

The Human V/s Machines – Accounting & Financials

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"In our lifetimes, we've all seen technology accelerate every industry it touches. Most Accountant already use digital tools and are optimizing processes to go paperless. Yet as technology continues to advance and further automate numerous functions, conversations turn to the prospect of human-less accounting and financial advice jobs. White-collar workers who are part of the knowledge economy are beginning to experience what manual laborers have in the past when new technology made their jobs obsolete. Given the improvements we have recently seen in computing, many accountant fear for their future as machines threaten to overtake them. Rather than fear changes that machine learning will have on accounting tasks, it's an opportunity for accounting accountant to be excited. The profession is going to become more interesting as repetitive tasks shift to machines. There will be changes, but those changes won't completely eliminate the need for human Accountant, they will just alter their contributions."

Will Accountant and Auditors Be Replaced By Robots?

The answer is "NO". There always will be a need for that human element 'human intelligence' at the other end of AI technology. Discussions of a robot revolution are honestly more sensational than factual. In the real world, the technologies transforming the financial industry will in no way render the human factor redundant. Instead, technologies like the cloud, artificial intelligence (AI) and blockchain will empower Accountant and Auditors and the entire financial services industry by reducing manual data entry and improving the speed, accuracy and quality of data. The boom in technology across numerous industries has meant opportunities for advancement in how accountant do business.

Artificial Intelligence (AI)- Machine Learning

Machine learning is the leading edge of artificial intelligence (AI). It's a subset of AI where machines can learn by using algorithms to interpret data from the world around us to predict outcomes and learn from successes and failures. As machines infiltrate accounting tasks to take over the more mundane and repetitive tasks, it will free up Accountant to spend more time using their professional knowledge to analyze and interpret the data to provide

recommendations for their clients and also allowing them to focus on more advisory roles that brings greater value to clients.

While there is no doubt that AI technology is capable of handling many standard accounting tasks faster and more efficiently or that these capabilities will only increase over time, it doesn't mean the end for Accountant. There always will be a need for that human element - human intelligence - at the other end of AI technology.

Accountant don't have to worry about their job being replaced by AI any time in the near future. Companies will always need Accountant that can analyze and interpret AI data, as well as provide consulting services. Rather than replacing the role of an Accountant, AI technology will transform the duties an Professional performs.

In basic terms, AI technology is intelligent machines that are able to complete repetitive, mundane tasks at a fraction of the time it takes humans and with greater accuracy. The emergence of Machine Learning now allows AI platforms to observe, analyze and self-learn data and processes to improve its performance and accuracy over time.

AI technology is already able to handle many accounting functions, such as tax preparation, payroll, and audits. Many of the leading accounting software providers, including Xero, Intuit and Sage have incorporated AI technology into their software to handle basic accounting tasks, such as bank reconciliations, invoice categorization, risk assessment, and audit processes, like expense submissions and invoice payments.

In many ways, AI will help Accountant improve their services. AI technology will improve data entry accuracy and lower the liability risk for Accountant. In addition, emerging technology is more efficient at fraud detection, adding an extra layer of protection for Accountant and their clients. It also provides real-time data, which allows Accountant to provide real-time solutions. Even more impressive is the ability of machine learning to analyze large amounts of data

instantly, evaluate past successes and failures in an effort to accurately predict future outcomes.

Accelerating Automation

By 2020, labor-intensive tasks like tax preparation, payroll, and banking will be fully automated a trend that's considered the greatest transformation since the introduction of double-entry bookkeeping 500 years ago.

Artificial intelligence (AI) and machine learning won't make human intelligence extinct. What they'll actually do is give Accountant better access to a range of near-real-time information from a greater number of sources.

While algorithms will continue to get more powerful and efficient at compiling big data, computers are only great transactional machines. They can't replace the interpretive capacity of the human mind. It's also pretty hard to teach a machine common sense.

Technology will give us access to better data, but Accountant are the ones who'll have to apply this information to the real world to provide crucial business insights and intelligence.

Breakthroughs Via Blockchain

A single-ledger technology, blockchain is a delivery method that lets users from several sources access the same information in near-real time. For instance, if a business' risk profile is hashed (tied) to the blockchain, the business and its potential lenders or investors can all access the profile simultaneously.

If a change is made by one party, everyone with access can see this change as soon as it's validated. Transactions that used to take hours or days will now take minutes or seconds. This speed also comes with greater security and transparency.

Instead of worrying if a transaction has been reported, you can be assured that it was recorded. Auditing, compliance and reconciliation will all be faster and more accurate all without time-consuming or error-prone manual data entry.

The Innovative Shall Inherit The Earth

The cloud, AI and blockchain are powerful ways to automate and streamline manual and transactional tasks. However, the functions that are hardest to

automate are those that apply specialized expertise to decision making and planning.

Accountant and financial accountant can future-proof their careers by embracing technology and building on their roles as their clients' most trusted and valued business advisers. Time and again, cash flow is cited as a business-killer. For Accountant who seize the opportunity to turn better and more accurate data into actionable insights, the future is more than assured.

Task to performed by Artificial Intelligence (AI)

Rather than eliminate the human workforce in accounting firms, the humans will have new colleagues—machines—who will pair with them to provide more efficient and effective services to clients. Currently, there is no machine replacement for the emotional intelligence requirements of accounting work, but machines can learn to perform redundant, repeatable and oftentimes extremely time-consuming tasks. Here are some of the possibilities:

Auditing of expense submissions: Machines could learn a company's expense policy, read receipts and audit expense claims to ensure compliance and only identify and forward questionable claims to humans for approval. Otherwise, machines could handle the bulk of this task.

Clear invoice payments: Today, when customers submit payment that might combine multiple invoices or that don't match any invoices in the accounting system, it's time-consuming for accounts receivable staff to apply payment correctly without making a call to the client or trying to determine the right combination of invoices. However, smart machines could analyze the possible invoices and can match the paid amount to the right combination of invoices, clear out short payments or automatically generate an invoice to reflect the short payment without any human intervention.

Risk assessment: Machine learning could facilitate risk assessment mapping by pulling data from every project a company had ever completed to compare it to a proposed project. This very comprehensive assessment would be impossible for humans to do on this scale and under a similar timeline.

Analytics calculation: The accounting department is continuously barraged with questions similar to, "What was our revenue for this product in third quarter last year?" or "How has this division grown over the last 10

years?" Given the data, machines can learn to answer these questions very quickly.

Automated invoice categorization: Many Accounting software firm is deploying a machine learning automation system that will be able to learn over time how to categorize invoices, something that currently requires accountant to do manually.

Bank reconciliation: Machines can learn how to completely automate bank reconciliations.

As accounting firms and departments begin to rely more heavily on machines to do the heavy lifting of calculating, reconciliations and responding to inquiries from other team members and clients about balances and verifying info, accountant and bookkeepers will be able to deliver more value to their clients and handle more clients than ever before.

How will it change the accounting industry?

The Accountant and operators who choose to partner with AI will have to rethink how they oversee mundane services performed by junior staff. The saved time, however, will allow those financial accountant to become better positioned as advisors.

Are both big and small firms able to enjoy the benefits?

Big firms have won clients simply because small firms lack the resources to offer necessary services. To some degree, that has held true in early AI trends. While small firms have their entire staff working on the present, big firms are able to set aside Accountant to work on the future. This has given big firms the upper hand in the early adoption of Artificial Intelligence.

It's not all bad news for the little guy, though. Artificial Intelligence's biggest benefit is taking over tasks that big firms have armies of staff Accountant working on. Whether it's one partner leveraging Artificial Intelligence or one partner with ten staff, firm size no longer matters. The scale may even tip toward small specialized firms that become known as the top of their niche.

Positives and negatives of Artificial Intelligence's rise in the accounting industry?

In some cases, firms would rather avoid these changes. They may force firms to make additional investments that are costly up front or to rethink business models that are currently successful.

Anyone that struggles to adapt may no longer have a place in this new market.

Ultimately, though, Artificial Intelligence creates new opportunities. Accountant and financial accountant take on more important roles with corresponding compensation. Those who are ready for the future will find that their future is even brighter.

Preparing for the Future

Finally, it is high time for every accountant to reflect on their job, identify the opportunities machine learning could offer to them, and focus less on the tasks that can be automated and more on those inherently human aspects of their jobs.

There is no way to escape the use of AI technology, at least not if you hope to remain competitive in the upcoming years. The speed, efficiency and accuracy of AI technology just cannot be beat. The only thing Accountant can do is to embrace this new technology and learn how to maximize its use. The better equipped you are to help your clients integrate and utilize AI technology in their accounting processes the more valuable you will be.

Accountant can obtain the IT skills they need by attending seminars, using self-learning online programs or attending college-level courses. It is equally important for Accountant to stay up-to-date on the latest accounting trends, emerging technologies and industry news. This will allows Accountant to not only keep their jobs but to also provide more efficient services to their clients.

Rather than worry about AI taking over their jobs, Accountant should embrace this technology as a powerful solution to enhance customer services. Finally, Accountant will be able to use all their training and experience to provide customer will real and effective business solutions, whether it's in reference to tax consulting, financial & business advisory, real estate deals, mergers, growth options, or any other business practice.



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