

Collette Professional Accounting

The Ever-Changing Role of Tax and Accounting Professionals in the Modern Era

To say that there is a lot going on in the world right now is truly a bit of an understatement.

Starting a few years ago with the onset of the still ongoing COVID-19 pandemic, the role of the accounting professionals in the context of a small business began to change. It's truly become a role that acts as a sounding board for solid decision-making, as is true with that of the virtual CFO.

In the early days of the pandemic, businesses of all shapes and sizes needed help navigating the complexities of PPP and EIDL loans. Now, another matter is impacting organizations around the world: the current war in Ukraine and political turmoil. This, coupled with tight labor markets and supply chain issues, has created a perfect storm in the worst possible way for many.

But throughout this, and despite the fact that their roles have evolved significantly, the tax and accounting community remains more important than ever. This is true for a wide range of different reasons, all of which are worth a closer look.

The State of Advisors Today

To get a better understanding of just what an important role accounting firms are playing these days, consider it all within the context of the war in Ukraine or China Covid lockdowns.

Yes, it's true that the war and the lockdowns are thousands of miles away from the United States. But the economic stress that it is already causing has been felt all across the globe. Small and even mid-sized businesses have already been through the wringer over the last few years - many are scared that they won't be able to survive what may be on the horizon.

That is where virtual CFO and accountancy firms can come into play. Rather than just providing a standard service (like tax preparation or bookkeeping), they can reach out to clients and listen to their specific situations and make precise recommendations about how to stay safe moving forward.

No, they won't be able to truly eliminate the uncertainty that we're all experiencing. But they will be able to help business leaders understand it and navigate it, thus helping them come through on the other side all the better because of it.

Truly, the biggest way in which the role of the accounting expert in the world of SMBs has changed is that they're now tasked with fully understanding the human impact of it all. This, too, is something that we saw begin with the onset of the COVID-19 pandemic when organizations were overwhelmed by news reports and weren't sure how to proceed.

Accounting professionals were able to help many of those organizations avoid things like cash flow emergencies, burnout, and anxiousness and they're more than prepared to do the same thing again here, too.

But really, one of the most important ways in which the role of the accountancy firm has changed in recent memory is that they now have to be more proactive and nimble than ever. Advisors can no longer wait for clients to reach out to them with questions or concerns - there's a chance that may not actually happen. Instead, they need to take it upon themselves to reach out and answer questions, address concerns, and offer expert advice on things like tax planning or entity selection.

All of this also helps to underline the importance for small businesses of finding the right accounting firm partner in the first place. One that understands your organization, believes in where you're going, and can help use their financial expertise to help get you there. Even if you're a smaller organization, many

firms offer CFO-like services that can help make sure you always have the expert advice you need when you need it the most.

That way, even if things grow even more uncertain in the future, you still have an advocate by your side every step of the way. If you want to see how our firm can help you with new services and offerings, feel free to contact us today.

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