Technologists Randy Johnston and Brian Tankersley, CPA, discuss TeamMate Document Linker for External Audit, a solution designed for CPAs, saving junior auditors time, strengthening audit quality, and improving auditor satisfaction.
Good day. Welcome to Technology Lab. I'm Randy Johnston with my co-host, Brian Tankersley. We want to talk to you about an interesting new product from Wolters Kluwer. The team mate document linker for external audit. Now in other technology labs, we’ve talked about products of a similar class—products like Validus with combined with validate, or products like audit site, and you can look at the technology lab history to see those. But this product has been under development for a while, and there’s some very interesting artificial intelligence behind it. As functionally, it looks like it’s working pretty doggone well, for an a, you know, a relatively new product. Now, Brian, as many of you who have been regular listeners to our podcast know, Brian often introduces himself as a recovering internal and external auditor. So I have to turn to him for his expertise a little bit more on this platform. But it is very interesting what we’re seeing. So Brian, what do our listeners need to know about this teammate document linker?

Well, you know, I’ve looked at demos of this; I haven’t tried this with my own data. But you know, the soundbite that I would give that looks like this, if it truly works with data, the way it looks like it does, it takes a lot of the grunt out of grunt work for new staff people, which is a pretty big deal now. So what this will do is you can go through and you can have data, that’s the you know, get it surround, it’s, it’s all built around Excel, so it’s approachable. For your average auditor, if we don’t have to go in and learn some new platform from outerspace we can, we can set get the data into Excel that we’re trying to match back to, and then we can get the supporting documents as PDFs, and then it will actually go through and and extract the data from all the PDFs, it will then create links to where the data is on that PDF. And it will do that on an automated basis. So what it means is you can let the AI do the first pass of matching documents up to your data that you’ve extracted out of the accounting software or the GL or whatever source you’ve you’ve extracted the data from. And then you can take this, then your staff person can go through and see where those where those items actually show up on the actual supporting documents, okay, so that way it gets rid of, I think it’s gonna make your auditors much more effective, because now it’s like, effectively, it’s like we have searchable PDFs. With direct links to the data...
that we show in Excel that link back to the PDF. You can even embed the PDFs inside

Randy Johnston

Yeah, so Brian, I’m smiling as you say that because you know, your, your phrase I’ve used too much lately, the check engine light has come on, and doesn’t seem to go off. But I, I recently completed my annual physical and I told the physician that I’m officially two thirds of the way through my life based on how long I want to live. So, and I said, best I can tell, I may be alive when your careers ended. So I’m gonna have to look for a new physician. But back on topic, you know, one thing in the demonstrations that made me know we had to talk about this product with you our listeners, is the way the recognition worked. And some of the text recognition that occurred, for example, where a company name maybe it wasn’t picked off properly, you could last so the text box off of an invoice and it would recognize it and lay it in, or other places where the invoice dates didn’t line up, you could actually mark it as
something’s wrong here. One demonstration that I saw this, a date that was

the same type of AI work and into it’s doing same type of AI work, trying to figure out
how to use AI in a private fashion for productivity. And the bottom line is you just
heard Brian say, Where was this when I was young person. That’s the way we think
some of these tools should surface, they should be so easy to use, so automatic, and
do the work so well. You just say wow, it eliminates all that grunt work. Now, you
know, of course, we’re headed into the higher the quality standards very soon. But if I
had to name the key benefits of teammate document linker, it is the increased
productivity for auditors. It’s the improved workflow. And it’s the higher audit
quality throughout along with the integration efficiencies of the products. So, you
know, this could help with labor shortages in audit teams and many other issues
along the way. So Brian, are there other key things that you saw in teammate
document linker, that would be beneficial for our listeners to know,

Brian F. Tankersley, CPA.CITP, CGMA

you know, I want to I want to jump on the same topic you just brought up, which is
the staff retention. You know, one of the reasons that a lot of our firms struggle to
attract staff is that we don’t have the same level of technology that the Big Four has
now unfortunately, you and I are never going to have the per employee budget that
the Big Four does to spend on this, okay. But the thing, the way I would kind of
describe this is that this is a huge upgrade to the work of your entry level staff,
auditors and even your interns. And so it really lets you, it gives you gives you the
opportunity to let them let the technology work in them supervise it and see where
where it’s right where it’s wrong, and then learn how it works. Learn how learn how
the transaction cycles work from a practical perspective. It gives you it effectively
gives them back some time they can use to learn so you can still keep that job
efficient, as efficient, more make it more efficient that it was when humans were
having to do all that work. And yet, they can still they can have time to learn and dig
into it and review things in detail. And maybe they’ll see they’ll see other pieces in
here. So the thing I would say here is that, you know, this product really does the grunt work so that your staff doesn’t have to and that’s the interesting part about it. Is that it really, you know, once you get these PDF documents, you can go through again and let the interns look at it, you know, so many RMs will talk about technology. But then when the interns get in there, and they’re the ones that are looking at your work, and they’re reporting back to the candidates at the university, so if you even if you don’t get that intern, they’re gonna report back what they saw in practice, when they were out working on jobs and doing other things like this. You know, I think it’s, I think it’s critical that you have some tools like this, and that you deploy them with your young staff people, because it’s as much a tool for increasing the efficiency and the effectiveness, as it is a tool for teaching them how accounting really works in the real world with documents. And so it gives you a way to, to do that teaching that that you and I learned as staff people, when we were when we were doing this, in my case, in the early 90s. You know, it gives them a chance to see the documents and see how the flow goes between the documents without having to dig through the stupid amounts of paper. So it gives you the learning without all the grunting, I guess is the way I would kind of say it there. The other thing I would say about it is that, you know, this is a, I think, I think as we move into and Randy mentioned the quality standards. But as we move into this world where we have to test 100% of documents, I think this is going to be an invaluable tool. In doing those things. You know, I’ve often told Randy that if I die and go to Hell, I have to do I have to drive on Interstate 285 12 hours a day to get to and from work during rush hour. And then I have to spend 12 hours doing Satan’s a 133 expenditure test during the audit, where you look at the you know, the hundreds and hundreds of expenditures and you have 50 different attributes to look at about them. You know, this really makes that process much more palatable. And I think it’s going to make more of your staff P or a few it’s going to result in fewer of your staff people wondering why did I major in this again, instead of analytics or something else. So I think it’s critical that you do this, for your own effectiveness, but also for your ability to attract and retain staff. Because I think in the short in the intermediate term, you know, three to five years, I think if you’re not using tools like this, inside your firm, I think you’re going to be at a distinct disadvantage. recruiting staff. And I’ve seen a number of firms that I know personally, that have had to merge with bigger firms, because they couldn’t attract staff. And so these people now that were partners at their own firm, were now managers at a big firm, and they’re now supervising the outsourced staff offshore. Okay. And I don’t think any of us want that for our midsize and small firms. And so this kind of technology is going to be essential. If you really want to get those best candidates that you can get and not end
up in that scenario, which I think is, you know, I’m glad that the firm was able to

and I’m currently doing consulting work for a six person firm that is able to and is
doing audits very successfully. Man, what a godsend this would be the next general
thought is, I think this same technology could be used in client accounting services
type of work over time. And I can see that these type of tools can be modified for that.
So when I’m looking at Wolters Kluwer investment and teammate analytics, I’m just
going to read the tea leaves here. Third, you and I both have had an admiration for
teammate analytics for audit since it was released, and now that this will improve
and feed that system even more. And it really brings us right back to what I was
thinking when you start to say, the continuous audit of the future, you know,
becomes a big deal. And I do believe that we’re going to see transitions with with
these type of tools. Well, Brian, I appreciate your expertise looks like maybe any other
thoughts for our listeners since we’re about out of time for today.

Brian F. Tankersley, CPA.CITP, CGMA

Yeah, so the one thing I would say here is that apt, I don’t think you should. I think
when you’re when you’re looking at this generally, you know, some people would
look at this, and they might poopoo it and say, Well, this is a tool and again, on
premises Excel. And that’s just gross, you know, we really want something that’s in
the cloud. Let me just remind you here that we have to meet the proof the product has
to meet the profession where they are, okay. And one of the reasons I think the Excel,
it being an Excel is a advantage is that certainly this can end up being in the cloud
and built into the audit built into the audit methodology in the long term. Okay. But
right now, as as practitioners, we understand how to use Excel. And so the product
has to meet us where we are, if I’ve got a product, it’s in the cloud like this, as a
partner, I can’t I don’t, I don’t understand how it’s working. And it’s going to make it
much harder for me to adopt it and trust it, if it’s in the cloud, as opposed to working
in Excel, because now I can feel and touch the documents myself, I have my own
offline copy. I hope you’ll take it as the first step into a cloud based tool that I would
expect in the long term will end up being something that integrates with your methodology.

Randy Johnston

Yeah, so you know, along those lines, as we’re making this continuous transition from premise based Microsoft Office into Microsoft 365. The way that integrates is improved with this methodology. And one of the most interesting comments I heard from a consultant to CPA firms earlier this year, is that no spreadsheet should be used in any firm, and they try to eliminate them all immediately. And I’m thinking, yeah, that may take a while. So, you know, bottom line here is this leverages the knowledge we have, and by the way, there will be better ways over time, but boy, this is a nice step forward. So to Wolters Kluwer for teammate analytics for audit, kudos, and we hope that you’ll spend a moment and review this particular product. We’ll see you again in the future and hopefully you’ll listen to us in a future technology lab. Good day.

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