fizzfx
a Sagenext publishing

Embracing Modernity For The Better

www.thesagenext.com

Letter from the Editor

Dear Readers,

I hope you are back to your normal routine after a wonderful post-tax season break. And why not, after having survived one of the most arduous, confusing, and demanding tax seasons in a long time, a relaxing break was all you needed to set the tone for the upcoming tax season.

Now when the talk is about preparing for the next season, you and your team needs to shift the focus towards strategizing and creating a roadmap to deal with the avalanche of work heading in your direction. There are two important factors - the Administrative part and the Client Service part, which you need to emphasize in this process. By taking time now to debrief your clients on the last season and analyzing your insights, you will be able to draw a more focused strategy to smoothen your firm's operations during the season while spurring revenue growth.

In this edition of Fizzfx - A Sagenext Publishing, my team and I have tried to put together various points that you need to mull over in the next season to achieve performance excellence. Our cover story, on the other hand, outlines the IRS Integrated Business Modernization Plan, which was recently announced by the Internal Revenue Service. Along with this, there are a few interesting write-ups regarding improving efficiency and productivity of your team.

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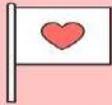
Ehtesham Haque
is the Chief Executive Officer of Sagenext Infotech and one of the Directors of The Sagenext Group. As a leader, he has been heralding Sagenext's transition into an all-round IT hosting company, pushing its cloud infrastructure and hosting solutions to counteract the mounting demand of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

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

5 AREAS TO CONSIDER WHEN CHOOSING YOUR CLOUD ACCOUNTING SOFTWARE

Among the slew of reasons that advocate the need for accounting software for businesses, the ability to do more in less time and without errors qualifies to be one of the top-most rationales. Here are 5 prominent areas that must be considered when choosing a cloud accounting software:

The Sector Of The Industry Your Business Belongs To

There are primarily three types of businesses: manufacturing, retail, and services. And each sector has its own set of accounting needs. The accounting software can be classified into two broad categories: industry-specific and generic. Owners of a small or medium-sized business can choose between any of the two types of accounting software.

The Size Of Your Business

Businesses are volatile in nature. Your business may expand in the future or you may plan to shrink it in case it does not turn out to be fruitful. Your ideal software should be able to grow with your business and vice versa. Scalability is a very attractive feature for any cloud accounting software.

The Specifi Requirements (If Any)

Entrepreneurs follow certain criteria while selecting their software: either they need the software for a particularly complex business need or to carry out a couple of simplified tasks. In both cases, your choice of software should be made carefully. Keep your unique business needs on the top. Not every software can do everything.

Can You Afford To Buy It?

You definitely do not want to go overboard with your software selection. The software you buy must offer value for its price. Explore your business budget thoroughly and try to stay within the financial threshold when selecting your cloud accounting software.

Do They Offer Support Via Call, Email, or Chat?

Imagine the frustration you will undergo if your accounting software provider does not offer support. No one likes to be stranded. Support via any platform, be it call, chat, or email is necessary and should be one of the deciding factors while selecting your suitable software.

Factors to Mull Over to Enhance Next Season's Productivity

Workforce

To stay on top of your firm's operations, answer these questions:

- Were you well staffed this season?
- Whether or not your staff had the needed skills and expertise?
- Whether you need to hire more people?
- How efficient were planning and scheduling?

Workflow

The post-tax season is a great time to reassess your workflow. Here's what to consider:

- What was the average time taken per return?
- Did your team members use their time efficiently?
- What factors caused delays?

Technology

The points which you need to consider here are:

- Are you satisfied with the software and technology that you are currently using?
- Do you need to update and/or upgrade your IT resources?
- Do you need to switch to more innovative technology solutions?

Marketing

List down what worked for you and what didn't for you post-tax season:

- What were the total budget on marketing and the ROI against it?
- Which channels brought in new business?
- Which new platforms you should try next season?
- Which platforms do you need to drop-off? **Read more**

IRS Integrated Business Modernization Plan - It's Never Too Late to Embrace Change!

Despite the additional challenges brought by the Tax Cuts and Jobs Acts (TCJA) and the partial government shutdown, the Internal Revenue Service (IRS) managed to close the tax season 2018 on a high by rolling out the much-awaited IRS Integrated Business Modernization plan. This extremely ambitious six-year roadmap forms a strategic framework that underpins the requirements of the agency to upgrade, tweak, and modernize its technology infrastructure to uplift the facilities and provide a better experience to both tax practitioners and taxpayers.

How modernization is going to benefit the tax community and the taxpayers?

Every year, for the next six years, the IRS will be replacing the traditional practices with modern technology that will eventually help the agency to:

- Deliver high-quality service to the tax community and the taxpayers.
- Enforce a highly secure and reliable platform for taxpayer-oriented applications.
- Strengthen the digital transformation of traditional filing systems and documentation.
- Extract and use existing data to identify tax noncompliance.
- Stabilize the budget for maintaining the technology infrastructure and applications.
- Reinvest saved capital to keep up the pace with the technology trends.

Four 'Modernization Pillars' of IRS Integrated Business Modernization Plan

The agency pointed out four "Modernization Pillars", which comprise online tools, web applications, advanced data analytics, and improved cybersecurity. These four pillars signify the agency's mission and vision along with the future development requirements.

All the strategies that will boost the IT transformation of the agency have been categorized and listed under each pillar. Over the years, the IRS will be including new strategies and initiatives suggested by the tax community as per the changing technology and priorities.

1. **Taxpayer Experience**

The agency has decided to add more digital options along with enhancing the traditional platforms and deliver simplified services to enhance the experience of the taxpayers and their representatives.

2. **Core Taxpayer Facilities and Enforcement**

The overall experience of the taxpayers depends heavily on integrated case management, account management, along with real-time processing. This allows both the taxpayers and the IRS employees

to get a complete overview of their previous interactions and history, irrespective of the platform or the employee assigned.

3. **Updated IRS Operations and Workflow**

The agency will be implementing innovative technology solutions like the Cloud, DevOps, Agile, Process Automation Tools, and Application Programming Interfaces powered by the state-of-the-art infrastructure to alleviate manual efforts and keep a check on the rising costs.

4. **Data Protection and Cybersecurity**

Ensuring data protection is paramount. The federal government revenue service has decided to ensure all-round protection of the taxpayer data by implementing advanced analytics and hi-tech tools based on enterprise-grade security measures.

The Overall Cost Estimation, Oversight, and Accountability of IT Modernization Plan

As mentioned above, the agency will be upgrading and modernizing its technology infrastructure as well as the taxpayer services in two 3-year phases starting from this year itself. The overall approach, feasibility, cost, schedule, and the agency's capability to deliver the same have been independently reviewed and authenticated. **Read full story here**

Vishwa Deepak Dwivedi
vishwa@thesagenext.com

Data Is The New Currency: Is It Time To Rethink Security?

How often do you reuse your password on your social media handles? Probably more than once. Some of us are guilty of repeating the same on our work accounts too. Call it laziness or pure ignorance, most of us have found ourselves avoiding the efforts needed to use innovative and unique passwords on our online accounts.

Now, what happens if even one of them is compromised of security? Your hacker has hacked into your one and only password and now attempts to get a hand on your most critical account. Since you are using the exact same passcode everywhere, you are void of privacy all of a sudden. Technically, you just served your entire company data out on a plate to your hacker. The obvious culprit here is- poor password security.

Data is the New Currency: Is It Time To Rethink Security?

Why Security Is A Concern?

The importance of data in the current phase is quite high. The internet of things, artificial intelligence, and machine learning gummed together with devices like smartphones, home theatre systems, home appliances, thermostats, and more, security is bound to become a matter of concern. Data is being fetched from multiple channels by firms and business giants in order to target the right audience, mostly for personal and business gains.

For instance, medical insurance companies are vying for data from health applications installed in your smartphones. By studying the data collected by these apps, such as your daily steps, your heart rate, the sleep hours, blood sugar levels, the amount of water you are drinking, and your daily calorie intake, insurance companies will know exactly who to target. In short, we are letting them know our weaknesses and becoming the victims of targeted marketing. As harmless as it may seem, a privacy breach is never pleasant. **Click to read the full story**

The technology was born out of the dire need to continue working even during a shortage of human resources, and most importantly, to get things done efficiently and in less time. And, since we are talking particularly about accounting, technology finds for itself a special spot. **Let's see how**

Somewhere around the 1990s, when QuickBooks debuted in the accounting world, it was probably just the thing needed. Nevertheless, Intuit's QuickBooks never looked back. Even with the ever-growing list of accounting software making their way to the shelves, the popularity of QuickBooks remains untouched. **Read the full story here**