Another busy season is chalked up in the history books, and it is time for firms to evaluate opportunities to improve their firm processes while they have the luxury of the slower extension season to make sure they get things implemented right. To help firms get a jump on deciding specifically which technologies they should be looking at, the Association for Accounting Administration (CPAAdmin.org) surveyed 115 member firms at the tail end of busy season to find out what technologies they were already using, and which they felt would be the most important for firm administrators and partners responsible for firm technology to push through over the next few months. The survey focused on six core working areas, encompassing the following: Security, Firm Productivity, Network Infrastructure, Firm-wide Management, Mobility, and IT Governance/Compliance. The findings are outlined below.

1. Security

The top security technology for firms to evaluate this year was Encryption, which included hard disk encryption, file encryption and email encryption. Thirty-seven percent of respondents had already addressed the topic and implemented solutions in their own firms. From our experience, we have seen medium and larger firms implement solutions such as TrueCrypt, Sophos, PGP and DriveCrypt. While many firms have utilized passwords on attached files to protect that data, not many have been utilizing end-to-end email encryption, which will probably change due to laws passed in Nevada and Massachusetts promoting encryption. There was a tie for the second most important security technology with Remote Access Security and Security Awareness reaching the same point total. Fifty-one percent of firms already felt they had adequate remote access security, and 29 percent were doing security awareness training. A great resource to help firms develop a security training program that is "understandable" is StaySafeOnline.org run by the National Cyber

that promoted better client service. Not surprisingly, respondents voted Portals for Client Delivery the number one technology, with 45 percent of participants saying they had already implemented a portal solution. We have seen good adoption of products such as LeapFile (leapfile.com), FileGenius (filegenius.com) and ShareFile (sharefile.com) as stand-alone tools but feel that for those firms that have already implemented a document management solution, it is worth paying a little extra for the integrated portal solution to minimize administrative time for transferring and managing files. (See www.CPATechAdvisor.com/go/2775 for more on portal technology) Promotion of "Next Generation" accounting products from Thomson Reuters (cs.thomsonreuters.com) and CCH, a Wolters Kluwer business (cchgroup.com) that have been re-written and based on a central core of data was the number two firm production technology selection. With only 14 percent of respondents already installing them, you can bet many of us will be talking to those firms over the summer to see which products are ready for adoption this year. The third most important production technology selected was developing an Electronic Data Retention Policy that would support the firm's transition to "less paper" technologies, which just over one-third of firms had implemented. There were 11 other process improvement topics discussed with Scanning Technology being already utilized by 47 percent of firms and 38 percent already having a document management application in place.

3. Network Infrastructure

For the "technical" components of the survey, Microsoft Windows 7 was selected as the top network infrastructure item. Nineteen percent of respondents had already implemented Windows 7, but the survey did not determine to what extent these firms had implemented it. From our interviews with firms during 2010, we have seen virtually all Windows 7 adoption specifically within the IT departments and almost none in the tax, audit or accounting areas, where there would be the most to gain.

With many firms still standardized on Windows XP, and an operating system

number two network infrastructure technology recommendation was to move to Internet Based Backups, which 18 percent of firms where already utilizing. A significant increase in Internet bandwidth available to firms at a lower cost is making the backups more feasible, and many IT companies and data centers are now offering this service at a price that is much less than buying a new tape backup and the required number of tapes. (Read more about online backup at www.CPATechAdvisor.com/go/2741.) The third most recommended network infrastructure was Server Virtualization, which 36 percent of respondents had implemented. This technology utilizes software to run independent instances of accounting applications on a very large server to make it act as if each application was running on its own server, which translates to measurable cost savings from both a hardware and support view, making it a great technology for those firms replacing any servers this year (see www.CPATechAdvisor.com/go/2450 for more on virtualization).

4. Firm-wide Management

As previously mentioned, respondents feel that Next Generation applications that are built off a central database will have a significant impact on accounting firm technology. Twenty-two percent of survey participants had implemented a Next Generation Practice Management program and voted this the number one Firm-wide Management technology. Thomson Reuters and CCH are already touting the benefits and success of their new products, both of which have "Outlook-like" interfaces and customizable dashboards, so we expect to see a lot of transitions to these types of practice management/time & billing systems as the end of the year approaches. The number two management technology selected was Disaster Recovery/Business Continuity, with 30 percent of firms claiming to already have adequate solutions in place. As firms transition to web-based cloud computing applications, we anticipate that the vendor will take more responsibility for backing up the data and making it

available through other means, taking much of the burden off of firms. (For 6 Steps

encompass using server tools such as Windows Terminal Server and Citrix, as well as smartphones and air cards connected via the digital cellular networks to connect from any place when needed. The second mobility priority was adopting Field Networking Best Practices, which one-third of respondents felt they had done. This would include processes to ensure that personnel working in the field can easily connect to each other and shared resources such as printers, scanners and data drives. More than 51 percent of firms were already using Mobile Communication Devices such as smartphones and Internet-connected workstations, which we feel will become standard for all mobile workers in the future.

6. Compliance/Governance

The final section of the AAA Firm Administrators IT survey dealt with "following the rules" imposed by legislation and designated within the firms to manage them. There was a tie for the top spot between Training and Creating an Information Security Program. Thirty-five percent of respondents stated they were providing training on departmental applications, which we feel should be 100 percent today. With all the discussion about moving to Next Generation applications, it will be more important than ever for firms to adopt these tools successfully, which will only be done by having a proper training program and firm culture that supports it. The survey found that 22 percent of respondents had created an Information Security Program, which should increase this year as Security Awareness was one of the top three security technologies selected in the first section. The third governance item selected was Compliance with State/Federal Regulations, with less than one-third of firms feeling they were adequately covered. With a continual stream of new legislation coming from all sides, firms will need to find a way to identify practical guidance on what impacts them, which we expect to come through the AICPA and the accounting firm associations via designated experts in the firm … so expect a more formal infrastructure to evolve.

The complete results of the survey can be found on the Association for Accounting

Hello. It looks like you're using an ad blocker that may prevent our website from working properly. To receive the best experience possible, please make sure any blockers are switched off and refresh the page.

If you have any questions or need help you can email us

CPA Practice Advisor is registered with the National Association of State Boards of Accountancy (NASBA) as a sponsor of continuing professional education on the National Registry of CPE Sponsors.