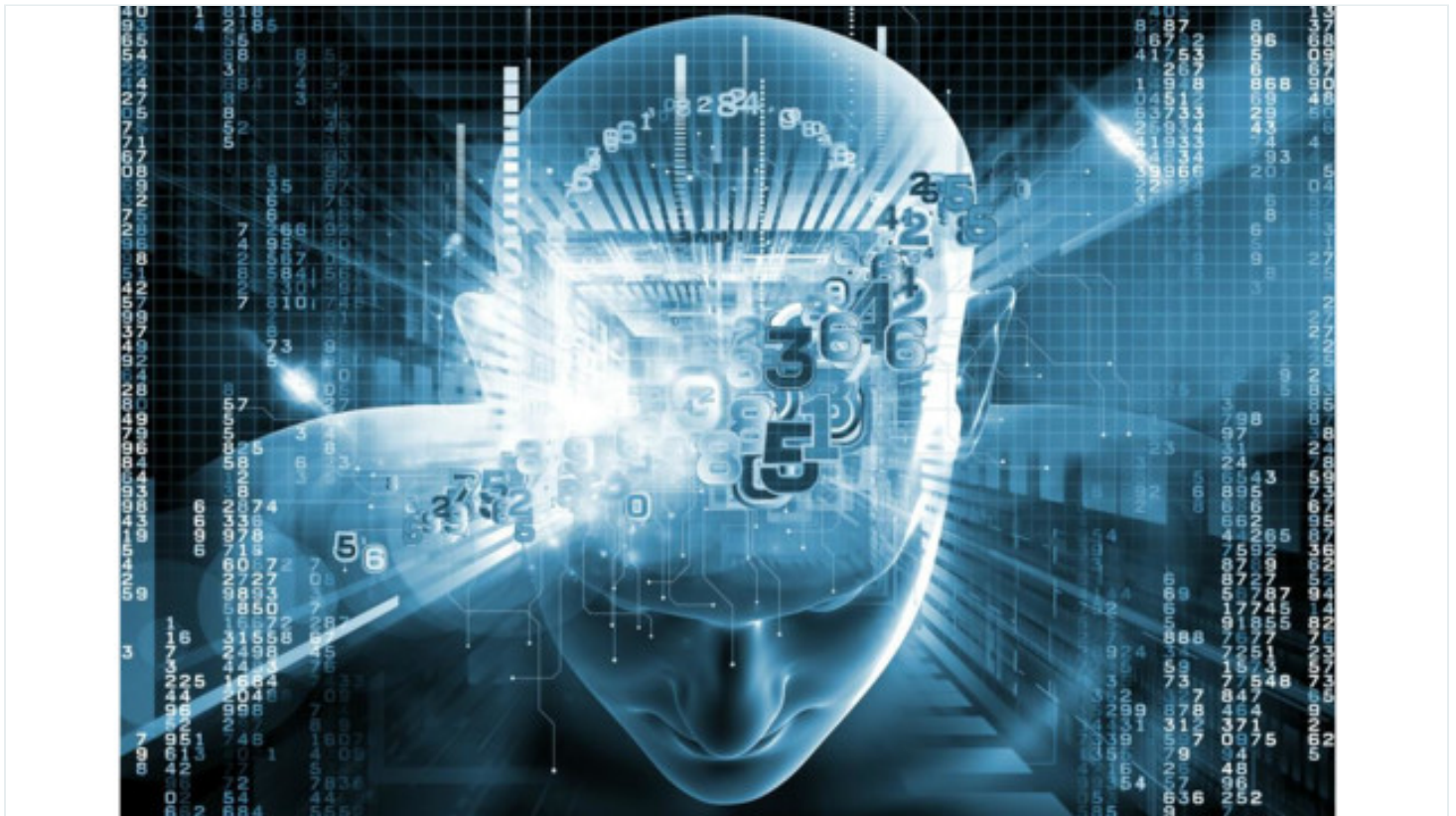


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auditing to financial planning, mastering data analytics is still a work in progress. Before data analytics can be effectively used, partners and staff must develop the ...

**Mary Girsch-Bock** • Jun. 02, 2022



In the not-so-distance past, accountants spent the majority of their time sorting through stacks of paperwork, posting accounting entries manually, and making sure that those endless stacks of paperwork were properly filed at the end of the day. When technology arrived, it allowed accountants to spend more of their time using their expertise, offering their clients a more advanced menu of options including tax planning, expense analysis, and consulting.

Most accounting firms welcomed technology into their firms; adding new products and programs designed to streamline operations while reducing paperwork. But like

anything technology-related, as soon as one process is put into place, another more

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used to better identify client behavior.

There are four types of data analytics:

1. **Descriptive analytics** – Descriptive analytics is used in reporting and helps to provide insight into historical information.
2. **Diagnostic analytics** – Used when examining variances between sets of results, diagnostic analytics is used to determine why something occurred.
3. **Predictive analytics** – Predictive analytics is used when looking to the future, helping firms predict possible outcomes by examining past data.
4. **Prescriptive analytics** – Prescriptive analysis assists in choosing the best option to achieve desired results.

Though data analytics will be used more broadly in the future for everything from auditing to financial planning, mastering data analytics is still a work in progress. Before data analytics can be effectively used, partners and staff must develop the skills needed to use the process properly.

## How to get started in data analytics

Depending on your current skill level, there are a variety of tools and methods you can utilize to become better skilled at data analytics.

- **Utilize free and low-cost resources**

There are a variety of resources available on the internet that can help you become acquainted with data analytics. While they won't give you the knowledge that you need to implement data analytics firm-wide, they can help you identify both strengths and weaknesses and where you may need the most help. For example, there are numerous websites available that provide a detailed overview of data analytics that can also help point you to more in-depth study opportunities.

- **CPE credits**

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AICPA also offers the Certified Information Technology Professional (CITP) credential to members, which validates expertise in the area of data analytics. More information is available [here](#).

- **Conferences and in-house training**

Conferences can be a great way to hone your skills. There are numerous data analytics conferences happening both online and in person. Sending a few key individuals to these conferences can be helpful since they can return to the firm armed with knowledge that can be shared with other staff members.

- **Bring in a professional**

If you have room in your budget to hire another employee, you may want to consider hiring someone skilled in advanced technology including data analytics. This can be particularly beneficial if you're looking for someone to train others in your firm on data analytics and advanced technology. If you don't have the budget for a full-time employee, consider bringing in a consultant that can take charge of training employees in the basics.

- **Accept that there will always be something new to master**

By the time you become familiar with data analytics and begin to use advanced technology in your firm, there will likely be other new skills to learn. As a CPA, continuous learning is key to remaining competitive, and becoming comfortable with change can be key to staying relevant in your field.

## **Make technology key in your firm**

Technology isn't only data analytics. It's also the processes you utilize and even the software you use. That means eliminating multiple programs for multiple functions

and making the move to a more integrated software system. It also means making the

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