

Online CLOUD Accounting

"Change is inevitable. Progress is optional."

Tony Robbins



Cloud computing accounting software is accounting software that is hosted on remote servers. It provides accounting capabilities to businesses in a fashion similar to the SaaS (Software as a Service) business model. Data is sent into "the cloud" where it is processed and returned to the user. All application functions are performed off-site, not on the user's desktop.

In cloud computing, users access software applications remotely through the Internet or other network via a cloud application service provider. Using cloud computing accounting software frees the business from having to install and maintain software on individual desktop computers. It also allows employees in remote or branch offices to access the same data and the same version of the software.

Most application providers typically charge based on usage – compared to site licence fees associated with traditional accounting software deployments. Accounting data backup and disaster recovery is often a part of your cloud computing accounting software account.

The emergence of new technologies provides a common driver of disruption of the business as usual approach. Innovative businesses, higher expectations of customers and escalating business costs due to inefficiency and manual processes in accounting contribute to the necessity of digital disruption.

5 Top Emerging Trends in Accounting

The Quantum Jump in Cloud Accounting



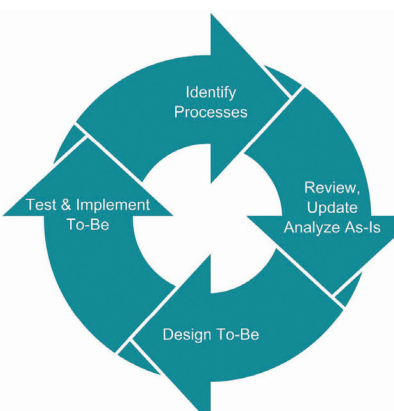
It is estimated that 90% of small and medium enterprises (in the developed world) will be using cloud accounting software by the end of 2017.

Cloud technology has been growing rapidly in the recent past, and has been widely adopted by many industries, including accounting. Applications run on remote servers thus enabling businesses to access their accounting (or any other) data online, whenever and wherever required 24/7 via a smartphone, tablet or computer accessing the Internet.

Apart from convenience, businesses find cloud computing software cheap and extremely user friendly. More businesses of different sizes are starting to switch to cloud accounting software like Quickbooks and Xero.



Increase in Automation and Processes



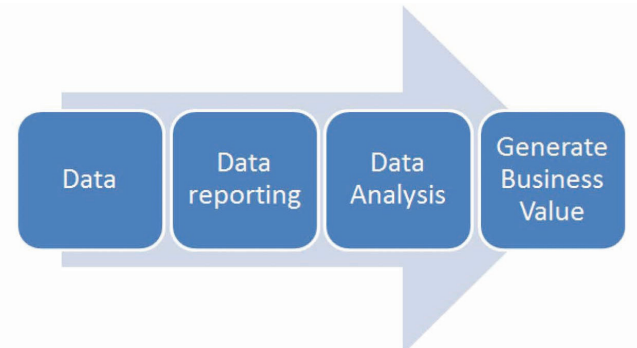
Another major trend in the disruption of accounting is the rapid adoption of automation and the disappearance of manual processes and 'spreadsheet accounting'.

With the advent of automation, electronic documents and state of the art software solutions, many companies are now able to eliminate manual data entry processes. Ultimately, this will translate into a faster processing time, more timely data, less human error and significant cost reductions for the company.

Rapid Rise of Data Analytics

The development of data analytics means that more valuable insights can be derived from existing data in businesses. Traditionally, we rely on accounting data from balance sheets and financial statements to

understand the financial health and performance of companies. With the use of intelligent application of data analytics, management now can potentially have an even deeper and greater insights about the businesses. Analytical tools now can help identify and analyse underlying risks, understand business trends, perform scenario testing, etc.



While machines and technology will not necessarily make the role of the accountant obsolete, however accountants will be expected to deliver more for their clients by collaborating with machines and technology to provide more fruitful insights about the business through data analytics.

The Unbundling of Accounting Software and the Rise of Apps



Many cloud accounting software today allows accountants to build tailor-made packages to suit the needs of their clients.

For instance, Xero offers the option of more than 500 add-ons to the suite of its products, meaning that there is a solution for virtually every problem.

There will be a reduction on the dependence on accounting packages which offer complete solutions to financial management. Custom made solutions to suit the business will result through the addition of different applications.

The shift to the cloud has resulted in an increase on the automation of workflow and the improvement and the improvement in software automatically turns your numbers into data, handles your bookkeeping and provides you with the kind of data that you need in real time.

Transforming Accountants into Consultants

Traditionally, billing would be on a fixed hourly basis, but today, more practitioners are switching to 'value-pricing model' to charge their clients.

Clients get price certainty upfront and at the same time this rewards the accountant who is efficient in his work. Accountants are rewarded not just for the number of hours they clock, but also for the productivity and real value that they bring to their clients.

The emerging trends point towards an increase trend of outsourcing of accounting work as businesses would like to devote more time and

attention to their core business processes.

The biggest challenge for accountants, therefore, will be to move from performing current manual processes to providing more value added services for their clients thus getting into a consultancy role. In order to stay ahead of the curve, a move to an advisory based model that focuses on providing a consultative approach to serving clients is essential.



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