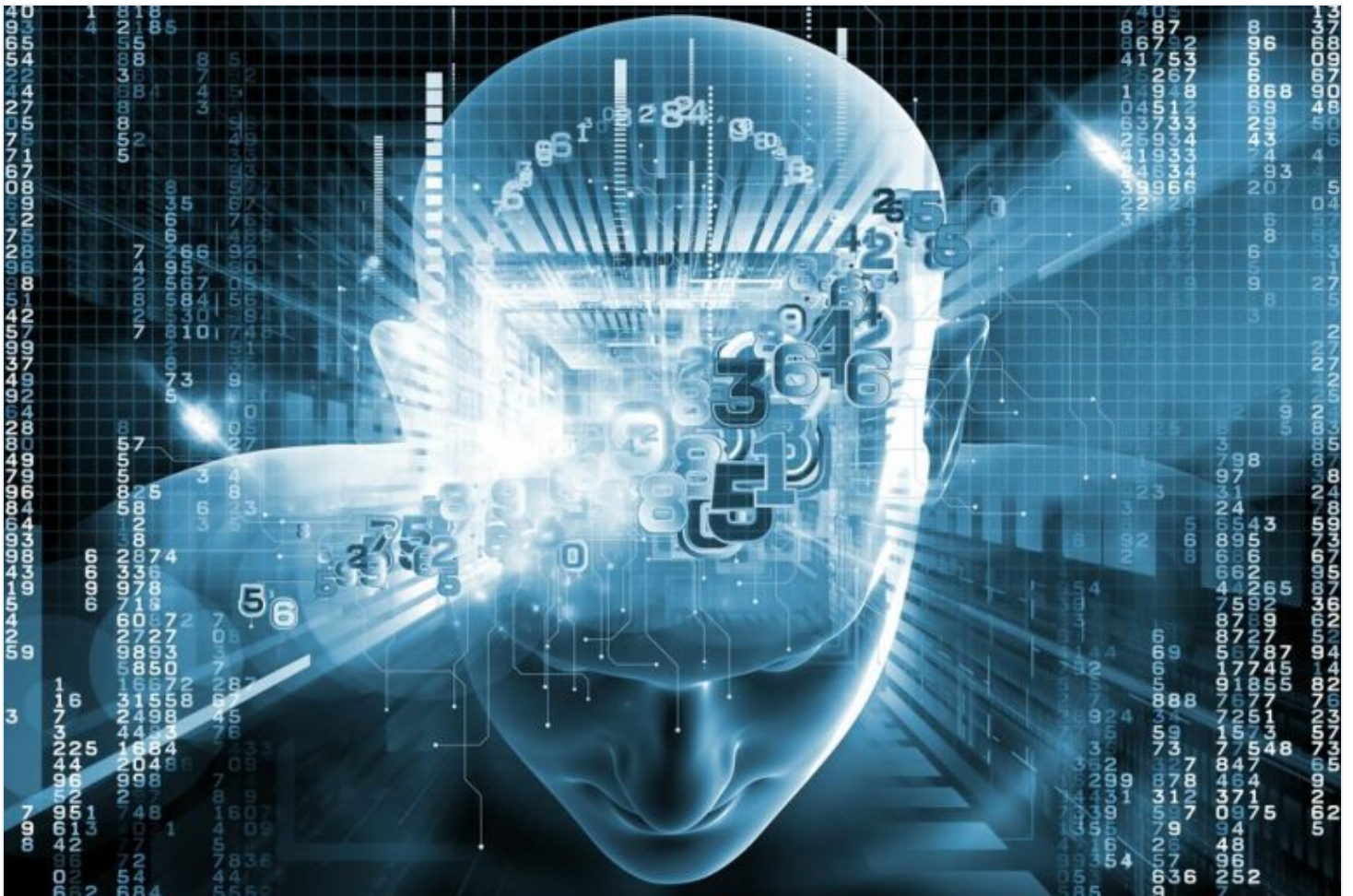


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majority of small business owners (72%) continue to rely on the human advice of their accountant, according to new data from Xero.

Jun. 06, 2018



Even as artificial intelligence promises to alter the professional landscape, the vast majority of small business owners (72%) continue to rely on the human advice of their accountant, according to new data from [Xero](#).

Accounting is often used as an example of one of the professions most likely to be negatively impacted by AI and automation. For example, [a recent McKinsey study](#)

suggested that as many as 800 million jobs could be lost worldwide to automation

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small business clients. In fact, 90 percent of small businesses who use Xero connect with an accountant.

According to the [Small Business Administration](#), approximately half of small businesses go out of operation within five years. By contrast, data from countries where Xero is already established shows that 85 percent of businesses working with an accountant on the Xero platform succeed [five years and longer](#).

Data from Xero's new study shows that advances in technology mean that small business owners want to work with an accountant more than ever before. That's because they rely on them as a trusted advisor who can help navigate a period of change. The study, released at [Xerocon Atlanta](#), shows that:

- **Accountants are the most trusted source of business advice:** Accountants are the most trusted, and frequently used, source of advice for small businesses — beating out peers, friends/family, online communities, lawyers, consultants, and financial advisors. Two-thirds (65%) of small business owners find the advice provided by their accountant very, or extremely, beneficial to their business.
- **Small businesses don't see advances in tech as a replacement for their accountant:** Seventy-two percent of small businesses would still use an accountant even if they had an app using AI to automate accounting. Additionally, 80 percent of small business owners plan to continue working with their accountant over the next 12 months.
- **Accountants have an opportunity to help small businesses navigate changes in technology:** As trusted business advisors, accountants can play a key role helping small businesses realize the benefits of technology. Accounting firms are increasingly evolving from a focus on compliance services, such as tax, to more complex business advisory services, such as advice on managing major business transactions. Employees at these firms spend about eight hours each month

educating themselves about new business apps — that’s double the four hours per

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She added, “We know that small businesses are more successful when they work with an accountant. At Xero, we are using technology like AI and machine learning to build a platform that enables accountants to work even more closely with their small business clients – further increasing the odds of long-term success.”

Added Gohman, “This data shows that advances in AI and automation are not the doomsday scenario for the accounting industry that is commonly portrayed. Instead, this is a massive opportunity for accountants to play an even bigger role in helping their small business clients succeed. Technology alone will never be the solution; technology combined with people will be.”

The survey of 512 small business owners was conducted by MMR Research Associates, Inc. between the dates of May 14, 2018 and May 17, 2018.

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