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All things in life change. It is inevitable that we evolve. Accounting solutions are no exception and as with everything else the web is forcing a new species to evolve while old ones become extinct.

The web is forcing evolution on multiple fronts. All of them, driven by collaboration. Collaboration is at the core of the web and us humans are getting used to it. In fact we are at a point where we can't live without it. While not all of us are tweeting and posting on Facebook every day, many of us are. So what does this new found collaboration mean for accounting software? Ultimately, better tools for you to run your practice and advise your clients thereby increasing the results of both.

There are many accounting and financial solutions online that are leveraging the

invoice, I don't know whether the invoice was lost in the mail or the customer is ignoring me. With a collaborative web solution, I know if the customer opened the invoice, if they have questions and when they have scheduled a payment. With that information I can make assumptions about when I will receive their payment and that determines when I can pay my bills.

2. **Accounts Payable.** In a paper-based process, employees will often loose track of bills that need approval. In fact I have missed paying many bills because a bill got lost and failed to make it to me. This resulted in angry vendors and late fees. Both things I don't like. And it's why the average cost to process a payable is $38.77. But with the web, I can collaborate real-time with employees from anywhere to understand the status of an invoice and whether or not I should pay it. More transparency and more accountability is a really good thing.

In addition to the above examples, I have seen some very interesting companies recently that are leveraging the centralization of data in even more collaborative ways.

1. **Data Entry.** No one likes doing data entry especially when you are looking at a form that was already entered once. It seems and is redundant. Tools on the web are enabling businesses to eliminate data entry by leveraging the open API's from each accounting software company/platform. The web allows someone to create the invoice in one accounting system and to have it automatically be received as a payable in a different accounting system with no data entry. Furthermore, once the payable is paid, the web can automatically update the invoicing party's receivables and cash accounts. Pretty cool, eh?

2. **Loans.** Small businesses have the hardest time getting capital. In part it is because each business is unique and hard to evaluate against a portfolio. That's why some startups are focusing on leveraging the data in the accounting system to understand the underlying risk with each business. In fact, there is a company that

will make a loan decision and have money in your PayPal account in 7 minutes.

Ultimately when you get technology to do things you couldn't do using the old method you increase productivity and hence results. It's how businesses are growing and adding additional locations without needing more staff. It's how accountants are growing their number of clients while keeping their staff the same size.

It's how we will all do business in the future. Those that continue to evolve will find new opportunities and those that don't may find themselves extinct like the dinosaurs.

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