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success.

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**By Ernie Villany, CPA.**

There's no getting around the changes that inevitably come with technological advances, and the accounting industry isn't immune to the coming transformations. We need to address what's happening with the emergence of Artificial Intelligence in the accounting profession, the repercussions, and how firms are adapting.

## **AI's Influence on the Profession**

We've come a long way from the antisocial CPA stereotype, behind a desk stacked high with documents and dusty coffee-stained ledgers. But shiny new calculators and a new wave of automated systems are taking over. The stack of documents is

replaced with zip files transferred electronically and the general ledger is maintained

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With change to any industry comes new opportunities and threats. How you and your firm navigate the pros and cons of innovation will ultimately determine your success:

## **PROS**

Most accountants agree they'd rather spend time elsewhere when it comes to the more mundane tasks of the job. Thanks to AI, we can now dedicate time to more meaningful work. The commoditization of compliance work will give CPAs time to dig deeper in understanding a particular clients' needs, communicate more effectively, and deliver information that helps them grow their business. With bookkeeping managed by automated systems, there's now room to provide higher-value services and increased opportunities for professionals who possess soft skills, such as strong communication. Those who have these skills can use it to their advantage, translating the complex areas of a clients' return into something digestible that can be used proactively to create actionable items and achievable goals.

## **CONS**

The thought of losing your job to automation is a frightening one, but there's no immediate threat to those who choose to adapt early. Your risk will be determined by your response to change.

With new technology making certain job functions obsolete, some job loss is a given. Junior-level staff are particularly at risk, as platforms like Quickbooks eliminate basic bookkeeping and accounting needs. This shift has created a strong demand for qualified candidates who fit the new requirements. In an already challenging recruiting environment, identifying candidates who can adapt to change, embrace AI, and provide advisory level services has become increasingly difficult. And the

elimination of basic bookkeeping skills has shrunk revenue from services that were

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but it's also instrumental in aiding business owners to gather data and analytics, creating efficiencies such as:

- improved customer satisfaction
- a reduction in collection times
- increasing cash flow
- operational process improvement
- cost cutting

In short, AI is optimizing the use of capital, assessing, and providing insights that slash debt, build cash reserves, and make smart decisions about investments in technology and people.

If AI and automation are the fuel used to drive the revolution, cloud technology (CT) is the rocket ship. CT is giving CPAs unprecedented opportunities to increase speed, access, and integration. [Software such as CCH Axcess offers seamless integration](#) of CRM, time and billing, document management, tax preparation, accounting, fixed asset management, workflow, and communication.

## How Will AI Affect the Future of Your Firm?

There's no need to change your profession overnight and the robots aren't coming to take your job. However, you may need to prepare yourself to move your firm in a new direction.

Take advantage of the opportunities AI presents, beginning with time saved by automation. Utilize the surplus by highlighting tax planning and strategic services for your clients. AI isn't capable of giving comprehensive feedback, and your clients need direction that a software system simply cannot provide. Tax planning is the jumping-off point for value-based services that could potentially save your clients

big money in the long run. Shifting the focus presents the opportunity to re-evaluate

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