



**ACCOUNTANCY  
EUROPE.**

# **TECHNOLOGY BAROMETER**

2017 Survey results

**FACTS.**

**TECHNOLOGY  
MAY 2018**

## **HIGHLIGHTS**

The latest technological advances significantly impact the accountancy profession.

But how do professional accountancy institutes deal with such change?

These survey results show that technology plays an increasingly important role in their work. They have a clear positive outlook for the future: most institutes see technology as a way to improve the services of the profession.

This second Technology Barometer aims to understand how our Members' approach technology to help ensure that the accountancy profession makes the best use of technology in the public interest

## INTRODUCTION

The Technology Barometer aims to provide an overview of how our Members perceive technological changes, what kind of activities they carry out in this area and what their biggest challenges are.

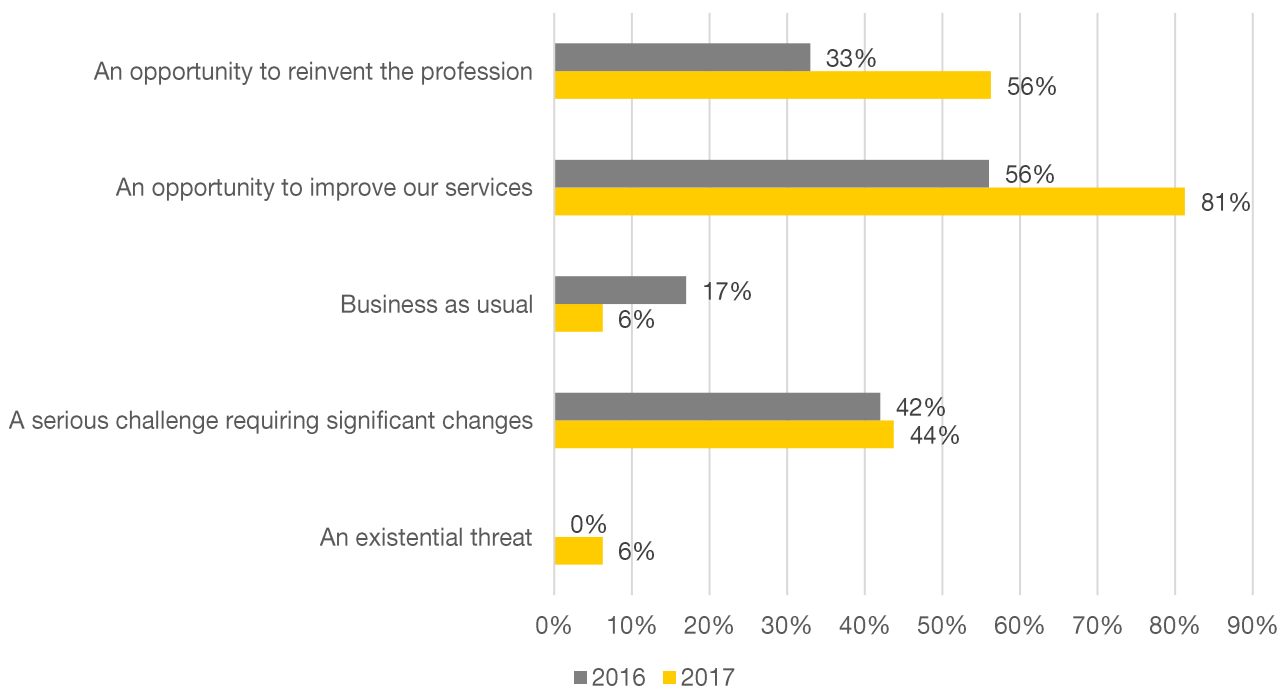
The 2017 Technology Barometer is based on a survey conducted amongst our Members. It builds on the results of the 2016 Technology Barometer. 32 professional institutes responded to the 2017 Technology Barometer survey<sup>1</sup> and 36 institutes responded to the 2016 Technology Barometer survey.<sup>2</sup>

## PERCEPTIONS

Respondents have a more positive attitude towards technology. Compared to 2016, there is an important increase in those considering it as an opportunity to reinvent the profession and to improve accountancy services.

This does not mean that technology will only bring positive change. Around 40% of respondents continue to think that technology constitutes a serious challenge that will require significant changes from the profession. Moreover, a minority of 2 institutes thought technology presents an existential threat to the profession. This is in contrast with last year, when none of the respondents considered this to be the case.

### ACCORDING TO YOUR INSTITUTE, WHAT IS THE IMPACT OF TECHNOLOGY ON THE PROFESSION?

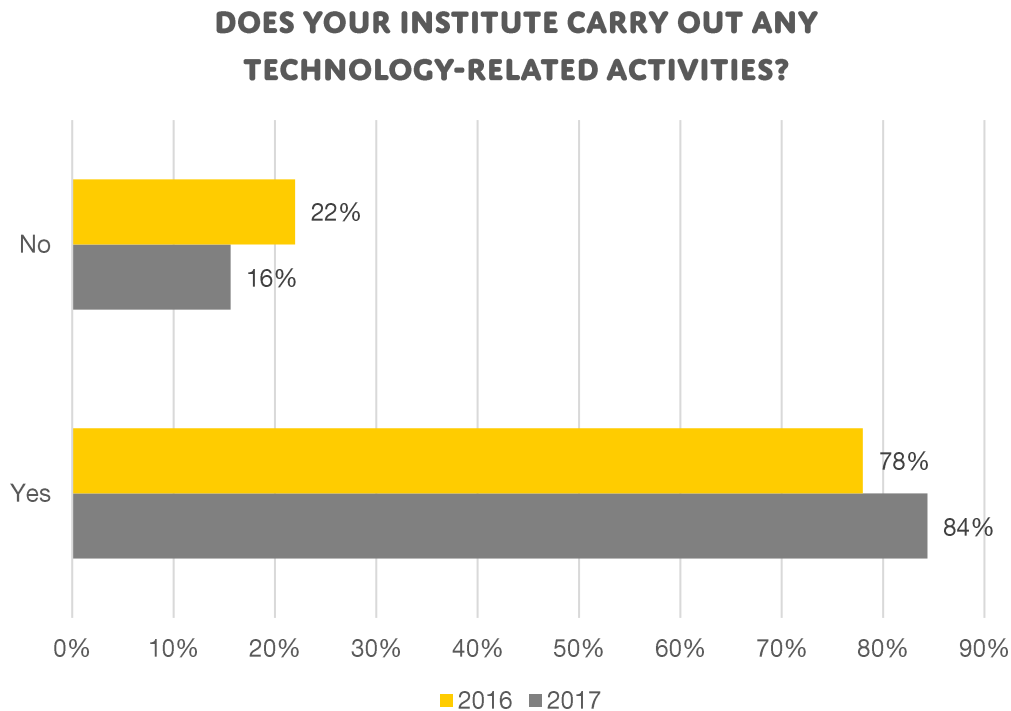


<sup>1</sup> ACCA, CECCAR, CNCC, CNDCEC, DNR, EXPERTsuisse, FAR, FLE, FSR, HRK, IAB/IEC, ICAEW, ICJCE, ICPAC, IDW, IRE, IRE/IBR, ISRCG, IWP, KACR, KIBR, KSW, MIA, NBA, OEC France, OROC, SIZR, SKAU, SOEL, SRR, FBIH, ST and TÜRMOB

<sup>2</sup> ACCA, CAFR, CAI, CECCAR, CIMA, CIPFA, CNDCEC, CPA, DNR, EAA, EXPERTsuisse, FAR, FLE, IAB/IEC, ICAEW, ICJCE, ICPAB, IDW, IRE, IRE/IBR, ISRCG, IWP, KACR, KWT, LAR, LRGA, LZRA, MIA, OROC, SIZR, SKAU, SOEL, SRR, FBIH, SRRRS, SRRS and TÜRMOB

## ACTIVITIES

Whether perceived as an opportunity or a threat, professional accountancy institutes are looking at technology: 84% of the respondents indicated that they carry out technology-related activities.<sup>3</sup> This is slightly more than in the 2016 survey.



Institutes carry out activities on technology in a wide range of areas. The type of activities they carry out has dynamically evolved over the years. In 2017, the top three activities consisted of 1) providing training, 2) organising conferences and 3) carrying out surveys/ interviews. This is slightly different from the 2016 survey, where product and services developments were more common than interviews.

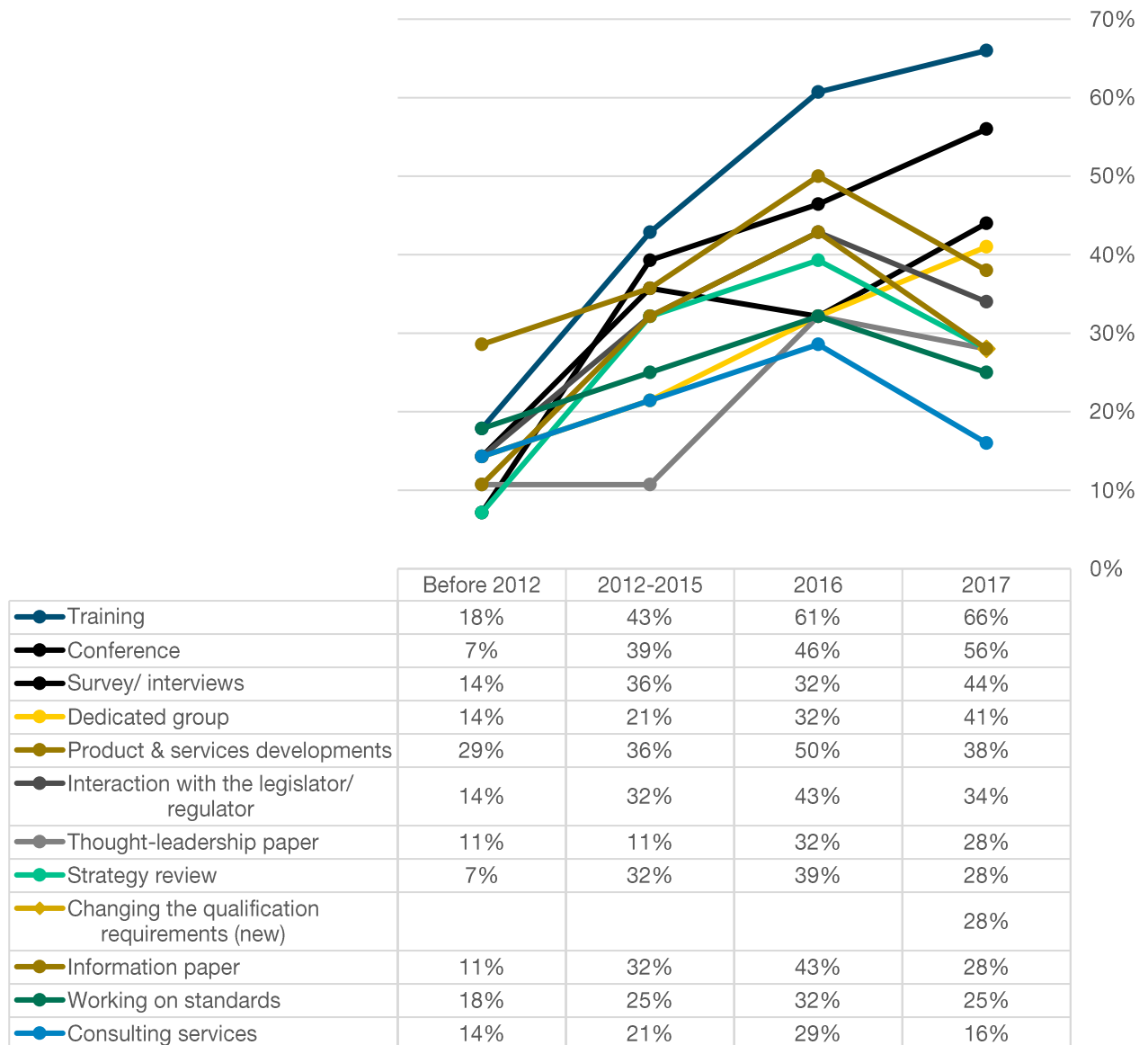
The 2017 survey introduced a new answer option: 'changing the qualification requirements'. 28% of the respondents indicate that they did this in the last year. For example, one institute introduced 'IT Auditor' as a new qualification.

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<sup>3</sup> The rest of this section is only based on the answers of the respondents that carry out technology-related activities.

The results clearly indicate the increasingly important role of technology in the work of our Members. Compared to more than 5 years ago, every type of technology-related activity has increased. For some activities this increase is very significant, such as for training and conferences. Other activities fluctuated over the years, for example writing information papers or offering consulting services.<sup>4</sup>

### WHAT KIND OF ACTIVITIES HAS YOUR INSTITUTE CARRIED OUT ON TECHNOLOGY IN THE PAST YEAR?



Respondents have different ways to support their technology-related activities. The most common way to do this is by dedicating existing internal staff to work on technology projects. Nonetheless, institutes also look for external expertise, either by acquiring consulting services or partnering up with specialised technology firms.

<sup>4</sup> When looking at the results of this table, it should be kept in mind that the time intervals are not all of the same duration (1 year, 4 years, or more).

For example, one institute worked with technology firms to offer tools to their accountancy professionals, either free of charge or at extra-low rates. Such tools included a solution for e-invoicing, as well as manuals/models for small practices to support compliance with the General Data Protection Regulation or ethical standards.

Moreover, institutes use technology to improve their services, for example by introducing web-based seminar registration tools or e-learning platforms.

The way in which institutes carry out their work on technology has also evolved. Compared to the previous survey, fewer institutes hired specialised staff in the last year. This might be because they already hired them before.

### HOW HAS YOUR INSTITUTE CARRIED OUT ITS WORK ON TECHNOLOGY?



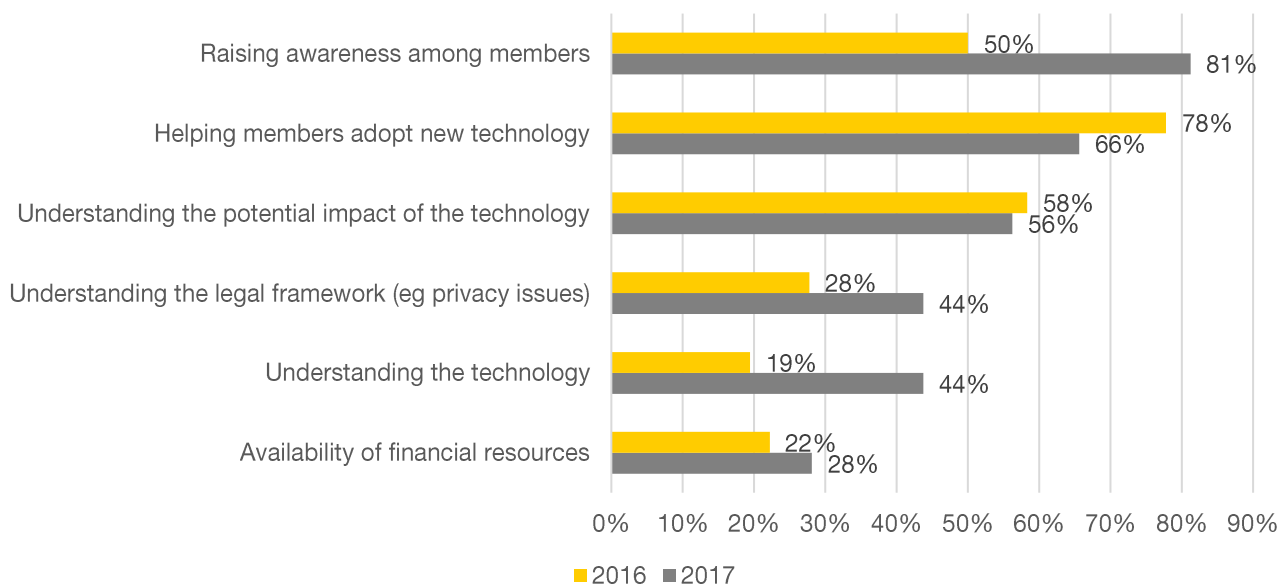
Only one way of resourcing institutes' work on technology has increased: partnering up with a specialised technology firm. For example, one respondent is planning to work with external consultants on specific topics like blockchain and artificial intelligence.

## CHALLENGES

The three biggest challenges when dealing with technology remain the same as in the 2016 survey. However, they changed order. The proportion of respondents for which "raising awareness" is one of the biggest challenges increased dramatically from 50% to 81%. On the other hand, "helping members adopt technology" fell from the first to the second place.

Two challenges that were less prevalent in the 2016 survey raised in prominence. The proportion of respondents that considered "understanding the technology" as a big challenge more than doubled from 19% to 44%. Moreover, "understanding the legal framework" was chosen by 44% of respondents as a big challenge, whereas this was only 28% in the 2016 survey. The latter could be attributed to the General Data Protection Regulation starting to apply in May 2018.

## WHAT ARE THE BIGGEST CHALLENGES OF YOUR INSTITUTE WHEN DEALING WITH TECHNOLOGY ISSUES?



Accountancy Europe seeks to help its Members address these challenges by:

- facilitating the exchange of best-practices: e.g. the [Technology Hub](#), [Digital Day](#), [interviews](#)
- informing about the legal framework: e.g. the [webinar How to get your SME accountants GDPR ready?](#), [Technology Updates](#), [blogs](#) and [publications](#)

We also stimulate our expert groups to consider matters related to technology in all their respective fields. Recognising the importance of technology for SME accountants, in the last years we invited experts to engage with the SME Forum on topics ranging from the digitalisation of company law to innovation in the audit. Equally, the Anti-Money Laundering Working Party discussed issues such as regulatory technology (also called RegTech) and the implications of blockchain technology for anti-money laundering.

## CONCLUSION

The Technology Barometer results indicate that most of our Members consider technology as a serious matter. Most respondents carried out technology-related activities. The types of activities professional institutes undertake are highly diverse. Compared to over 5 years ago, every type of technology-related activity has increased.

However, institutes encounter challenges when dealing with technology. The biggest ones are to raise awareness among professional accountants and to help them adopt new technology.

The participating institutes have a clear positive outlook for the future: the majority see technology as a way to improve the services of the profession.

We will keep working with our Members to ensure that the accountancy profession makes the best use of technology to advance the public interest.

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