



## Accounting Automation in the Post COVID-19 World 2021

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## Accounting Automation in the Post COVID-19 World 2021

Automated workflows and systems have been top of mind since the rise of cloud computing. Fast forward to now, when many businesses are operating remotely, automation has been relied on more than ever. Automation is no longer a convenience, it is a decisive business tool. This is particularly true with accounting automation. Why? Because your financial cycle is tied to everything you do from operations to sales, and even decision making.

Accounting automation is a gamechanger, plain and simple. Those without it are missing serious opportunities and risk losing a major competitive edge. In this guide you'll learn:

- What accounting automation is
- The impact and benefits of automated accounting
- How automation affects accountants
- Core automation features you should prioritize
- How to successfully implement accounting automation



## What is Accounting Automation?

[Automation](#) within an accounting system works to eliminate the most repetitive, time-consuming tasks of the financial life cycle processes. These include accounts payable, accounts receivable, and automated general ledger (GL). The goals here are to eliminate demand for human labor and time and establish consistent accounting. This, of course, makes accounting faster and more dependable. Much of this has to do with how data is handled within the system.

Automated accounting also focuses on storing, collecting, and processing accounting data in real-time. This gives accountants and business leaders critical information instantly. No waiting, no uncertainties, the data is ready immediately for use. Besides issuing bills or managing expenses more efficiently, this automation helps you understand what is going on in your organization. This allows you to pivot strategies and understand workflows faster and more precisely in order to save money and resources.

## The Impact of Automated Cloud Accounting

Automation has changed the face of Cloud IT and the industries that rely on it. Not only can data be viewed anywhere, processes can be done instantly with nothing more than a click of a button, if that.

Automating core operations means that a company can adopt new strategies and processes to function more fluidly while adding further benefits to the customer. Rewarding the customer is always the main goal of automation. The spread and proficiency of automating business processes means companies are now more flexible and efficient. They can focus on directing the business and the customers' experience instead of day-to-day operations. In the midst of COVID-19, automation in particular was key to remaining operational. This is because automation allows tasks to be conducted without human interference or errors.





## Accounting Automation Post COVID-19

Just as cloud IT has made data and technology more accessible, it's also increased the need for financial data. And not just faster data, but more accurate data to streamline initiatives and coordinate remote work. COVID-19 pushed many organizations to operate remotely.

Because companies were forced to pivot to a virtual setting, the role of automation became elevated, particularly in accounting. Since [December 2020](#), a survey found that 45% of executives have concurred that the influence of accounting has grown. Of these leaders, 19% described this increased influence as 'substantially' impactful. Just because staff work remotely, accounting actions and data can be completed and reviewed automatically without the need for in-person interference.

Simultaneously, financial data is critical for making the best decisions for organizational success. In an uncertain market, this data is even more important to make the most cost-effective and beneficial decisions.

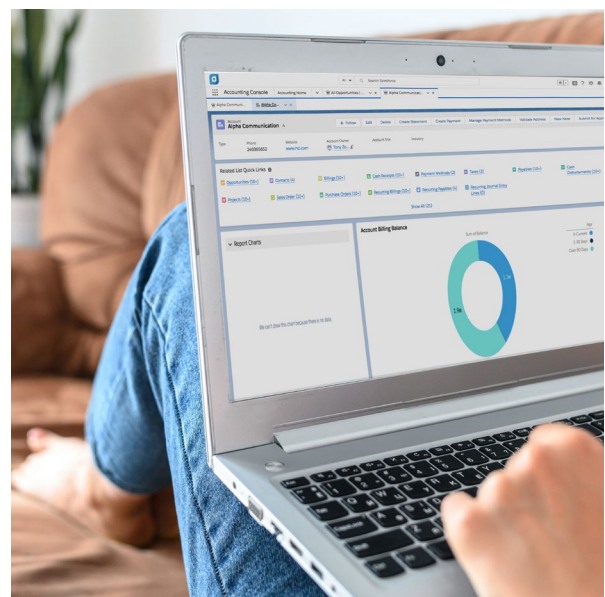
In the economic fallout of COVID-19, cost effective business decisions with high return-on-investment (ROI) became important for steady operation. Organizations using automation were more prepared and empowered to weather the storm and still achieve key goals. COVID-19 has reinforced two things:

1. Most of accounting's manual entry is no longer necessary. Today, about [75% of accounting tasks](#) can be automated. What's been very clear with the pandemic is that this allows for a smoother, more efficient experience in a remote environment. Besides not skipping a beat, accounting automation allows for more efficient financial management while people work at a distance. An office or in-person environment isn't required.
2. Avoiding automation creates a major disadvantage for companies. In fact, [43% of financial professionals](#) reported that their organization's accounting process still required some manual work. When COVID-19 forced a shift to work-from-home operations, extraneous processes became a great hindrance. Financial data is needed more than ever to manage costs and pivot during the pandemic. Additionally, lack of automation threatens the accuracy of data.

Even before COVID-19, manual accounting was holding businesses back from their potential. This only intensified with the quarantining and economic uncertainties of the pandemic. However, the reverse is true for organizations who adopted automated accounting functions. Organizations using automated IT processes pivoted more easily and remained efficient. Financial management was unaffected because automation runs without data re-entry.

Data was also accessible in real-time, and accurate - very important for understanding what's going on in the organization. Automation makes [cash-flow](#) management and forecasting financial data critical for navigating COVID, not only more quickly available, but also more accurate and actionable. This allowed businesses to survive and even thrive under lockdown.

Moving forward automated accounting will increase. It was [increasing](#) even before the pandemic. Companies are now looking to recover from the effects of COVID-19 by increasing their use of automation to drive remote efficiency and generate more reliable accounting. Those companies using automated accounting have a significant advantage over their competitors who don't.



## The Benefits of Accounting Automation

In many ways, accounting was a keystone for the development of automation itself. Accounting was one of the first business processes to be transformed into [IT software](#) to save time from manual entry. This brought core benefits to companies which we've already touched on.

## FASTER ACCOUNTING

Simple, repetitive tasks can be set to be performed automatically, without the need for adding or changing data manually. Transactional processes like bills, payables, and reconciliations can be set to process with the click of a button. Automated accounting removes the burden of having to re-check data and perform unnecessary [reconciliations](#). All this saves time and money, while allowing all levels of management to prioritize high-level

tasks. Because the financial data is stored and updated immediately, the basics of bookkeeping and data tracking become a lot easier to perform, manage, and track.

## SEAMLESS DATA SHARING

One of the greatest benefits of all cloud-based technology is the ability to share data and work together as a seamless IT system. Automated cloud accounting allows financial data to be drawn from multiple sources/apps and housed in a single easy-access location. Automation lets this data be transferred into the accounting system without having to re-enter it. Whenever accounting data is moved from one system to another and physically re-entered, the risk of errors increases every single time.

Therefore, automation helps accounts avoid [very costly](#) data errors. Harnessing reliable Application Programming Interface (API) connections to the other solutions, accounting records can be updated in the system from the moment a change occurs.

## STRONGER INSIGHT AND ANALYSIS

As mentioned, financial departments are being called on more and more by sales, marketing, human resources (HR), and operations to provide raw data faster than ever. With all of this data flooding in by the terabyte, financial departments struggle to keep up when using spreadsheets and other manual methods. Without automation, team members are forced to spend hours collecting data, re-entering data, and ensuring data quality. This leaves little to no time left over for analysis, reporting, and other strategic recommendations. Accounting automation changes all of this because now all the data and finances of each dimension of the business can be automatically connected to a single accounting system.

Now, siloed, manual financial processes can give way to cloud-based platforms that vastly simplify reporting, planning, forecasting, and other analytical functions. This allows for quick insight into your company's overall finances. This also helps teams forecast sales performance more accurately and helps develop more effective budgets.

## BENEFITS



1. Financial processing becomes faster and less demanding.



8. Automation allows for easier and more effective methods of monitoring accounting data.



2. Data is faster to acquire, easier to analyze and use in critical moments.



9. Financial issues and questions can be resolved more quickly.



3. Real-time statuses on the time/expenses of projects.



10. Customer behavior, preferences, and other trends can be identified.



4. Fewer human-related accounting errors.



11. Stronger, automated security surrounding financial data and processes.



5. More streamlined accounting lifecycles.



12. Compliance and regulation rules are easier to manage.



6. Automated accounting eliminated uncertainties for ROI.



13. Increased control and flexibility over financial management.



7. Stronger milestones and key performance indicators (KPIs).



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Before delving more in-depth into other core benefits, here's a quick overview of just a few overarching benefits of automated accounting. To say automation *just* makes accounting faster and easier is a major understatement. Harnessed correctly, users have virtually unlimited benefits. Let's explore a few of these benefits in more detail.

## ACCURATE DATA

Automation rules allow for processes to be done on time and for data to conform to certain standards according to user requirements. Unlike spreadsheets, automated accounting systems will update the record for you in real-time when any changes are made to the account in question. Amounts and relevant data are consistently logged and updated in real-time, ensuring errors are absent and that information remains consistent. Automation makes mission-critical financial data available instantly, which means leaders have faster answers to important business questions. Through increased data accuracy, understanding business metrics is no longer a guessing game. Accountants and managers can visualize how initiatives affect the bottom line. ROI is no longer in question - accurate financial returns don't lie.





### RISK AND REVENUE ASSESSMENT

With greater access to accurate and timely information, finance executives can run scenarios with different sets of variables. Automation enables users to draw from a much broader selection of data instantaneously to assess both potential risks in existing markets and opportunities in new ones. Instead of having to hunt down each scrap of information, automation lets you compile and analyze all these variables in a single home. Automation also helps companies generate and manage comprehensive reports, very quickly. Teams can drill down into specific data within seconds - very important for being able to control project expenses and implementing corrections. Being able to seamlessly assess different areas or trends in the market easily is invaluable to an organization. Companies who can do this will be able to pivot strategies and orchestrate change more effectively than competition.

### MORE EFFECTIVE KPIS

Organizations that have successfully automated accounting functions are more empowered to visualize past traditional metrics and define unique, forward-thinking key performance indicators. Automating data flow allows you to truly understand key business factors such as customer satisfaction, or even tackling the complex issue of treating data as capital. Capturing comprehensive financial data is imperative because the analysis of the data influences many key decisions about business models and technological development. This translates to developing more informed business decisions that secure higher conversion rates, more repeat purchases, improved customer satisfaction, and more.

### INTERNATIONAL BUSINESS EXPANSION

Companies seeking to expand into international business need automated accounting. There are simply too many factors to monitor and account for, not to mention many multi-currency transactions. Automation helps you manage all these factors while having a clear understanding of your company's entire financial health. Automation rules can be set to provide multi-language and multi-currency support, and automatically support accounts from local subsidiaries. For example, Accounting Seed's technology provides automated multi-currency conversions using accurate, foreign currency exchange rates.

### IMPROVED CUSTOMER EXPERIENCE

Your sales team should always be enhancing the customer experience and tailoring their approach to land new deals. Accounting data is a huge resource for this because it gives insight into customer behavior and sales history. Because the accounting can be automated, the data will be more accurate and faster to access so they can develop a more effective customer journey. They can also use these numbers to refine the customer journey based on the information about the prospect. The quicker your sales team can negotiate a contract with discounts based on the specific needs of your customer, the easier it is to replicate good practices to acquire new customers. This creates a fluid contract lifecycle that frees you to focus more on engaging the customer than the meticulous tasks of gathering the necessary data. Automated accounting is also a powerful tool for improving the experience of current customers. You can also tailor billings and statements to be automated based on individual customers.



**Business owners today need to know where you can create new processes to maximize efficiency and cut costs. Having a tool like Accounting Seed has allowed us to embrace process management."**

**- Jennifer Murphy**  
President, NetPlus Alliance



## How Does Automation Affect Accountants?

Automation often worries people about job security, whether their roles will become outdated. If automation reduces the need for manual entry and transactional processing, accountants are no longer necessary, right? Actually, the opposite is true. Accountants remain very relevant and [in-demand](#). But, the profession is changing. Automation is playing a major part in redefining the accountant's role.

It's important for all business leaders and accountants to remember that automation is a tool. It does not substitute human worth. Instead automation empowers accountants and financial professionals, by helping them do their job more efficiently and effectively. Only [6% of accountants](#) don't see automation as a business asset, when in reality, automation frees accountants to prioritize analyzing the numbers.

Now, more than ever, the accountant's primary role is that of an advisor, which is the greatest value of the position. Experts agree that [accounting is the language of business](#). Understanding how business initiatives and activities are affecting financial performance is critical for measuring success. This not only makes accountants invaluable for helping leaders reach goals but also for stakeholder engagement, helping explain strategies and demonstrate corporate profitability.

Analyzing and understanding how business activities impact the financial health of an organization creates a roadmap for success. Accountants aren't just bookkeepers anymore. This is what automation is replacing - the manual entry. Instead, accountants are becoming the curators of the company's financial data. Data analysis, risk management, cash flow projection and conservation are more effective with the use of automation. The turnaround speed for delivering time-sensitive insight is also expedited. By having automation remove manual work, accountants are more [productive](#) in a high-speed work environment. The more proficient accountants are at using automation to improve financial health, the more valuable they

become. Understanding and using accounting technology are becoming critical components of financial work, equally as important as accounting proficiency.

## ACCOUNTING ARTIFICIAL INTELLIGENCE (AI)

Accounting has seen the development and implementation of AI in financial processes, primarily in the form of Robotic Processing Automation (RPA).

[RPA](#) is a new kind of automation that harnesses basic artificial intelligence to reduce human involvement in basic, repeatable tasks. RPAs are bots. In fact, they're sometimes called [robo-accountants](#). For [accounting purposes](#), RPAs are used to handle the bulk of transaction processing like [vendor invoices](#) and financial closes and [reconciliations](#). Things that regular accounting automations handle.

Because RPAs reduce transactional data processing, accountants can focus more on delivering financial analysis, but there is a drawback to the bots. The reality is that RPAs are only useful if they can be designed to perform repetitive tasks effectively. When they are though, RPAs can still falter due to inflexibility. Because RPA is optimized to process-specific tasks and formats, when transaction data differs from this criterion, it can break.

Because RPAs function best when processes remain uniform and data formats don't change, they are relatively limited in what they can do. If the RPA system does encounter instances that deviate from its programming, delays and data errors can result. This may take significant time and cost to fix.







Do these drawbacks eliminate RPA as a potential solution? Not necessarily, accounting AI is certainly continuing to develop, but this doesn't mean you have to rely on an accounting system that uses RPA or other AI. Instead, use an accounting system that highly emphasizes automation and flexibility. Consider transitioning off of legacy accounting systems that lack automation or aren't able to connect to your other mission-critical applications.

Robust, reliable application programming interface (API) should also take precedence in your accounting tool. This both enhances your automation and allows your accounting system to work with more IT tools.

So what are some automation features and qualities you should look for in an accounting solution? While you should look for automation functions you need immediately, more value will be gained in purchasing a solution that not only has an extensive automation capacity, but can also provide custom automation.

## What are Some Core Automation Features to Look for?

Again, flexibility will be an essential ingredient in any accounting solution, but especially when it comes to automation. There are core automations you'll want to have to make basic debits and credits management easier. But you'll also want more elevated process automation features to enhance your financial accuracy, security, and help you maintain procedures/processes like compliance. Here are a few things to look for.

### CLICK-NOT-CODE AUTOMATION

Click-not-code automation is the simplest, most time-saving form of automation available for accounting. This automation has also been referred to as configuration, point and click automation, and no code automation. Like the name suggests, an automated process can be developed by users in a way that once in place, a simple click is all that's needed to initiate a sequence of events. Or, processes can be scheduled to run on its own once developed.

This automation does not require users to develop custom code to facilitate. Instead, the accounting platform provides [drag-and-drop features prebuilt](#) into the system they can use to build the automation. This is an immense timesaver for companies because accounting processes can be set up and

implemented on the spot without the need of IT experts. Because complicated coding isn't required, you also save money that would have been needed to hire someone to develop custom code.

The convenience and cost effectiveness has led to a rise in no code automation - unsurprisingly. This offers significant advantages to multiple teams and allows financial teams to work more efficiently and with enhanced control over accounting processes. The time spent waiting for functionality to be developed is spent analyzing data and improving other internal processes. Click-not-code automation is stronger and more prominent on IT platforms.

One notable pioneer for this is [Salesforce](#). Salesforce architecture and API are designed around providing elements that allow users to [build on top](#) of the platform without writing a single line of code. This design element is also featured in native solutions, technology built on Salesforce, like Accounting Seed.







## TRANSACTIONAL AUTOMATION

Everyone wants their accounting to be faster, accurate, and easier; the key to this is transaction-based automation. The availability and flexibility of your solution's automation functions are not only a convenience, but important for helping you manage increasing amounts of debits and credits. Transaction-focused accounting is critical for scaling your organization as you grow and expand. These are three core automations you should look for in your prospective solution.

### 1. Event Automation

Transactional accounting is now more streamlined and easier because accounting platforms can fully automate repetitive entries for you through event automation. For example, Accounting Seed utilizes click-not-code automation which enables you to do multiple functions with just a button click. The simpler automation is to implement, the more efficiency you gain. This also reduces your manual labor while enhancing your entire system's accuracy.

### 2. Batch Automation

Batch automation, or batch processing, is automation in which the system completes batches of jobs at once instead of forcing you to do each job individually and manually. Batch automation allows tasks like revenue recognition and billing to be done in mass to save you time and meet deadlines. You can also run multiple batch operations sequentially according to your defined processes.

### 3. Scheduled Job Automation

Scheduled job automation ensures that your accounting never falls behind for you or your customers. Processing jobs manually always carries risks of delay or errors. Recurring jobs create consistency and help you to meet deadlines. You should be able to automate daily, weekly, and monthly processes as you need. Once set, these can be easily adjusted to reflect new changes to billing or revenue cycles.

## AUTOMATED REVENUE MANAGEMENT

With all the moving parts of running an organization and managing multiple accounts, you'll want streamlined revenue processing. Look for an accounting system that has automated revenue recognition and expense reallocation features. This lets you facilitate quick reconciliations. This is especially critical if your business structure relies on a deferred revenue cycle. The revenue

recognition should also support the automated matching of ledger transactions to bank feeds. This lets you clear bank transactions more quickly while facilitating accurate reconciliations.

You'll want to be able to automate your revenue recognition via the API to both hasten your business workflow and ensure the data is processed and managed the way you want. This automation will recognize patterns, make connections, and classify financial data while freeing your finance department's time.

## AUTOMATED DASHBOARDS

Collecting and visualizing data is key to successful business strategies. Having instant cost-benefit analysis and other useful financial data at your fingertips allows you to be fully aware of your financial health and where your initiatives stand. This is why [automated dashboards](#) are so valued for business intelligence. To achieve revenue goals and remain within budget, you need to see data in real-time, fast. Accounting and management dashboards can be automated to show specific data and milestones in a single, consolidated view.



Instead of compiling a report, dashboards give you a window into the projects, costs, or other KPIs. You simply dictate what you want to be in the dashboard and the system updates the status automatically. What's also nice are graphs and charts you can use to display this information. This saves you a lot of calculating and from having to hunt down the answers you need.

Does your company need to find new pockets of revenue? Pull up budget statuses and resources to plan accordingly. Is your project over budget or on course for remaining on target? Dashboards can be configured to track it's status and provide fast answers.

## AUTOMATED REPORTING TOOLS

High-level automation enables you to compile reports faster and more accurately than ever before with just the click of a button. But even this can get lost in the moment of a busy month! Therefore, when you're working with deadlines or simply have KPIs you need to track periodically, you can set reports to be generated automatically. This feature is referred to as scheduled reports.

The variables and finances dictating your business are always changing. Scheduled reports let your team always be up-to-date on the numbers to make strong decisions. Instead of entering, re-entering, and compiling spreadsheets, these automated reports refresh with data updates to give you real-time numbers. Depending on your accounting solution, these reports aren't just limited to pure financial reports. For example, Accounting Seed allows users to schedule management reports at any time to streamline workflows and operations.

Your financial reporting features should also have the option to create scheduled reports for key stakeholders. Again, be sure to look into how these reports can be customized to ensure you have full control over the presentation and data of these reports.

Accounting Seed's interactive custom click-no code dashboards provide built-in graphics to let you easily create real-time reports that tackle your toughest reporting needs. Financial statements can be developed with user-defined rows, columns, and calculations. You can draw even more details using our Ledger Inquiry Tool to research underlying transactions. When you need specific information, just drill down to transaction details.



## How can you Successfully Implement Accounting Automation?

The level of automation you can implement will depend directly on your accounting tool. A lot of the free accounting solutions used by starting businesses often offer *some* automation. However, as you increase your transaction rates and need more automation, these solutions don't scale. More intuitive and high-level automation settings around security and internal control functions are also lacking. You'll want to upgrade to an accounting solution that offers more diverse automation options out-of-the-box.

As you map out your business and accounting requirements, begin by asking yourself:

- What do you want to automate?
- How will automations need to flow in order to optimize your accounting and business goals?
- What might you want to automate in the future?

Besides having out-of-the box automation options, look for flexible systems that emphasize customization and configuration. These qualities will let you tailor your automations and build on top of them as you expand. The best automation will let you easily create and establish processes yourself. However, if you need more complicated automation through IT customization, you'll want an accounting system that is flexible enough to let you improve upon the base architecture. As you begin planning your accounting automation, these are the three recurring features in your accounting system you'll need to leverage:

- **Flexibility:** Resilient IT architecture that can be easily adjusted for custom operations
- **Robust API:** Reliable API to communicate with other IT tools and initiate automation
- **Click-not-code:** An immediate array of automation options anyone can easily setup

These ensure that your automations will function according to your requirements, as well as reliably. Automation should be taking the pressure off your staff, not the opposite! Make sure your accounting system is geared to provide a seamless automation experience.

## Your Automated Accounting Solution: Accounting Seed

Accounting Seed is a modern, robust accounting platform powered by the Salesforce platform. We're committed to breaking down silos and building connections in order to take your business to the next level. Part of how we do this is by embracing flexibility and automation in every aspect of our design. With Accounting Seed, you will have a faster accounting process and more accurate, actionable data to steer your organization to success. Whatever you can put to logic, we can automate! The features listed above are all available on Accounting Seed right out of the box. Schedule a [free demo here](#) or [contact us](#) today to begin our conversation.





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