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Inside OUTSOURCING®

The newsletter for forward-thinking professionals

Tech it or leave it

Will AI trample over your accounting practice, or help you move forward?

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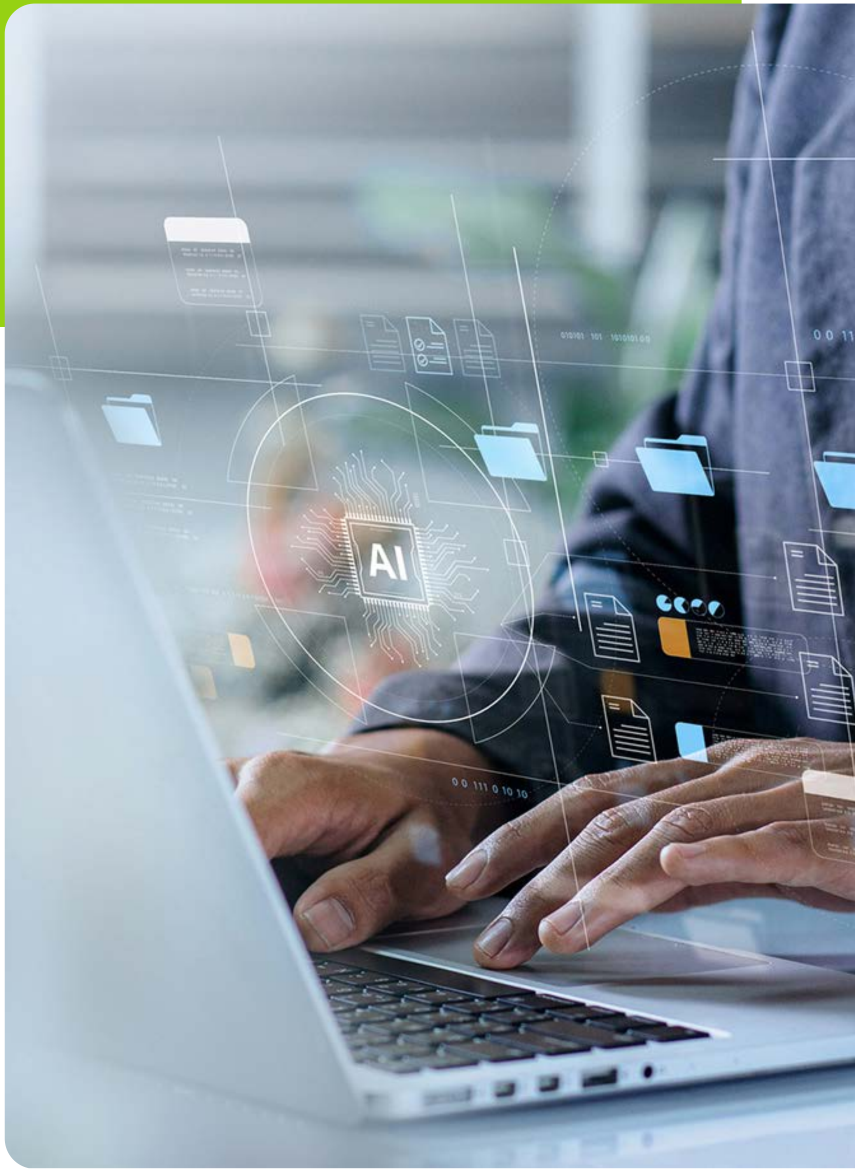
Benefitting from automation and AI in your firm

Are automation and AI challenges for your practice, or opportunities? Advancetrack takes a positive look at tech and sustainability.



ACCOUNTING FIRMS HAVE SEEN first-hand the huge impact of technology on their industry over the past couple of decades. Whether it's the flexibility and convenience offered by cloud accounting, the advent of open banking or the emerging possibilities offered by AI in accounting, the ways in which you operate and serve clients are evolving at pace.

While accounting has always demanded accuracy, consistency and efficiency, the rise of AI brings an entirely new level of capability if it can be adopted and leveraged by firms in a practical and cost-effective way.

In this guide, we explore what accounting automation with AI really means, what benefits it brings to firms, and how outsourcing to a trusted partner who integrates these tools can help you deliver results with even greater efficiency, enabling scalable growth without the need to increase your headcount.

WHAT IS ACCOUNTING AUTOMATION WITH AI?

Accounting automation is something that has existed in accountancy for a long time, whether it's with spreadsheet macros or bookkeeping software and cloud-based solutions. The difference with AI is that it can essentially 'learn' from data, identify patterns and perform some tasks with minimal intervention from people, continually improving accuracy and driving efficiencies.

The potential for accounting automation with AI is huge, in areas such as:

- **Classifying expenses and income automatically,** based on historical behaviour.
- **Reconciling bank feeds in real-time,** highlighting only exceptions for review.
- **Detecting anomalies or potential compliance issues,** before they become problems.
- **Generating financial insights and forecasts,** by analysing large volumes of data quickly.
- **Automating data entry and document processing,** reducing the need for manual handling.

In practice, this means a wide range of repetitive, labour-intensive tasks that once consumed hours of staff time can now be completed in a fraction of the time, often with greater precision. This isn't with a view to replacing accounting firm staff, but instead to complement the skills of your team and free up their time to focus on providing more personalised and value-add services to clients, as well as increasing your capacity for generating new business and being able to take full advantage of growth opportunities.

THE BENEFITS OF AUTOMATION IN ACCOUNTING WITH AI

With effective implementation, automation incorporating AI can bring a blend of instant and long-term benefits to accounting firms of any size.

Efficiency and time savings

Manual processes such as reconciliations, invoice matching and data entry are often the most time-consuming parts of accounting workflows. Automation powered by AI drastically reduces the time spent on these tasks, freeing up your in-house team to focus on higher-value advisory work.

> "AI-powered systems reduce human error by consistently applying rules and identifying anomalies to flag to the human team"

Improved accuracy and compliance

Even the most experienced accountant can make mistakes when handling thousands of transactions. AI-powered systems reduce human error by consistently applying rules and identifying anomalies to flag to the human team. This helps accounting firms stay compliant while giving your clients confidence in the accuracy of their financial records.

Scalability without needing to hire

One of the biggest challenges for the sector globally is the accounting talent shortage. Scaling staff levels to meet demand can be a huge drain for firms in terms of the time and resources that recruitment requires, as well as the overheads of increasing your head count.

> "Clients notice when their accountants provide faster reports, proactive advice and more personalised service, all of which are easier to achieve with automation in place"

With AI-driven automation, more efficiencies are often possible, which can be maximised when combined with outsourcing. Through this kind of solution, accounting firms can serve more clients without the cost and risk of recruiting, training and managing a larger in-house team.

More data-driven insights

AI is often considered to be all about the data, but it's about intelligence too. By analysing data, AI systems can generate insights that your clients can use strategically to make decisions that have a real impact. For example, AI tools can spot patterns in transactions and spending that could affect future cash flow, or provide insight into profitability trends that your firm can capitalise on.

Better relationships with clients

When repetitive tasks are automated, turnaround times shrink and communication becomes more proactive as well as responsive. Your team simply has more time to dedicate to building and working on relationships. Clients notice when their accountants provide faster reports, proactive advice and more personalised service, all of which are easier to achieve with automation in place.

THE ROLE OF OUTSOURCING IN AI-DRIVEN ACCOUNTING

The benefits of AI in accounting are clear, but that doesn't stop the daunting nature of adopting, implementing and managing these technologies for accounting firms. Some of the common barriers include:

- Concerns about change management and staff adoption of AI systems.
- The initial investment in the technology and infrastructure.
- Lack of in-house expertise and confidence in integrating and maintaining the AI tools.
- Limited capacity to trial and optimise new workflows using AI.

A way to overcome these barriers is to consider outsourcing to a trusted partner who already integrates AI-driven automation

into their service delivery. This way, your firm can bypass these challenges and start reaping the benefits of accounting automation AI straight away.

HOW OUTSOURCING COMPLEMENTS AUTOMATION

Access to expertise without the overheads

Many accounting outsourcing professionals are trained to work with automation tools and AI-powered processes already. This means your firm benefits from their expertise without needing to retrain your in-house staff or hire additional specialists.

Seamless service delivery

When your outsourcing partner handles common accounting tasks, such as bookkeeping, reconciliations, payroll and reporting, your firm can scale your client offering smoothly without there being any compromises in what is delivered. The result is faster turnaround times and consistent quality for all of your outsourced services.

Greater focus on advisory services and client relationships

With routine work delegated to an outsourced team, your in-house accountants are free to focus on higher-value advisory services. This creates stronger relationships with clients and positions your firm as a long-term strategic partner.

Growth that is cost effective

Instead of investing heavily in internal systems and staff expansion, outsourcing enables you to grow flexibly and with much lower risk and up-front cost. You can scale capacity to meet demand, while your partner ensures that automated processes are running efficiently in the background to deliver the great services your clients expect.

Protect your firm's future

By outsourcing to a trusted partner already using AI tools in areas such as automated bookkeeping and payroll management, you can help to future-proof the accounting services you offer.

Technology and regulations are evolving as tools such as AI move at pace. By outsourcing to a partner that stays ahead of automation trends, your firm avoids the risks of falling behind. You gain a future-ready model that adapts as AI capabilities expand further.

If you want to explore how outsourcing could help your firm utilise cutting edge accounting automation AI systems, we'd love to talk. Book a call with our team today.

Going global

Advancetrack is taking new territories into consideration. Such a move will see it stick to what it knows best: world-class outsourcing, offshoring and podsourcing® services, writes MD Vipul Sheth.

ADVANCETRACK HAS BEEN VERY UK-centric for a long time. And the UK will remain an integral place for where we offer our services. But, in tandem, it's time to push into new territories.

KEEPING THE VISION IN MIND

If you asked me 23 years ago about my vision for Advancetrack, then it would have been one that leverages technology alongside brilliant teams in Indian centres to serve accountancy practices internationally.

It has been a long journey to put ourselves in a market-leading position in the UK, but, during that time, we didn't want to just 'stick flags' in other jurisdictions saying 'we're here' without a presence.

We have tentatively and patiently built knowledge and relationships in Australia/New Zealand and in the US. We're well-regarded in Ireland. And Canada is on our list too. We are now stepping up in regard to business development teams.

MARKET PERSPECTIVES

Because of Australia's proximity to Asia, their accountants have probably embraced outsourcing and offshoring much faster – in a similar way to being cloud advocates, so that's worth noting. North America has historically embraced outsourcing in areas such as IT – but, facing a shortage of accountants, there is an opportunity for us to help.

A business like ours that understands tech and process makes it a very different offering to the bulk of the providers. Equally, we will have serious brand-building to do and winning some great firms that will be able to share their experience and see what we've said we do is true!

Gaining a footprint might seem to be about marketing, branding and business development. But as important is the work going on in our Indian centres. The teams recruit and train to be able to produce tax and accounting files that meet jurisdictional law and regulations. While our teams and offering will never be exactly the same, country-by-country, we 'get' that excellence in service is everything.

LOOKING IN, AND LOOKING FORWARD

It is reminiscent of when I launched Advancetrack in the UK – you feel that you're on the outside looking in, with opportunities abound. Certainly, in the UK, we consider ourselves one of the leading players; we're 'in'.

While not going too granular on competitor analysis, we know who the main players are in those jurisdictions. It's more important

> "Our team's mindset is to 'please', and the only way to do that is turn up and become a better version of yourself, individually and collectively"

for us to focus on the good work we've already done and replicating that as much as possible.

The incumbents are doing things 'their way' and we're looking to bring 'the Advancetrack way' of delivering services to the market. We think – and hope – that we will challenge them with a great, robust way of outsourcing, offshoring and our own proprietary podsourcing® offering.

The offering has been written, or spoken, about many times. We talk about how we help to change lives: of those using our service, of end clients that see the benefits, and even the lives of our teams. It's more than filling a workflow gap. You can read more on the journey from ad-hoc resource to scalability solution by clicking here.

For us, it's very much about building a group of people that do things our way. And that means doing more with our existing customer base and augmenting this with new accountancy partner firms – any territory we move into will be no different.

We have a culture of excellence within our teams – our team's mindset is to 'please', and the only way to do that is turn up and become a better version of yourself, individually and collectively. By doing that, you'll have happier and growing customers. And if they're happy, they'll share that with fellow professionals.

Vipul Sheth is founder and managing director of Advancetrack

Talk to us about your growth plans; get in touch by clicking here.

From gbX Brisbane to Xerocon

Advancetrack MD Vipul Sheth takes us through two weeks of travel and great conversations as the team spent time talking with Australian and New Zealand accounting practitioners.

IT'S BEEN A BUSY and exciting time for the Advancetrack team – involving some serious air miles to Australia and back.

First up was me. I had the honour of travelling to Brisbane, Cairns and then Townsville as Advancetrack representative at a series of CA ANZ forums. I also got to present on the findings of the Accounting Talent Index 2025, which led to some really interesting conversations with practitioners.

Then the rest of the team arrived, and we got to spend a lovely Sunday at picturesque Byron Bay. But after that it was back to work.

gbX, XEROCON AND GAP REUNION

Brisbane again hosted Advancetrack;

> "While a few see AI as the silver bullet to resourcing issues, many others were concerned that it would be another tech-led false dawn"

this time for our second Australian gbX conference. Despite many other pre-Xerocon events taking place, we had a great crowd of delegates, who stuck with us the whole afternoon.

Xerocon had been sold out for months in advance, so it won't surprise you to hear that it was jam-packed with attendees across both days.

These shows gave us the chance to explain the way in which Advancetrack works.

And, as importantly we got to hear from practice leaders about the challenges and opportunities they face.

Finally, Advancetrack exhibited at The Gap Reunion in Auckland, New Zealand on 11 and 12 September. This was two days of high-level learning and connecting for accountants and bookkeepers; focusing on driving growth.

TALKING TALENT

Unsurprisingly, having seen the stats from our last two Accounting Talent Indexes, a lack of availability of talent was discussed often across the events.

It was also interesting to hear views on AI. While a few see it as the silver bullet to resourcing issues, many others were concerned that it would be another tech-led false dawn. Efficiencies are possible, many said, but they see it as a mix of tech, workflow and people.

There also appears to have been attrition taking place as the war for offshore talent hotted up. We certainly hope at Advancetrack that our multi-model approach to resourcing services will help more Australian and New Zealand firms going forward.

So, while we're taking a moment to debrief on our two weeks in Australia, it's fair to say that Advancetrack is here to stay. While I will be leading developments in ANZ, I see that as a short-term deployment… so watch this space!