

The Accounting Practice in 2023: What the future holds for businesses



By [Hanno Coetzee](#), issued by [Digital CFO](#)

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Trends that are surfacing in the accounting industry in the lead-up to 2023 year include a flip in the role of the accountant, business owners taking control of their accounting and shift in the workload of accountants.



Digital disruption and rapidly evolving technology present the accountancy profession with both substantial opportunities and risks. But it also presents both big opportunities and challenges for the accounting profession as a whole.

I believe the accounting profession will change significantly in a world where all transactions are fully transparent and have built-in validation. Both auditors and accountants' areas of emphasis are evolving in business. Ultimately, digital disruption will influence the nature of demand and expectations on what an accountant is and does.

The accounting role post Covid has slowly been changing from accountant to financial manager. Businesses now want accountants with diverse skills, who are more relevant and strategically focused. They want pre-emptive problem solving and a personal relationship.



Business owners are taking control of their accounting with proactive alerts. After the emerging of accounting technologies, we are now at a stage where we no longer do strenuous manual data processing. We're becoming educators and we've started training the business owners to do their own accounting and managing their business finance.

We've become account managers, focusing on client needs.

The evolution of the accountant

Business needs have evolved in such a way that the role of an accountant is shifting, and they are taking on more of a Financial Manager role, which includes accounting and other aspects of finance. Financial managers are concerned with a company's overall health, from cashflow planning and investments to long-term spending objectives.

In the past, accountants were responsible for compiling and maintaining information in the form of reports and historical records, while today, as more of a financial manager, they interpret the data, and make recommendations based on what they see happening now, they monitor the results to ensure that goals are met in real time.

This means that it is essential for business owners to maintain a close relationship with their accountant so that they are fully informed of the business's expectations, challenges, and procedures. If accountants are unaware of the business objectives, they cannot assist with strategic future planning for the business.

Balance of workload is shifting; less processing, more insight

Technology has been an integral part of the accounting profession in recent years. The days of constant on-site consulting have given way to quick off-site encounters, accompanied by a multitude of extra tools for visibility and accountability of business tasks. The technological improvements of the present day have eliminated the need for obsolete financials, lack of real-time data, remote control sessions, and even basic desktop applications.

While our role previously consisted of 80% processing and 20% insight, today it's closer to 20% processing and 80% insight. This allows for more proactive accounting, which provides valuable financial insights for the business owner. Proactive accounting provides businesses with benefits such as managing their finances effectively, easy decision-making, and potentially increasing profits. The accountant must think ahead and add the value that clients demand from their services. In contrast to basic accounting, which consists solely of punching numbers and filing taxes on time, proactive accounting goes above and beyond to be strategically useful to a business.

By examining spending patterns and revenue trends, a proactive accountant assists businesses in improving their financial planning and suggests strategies to save taxes and time expenditures; they make sure that the accounting process has benefits beyond just ensuring tax compliance.

Business owners are taking control of their accounting

Business owners are working smarter and comprehending more because of technology. Accountants become educators and start training business owners how to manage their own accounting. The availability of software and applications with consumer-level functionality has made it easier for non-accounting professionals to comprehend their financial situation. In addition, access to faster software that can manage more complex tasks, as well as interconnected technologies, has made accounting easier and more efficient. Remote access to real-time data enables both accountants and clients to simultaneously view, edit, and comment on their accounts.



And, when clients can access and analyse the data on their own, they become excited about their financial position and are better able to comprehend their accountant's strategic recommendations. In the end, it implies that clients can prosper through improved business processes, allowing them to remain in business, grow their business, and remain a client.

The role of the employee is shifting

Considering the changes that technology brings to the needs and expectations of clients, the accountant's workload, and their individual roles, it begs the question of what the future role of established accounting firms and Accredited Training Centre (ATCs) are and how they adapt. From their professional and social responsibility to pass on their expertise to Learners of the accounting profession, to recruitment and retention of skilled professionals, accountancy firms and ATCs need to consider whether a shift in their practice is required.

With the proliferation of remote work caused by the Covid-19 pandemic, opportunities for qualified accountants are greater than ever. Employers can access talent from across the country through remote work. It has expanded candidate pools and heightened market competition for top talent.

A hybrid workplace combines remote work and office-based work, providing employees with the flexibility and autonomy to choose when and where they work. Providing flexibility and a digital-first mentality will make a firm more appealing to a wide range of talented professionals, which is essential for attracting and retaining top talent.



Unquestionably, the accountant of the future will need to be technologically savvy in order to adapt to the industry's transformation. As intelligent technologies advance and more businesses migrate their data to cloud-based systems, accountants must become adept at leveraging the cloud to provide clients with up-to-date financial analysis and to maintain their competitive edge.

Despite the fact that many accounting tasks are being automated, accounting professionals will never be replaced by technology, and future accounting jobs will require committed professionals who are willing to adapt as the industry evolves.

The digital world is evolving rapidly, and we are just at the beginning of the journey. Technology, the shifting role of finance and accounting activities, and the skills and competence required by finance professionals to remain relevant are now necessary, and it is the responsibility of all finance professionals to guarantee that they remain relevant and adapt to their clients' needs.

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ABOUT HANNO COETZEE

CEO at DigitalCFO
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