



How Financial Reporting Software Can Benefit Your Business



Introduction

Having an accurate view of a business's financial position is a bedrock of any company, no matter its size, industry or ambition.

Failing to properly report on a company's finances usually leads to poor decision-making, mostly because decision-makers don't know what's really going on and are making judgments based on inaccurate financial information.

While there are many reasons businesses can find themselves in a poor financial reporting position, (carelessness, lack of information, misinterpretations or even employee dishonesty) often it is because businesses – particularly SMEs – are too heavily reliant on manual or paper-based reporting.

Given that even the simplest set of business finances can incur an element of complexity, an over-reliance on manual processes and siloed work practices can quickly cause problems.

In this eBook, we outline the top ways that incorporating reporting software into your business's financial reporting can help you improve the overall view of your financial position, ensure you are satisfying the needs and demands of stakeholders, and even help in your recruitment efforts of the next generation of finance workers.



Bringing confidence back to reporting

Strong financial reporting can help with a multitude of business-critical decisions, be it debt management, identifying trends and opportunities, tracking liabilities or future planning. Poor reporting can hinder all of the above. A misplaced point or 0, for instance, can have long-lasting, far-reaching and potentially fatal consequences for a company. Having confidence in a business's ability to report on its finances is not just important to the business either.

In fact, it could be argued that external confidence in a business's reporting is more important. Historic high-profile incidents demonstrate what can happen when a company loses track of its financial commitments.

Those businesses reliant on paper and manual processes are highly susceptible to human error, as these systems often rely on information being entered in one location and then re-keyed or copied into another document.

Every time this takes place, it raises the potential of a mistake.

Financial software overcomes this by automatically pulling data from multiple sources (removing the need for manual entry) and provides you with a single oversight of your company's finances.

From a top-level perspective, this can help you understand your present position. But by using software that allows you to drill down further into the numbers and easily share or display them, your finance software can be an engine to power your decision-making based on accurate and reliable financial information.



Transparent, traceable audit trails

The pandemic has been a catalyst for the accounting industry, helping businesses adapt quickly to working from home and embrace new technology available to assist in the undertaking of day-to-day tasks, the storing of data and the collaboration between teams and clients.

Before the COVID-19 outbreak, accountants called for the implementation of cloud-based systems to help increase collaboration between teams and clients and increase flexibility to allow more ability to work remotely without hindrance.

Companies now face the difficulty of trying to force the traditional model of manual data entry and paper into this more sophisticated way of working.

Historically, if staff were working on a document simultaneously, from remote locations, it was extremely easy to lose track of which version was most recent, thus leading to duplications or edits being lost, rising inefficiencies and incorrect reporting.

However, with cloud reporting software, you can ensure accuracy, as there is "one version of the truth." Similarly, teams can keep up with the latest changes, check who is editing documents and manage sign-offs with its traceable and transparent audit control, leaving minimal room for error.



Keeping on top of regulatory red tape

The past few years have seen a wave of new regulations hit the financial and accounting industry. New red tape continues to be rolled out and shows no sign of abating.

With a renewed focus on audit quality following several high-profile failings, accounting rulebooks across the globe will continue to evolve.

The right reporting software - if it is built with regulation in mind - can take away much of the headache of staying compliant with constant rules and reporting changes.

Regularly updated software ensures you don't have to spend time worrying about whether you're reporting is in line with the latest legislative changes and can streamline the reporting process - taking the guesswork out at the same time.

Preparing for audits

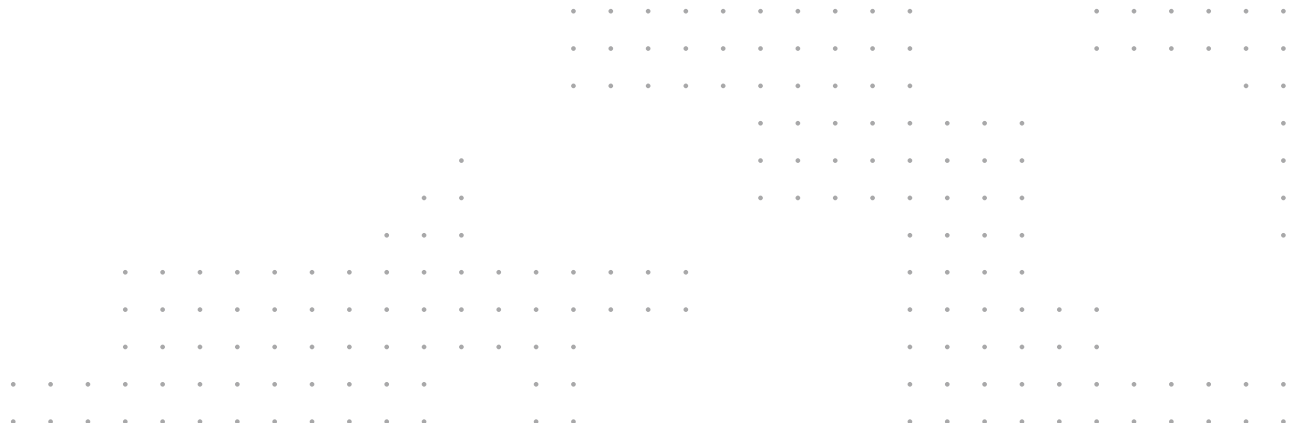
The global audit landscape is set for an overhaul in the near future, with industry professionals expecting to see tougher rules and standards being imposed to ensure only good quality audits are undertaken.

After a number of high-profile failures over the last few years, is now the time to improve the reporting processes and introduce stricter measures to avoid further losses?

Such plans would mean companies will be required to invest more time and effort into their reporting, preparing accurate information to provide to auditors amidst more vigorous scrutiny.

In light of this, businesses should consider above all else reducing the time and cost of administrative duties, especially when looking to prepare for questions or issues posed by auditors.

By implementing the right reporting software, companies can drill down into their data and provide reliable supporting evidence to auditors.





Better money management for your business

Having visibility over a company's finances is an essential element of operation, not only to safeguard its immediate future, but also to plan for future growth and investment.

Since the pandemic started, forecasting has been key and more important than ever to gain a viable, trusted insight into a company's future. By having access to real-time, accurate data, businesses can be much better equipped to navigate any economic uncertainty.

Without an accurate picture of those finances, any decisions are either going to be made on false assumptions or based on unreliable or outdated information.

There is a lot to be said about the improved visibility of a business' financial position that is offered by accounting software.

This can take the form of providing a high-level overview of its current position or enabling a deep dive into the financial nitty gritty to understand past performance, uncover trends or plan further into the future.

This level of visibility - available at the touch of a button and without having to pull information from multiple sources or systems - can be gold dust and is essential if a company is to accurately report on and forecast its financial position and capability.



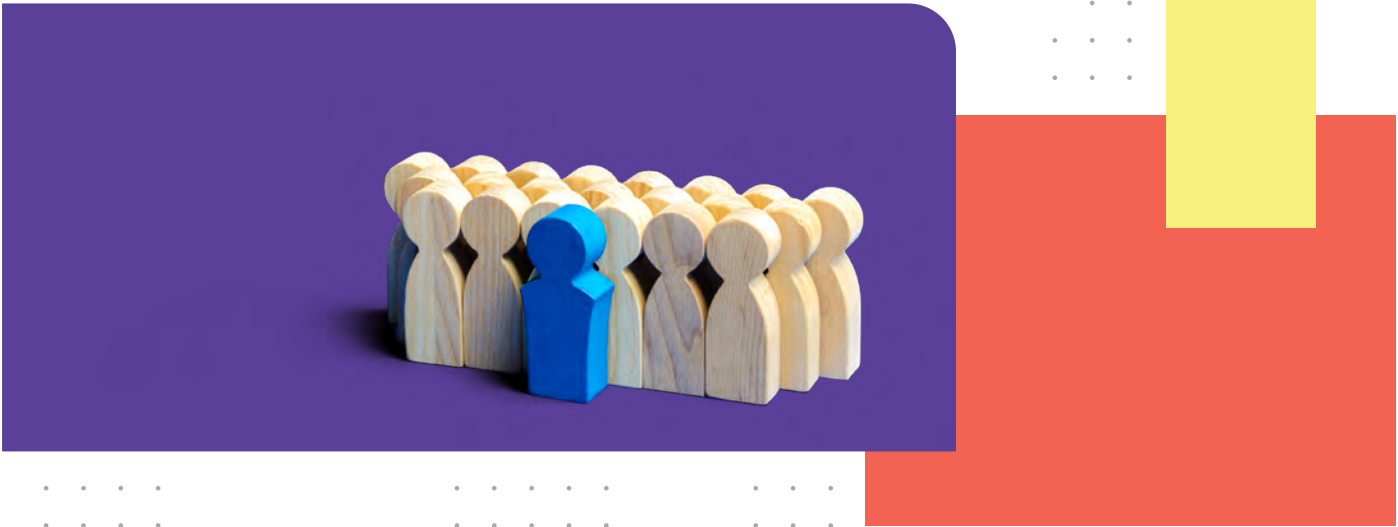
The new world of work

Using software to boost morale, management and recruitment

As we head toward the new normal, we start to imagine how the new working model will look. The 9-5 tradition is no longer going to be the norm, businesses don't want to be bogged down with an office environment filled with filing and constant streams of paperwork. Instead, they are looking to become more agile and sustainable.

Historically, new accountants would dream of a long career at a well-established and named firm. Nowadays, however, and with economic changes and accounting software on the rise, many see a career with good technology as a better career investment that will offer a higher quality of service and increased value to their personal progression.

There is also the perception that when the right software is implemented, it will allow for more flexible working, offering workers the option to work remotely, thus helping to avoid long hours at the office and ultimately increasing productivity. A study conducted pre-pandemic, by the Association of Accounting Technicians, found that 19 percent of accountants asked about the possibility of flexible working in their first job interview.

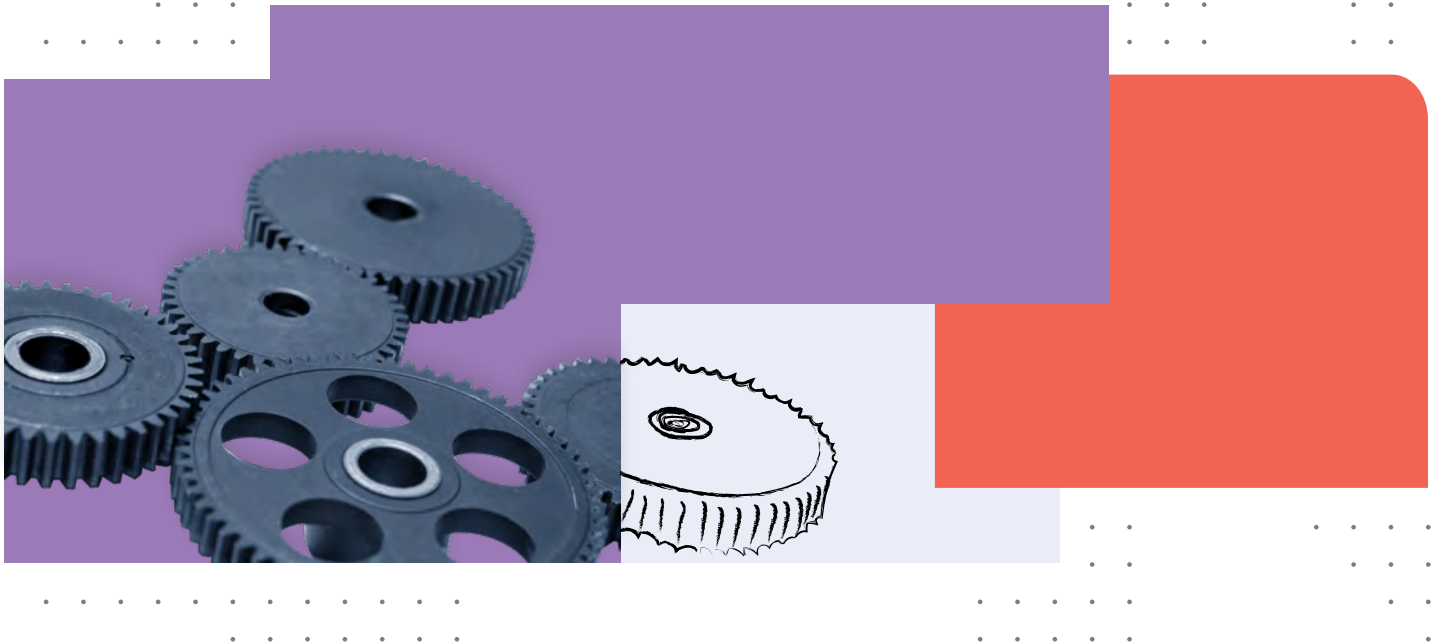


A further 38 percent had been offered flexible working by their employer without requesting it and 75 percent said that flexible working was the main benefit of their job at the time. Further to this, 73 percent mentioned how they would be reluctant to leave their current employment in case a new role doesn't offer the same flexibility.

It's not only employees who are benefitting from flexible working either. The majority of homeworkers tend to work longer hours when presented with a flexible working environment, but also feel much happier and less stressed than working a traditional 9-5. It's proven that employees are more productive and put in more hours when working remotely.

Along with having access to data, digital tools and software to enable collaborative working and enhanced reporting, can a traditional finance team survive without such benefits in this day and age?

Individuals and teams use the power of the cloud to work from anywhere.



Creating ‘secure by design’ financial systems

Even the smallest firm could potentially face crippling costs if it fails to properly protect customer data. Given the sensitive nature of information held on clients by financial firms, even if a fine isn't enough to bring the business down, the loss of reputation – and potential business – could be enough to push it over the edge.

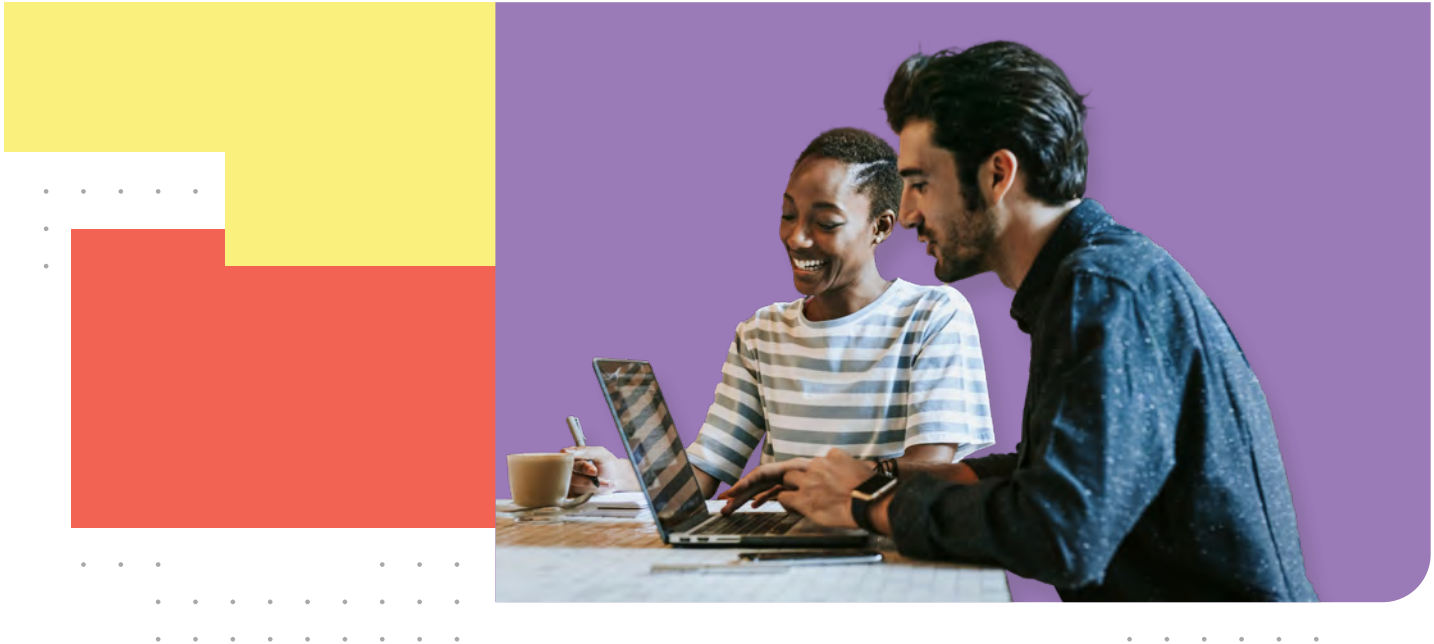
If finance firms are to be forced to “go digital” they need to install software that will allow them to do this effectively, but also in a way that keeps information out of the hands of those who shouldn't have it – even if it's just unauthorized members of staff.

With that in mind, effective accounting software can protect firms and businesses by creating restrictions on access to sensitive information, ensuring it can only be accessed by those with the proper rights.

Secure encryption can also reduce the risk of paper documents being lost and stolen – not out of the question if workers are expected to be more mobile – and ensure information stays as secure as possible at all times.

With today's new focus on digital-first working practices, coupled with stricter rules on digital and data protection, the need to remain data secure and compliant has never been more important.





Conclusion

No matter what size firm you run or work for, there is no question financial software has likely become a major part of your organization.

Client demands have altered, along with the ever-changing rules on reporting and legislation. Manual processes are too cumbersome to get the job done efficiently, and employees are shunning those firms holding onto traditional ways of work in favor of more flexible, “disruptive” organizations. The question then is not whether accounting or financial software can benefit your business, but which offering to go with.

Accounting software should play a key role in your business’s operation. It should allow you to complete reporting and compliance needs with ease, storing and pulling information from multiple sources automatically, while providing your staff a means of analyzing and interpreting the data.

Accounting software should free your staff from the mundane model of desk-based work to allow them to get out to meet clients, understand their clients’ businesses better and be on standby as a wider business advisor, rather than someone who enters data and prints reports.

Finally, your accounting software should form a central part of your recruitment campaign. Today and tomorrow’s finance workers are digital natives who are entering their careers expecting the same kind of technology experience at work that they get in their personal lives.

By viewing accounting software as the vital investment it is, you are putting your firm on the front foot to get ahead of the competition.

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