

Virtual accounting offices now under construction



By Alan Salmon

THE virtual accounting firm will be the next Internet wave.

As Net technology matures, accounting firms and other businesses will rely less on physical office space staffed with full-time personnel, and more on networked specialists in various fields who

contribute to the firm as they are needed.

An example of the virtual accounting office already exists south of the border, where Janet Carswell, CPA, has put together a team of specialists she can call on for engagements rather than staff a conventional firm with a variety of underutilized specialists. Using an intranet (an internal protected Website), she delivers client services using CPAs from across the country, while the intranet provides both her associates and clients with the look and operation of a centralized firm. She expects that in the near future she will only work with clients online.

Here in Canada, Ormsby and Mackan, Chartered Accountants, of Mississauga, Ontario have pioneered in using the Internet to service their clients. The firm provides Net-based accounting services to a client with nine companies located in Vancouver, New York and London, England—who discovered the firm while searching the World Wide Web.

Hefty

Francis Mackan is making hefty improvements to his site to make it interactive and more useful to his clients. Mackan has developed the concept of client communication pages, providing each client with

his or her own page. The page, and all files linked to the page, will be username and password protected with a unique ID chosen by the client. This is secure for even the most confidential information, even though it is in the public domain.

Clients gain access to their specific page through one central login page. (The software shows only the page that they are given access to.) On the client pages, the firm can upload marketing information, tax news, financial statements, spreadsheets—you name it.

Soon, the firm will have the technology to convert any file automatically into HTML, so the page

becomes cross-platform compatible.

As the Net becomes more interactive, software will change as well. Commercial software vendors will offer their products in two versions: one to run on a user's own machine and one designed as applets (mini-programs) that users can access from a Website. The use of applets will speed up the loading of pages and will reduce the amount of bloatware that we have to work with.

A barrier to the virtual accounting office is the lack of bandwidth on today's Internet. With the spread of cable connections and the soon-to-be-implemented ADSL Internet telephone connectivity, this problem will disappear. The Wave cable access provides medium speed (500 Kpbs) access 24 hours a day, seven days a week for less than \$60 a month. With the Wave, users can download a 10-MB file in about 11 minutes—a task that would take more than an hour with a 28.6 modem.

First step

With accounting firms beginning to use e-mail for client communications, the first step toward the virtual office is under way. Subsequent waves will include sending client files and financial statements electronically, and eventually handling billing and payments over the Net.

Firms with multiple offices will use intranets and e-mail to link sites. Time and billing will be done on screen whether the staff member is in the office or at a client's site. PACS Software will be releasing a thin client version of PACS for Windows this spring to allow for secure time entry over the Internet.

By the millennium, intranets will be a way of life for public accountants. The virtual office should also be a reality. □