

A Review Of Survey On The Latest Technology Used In The Accounting And Accounting Profession

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Abstract:

Accounting plays a vital role in today's modern business. It is very much essential to maintain books of accounts for every business and to know its profitability and solvency position of the business. The purpose of this research is to determine the latest trends in accounting. This review focus on the maintenance of books of accounts is necessary for every company. Due to various factors, accountancy needs more research on accounting standards. Accounting professionals also play an important role in a present modern organizations. Role of accounting professionals affecting cash management, Budgetary control, cost management, and other factors in the achievement of their target among similar companies, etc.

Keywords: Accounting, Accounting Professional, Trends in Accounting

Introduction:

Accounting is a vital component of the entire business process and it requires timely functions that provide relevant information for proper decision-making. As Change becomes a necessity for growth, a small business can refuel its business growth by being aware of the latest accounting trends. But change is always difficult for some professions like Accounting, where traditionally established rules are availed. Several emerging trends are shaping the accounting industry for the future, providing more opportunities to businesses of all sizes and efficiency to their accounting professionals. The advent of new technology and innovations around the globe has led to a dynamic economic environment. Therefore the company must adapt latest

accounting trends in their business. Hence, companies should be aware of the change so that they know about the latest accounting trends.

Objectives of the Study:

- A. To know the potential of survival of business in today's modern market due to changes in technology and government policies etc.
- B. To know the importance of change in accounting from the traditional way to the modern way by accounting professionals
- C. To know the recent trends in the accounting industry

Latest Trends in Accounting:

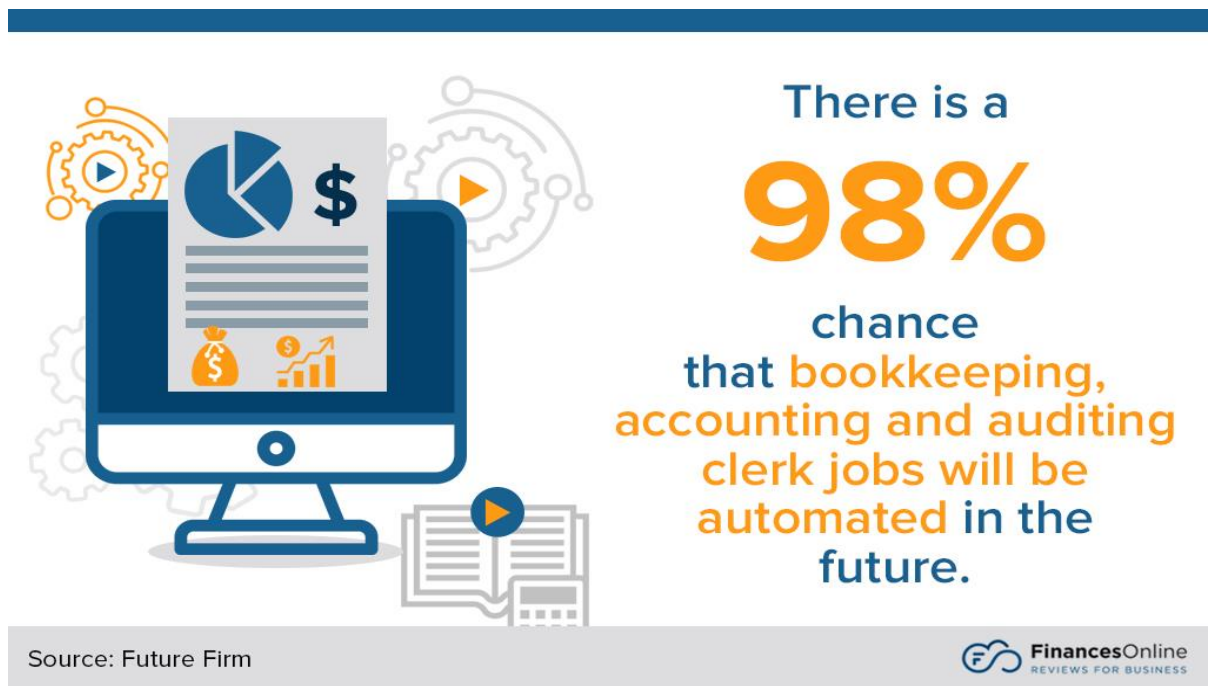
1. Automated Accounting Process
2. Accounting Software Solutions
3. Outsourcing accounting Function
4. Cloud-Based Accounting
5. Blockchain
6. Big Data In Accounting
7. Remote work setting
8. Utilizing Social Media

1. Automated Accounting Process:

Automating more accounting processes is a key industry trend. Automation eliminates confusion and minimizes errors, which is why companies are more inclined to invest in automated solutions. As this process relies heavily on computers, businesses face the risk of becoming victims of fraud and security threats. This has led to an increased demand for internal auditors to check for possible data inaccuracies. So there is no need for in-house accounting services to worry about being replaced by robots.

According to an ACCA study, more than 50% of C-level executives in the accounting industry expect the development of automated accounting systems. It will have the biggest impact in several industries in the coming years, enabling accountants to leverage data and optimize processes for the best accounting software for small and

large businesses. Accounting automation also aims to drive businesses to make data-driven decisions faster than ever before.



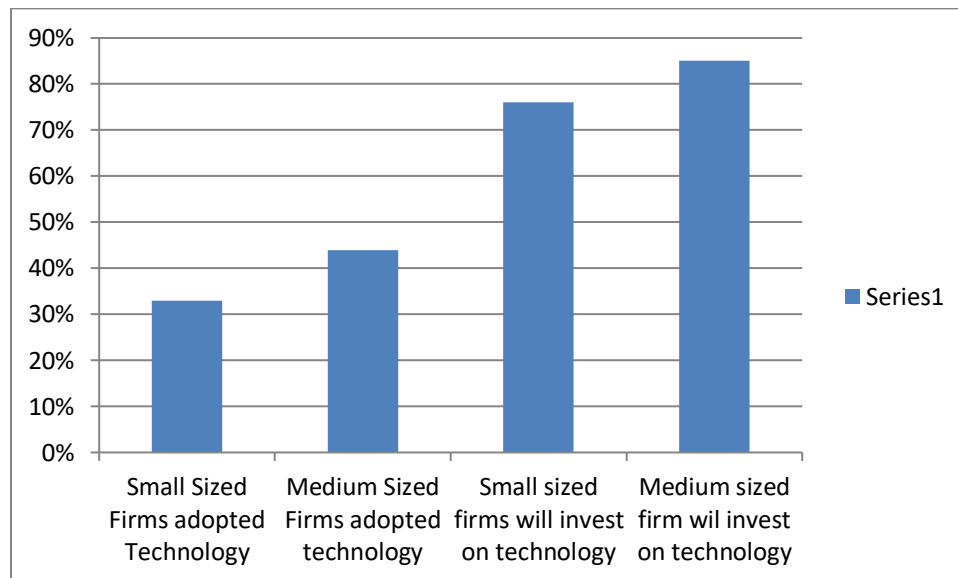
2. Accounting Software Solutions

The adoption of technology-driven solutions in the accounting industry will intensify in the coming years. As the demand for computerized accounting increases especially during the pandemic, accounting software companies will address this need with robust solutions. These software platforms have a number of software features that accountants value most, such as optimizing processes and minimizing manual tasks.

According to a Fortune Business Insights report, the accounting software market will experience a higher level of growth in the coming years. Globally, there is a strong demand for software platforms to manage spreadsheets and better understand tax administration. During the forecast period 2020 to 2024, the market will grow at a CAGR of 6%, considering the impact of the pandemic on the industry (Businesswire, 2020). While North America is at the forefront of

this growth, the adoption of modern technology in Asia Pacific will also drive the growth of accounting software companies.

Technology Adoption Among Small and Medium-Sized Accounting Firms



Most Popular Accounting Software

1. Sage Intacct. Sage Intacct offers accounting solutions such as cash management, payables and receivables and expense management. Our Sage Intacct review provides a more in-depth look at the software.
2. Xero. Xero makes it easy for users to track and edit transactions, track billing and invoicing, and even process payroll. Learn more about the software with our Xero review.
3. FreeAgent. FreeAgent lets you send and track invoices, manage expenses, and use the built-in stopwatch to keep time records. Check out our full FreeAgent review to learn more.

4. Taste. Gusto comes with automated payroll management features to ensure human error is eliminated. Learn more about the software with our Gusto review.

5. Sage Business Cloud Accounting. Sage Business Cloud Accounting combines accounting, expense management and compliance management into one platform. Read our Sage Business Cloud Accounting review to learn more.

3. Outsourcing accounting Function:

Businesses now outsource accounting functions and benefit from its many benefits. Outsourcing allows companies to focus more on their limited resources and increase profitability. It also saves them employment costs such as wages, taxes, salaries, benefits and training expenses. Outsourcing accounting functions is therefore becoming a popular strategy for many companies.

This leads to an increase in the number of external accounting service providers. It is one of the fastest growing areas in the accounting industry. Every year, businesses are satisfied with their outsourced book value and results. Outsourcing is now an increasingly important method for CPA firms to provide efficient services to their clients, as well as to analyze business operations and add more value to their business. Accounting, especially in business processing outsourcing (BPO) companies, is also becoming a highly regarded career worldwide.

4. Cloud-Based Accounting

The cloud is becoming a hot spot for accounting services. With cloud-based accounting systems, companies and businesses can access their system at any time – a good sign for teams that have switched to remote work setups since the outbreak of the COVID-19 pandemic. Access to data also includes tracking inventory, sales and expenses. In addition, cloud solutions allow you to create workflows, which saves companies valuable time. These benefits are forcing businesses to switch to cloud-based accounting systems.

About 67% of accountants now believe that cloud technology can make their roles easier (Sage, 2018). This is according to a survey by Sage, which also found that 53% of respondents have adopted cloud-based solutions for project management and

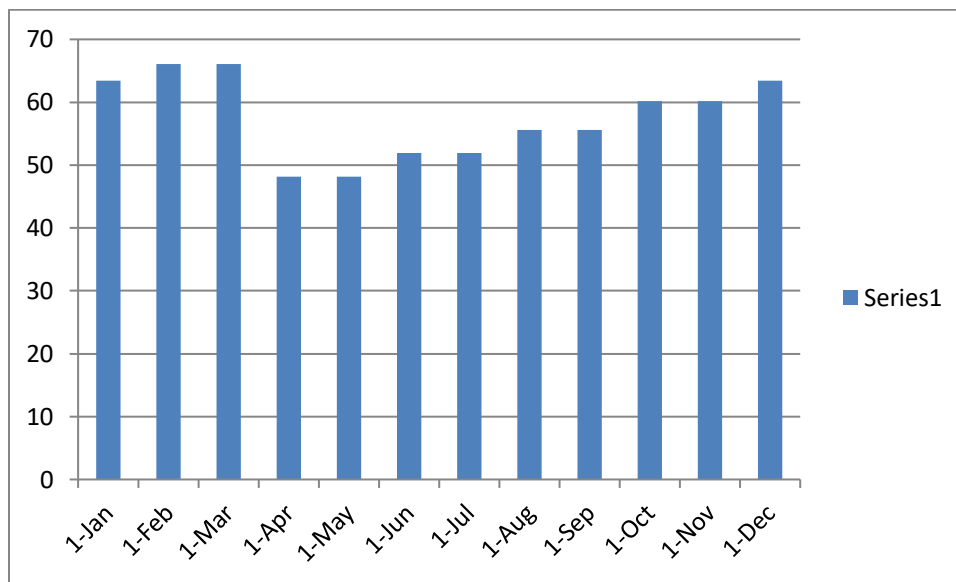
client communication. This could be related to the demand for advanced technology solutions from various industries. Among them is the accounting industry, which is making a big leap toward more efficient and comprehensive financial reporting and analysis.



5. Blockchain

The accounting industry needs to understand blockchain technology more, and for good reason. Blockchain is already changing the accounting industry by reducing the cost of reconciling and maintaining ledgers. It also provides the necessary accuracy when it comes to asset ownership and history. Thanks to blockchain technology, accountants get an unobstructed view of their organization's responsibilities and available resources. So it's no surprise that a significant number of blockchain wallets are created every month, some of which belong to companies. According to data published by Statista (Statista, 2020), US businesses are estimated to spend \$1.1 billion on blockchain technologies by the end of 2022.

The Big Four in the accounting industry – Deloitte, Price Waterhouse, Ernst Young and KPMG – are joining the blockchain trend by putting people to work in distributed ledger labs. This is in hopes of making immutable distributed ledgers a reality. In that case, their audit and accounting divisions will most likely become obsolete.



Number of Unique Blockchain Wallets Created (in millions)

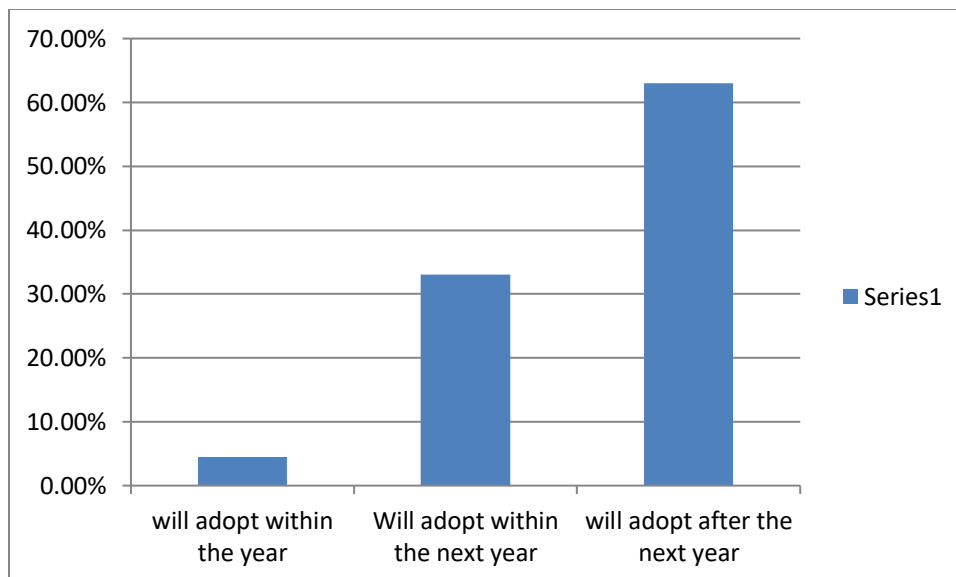
6. Big data in Accounting

Just as big data plays a key role in many sectors, it fulfills an equally important role in the accounting industry. Big data supports companies and businesses through advanced evaluation methods, with accountants and financial experts working behind the scenes. Professionals identify which of the collected data is most valuable and then convert it into actionable insights. This makes understanding what big data is crucial for business decisions.

Using big data, accountants and experts transform key internal data sets into secure, powerful and important data analytics. Globally, 63% of organizations are also planning to adopt

big data in the next few years (Dresner, 2020). Meanwhile, a growing number of firms now prefer accountants who have extensive knowledge in analytics and data science. This shows that the accounting industry is moving from its reactive nature to a more proactive one. Empowered by big data, CPAs can now focus more on planning, taking control, analyzing processes, and anticipating problems before they ever happen.

Big Data Adoption in Companies Worldwide (2019)



7. Remote Work in Setting

As of August 2020, the unemployment rate for finance and accounting roles in the US was 5.7%, compared to a national unemployment rate of 8.4% (Board of Comptroller, 2020). Employers are having a hard time finding top finance and accounting talent these days. Therefore, it is more important for them to expand their candidate search and recruitment requirements. And for the first time in history, candidates can dictate certain terms of their employment, including flexible and remote work.

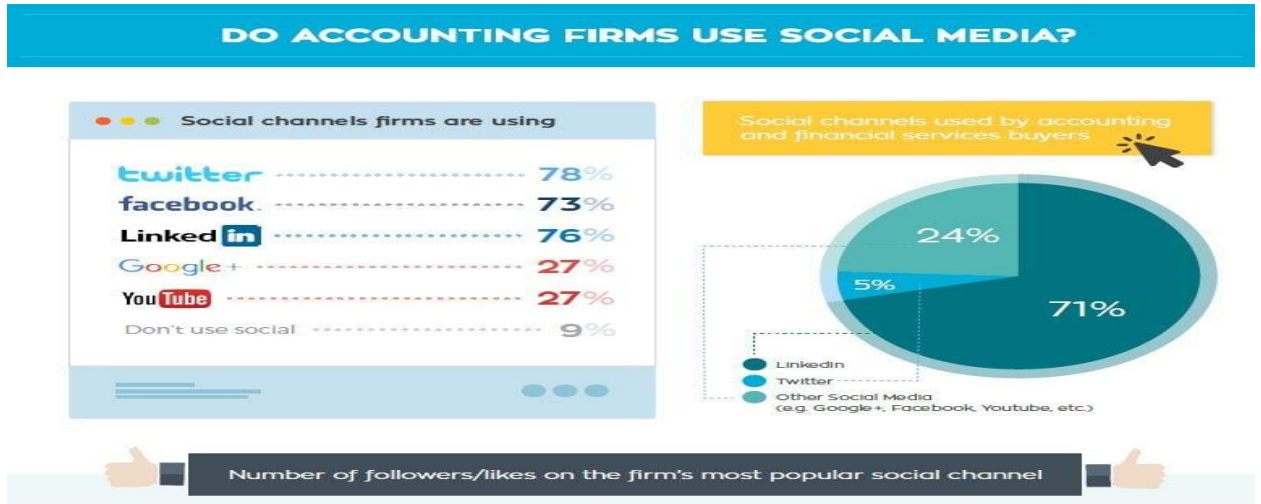
Accounting leaders are subsequently adapting to the trend of allowing employees to work remotely. According to a 2020 survey published by Arizona, 85% of CPA firms will allow their businesses to work from home even after the pandemic (Accounting Today, 2020). This would not have been possible in the past. However, with the advancement of technology and the emergence of computerized accounting systems, accountants working from home can achieve excellent results in their work as those in an office environment.

8. Utilizing Social Media

The effects of social media span different industries. And the accounting industry is one of them. The use of social media in various industries helps to improve brand awareness, increase sales and increase website traffic. It is fast becoming a powerful branding and sales tool for accountants, increasing their exposure, demonstrating their expertise and providing many opportunities to learn more about the industry.

An effective social media strategy can contribute to business profitability. Social media sites like Facebook, Twitter, LinkedIn, blogs and community forums help businesses stay in touch with clients. Accounting firms also benefit from monitoring competition and industry trends. As recently as 2014, around 77% of accountants are already using social media as part of their marketing and branding strategy (University of New South Wales, 2018). This is confirmed by a recent report which illustrates that accounting firms of all sizes are using various social media platforms for their business. This number is sure to grow in the coming years, especially with a whopping 4.20 billion active social media users in 2021 (We Are Social, 2021).

Social Media Use of Accounting Firms



Conclusion:

Several firms, proprietary concerns, small businessman, banking, educational institution, and tourism have improved their sustainability and profitability by hiring qualified accounting professionals to adhering accepted accounting principles and practices and implement procedures for the maintenance of books of accounts.

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