and Certified Software Engineer, (CSE). Karl has provided accounting and technology consulting and training for more than 16 years.

Technology

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