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ACCOUNTING & AUDIT

COVID-19 'Crashes In' New Role For Accountants Of Becoming '24-Hour Digital Accountancy People'

Accountancy practices which have already gone digital are already experiencing more streamlined and speedier workflows.

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Due to the COVID-19 pandemic, accountants have ‘crashed in’ to their new role as ‘24-Hour Digital Accountancy People’ according to Prism Solutions’ new whitepaper, ‘Digitizing Accountancy: Breaking New Ground In A Challenging World’.

COVID-19 ... is fast-tracking digital transformation in companies, and therefore accountants.

According to Prism Solutions:

- “The business world operates 24/7 and accountants need to realize that they too must be available to operate in the same 24/7 world as their clients”.
- “The days of ‘rear-view-mirror’ accountants, who only deal with the production of end of year accounts and tax returns, are over”.
- “The accountant now needs to be that of the ‘constant – always on consultant and trusted advisor”.

“The speed that the coronavirus (COVID-19) pandemic has spread across the globe has led to a significant shift in everyone’s behavior. Like many sectors, those in the accountancy profession need to adjust quickly to a new way of working”.

Stress, however, during this digital transformation is a major factor for accountants.

AXA’s latest Stress Index, reports that 87% of accountants say they feel stressed at least sometime during the typical workweek.

As French researchers, Marc Fadel et al showed in 2019, “those that work long hours [as many accountants do] for at least ten years had a 45% greater risk of stroke.

The digital transformation for accountants began with the onset of HMRC’s Making Tax Digital (MTD) in 2019. Now accountants will need to decide which MTD compliant software they will be adopting especially with the next phase of the MTD rollout in 2021.

Integration is one of the biggest headaches to enable accountancy practices to deliver a great client experience – factoring in Legacy IT, fragmented technology environments and data spread across many different systems.

Many accountancy firms still need a radical overhaul in their operation, and we are already seeing that 2020 needs to be the year for ‘productivity’.

The old adage that ‘time is money’ is far more prevalent now than at any other time, particularly as digital home workers deal with the challenge of establishing new work patterns. As Ashbridge Business School reports, “employees that work remotely feel the most satisfied, happy creative and productive”. So COVID or no COVID, remote working appears like something that is here to stay.

Accountancy practices which have already gone digital are already experiencing more streamlined and speedier workflows.

According to Plum Consulting:

-75% of clients return documents within 24 hours when practices go digital.

-50% of clients return documents within the first two hours of receipt.

As a result of all this, many accountants that have still not become fully ‘digitally immersed’ need to adapt quickly and grow in these areas in order to compete, or risk losing ground to these newcomers.

Tech disruptors such as FinTech, Open Banking, Blockchain and AI will continue to impact on the accountancy sector as the financial services industry (FSI) collides with the accountancy world.

Accountants are having to expand their knowledge from accounting, taxation, economic and regulatory issues, through to cloud, blockchain and cryptocurrencies, to AI and software.

The whitepaper is available at:

https://drive.google.com/file/d/1a4sUVRnJI_BWGGbdDp0VGEbIfgoX346/view?usp=sharing

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