

TOMORROW'S ACCOUNTANT: MORE PERTINENT, STRATEGIC AND CREATIVE THAN EVER

ACCOUNTANTS' STORY TILL NOW

What comes to our minds when we think about accounting as a function: Reconciliation, booking entries, meeting various deadlines, answering questions of regulators, auditors, tax authorities and banks. All and all a lot of hard work required to tell businesses about their monthly, quarterly and annual performance. While most business managers focus more on increasing the revenue, they have a fair idea about their net margins and the accounting function only helps in providing the actual profit/loss number to the last rupee based on the books of accounts. Most of the old school accountants would be familiar with typical accounting department where accountants would be focused on reconciling hundreds of differences with various banks. For organizations having branches inter-branch reconciliation with head office is yet another exercise to complete before even beginning to close the main books of accounts. If the entity accounted for is a listed entity, quarterly results are yet another milestone. And last but not the least, handling statutory audit queries and getting the books duly closed and signed off without any qualification from statutory auditor are significant tasks. All these activities come with various deadlines mandated by exchanges, regulators and laws. The accounting shop needs to work hard from one deadline to the another as the deliverables and deadlines swishes by. Businesses may have good and bad times, but the accounting shop has almost the same amount of work round the year and the achievements are rarely as appreciated as the achievements of sales and marketing team.

TWIST IN THE TALE

Due to globalization most of the global businesses started adopting global reporting and disclosure standards. Additionally, the advent of GST led to incremental efforts on the part of the accounting departments. Industry tried to grapple with the increasing expectations from the accountants till finally acknowledging the importance and criticality of the accounting function. Specialized knowledge as well as more automated tools running on a cleaner data set was clearly a need of the hour. As easy as it seems to be, scale however was an essential prerequisite.

Bigger business houses which had the scale could look at evaluating various tools that offered accounting and taxation features to enrich the basic invoice level data



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with required accounting journals and tax rates with return forms getting auto completed and requiring the accountants to merely review the accuracy of the automated output. Smaller businesses and startups are however on a different landscape whereby running a separate accounts department is a luxury their revenue cannot afford. This led to emergence of accounting back offices offering advantages like qualified and experienced accounting staff and good accounting software. The accountant's role however saw a paradigm shift from, scrambling to get the non-standard data in standard format, remembering various requirements of accounting standards and tax laws to, raising examples of non-standard data with business/clients and providing data classification requirements as required by standards and laws to the technology partners for building the required applications. Instances of manual efforts in an accounting back office would impact the cost of services by way of overtime and also may lead to errors which may impact the business reputation. Hence the emphasis needs to shift from manual effort to making the strategic application more useful by eliminating need for manual edits. Accountants are required to have a good understanding of their strategic tools and inherent limitations of their base business data. Examples of non-standard client data need to be dealt with by way of a client influence in order to get the data in desired standard format or by utilising some creative and tactical solutions like excel user tools. Accountants who can utilize creative ideas to bridge the gap between client data formats and the application requirements using any of the digital tools will command premium in modern days. Thus, by being more data driven and technology focused, the accountants will certainly manage to stay pertinent, strategic and creative as well. **MA**