IT Strategy and Plan for Chartered Accountants[1]

IT is becoming all pervasive and becoming increasingly critical, and in many cases essential for chartered accountants whether they are self-employed or employed in enterprises, and regardless of their age, experience or expertise. IT is impacting the way chartered accountants perform and provide their services. It is needless to emphasise that using IT effectively enhances their productivity. It is predicted that in most cases, if they are not able to understand and use IT effectively, they are relegated to areas which are less remunerative and more man-power intensive. The challenge posed by IT is also an opportunity which can be leveraged by CAs to enhance their contribution or provide new IT-enabled services. IT is a resource and a tool like any other and can be deployed for faster development of practice/career by making it an integral part of our inherent competency.

IT Strategy

CA firms have to consider IT not merely as an office asset to be procured for use by their staff as an office automation tool, but as a critical infrastructure which has a strategic long-term impact on their service delivery capabilities. CA firms, whether large or small, will be compelled to increase their IT budget as more statutory/advisory services provided by CAs will be offered through e-Governance. This will impact CAs who are in practice or in employment.

CAs in employment will have to develop an IT strategy personally in terms of knowledge and skill enhancement as required for career enhancement by identifying overall area of specialisation, aims and objectives.

As IT is an essential part of business planning and a key enabler for business success by many enterprises, IT strategy will enable CA firms to identify relevant IT skill-sets and competency levels based on the needs of individual staff and firm. IT strategy has to include an appropriate plan of action for development, acquisition, and deployment of IT/IT capabilities, competencies and skill-sets in furtherance of agreed scope, area of practice, area of specialisation and career path for the staff. The process of providing service must consider IT as a key enabler to provide value addition to clients. The knowledge and skill enhancement has to be based on the IT solutions to be deployed to provide existing/new services to clients.

For CA firms, discussions with existing clients will help in understanding and identifying their expectations from the perspective of services rendered and required now and in the future. This is extremely important in determining the future course of practice. This may also reveal ways in which service to clients may be enhanced through the use of IT.

The most difficult thing to predict about IT is change and the pace of change. Overall, IT strategy by CAs has to take into consideration not only the current technology but also the emerging technology, so that they can perform and provide services to their clients effectively. Hence, IT strategy must be sufficiently flexible to be able to adapt to changing technology/client requirements and potential avenues of service.

IT Plan

An IT plan should be developed based on IT strategy and should provide a clear perspective of the road ahead in terms of where the firm is headed in near future, area of specialisation, emerging avenues of practice, prospective clients and their needs. An IT plan should also consider the aspirations and objectives of CA firms and take into account external factors such as potential avenues for growth and prospective clients, envisaged expected competition in the traditional areas, and regulatory requirements that will impact and influence development of career\practice.

In developing an IT plan, every key area of practice needs to be examined with a view to determining the extent to which technology may be used to enhance that aspect of the practice or to reduce its cost. Brainstorming sessions internally and those with external consultants can be useful for identifying ideas and exploring potential solutions. It is important to research, identify and use best practices and solutions, which will ensure that CAs' own understanding and use of technology is maintaining appropriate pace with that of employer/clients in terms of knowledge, competencies and skills though not necessarily in acquisition of hardware and software. IT planning by CAs must be an integral part of their career or of their firms' progress.

IT strategy and IT plan, if well-researched and implemented effectively, will enable CAs to build up on their latent competencies and skill-sets, and to establish them as thought-leaders and strategic partners and, thus, remain increasingly relevant for the foreseeable future.∎

---

[1] Contributed by CA A. Rafeq (The Author is a member of the Institute. He can be reached at rafeq@vsnl.com.)