



The Post-Tax Season Retrospective...

- It's time to take some 'Time-Off'

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- An Infographic Showing 9 Accounting Mistakes That Are Putting Your Business At Risk

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Letter from the Editor



Dear Readers,

With the tax season 2018 in the rear view mirror, it might be tempting for you to take a break and enjoy the lull in full intensity to overcome the stress that you had to go through. It would be no wrong to say that the effects of the Tax Cuts and Jobs Act (TCJA) and the changes in the tax rates made by IRS had left taxpayers confused and baffled. And this is the reason why the process got even more challenging and time-consuming for the professionals. Luckily, the season has ended on a positive note, and now is the perfect time to reassess and evaluate how the season was for you, your staff and your firm as a whole, and determine the areas of improvement for next season.

What I feel is better process management is the key to running a more efficient accounting firm. Therefore, you should aim for improvement in every step to boost the overall productivity and efficiency. As a smart professional, you should identify what worked and what not for you this season along with exploring innovative options to help your team members accomplish more in less time by speeding up the way the tasks are executed.

To make this edition of Fizzfx - A Sagenext Publishing more interesting and engaging, my team and I have tried to share how you can prepare yourself and your team for the next tax season. On the other hand, our cover story -the second write-up of the three blog series, is focused on the key ingredients for SMBs to embrace the digital transformation. Also, we have covered a couple of other interesting write-ups, which are focused on managing cash flows and the latest trends in the cloud technology.

I hope you will enjoy reading this month's edition. And, if you have any suggestions, we would be glad to hear from you! Have a happy read!

Ehtesham Haque
Editor-in-Chief, Fizzfx
CEO, Sagenext Infotech LLC

Ehtesham Haque

is the Chief Executive Officer of Sagenext Infotech and one of the Directors of The Sagenext Group. As a leader, he has been heralding Sagenext's transition into an all-round IT hosting company, pushing its cloud infrastructure and hosting solutions to counteract the mounting demand of CPAs, accounting professionals and small and mid-sized businesses across the world.

9 Accounting Mistakes

which can put your business at risk!



All business owners may not be experts at bookkeeping or tax filing. The thought of making an error in your accounts, risking cash flow and tax penalties is a stressful one. Thus, you should keep in mind not to make any of these 9 common mistakes.

Late Sync of Receivables



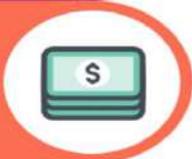
If the reconciliation of your payments is not being done on time, you are at a risk of making costly mistakes due to inaccuracy in reports and ledgers.

Ignoring Reports



Not knowing about your business' financial health and trends of cash flow can lead to serious damage in many ways for its future and growth.

Not Recording Cash Payments



Getting digital can do that to us. Do not forget documentation of all cash expenses or you might end up overpaying or underpaying taxes.

Not Hiring a Professional



When it comes to accounting and taxes, trust only a proper professional. A partnership with a software and a pro is just what you need.

No Accounting Knowledge



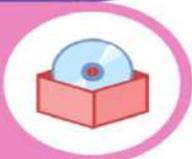
It is crucial for you to understand what your accountant is talking about. Thus, you need to have basic knowledge of cash flow and accounting terminology.

Mixing Business and Personal



There are numerous issues when you blend business and personal finances. Have separate accounts, keep clear boundaries.

Wrong Software



Choose a proper accounting software that has all features you need for your business. Don't put your finances at risk by making the wrong choice.

Neglect International Rules



If you have international clients, you must be aware of the tax rules that apply. Consult your accountant to ensure your compliance.

Not Paying Attention



As a business owner you wear many hats. The key remains to execute your responsibilities with utmost dedication for fruitful results.

Having Cash-Flow Struggles? Avoid these challenges

Business owners often worry about their company's finances and are always on the lookout for ways to manage them efficiently. Where on one hand, they strive to keep the money flowing in, while on the other, their aim is to steer clear of debt as much as possible. But realizing the same is not as easy as it may seem. Credit is unavoidable in certain situations and not every customer will pay for the services upfront. Hence, wishing for an uninterrupted cash-flow and worrying about shortages is common for businesses.

What are the Challenges Faced by a Business in Cash-Flow Management?

Here are some of the common challenges that a business faces with cash-flow management:

- **Not Keeping Track of the Accounts Receivables**

It often requires a business owner to follow-up on clients to receive the payments that are due. But not every business owner is good at follow-ups and often leaves it on the customer to pay whenever they can.

- **Difficulty Tracking the Accounts Payables**

Businesses that give out services on credit or do not send invoices in time often have a lack of funds which makes it difficult to make payments.

- **Payroll Management Not Done Effectively**

Lack of funds and delayed payments from clients often leaves firms with no choice but to pay their employees much after the payday. This leaves the employees unhappy and forces them to look for jobs elsewhere. Firms often lose their efficient and trustworthy employees because of failure to pay them in time.

- **Not Having Enough Working Capital**

Firms need to have enough liquid cash in hand in order to manage the day-to-day expenses. Quite often, businesses are left with no option but to seek a loan or borrow money from the unorganized sector. More than 50% are unsure about their ability to pay it back.

Saloni Arora
saloni@thesagenext.com

A Lesson in Digital Transformation of Small Businesses: The Key Ingredients

What is it that should drive the digital transformation? Data. As organizations prepare their digital strategies and work on their relationships with the IT resources, data can play a key role in optimizing the efforts to engage customers and achieve efficiency with cost savings. But this is often restricted by that fact that organizations are not equipped to effectively handle such amount of data for their benefit.

Data Collection and Usage

Companies collect a large amount of data on a daily basis, but very few of it is logically used for growth. According to an expert from Microsoft who spoke at the CDW's summit, "[Modernizing IT Infrastructure for Digital Transformation](#)", 2.7 billion zettabytes of data has been collected by organizations so far. That is a humungous amount of data to sort through.

Now, data needs to be securely stored and analyzed for organizations that want digital transformations so that well-informed decisions could be made. But with this amount of data, on-premise storage is no longer a possibility for many companies.

Here is when the cloud comes to the rescue. The cloud is a scalable and cost-effective resource that can be adequately called the next-generation data center.

Increased Comprehension with the Cloud Technology

The cloud is so much more than just a storage alternative. Many cloud platforms let organizations analyze the data to identify growth opportunities. Artificial intelligence and machine learning can now scrutinize data that would take a lot of time, efforts and money to do manually.

But, what about the data analysts? Automation will crunch the required numbers for them, quickly and with more accuracy. But like bookkeepers need a growth switch and turn their experience into strategic advisory, data analysts need to get involved in more

advanced discussions that drive important decisions.

Driving Disruption before being Disrupted

Digital transformation is the new disruption as we evolve with technological advancements. Having a collaborative platform for all teams can open up opportunities that otherwise can be overlooked. Cross-departmental learnings and sharing of ideas will help create the perfect digital strategy according to your business and identify the right tools that are needed to achieve that goal.



An Effective Digital Transformation

A digital transformation may not be a new term, but it is now attracting business owners who wish to change their business strategy with the help of the Internet of Things (IoT) and Artificial Intelligence (AI).

But what are the elements that lay the foundation of a successful digital transformation? Every business is different. Some will have to invest more than the other.

Below are the key elements:

1. Traffic Growth and Virtualized Networks:

Online traffic is growing rapidly. According to Cisco Systems Networking Forecast, the global IP will reach 278 exabytes by the year 2021. This is approximately three times the amount in 2016, which was 96 exabytes. Network virtualization is even more crucial for businesses to maintain agility. For any work process, a private cloud-based software infrastructure can significantly reduce the time required

(from weeks to hours and from hours to just a few minutes) to deploy new services.

2. Critical Insights with Data Analytics:

As we mentioned before, data is the key ingredient for a successful digital transformation. Shortage of skilled data experts and proper equipment for analytics can be a challenge. Businesses gather so much data every day, but when that data is analyzed and used effectively, you get powerful results. Strategies should be driven by outcomes and performance that will be more future-proof.

3. Balancing Work with Hybrid Cloud Architecture:

More than 50 percent of organizations today are using the hybrid cloud (a mix of public and private cloud services) and the rest are planning the implementation in the upcoming years. This has become a top-priority element for digital transformation. Businesses can create their own mix of public and private cloud, keeping in mind the market needs, compliance issues, and total costs.

4. Layers of Security that Protects the IT Infrastructure:

With all the development in technology, cybercrime has also evolved immensely. Organizations need to build secure platforms and use encryption wherever possible.

Thus, data will drive effective digital transformation.

Sobia Azam
sobia@thesagenext.com

Major Trends Revolutionizing the Next Phase of Cloud Technology in 2019

One of the most prominent, reliable, and fastest-evolving technologies in today's context, cloud computing has taken the world by storm. Cloud technology, which came into existence as an alternative to the traditional methods of data storage, has taken a quantum leap forward lately, becoming a major enabler of digital business transformation. In fact, this revolutionary technology has laid the foundation for a flexible innovation infrastructure for growth and success strategies of modern organizations.

Placing a spotlight on the importance and impact of cloud on the global business landscape, it provides anywhere, anytime access to core operation applications, team collaboration, and analytics tools. By moving their operations to the cloud, organizations get the freedom, flexibility, and agility to scale their business model as and when required to explore the unprecedented opportunities available in the markets.

Cloud and its Ecosystem

As a matter of fact, cloud technology is witnessing a unique growth spurt of its own. Different set of smart, innovative, and intelligent solutions like artificial intelligence, machine learning, and IoT (Internet of Things) are growing by leaps and bounds with the upsurge of this omnipresent technology. Coupled with digital business solutions and intelligent technologies, the cloud-based services are empowering modern businesses to gain competitive advantage and stay in line with the global competition.

Here are 3 major trends that are redefining the next phase of cloud services as an innovation driver for businesses across the globe:

From an Evolving Technology to Mainstream Adoption across Organizations

Cloud computing has come a long way from being just a medium for virtual storage to a fully functional platform for business operations. There is absolutely

no denying that organizations across the globe have realized the potential of cloud technology, and are looking for ways to adapt and implement it in their day-to-day operations.

While the scope and growth depend on various factors, the key growth driver remains the same for organizations across various industries and sectors: the need for digital transformation. By moving to a more prominent and more flexible cloud platform, modern entities not only get umpteen ways to focus on their core competencies but also, jet-off towards a better future.

Creating New Dimensions for Customer Experience



Taking the customer experience to a whole new level is the next frontier of cloud technology. Businesses have already started to alter the way they operate by implementing new and innovative technologies coupled with the cloud to upgrade their customer's experience management. As more and more B2B and B2C companies are trying to uplift the quality and customer satisfaction, experience management has a major role to play in improving brand perception and customer satisfaction.

For instance, cloud technology has enabled businesses to access, collect, store, and process large volumes of data, and use the same to create and execute algorithms at a large scale. By analyzing different sets of operational and customer data, businesses are able to create new products and/or service along with creating breakthrough customer experiences and outcomes.

Continuous Innovation-as-a-Service

Innovation is important. Innovation is perpetual. Innovation is challenging. One of the biggest difficulties for modern businesses is meeting the growing demands of innovation. Evidently, it is a continuous endeavor, and for modern businesses, it is more than just a mere necessity to measure the level of innovation. Fortunately, though, digital transformation is easily measurable, and it can be done at every single step. 'Speed and time-taken', in this context, are two of the major key performance indicators for digital business transformation.

The next frontier of cloud technology is witnessing the abrupt growth of digital service providers that not only provide maintenance and support but provide complete solutions to client companies to accelerate and attain their digital transformation goals. Organizations are adopting circular innovation mechanisms, an innovation ecosystem, which grants the required resources and tools powered by the cloud for continuous innovation.

The Bottom Line

In this rapidly evolving world, it is extremely important for businesses get ready for the future and transform into a smart and intelligent workforce that can thrive on change. And stepping up to the demand and remaining one step ahead of the others is an important attribute of an innovative venture. Those who can assess and adapt to the next generation of cloud technology will surely be champions.

Vishwa Deepak Dwivedi
vishwa@thesagenext.com

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