



## **Four Things Accountants Must Do to Keep Up with Technology**

By Dustin Lubertazzi, May 3, 2011

Luca Pacioli, an Italian mathematician and Franciscan friar, is known as the “Father of Accounting” for publishing 36 chapters on the double-entry accounting method used by Venetian merchants during the Italian Renaissance. His book, *Summa de Arithmetica, Geometria, Proportioni et Proportionalita*, was written at the end of the 15th century. Pacioli’s documentation of double-entry accounting and ledgers taught entrepreneurs of the day how to conduct business using accurate financial information, and it established the fundamentals of accounting still practiced today.

Pacioli’s fundamentals were feasible thanks to the existing written numeral system and the abacus. Since then, accounting has embraced ground-breaking technological developments, including the introduction of the typewriter, then computers, and later the Internet. With each milestone, technology affected both how accountants handle financial information as well as how they interact with clients.

In today’s changing technological landscape, what must CPAs do to stay competitive, and how will technology change the role of the accountant?

### **Increase Value-Add Services to Retain Clients**

Compliance work is getting more and more streamlined due to technological advances. Shift time and resources from these commoditized services so you can focus more on becoming an indispensable advisor. It is no light commitment, but balancing compliance work and helping clients make strategic decisions to protect and grow their business is the role of the CPA for the foreseeable future.

Craig Weeks, a consultant to accounting firms, shares what role he thinks accountants should play: “One challenge the accounting field faces today is coming to grips with the incredible amount of financial detail their clients are both receiving and generating. The new frontier for accounting/tax-related information services is filtering, assembling, prioritizing, and then presenting the most vital data in a format that is readily usable by the management team.”

### **Differentiate Your Firm**

It is normal now for the buying process to begin with an online search. What makes your firm different from the firms listed ahead of you in the search results or from the firms down the street? Do something to stand out when speaking with prospects, and prospects will spread the word. For the initial meeting, familiarize yourself with their industry beforehand. Provide

something more than your marketing brochure, maybe a one-page document with a few areas of focus and strengths. Follow up with a handwritten thank-you note.

Many firms embrace the opportunity to use technology to differentiate their services to clients. Justin O'Horo, senior manager at WithumSmith+Brown in Red Bank, N.J., calls it his duty: "Our responsibilities as CPAs command that we are our clients' most trusted business advisors; and with the abundance of technology solutions available, it is critical that we use the right applications to help us maintain that status... [We are] relying on a multitude of additional platforms for the dual purposes of adding efficiency and effectiveness to our required procedures while simultaneously providing value-added service to our clients."

### **Build an Online Presence**

If prospective clients start their buying process online, it is important for your firm to at least be among search engine results. That won't happen if your firm does not maintain a website. According to the 2010 AICPA MAP Survey, 33 percent of CPA firms still don't have an active site. To attract new clients, you have to meet prospects where they are – online.

### **Be Conscious of Your Clients' Time**

Business owners are busy running their business, so be conscious of their time. Make things easy for them. Technology can help. Make file transmission less of a hassle by giving clients the ability to connect with you online through a client portal. Also, consider providing detailed information regarding your services through your website so clients can easily find additional services they may be looking for. Finally, stay in touch with clients proactively and regularly. Consider sending out an electronic client newsletter or other regular electronic correspondence.

When evaluating how to move forward with technology, it is vital to understand your market, clients, and the strengths that make your firm unique. Given how far technology in the accounting industry has come since the time of Pacioli, it is no longer an option just to provide timely and accurate financial information. Embrace new technologies to enhance your client interactions, and you'll find that your firm is better prepared to gain and retain valuable clients.

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For the full article featuring Sageworks' insight, visit the Pennsylvania Institute of CPAs- [Four Things Accountants Must Do to Keep Up with Technology](#)