

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

payroll, forecasting cash flow and making payments, among other tasks, gives certified public accountants a comprehensive set of tools that can set small businesses up for...

Dec. 31, 2019



The Fintech revolution is having a profound impact on the way businesses large and small operate. It's also creating new opportunities and redefining how accounting professionals serve their clients' needs.

The advent of integrated, cloud-based software for managing accounts, processing payroll, forecasting cash flow and making payments, among other tasks, gives certified public accountants a comprehensive set of tools that can set small businesses up for success.

These new tools also make it easier for CPAs to help their clients overcome one of the

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

Consider that global venture capital-backed financial technology funding jumped more than twofold in 2018 to \$40.3 billion, from \$18.3 billion a year earlier, according to CB Insights. That includes firms vying to challenge banks and other financial services companies that cater to small businesses.

## **A Versatile Toolbox**

With 2020 around the corner, CPAs can expect many of the technology innovations that have begun to transform financial services to be more widely adopted. That means, if you're an accounting professional who hasn't had much experience using integrated Fintech solutions, you should consider adding them to your tool box as you advise your clients, particularly small businesses.

## **Integrated Platforms**

At the heart of the value proposition of this new technology is the integration of various platforms for handling accounting tasks. This includes everything from cash flow management and payroll, to invoicing and employee time tracking.

The real-time integration of these tasks also yields invaluable business intelligence. Take cash flow management, for example — the lifeblood of any business. Companies become much more effective at managing and forecasting their cash flow in an integrated environment.

Without an integrated approach that enables accounting professionals to have a real-time view of the firm's revenue and outlays, or that automates the issuance of invoices by considering upcoming expenses, firms risk a shortfall of cash when it comes time to fund payroll or other needs.

Integrating payroll, invoicing and other administrative tasks and functions avoids

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

## Fintech Financing

Perhaps the biggest growth area in business-related financial technology is in the category of financing. According to [a recent study](#), it's getting more difficult for small businesses to secure loans from traditional lenders. At the same time, more businesses are starting to turn to alternative lenders to obtain credit.

Alternative lenders have become a welcome source of financing for small businesses in recent years. The sector handled some 32% of all business loan applications last year, up from 24% in the previous year, according to data from the Federal Reserve.

This is another area likely to continue growing in 2020, which is good news for small businesses. That's because these lenders use technology to access a broader set of data from borrowers, increasing the likelihood of loan approval. And the process is faster and simpler than a traditional bank.

The right alternative lender can streamline a business owner's access to credit by analyzing data from across the borrower's integrated accounts. This financial flexibility is a key asset for small businesses, and something accounting professionals should consider when advising clients.

As more high-tech solutions usher in new and more streamlined ways to manage accounting tasks, leverage data and optimize how businesses operate, the role of a CPA becomes increasingly more strategic and collaborative, and less about just "pencil pushing."

The use of data to drive business insights is a key reason why Fintech is revolutionizing financial services when it comes to small businesses.

## What's Next?

Some technology companies that already offer payroll services are wading into

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

get paid. New payment capabilities launched within the last month make it possible for businesses to pay a vendor via a credit card without the recipient having a merchant account. Businesses can now send payments on their charge card with just an email address, without every sharing their credit card information, for faster and more secure payments.

All of these advancements ultimately help accounting professionals cut down on redundant tasks, enabling them to focus more on playing a more strategic role in their client's business.

=====

*Dave Olson is the President of Payroll for [FINSYNC](#), a consolidated cash flow management platform focused on helping businesses grow. He has more than 35 years of CPA, CFO and accounting industry expertise. Prior to joining FINSYNC, Dave established NorthStar Payroll, serving small- and medium-sized businesses and non-profits. FINSYNC's intuitive online tools help automate payments and accounting, and provide valuable insight through cash flow analysis. The [lending network](#) gives businesses access to fast, affordable financing. FINSYNC's virtual community of specialists provides unrivaled support with bookkeeping, accounting, human capital management, financial analysis and corporate strategy. Follow [@FINSYNC](#) on Twitter.*

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