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It's that time again to provide you with our CPA Firm Technology and Production predictions for the year ahead, as well as to recap the results of our 2015 guesses. While this article was written two months before year end as the US political environment was heating up, our exit polls are "projecting" that 2015 was one of our better predictive years with seven WINs, two DRAWs and one LOSS which we will try to convince you of, followed by our 2016 Predictions:

1. **Windows 10 Success (WIN):** We will rate this a WIN as firms that have utilized Windows 10 have stuck with it as a solid upgrade to Windows 7, without the negative "baggage" that hounded Windows 8 since its release.
2. **Mobile Device Management (MDM) Adoption (WIN):** We see enough firms implementing remote policies and adopting the ability to erase data on lost or stolen devices (primarily via Microsoft Exchange Server) to tag this as a WIN. While no single dedicated MDM application has proven dominant, they have made noticeable inroads along with including the Microsoft Exchange option.
3. **QuickBooks Online Delivers on Improvements Promise (WIN):** While the volume of improvements is not phenomenal, the subscription numbers are pointing to more new clients doing their analysis and adopting QuickBooks online than competitive/on premise products and then sticking with it. While still not as robust as the local QuickBooks Pro we are accustomed to, Intuit continues to add functionality to its Online offering, making this a WIN prediction.
4. **Firms Promote Knowledge Staff over IT (DRAW):** Our net prediction was that overall internal hours for training full time equivalents (FTEs) would increase as traditional internal IT FTEs decrease, throwing out traditional staffing metrics.

While we saw a trend towards firms decreasing internal IT staffing count, we did

good adoption of collaboration tools such as Join.me, LogMeIn, TeamViewer utilized for client support, but much less adoption of Lync (now Skype for Business) than we expected, so while this is definitely not a WIN, it is also not a LOSE prediction.

7. **Telecommuting a Revived Reality (WIN):** As cloud and remote access technology becomes more prevalent, we have seen the number of firms that allow some of their established employees to work remotely at least one day per week increase. We can confidently take a WIN on this prediction, which we see being even stronger in 2016.

8. **Virtual Firms Make Double Digit Leap (LOSE):** Unfortunately, we could not find verification of the percentage increase of virtual firms on any survey this year to prove/disprove "Double Digit" so we are taking the honorable way out and calling it a LOSE guess.

9. **Still No Mac on Worker's Desks (WIN):** While we did hear of some very small firms that acquired Macintosh computers for partners or administrative staff, the tax and audit workstations utilized in today's CPA firm continue to be dominated by Microsoft PCs.

0. **Outsourcing Re-Invigorated (WIN):** The CPAFMA Benchmark survey found the number of firms using outsourced services for tax scanning and data capture increase during this past busy season as well as the number of firms contemplating outsourcing during the extension season jumping, making this a final WIN prediction.

While you are invited to do your own "fact checking" and debate our interpretations of 2015 results, we will calmly redirect the topic to what we really want to talk in about, which is the future and our 2016 predictions!

1. **Windows 10 Primary Adoption:** Since most firms will hold off new implementations until after busy season, we predict that there will be an

overwhelming recommendation to move to Windows 10, including updating all

real estate management with snapping and task views, we expect to see 24" or larger, high definition screens taking the place of two previous displays and being the majority of new purchases in 2016.

4. **Subscription Pricing Permeates:** While most of us are used to paying annual subscription fees for tax software, practice management maintenance, and antivirus software, we will start paying annual subscription fees for Adobe Acrobat, Office 365 applications, and potentially Windows 10 (for new computers that are not grandfathered in). This will have a significant impact on future IT budgets as firms are forced to leave behind the "version skipping" mentality of the last decade.

5. **Office 2016-Big Meh!:** My kids tell me "Meh" is the cool term for total indifference, saying you simply don't care, which is what we expect to hear CPAs and IT people say about Microsoft Office 2016 throughout next year. While the product has been optimized for tablets and smartphones, our audit engagement binder providers will take a long time to support this version so the majority of us will continue to use our existing Office version for another year until we are forced into the subscription pricing model in Prediction #4.

6. **Audit Binder Replacement:** We see Thomson Reuter's AdvanceFlow pushing their firms to adopt a web-based audit binder, but our real prediction this year is that Wolters Kluwer will announce a web-based, replacement solution for their beloved, but aging CCH Engagement application that will integrate with their Axcess suite allowing auditors to work securely anywhere there is Internet connectivity.

7. **Outsourced CPA Security Established:** Unfortunately, we expect to hear about a couple of firm's network security being breached with direct client consequences, which will drive firms to increasingly outsource their network security monitoring. This will also result in firms putting more applications in the cloud because security is monitored continuously at an enterprise level, which the firm could not afford to do on their own.

8. **Introduction of Turnkey DRP (Disaster Recovery Plan):** With everyone going to

Exchange, Outlook, they will want to try Skype for Business (formerly Microsoft Lync) and will realize the benefits of also having instant messaging, screen and file sharing along with audio and video calling in the familiar Microsoft menu format.

0. **US Tax Code Revoked:** Just kidding on this one. While many of the politicians are threatening major changes and overhauling our tax code, the reality is that the majority of them would be personally penalized so our unfortunately cynical prediction is that tax laws will continue with minimal changes next year. However the positive impact will be our prediction that the lack of any substantial changes will allow the major accounting vendors breathing room to improve customer service in 2016 and we will predict that firms will be happy with how their tax software and support worked!

After the strong success of our 2015 predictions we realized that we went a little too safe, so this year we hope you see that we are going for some larger stretches. Hopefully our predictions are giving you some different IT angles to consider and maybe you will question some of your current IT decisions. We hope that we all have a profitable and exciting 2016. Have a great busy season!

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Roman H. Kepczyk, CPA.CITP and Lean Six Sigma Black Belt is Director of Consulting for Xcentric, LLC and works exclusively with accounting firms to optimize their internal production workflows within their tax, audit, client services and administrative areas. His Quantum of Paperless Guide (Amazon.com) has been updated with the 2015 paperless benchmark statistics and outlines 32 digital best practices all accounting firm partners need to understand today.

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