



# Technological tightrope

Walking the client service tightrope and teetering between technology and the human touch? *Juliette Peyraud* shares her insights on how time-saving technological innovations and digital transformation can improve focus on clients.

## TEN SECOND SUMMARY

- 1 Technology can speed the preparation of tax returns and accounts and, increasingly, is designed to learn and perform specific tasks.
- 2 Clients demand bespoke business advice and assistance with long-term financial planning.
- 3 Technology can help advisers to spend more time meeting clients, furthering personal relationships and developing new partnerships.

According to research by PwC, between now and the early 2020s, 6% to 8% of jobs in financial, professional and technical services will be impacted by automation.

Further, the percentage of potential UK jobs affected could increase to 20% by the end of 2020.

However, industry experts do not anticipate that automation will lead to mass unemployment. Quite the contrary because artificial intelligence, cloud services, big data analytics and related technologies are expected to generate new jobs that may be able to offset the job losses associated with automation.

## Accountancy technology on the rise

Technological innovations entered accountancy practices many years ago – how many of us remember when we first emailed a client from a smartphone or logged into a café's wifi between meetings? And many of us now regularly use cloud computing services, such as Google Mail, Dropbox or Skype. In my experience, these programmes have made working life and meeting with accountants much easier.

Current technology saves time and enables us to work more efficiently. With the help of online accounting software, accountants can now manage their clients' tax returns and general accounts much faster and with less room for error. However, technology is increasingly being designed to learn specific tasks and perform autonomously. Although most of us understand how machines and technology could impact everyday life – think Alexa or Uber – no one has so far been able to correctly predict how wide-ranging these changes might be.

Often, accountants are reluctant to embrace technology. Whether it is fear of the unknown or juggling different tasks that leave little time for getting to grips with new ideas, many are

## FURTHER INFORMATION

PwC economists assess how and when workers will be affected by coming waves of automation (6 February 2018): [tinyurl.com/ybbrb2n2](https://tinyurl.com/ybbrb2n2)



left playing catch-up once they realise that their clients demand it. Conversely, accountants who are keen to use new technology to automate more mundane tasks, such as bank reconciliation or matching invoices to payments, are sometimes unable to do so because their clients prefer the more traditional way of doing things.

### How technology can help accountants

Generally speaking, new technology and automation offer accountants the opportunity to free-up valuable time and improve productivity. In turn, they can offer their services at a lower cost, therefore increasing their competitiveness.

As an example, an accountant, Christina, recently told me about a furniture wholesaler that she had assisted with accounting and tax duties for many years. To bridge a delayed incoming payment, the company needed a short-term loan. Thanks to Open Banking and her accounting software, Christina was able to check her client's bank statements instantly to ascertain the financing that would be feasible, speak to the relevant lender and confirm the loan – all within one working day. This would have been impossible five years ago.

Increasingly, accountants wear different hats. Besides the traditional bookkeeping, auditing and accounting functions, clients increasingly demand bespoke business advice and assistance with long-term financial planning. Therefore, accountants need to know more than their client and be up to date in myriad areas. The **Five Technology and Innovation Tips** will help accountants keep up to speed here. Those failing to do so may not lose clients immediately but might struggle to attract new business in a few years' time.

### Finding time to be human

Technology is part of continuous change. For accountants, it brings innovation and the chance to adapt business workflows and processes to spend more time meeting clients, furthering personal relationships and developing new partnerships.

Many advisers wish they had more time to get to know clients better to see where more value could be added. Although software and machinery can identify patterns and follow pre-programmed procedures, technology struggles to replicate personal relationships, emotional intelligence and trust. Take the example of Making Tax Digital (MTD). Technology will help with automation, but clients need a clear and jargon-free explanation of what this will mean for their business and the impact it might have on them. Here, advisers can help them understand the programme and provide the knowledge and tools to be prepared for upcoming changes.

I speak to many accountants who tend to go above and beyond to help clients and they value personal relationships. Although day-to-day tasks usually involve emails and quick phone calls, they all make sure they regularly catch up with their clients face to face. This makes it easier to understand clients' businesses, discuss challenges and learn more about their future plans. In this way,

## FIVE TECHNOLOGY AND INNOVATION TIPS

- **Learn.** Sign up for relevant local trade shows, conferences and webinars to learn about current and emerging trends. The more these are understood, the less overwhelming they will be.
- **Network.** Attend relevant networking events in your area. This will help increase contacts and gives the opportunity to discuss industry developments, current challenges and potential partnership opportunities with others working in professional services.
- **Read.** Subscribe to relevant trade magazines and websites to better understand new technologies and software. Find out what competitors are up to and get ideas of how to apply specific innovations in practice.
- **Brainstorm.** Join or establish regular internal meetings to discuss new accounting trends with like-minded colleagues. Use these meetings as a platform to brainstorm ideas, talk about new innovations and explore ways of integrating those into current workflows.
- **Keep an open mind.** Don't be fearful – embrace change.

## THE ACCOUNTANT OF THE FUTURE...

- ...uses artificial intelligence and robots for regular client reminders and document requests while being out and about to meet clients face to face;
- ...will be offering clients insights and deeper expertise that cannot be replicated by technology;
- ...is comfortable around their demanding millennials and generation Z clients for whom technology is second nature;
- ...smiles away the regulatory headaches of the past because compliance is now completely automated; and
- ...has a double degree in accounting and computing science and specialises in emerging disciplines such as forensic accounting.

the accountant can identify business opportunities and cross-sell and up-sell services. What's more, focusing on strategy and thinking outside the box is best reserved for humans. Increasingly, the world is becoming connected and the desire to collaborate is growing. More often, accountants and lawyers are partnering and referring each other if they are unable to help clients in particular matters. Finding alternative lending sources and helping clients raise finance is simply one example of enhancing a business advisory service.

### The birth of the Accountant 2.0

It is crucial to stay up to date with current trends and developments and make the relevant contacts and some suggestions in **The Accountant of the Future** can help here. This will enable accountants to give appropriate advice or refer clients to a trusted partner, whether this is a lawyer, lender or pension provider.

One thing is clear: the role of the accountant is changing. Those maintaining their awareness of the digital economy and adapting to innovations in technology will automatically become more flexible. This will help to grow and scale at a lower cost and become an indispensable analyst, consultant and strategist.

The Accountant 2.0 will then be ready for the new generation of clients for whom everything is happening online. Are you ready?



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