

# Review of the Accounting Profession and Technology Synergy

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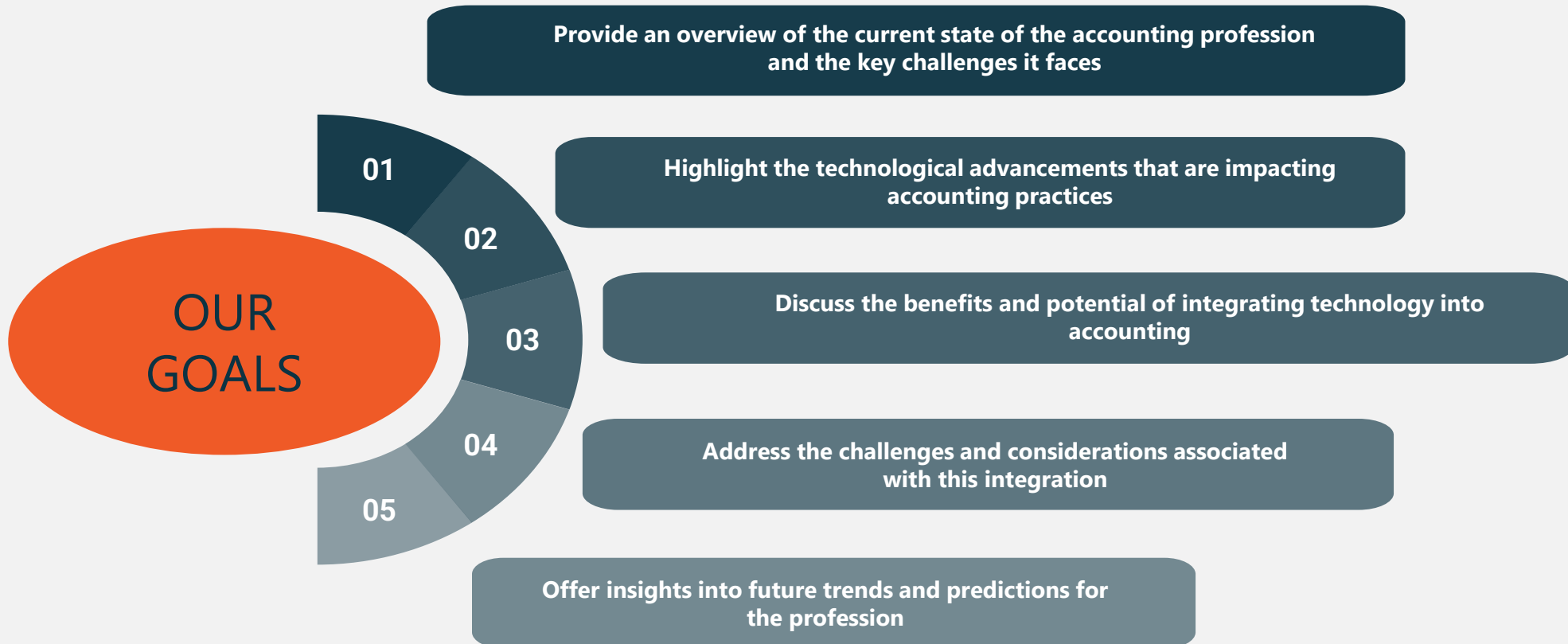
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# Learning Outcomes

At the end of the session, you will be able to:



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**The best accountants don't just see numbers; they see the potential for financial transformation.**

Samantha Wilson

# Overview of the various instruments of accounting processing over time



Abacus



Manual Ledger



Spreadsheet Software



Accounting Software Packages



Enterprise Resource Planning (ERP) Systems



Cloud-Based Accounting Solutions



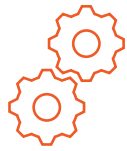
Blockchain Technology

# Current State

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The accounting profession is at a crossroads, shaped by significant technological advancements and evolving standards. While these changes present challenges, they also offer opportunities for growth, efficiency, and enhanced strategic value. By staying informed and adaptable, accountants can navigate these changes successfully and contribute meaningfully to their organizations.

# Key Trends in Accounting



## Digital Transformation

The adoption of digital tools and platforms is becoming increasingly common. Cloud accounting software, automation, and other digital solutions are streamlining processes and improving efficiency.



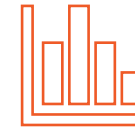
## Data-Driven Decision Making

There is a growing emphasis on using data analytics to inform business decisions. Accountants are now expected to analyze financial data to provide strategic insights and forecasts.



## Regulatory Changes

Ongoing updates and changes in financial regulations require accountants to stay informed and adaptable. Compliance is more complex and demanding than ever before.



## Sustainability and ESG Reporting

Environmental, Social, and Governance (ESG) factors are becoming important considerations in financial reporting. Companies are increasingly required to disclose their sustainability practices and impacts.



## Globalization

As businesses operate on a more global scale, accountants must navigate international financial regulations and standards, manage currency exchanges, and understand cross-border tax implications.

# Challenges Faced by Accountants Today

Despite the advancements, accountants face several challenges that need addressing



## Keeping Up with Technology

Rapid technological advancements require continuous learning and adaptation. Accountants must be proficient with new tools and technologies to remain competitive



## Cybersecurity

With increased digitalization comes the risk of cyber threats. Ensuring the security of financial data is a major concern, requiring robust cybersecurity measures and practices.



## Complex Regulations

The growing complexity of financial regulations demands a deep understanding and meticulous attention to detail, which can be time-consuming and challenging.



## Talent Shortage

There is a shortage of skilled professionals in the accounting field, particularly those with expertise in both accounting and technology. This talent gap can hinder the adoption of new technologies.



## Work-Life Balance

The accounting profession is often associated with long hours and high stress, particularly during peak periods such as tax season and period-end reporting. This can impact job satisfaction and retention.



# Evolution of Accounting Standards and Regulations



International Financial Reporting Standards (IFRS)



General Data Protection Regulation (GDPR)



Revenue Recognition and Lease Accounting Standards



Audit and Assurance Standards



Sustainability Reporting Standards

# Technology Advancements

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Technological advancements are significantly transforming the accounting profession, enhancing efficiency, accuracy, and strategic value. By embracing these technologies, accountants can stay competitive and drive their organizations toward greater success.

# New Technologies

1

## Artificial Intelligence and Machine Learning (AI/ML)

- Enhanced Predictive Analytics
- Intelligent Automation

2

## Advanced Data Analytics and Big Data

- Real-Time Insights
- Predictive and Prescriptive Analytics

3

## Robotic Process Automation (RPA)

- End-to-End Automation
- Integration with AI

4

## Cloud Computing and Software as a Service (SaaS)

- Scalable Solutions
- Enhanced Collaboration

5

## Blockchain and Distributed Ledger Technology (DLT)

- Smart Contracts
- Transparent Audits

6

## Internet of Things (IoT)

- Enhanced Data Collection
- Automation of Routine Tasks

# Impact of These Technologies on Traditional Accounting Practices



## Shift from Manual to Automated Processes

The automation of routine tasks allows accountants to focus on higher-value activities such as strategic planning and advisory services.



## Increased Demand for Tech-Savvy Accountants

The integration of technology in accounting has created a demand for professionals who are proficient in both accounting principles and technological tools.



## Enhanced Accuracy and Reliability

Advanced technologies reduce the risk of errors and improve the reliability of financial data, leading to more accurate financial reporting and compliance.



## Evolution of the Accountant's Role

The role of accountants is evolving from traditional bookkeeping and compliance tasks to strategic advisory roles, where they provide valuable insights and guidance to businesses.



## Greater Emphasis on Data Analysis

Accountants are increasingly required to have skills in data analysis and interpretation, enabling them to provide deeper insights and drive business growth.

# The Synergy

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The synergy between accounting and technology brings substantial benefits, enhancing accuracy, efficiency, and decision-making capabilities. As technology continues to evolve, accountants must adapt by embracing new tools and methodologies, positioning themselves as strategic advisors and technology champions within their organizations. This integration not only improves the quality and reliability of financial information but also empowers accountants to drive business growth and success.

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# Benefits of Integrating Technology into Accounting



## Increased Efficiency and Productivity

- Automation
- Streamlined Workflows



## Enhanced Accuracy and Reduced Errors

- Data Integrity
- Real-Time Updates



## Better Decision-Making and Strategic Planning

- Advanced Analytics
- Predictive Insights



## Improved Compliance and Risk Management

- Regulatory Compliance
- Risk Detection



## Cost Savings and Scalability

- Operational Efficiency
- Scalability

# The Role of Accountants in a Tech-Driven Environment

Strategic Advisors	Technology Champions	Compliance and Risk Management	Data Analysts
<ul style="list-style-type: none"> <li>• <b>Value-Added Services:</b> With automation handling routine tasks, accountants can focus on providing value-added services such as strategic planning, financial analysis, and business advisory.</li> <li>• <b>Decision Support:</b> Accountants can leverage data analytics to support management in making data-driven decisions and developing long-term strategies.</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Adoption and Implementation:</b> Accountants play a crucial role in the adoption and implementation of new technologies within their organizations, ensuring that these tools are effectively integrated into existing workflows.</li> <li>• <b>Continuous Learning:</b> Staying updated with the latest technological advancements is essential for accountants to remain relevant and effective in their roles.</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Regulatory Expertise:</b> Accountants ensure that their organizations comply with evolving regulations and standards, using technology to monitor and manage compliance risks.</li> <li>• <b>Fraud Prevention:</b> By utilizing advanced fraud detection tools, accountants can proactively identify and mitigate risks, safeguarding the organization's financial integrity.</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Interpreting Financial Data:</b> Accountants need to develop skills in data analysis to interpret financial data accurately and provide meaningful insights.</li> <li>• <b>Leveraging Analytics Tools:</b> Using advanced analytics tools, accountants can uncover trends and patterns that inform strategic decision-making and performance improvement.</li> </ul>

# Challenges and Considerations

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While the adoption of new technologies in accounting brings numerous benefits, it also presents several challenges and risks that need to be carefully managed. By implementing robust strategies and measures, organizations can successfully navigate these challenges, enhance their cybersecurity posture, and fully leverage the advantages of technological advancements in the accounting profession.

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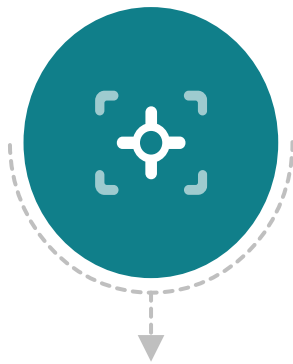
# Potential Risks and Challenges of Adopting New Technologies



Cybersecurity  
and Data  
Privacy



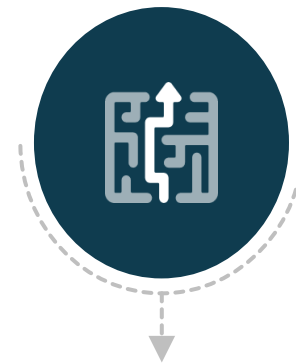
High  
Implementation  
Costs



Resistance to  
Change



Complexity and  
Integration  
issues



Skill Gaps and  
Training Needs



Regulatory and  
Compliance  
Challenges

# Strategies to Overcome These Challenges

## Develop a Comprehensive Technology Adoption Plan

- Outline clear objectives and timelines for technology implementation.
- Involve key stakeholders from the beginning to gain buy-in and support.
- Conduct pilot programs to test new technologies on a smaller scale before full deployment

## Invest in Robust Cybersecurity Measures

- Implement advanced security protocols to protect data and systems.
- Regularly update and patch software to address vulnerabilities.
- Conduct regular cybersecurity training for employees to raise awareness and preparedness

## Foster a Culture of Continuous Learning

- Encourage and facilitate ongoing professional development and training.
- Provide resources and support for employees to learn new technologies and tools.
- Recognize and reward efforts to innovate and adapt to new technologies.



## Engage in Change Management Practices

- Communicate the benefits and importance of technology adoption clearly and regularly.
- Address employee concerns and provide support throughout the transition.
- Create change management teams to oversee and guide the implementation process.

## Ensure Strong Leadership and Governance

- Establish a dedicated team or committee to oversee technology adoption and integration.
- Set clear policies and guidelines for technology use and data management.
- Monitor progress and performance regularly to ensure alignment with strategic goals

## Leverage External Expertise

- Consult with technology vendors and experts to gain insights and best practices.
- Partner with consultants or firms specializing in technology implementation and integration.
- Participate in industry forums and networks to stay updated on emerging trends and solutions.

# The Future

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The profession will see a shift towards more strategic, advisory roles, with a focus on leveraging technology to drive business success.

# Predictions for the Future of Accounting

## Widespread Adoption of AI and Automation

- AI and automation technologies will become standard in accounting practices, transforming how accountants work and the services they offer. Routine tasks will be fully automated, allowing accountants to focus on higher-value activities.

## Blockchain Becomes Mainstream

- Blockchain technology will become a fundamental component of financial systems, providing transparency, security, and efficiency in financial transactions and audits. Its adoption will be widespread across industries.

## Real-Time Financial Reporting

- The shift towards real-time financial reporting will accelerate, enabled by cloud computing, AI, and advanced analytics. Businesses will have immediate access to their financial health and performance metrics.

## Increased Focus on ESG and Sustainability Reporting

- Environmental, Social, and Governance (ESG) factors will become integral to financial reporting. Accountants will need to incorporate ESG metrics into their reporting and provide insights on sustainability practices.

## Global Standardization of Accounting Practices

- As businesses operate on a more global scale, there will be a push towards standardizing accounting practices and regulations internationally. Technologies like blockchain will facilitate this standardization by providing transparent and consistent records.

## Evolution of the Accountant's Role

- The role of accountants will continue to evolve from traditional bookkeeping and compliance to strategic advisors and technology integrators. The demand for accountants with skills in data analytics, AI, blockchain, and other emerging technologies will increase. Continuous learning and professional development will be essential.
- Accountants will need to develop a broader understanding of technology and its applications, combining financial expertise with tech-savvy skills.

# Case Studies

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Real-world case studies and success stories.

Walmart



# Blockchain for Supply Chain



## Distribution and Retails

### Overview

- IBM and Walmart collaborated to implement blockchain technology in Walmart's food supply chain. The initiative aimed to enhance transparency and traceability from farm to table.

### Impact

- **Increased Transparency:** Blockchain provides an immutable ledger of transactions, ensuring that every step of the supply chain is recorded and verifiable.
- **Improved Food Safety:** In the event of a contamination issue, Walmart can quickly trace the source of the problem and take action to mitigate risks, reducing the time to track the source from days to seconds.
- **Enhanced Efficiency:** The automation of record-keeping processes reduces administrative overhead and the potential for human error.

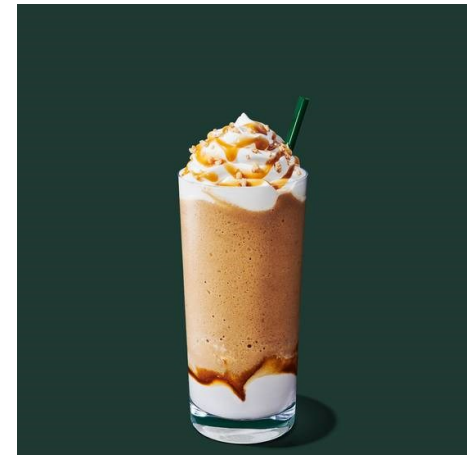
### Outcome

- The blockchain solution has greatly improved the efficiency and reliability of Walmart's supply chain, enhancing food safety and consumer trust.



# Data Analytics for Financial Planning

## Consumer



### Overview

- Starbucks leverages big data and advanced analytics to enhance its financial planning and customer experience.
- The company collects data from various sources, including sales transactions, customer loyalty programs, and social media interactions.

### Impact

- **Enhanced Decision-Making:** Data analytics helps Starbucks understand customer preferences, optimize inventory management, and tailor marketing campaigns to increase sales.
- **Improved Financial Forecasting:** By analyzing historical sales data and market trends, Starbucks can make more accurate financial forecasts and business plans.
- **Personalized Customer Experience:** Data-driven insights allow Starbucks to personalize customer interactions and promotions, driving customer loyalty and satisfaction.

### Outcome

- Starbucks' use of data analytics has led to more informed decision-making, better financial planning, and an enhanced customer experience, contributing to the company's continued growth and success.

# Application Modernization with the Power Platform

## Energy



### Challenge

The company recognized the value of the Power Platform and saw the opportunity within their Automation, Analytics and Artificial Intelligence teams to leverage the platform to rapidly modernize legacy workloads and address their growing opportunity backlog.

### Solution

The company worked as a team with the technology service provider to ensure that fundamental controls and best practices were in place. Additionally, the teams worked together to create early wins by piloting the platform to address high-value, low-risk opportunities.

### Results

After establishing a solid base and creating high-visibility wins, the company has leveraged the as a strategic tool within IT to modernize critical workloads such as Contractor Pay, Work Site Check-Ins, Management of Change, Risk Register, Contracts, and Inspections.



# Conclusion

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The integration of technology in the accounting profession is not just a trend but a necessity for staying competitive and relevant in the modern business environment.

# Conclusion

Is your tech stack  
an asset? Or a liability?

FloQast's research revealed that an accountant's relationship with their technology matters as much as the technology itself.



## Adversarial

Technology is seen as a hindrance rather than a help.



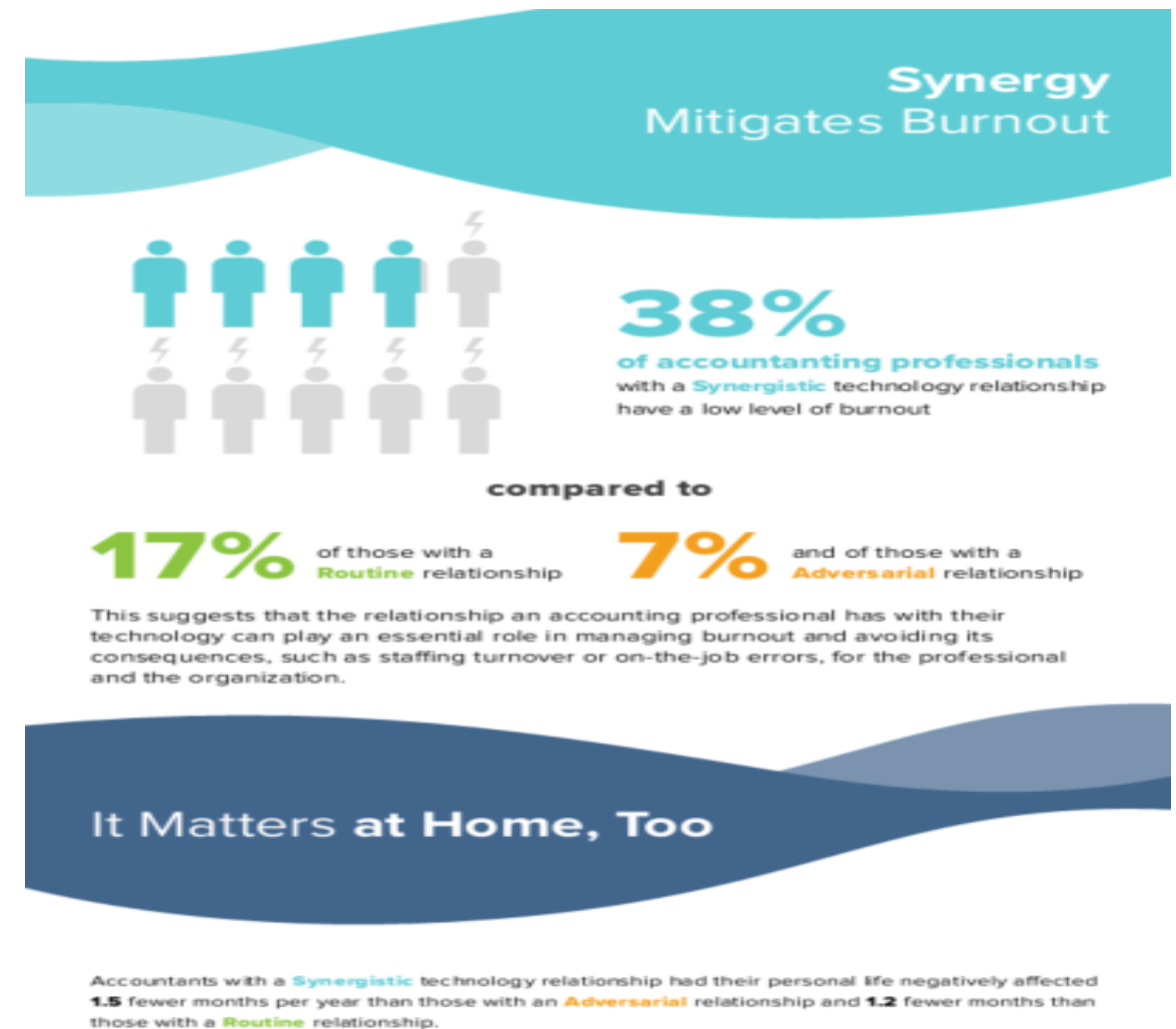
## Routine

Technology is functional but doesn't add value to accountants' work or life.



## Synergistic

Technology is designed with the accountant in mind, a true partner and asset in their work.



# Next Steps

## Invest in Training and Development

- Skill Enhancement
- Professional Development

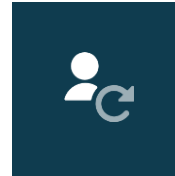


## Develop a Technology Roadmap

- Assessment
- Planning

## Focus on Strategic Advisory Services

- Value-Added Services
- Decision Support



## Implement Robust Cybersecurity Measures

- Data Protection
- Regular Audits

## Update Audit and Assurance Standards

- Updates to Standards
- Guidance on Technology Use

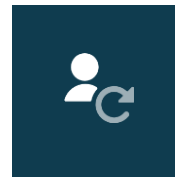


## Collaborate with Technology Partners

- Expertise
- Best Practices

## Foster a Culture of Innovation

- Change Management
- Encouragement



## Monitor and Evaluate Progress

- Performance Metrics
- Continuous Improvement



Thank you!