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Mobile computing is no longer just a buzzword—it's one of today's hottest technologies. And the tax and accounting profession is well-positioned to drive efficiencies in their firms and provide outstanding customer service by taking advantage of current mobile capabilities.

EXECUTIVE SUMMARY

Recent trends have shown a significant movement toward mobile computing—not only in the overall U.S. business community, but in the tax and accounting profession as well. Many practitioners are trying to learn more about this technology and determine the advantages mobile computing holds for their firms.

This white paper will provide background information about mobile computing, including the practical applications for the tax and accounting profession and—for the professional ready to embrace mobile computing technology—the next steps to take. You'll also find information about security considerations you need to understand when deploying mobile devices in your firm's technical environment. We'll also discuss the hype focusing on the tools available now such as the Apple iPad™ and relevant business applications. Finally, you'll see some of the possibilities on the near horizon that will allow you to run your firm and manage your client relationships more closely than ever, all from the convenience of a mobile device.

BACKGROUND—WHAT IS MOBILE COMPUTING?

Following are definitions of the terms used in this white paper. Please note that while other industries may define these terms differently, the definitions used here are most applicable to the tax and accounting profession.

Mobile Computing—Making use of a computer, smartphone, or other mobile device in the field (i.e. outside the office) to communicate with a centrally located server, usually via a wireless Internet connection.

Mobile Device—A small handheld computer or device that enables the user to interact with software that allows him or her to perform computing tasks that could previously only be completed on a desktop computer.

Smartphone—A mobile phone containing an operating system, such as Blackberry® OS, iPhone® OS, or Google Android™, that allows the user to access software to conduct many common business tasks, such as sending and receiving email, synchronizing contact information, opening and viewing data files, and accessing the web directly from the phone. The difference between a smartphone and a standard cell phone is that a cell phone will stop short of accessing the web or synching email to an email server.

Types of Mobile Devices—There are many different mobile devices in use today, such as mobile Internet devices, PDAs (or personal digital assistants), portable media players, game players, digital cameras or video recorders, mobile / smartphones, pagers, global positioning system (GPS) navigation devices, book readers, tablet PCs, netbooks, iPads, and many others.

COMMON MOBILE DEVICES

MOBILE DEVICE	WHAT IT IS	USES	ADVANTAGES	DISADVANTAGES
Smartphone	Web-enabled cell phone	Phone calls, Internet access, send and receive email, business apps	Access nearly everywhere, many excellent applications are being developed for smartphones daily	Advanced wireless access (3G, 4G) service can be spotty and expensive; constantly updated models quickly make phones outdated
PDA	Handheld personal data assistant	Personal organization tools, calendar tool, list creation, etc.	Inexpensive and less complicated than a typical smartphone	Becoming obsolete with the explosion of smartphones; numerous vendors and models mean there's no true standard
Portable Media Player	Handheld media device (e.g., iPod® or other mp3 player)	Plays digital audio, images, and video	Inexpensive and easy to use; can be used for firm video presentations, etc.	Typically for personal use; quickly being replaced by the latest generation of smartphones
Laptop	Powerful personal computer with mobility	Provides nearly all the functionality of a stationary (desktop) PC	Extremely powerful and flexible; allows full access to a firm's applications and data	Expensive; heavy and less portable than many other mobile devices; security risk due to data being stored on device
Tablet PC	Smaller version of a laptop computer; generally equipped with a pen or touch device for input instead of a keyboard	Similar uses as a laptop, without the bulk or the keyboard requirement	Easy to use when a keyboard is not available; pen input is better for certain functions than keyboard	Expensive; handwriting is slow and not as accurate; lack of a keyboard makes using the device comfortably a challenge
E-book reader	Handheld device specifically used for reading e-books	E-book and other digital media reading	More mobile than a laptop, bigger display for reading than smartphone	Scope makes it expensive for limited use; rapid development quickly makes units obsolete
Netbooks	Small laptop-like mobile computing device	Email, web surfing, and simple document creation	Inexpensive; powerful enough for many mobile computing uses	Not as full-featured as a standard laptop; under-powered for many business users

GENERAL USES FOR MOBILE DEVICES

There are many different uses for the mobile devices listed above, but a significant portion of those who use one use it for personal entertainment—email, Internet browsing, movie watching, game playing, etc. The explosion in mobile devices is a direct result of their ability to provide entertainment to many segments of today's on-the-move society. In contrast, another significant factor driving the popularity of mobile devices is the rapid development of business uses and applications for the devices.

SMARTPHONE BATTLE: 2010 AND BEYOND

The global demand for mobile technology—and more specifically, smartphone technology—ensures that all major global technology competitors are involved in the battle to win consumer and business market share.

Smartphone technology is at the forefront of any discussion regarding mobile technology, which is why many significant vendors are investing billions of dollars in the smartphone space. Research in Motion's (RIM) Blackberry line has been the clear market leader in the business space for some time, but has recently started to see some of their market share erode as new and cool offerings like the Apple iPhone and Google Android models have become prevalent. Blackberry has been the choice of businesses for some time due to its robust security features—security, of course, being a paramount concern for many IT professionals in tax and accounting firms.

Recent security advances have brought some of the most popular smartphones (e.g. iPhone, Android) to near-Blackberry levels of security. With these smartphones finally shaking the stigma of being branded as less secure, many tax and accounting firms are now moving to non-Blackberry company smartphone plans. Microsoft® is also devoting significant resources to the smartphone game with their Windows® Mobile phones.

It may be a little too early to tell how the battle of the smartphone will ultimately end up, but rest assured that the intense competition between these technology giants will ensure that consumers and businesses end up with constantly improving smartphones and applications.

STATISTICS

Following are some recent statistics regarding mobile devices and mobile computing:

- Nielsen reported that smartphone sales account for 25% of the US mobile phone market in the second quarter of 2010, and expect smartphones to become the majority by the end of 2011. (nielsen.com, Aug 2010)
- Gartner reported that in 2009, smartphones accounted for 172.4 million (14%) of the 1.2 billion mobile phones sold—a 23.8% increase over 2008. The first quarter of 2010 showed an increase of 49% in smartphone sales over the first quarter of 2009. (gartner.com, Aug 2010)
- The Coda Research Consultancy predict global smartphone sales of some 2.5 billion over the 2010-2015 period, and suggest that mobile Internet use via smartphones will increase 50 fold by the end of that period. (codaresearch.co.uk, Aug 2010)

BUSINESS USES FOR MOBILE DEVICES

As described above, the advent and explosion of mobile devices in our society have been driven by the development of personal entertainment devices. But at the same time, uses for mobile devices in the business world have been equally responsible, potentially even more than the entertainment factor.

Accessing corporate email, browsing the web, and the ability to use two-way integration with software applications that connect to a corporate network have been three business-related drivers for mobile computing advancements. Handheld devices such as the scanners used at airport rental car companies to confirm returns and print receipts have also had significant impact, but are outside the scope of this paper.



PRACTICAL MOBILE TOOLS FOR TAX & ACCOUNTING PROFESSIONALS AVAILABLE TODAY

Now is a very exciting time to be following mobile devices in the market, as a new device, application, or other advancement is announced nearly every day—making this an area of the computing world that changes extremely fast. The table on the next page provides examples of some of the most exciting new tools and technologies for mobile devices available to tax and accounting professionals today, along with an idea of how you can apply the technology in your own daily work.

Apple iPad

It would have been difficult to miss the launch of the Apple iPad, since it was easily one of the most hyped technology products of 2010. The latest in a line of new product advances in the area of tablet PCs, the difference with the iPad is that it's modeled off the extremely successful Apple iPhone, which gives Apple a built-in user base and a way to leverage the massive universe of applications written for the iPhone operating system. The iPad's larger size and higher resolution make it much easier to display and use information from existing applications, which makes it a much more useful tool for mobile computing. The iPad's larger dimensions also allow developers to write applications to take specific advantage of the space, with better graphics and additional capabilities.

So, is the iPad useful for tax and accounting professionals, or is it just a cool toy? The answer is...yes and no. There's no doubt the iPad is a great device for personal entertainment uses, such as web browsing, email, music, games, movie watching, etc., but there are some definite business-related benefits that make the device a must-have for the mobile tax and accounting professional.

First, a cautionary note: a laptop computer will give you all the capabilities of an iPad, and much more. So for comprehensive projects at a client site, the iPad generally will not work as a replacement for your standard laptop. Where the iPad shines is those quick trips where you're out and about and want to pay some quick visits to your clients, without hauling a laptop and its peripherals along. Due to the smaller size and weight, the iPad is much more convenient to have with you at all times; in fact, it's small enough to easily pop into a briefcase, or even a purse in many cases. Also, the personal-use nature of the device makes it more likely that you'll have it with you at all times.



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Some ways to take advantage of the iPad's portability include displaying finished tax returns and source documents at a client site; linking to your Windows desktop at your home office to access files, write documents, take notes, etc.; providing video demonstrations to prospective clients on your firms' services; and much more. (see table, p. 6)

USEFUL iPad BUSINESS RELATED APPLICATIONS

The table below lists more common applications that will help you make the most of the iPad as a business tool:

APPLICATION	PURPOSE	USES	FREE/PAID
RDP clients (WinAdmin, Remote Desktop Lite, iTap, Jump, Teamviewer, etc.)	Connect remotely to your office Windows desktop / network	Connect easily and quickly to your work desktop to access data while working remotely; monitor and administer network settings	Both—although you'll be charged for the more popular apps
GoodReader, PDF Pro, ReaddleDocs, Air Sharing HD	PDF viewer—displays any PDF while you're working remotely	Display tax returns and other documents at a client site	Paid
Dropbox	Sync and share your files online across computers and devices	View documents from your network on your iPad while out in the field	Free
Evernote	Enter, categorize, and review notes from any device	Enter client notes from anywhere with the iPad; print any notes to your document management or CRM system when you return to the office	Free
Flight Track Pro, KAYAK Flights	Live flight tracking	Track all flight information when you're traveling	Paid (Flight Track Pro) Free (KAYAK Flights)
Apple's iWork Suite	Word processing, spreadsheets, etc.	Essential business tools available on the iPad	Paid
WebEx for iPad	Web meetings	Attend CPE sessions and other web meetings while out of the office	Free

Note: Many of the applications listed in the table above are available for additional devices from Apple and other vendors, but for the sake of this discussion, we've focused specifically on the Apple iPad.

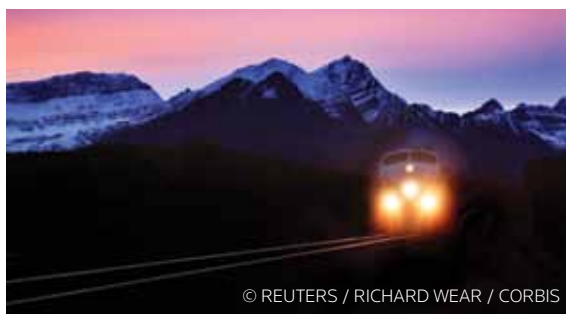
PHONE TETHERING FOR INTERNET ACCESS

Another popular use of mobile technology is the ability to use a cell phone as a modem for a laptop or other device when no other means of Internet access is available. Known as tethering, this function is useful when you absolutely need to connect to the Internet on your laptop and can't find a Wi-Fi hotspot, or when you're visiting a client in a rural area where there's no Internet service.

Each cellular provider handles tethering differently, but in some cases you may find that the tethering service is included in the monthly service fee from your provider. Even if your provider charges an additional fee for the tethering service, it's usually in the range of \$10 per month compared to the \$40-50 a month many cellular providers charge for a separate connection card. The speed of a tethered Internet connection is generally comparable to that of a wireless connection card; however, one drawback of tethering is that your cell phone's battery will drain even faster than usual.

MI-FI WIRELESS CONNECTION DEVICE

Using a concept similar to tethering, a Mi-Fi device takes an existing 3G signal and turns it into a Wi-Fi hotspot that enables you to connect with one or more devices. There are a number of different Mi-Fi devices available, so it's a good idea to research the various devices before making a purchase decision. There's a fee associated with the device, but if you frequently find yourself in a location with no Wi-Fi access, or you have to pay a daily charge for Wi-Fi (i.e., hotels), you may want to consider this option.



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SECURITY CONSIDERATIONS IN A MOBILE COMPUTING WORLD

Mobile computing brings an entirely new level of security concerns to a tax and accounting firm. We've all heard the stories: An employee's laptop is lost or stolen, exposing the personal data of millions of customers. This risk is particularly worrisome for tax and accounting professionals, who have access to their clients' most sensitive data. The practitioner needs to find the balance between security so tight that it's prohibitively expensive and onerous, and a system so lacking in security that it's exposed to countless threats. A careful and well thought-out mobile computing access plan can make a secure and affordable mobile system a reality.

So how do you address security concerns regarding the use of personal mobile devices to access your firm's resources? A good place to start is an excellent white paper written by Sybase (sybase.com), "An IT Manager's Guide to Managing Personal Devices in the Enterprise," which gives information on developing a strategy for managing employees' personal mobile devices. Of course, in addition to personal mobile devices, your firm should also discuss the management of company-owned mobile devices.

It's vital to have proper guidelines and procedures in place before you start using mobile devices, so your staff is clear on such questions as whether they can access company resources on personal mobile devices, or if such use is restricted to the company network. You should also evaluate other key points of the plan, like the types of systems that you'll make available outside of the office (e.g., are you only allowing remote access to email, or will you allow staff to access their desktop files?), the differences between the various types of staff in your office (e.g., do all staff have the same access to programs and data that the firm partners do? If not, what are the differences?).

Next, you should ensure that you understand the various tools for managing mobile devices, so you have the ability to provide data encryption on the actual mobile device (particularly important if there's any confidential or sensitive client data available on the device), and the ability to set passwords to access the devices. Many mobile device security systems have the ability to "wipe" the device clean if it's lost, stolen, or otherwise compromised (for instance, if a set number of incorrect password attempts have been made on the device).

When thinking about the types of data that will be accessible on mobile devices, you might want to consider separating the types of data or programs based on their sensitivity and apply different levels of security to each. You may not want or need to force password verification on mobile devices for staff to access personal data such as music.

Finally, think about whether or not you'll allow transfer of data to and from the mobile device to external drives or USB devices.

To recap, there are many items to consider before rolling out mobile devices for your firm—and the most important place to start is with research of the various aspects of mobile computing. Then you'll be able to develop an effective plan that's convenient and useful for your staff, while ensuring that company resources and data remain secure.

RUNNING YOUR FIRM EFFECTIVELY USING MOBILE TECHNOLOGY

We've now talked about several aspects of mobile computing and using mobile devices in a tax and accounting firm, but what are the real advantages your firm and staff will realize with mobile computing? Here are some of the more tangible benefits:

Better Work / Life Balance—Tax and accounting firms must balance a comfortable working environment with a variable workflow that creates an excessive level of work at certain times of year—which means that the ability to access data from outside the office can be a key component of a successful work/life balance. So while tax season may require a lot of extra hours, thanks to today's mobile technology they don't have to be spent in the office. After all, what makes for a happier employee: being tied to the office until late into the evening so they can finish their work, or being able to enjoy dinner at home each night and attend family events, then following up on returns or other work later in the evening from home?

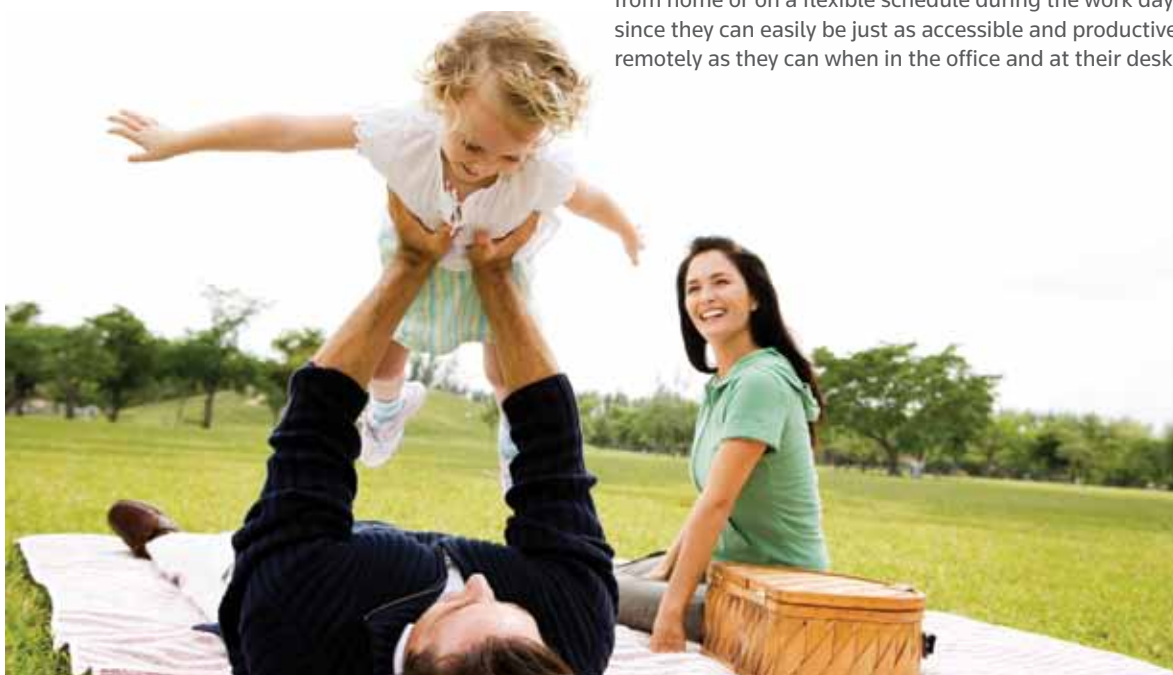
Ability to Attract Younger Staff—The tech-savvy employees that are now entering the workforce grew up in the digital age, and are accustomed to working with mobile devices. A firm that can advertise a modern mobile computing policy is very attractive to young professionals just out of college and holds a significant competitive advantage over less technologically advanced firms.

Extend the Reach of Your Staff—Mobile computing allows your firm to extend the reach of its software and make it available to staff members who are working outside the office. Your employees may not prepare a return on a mobile device, but there are many other tasks they can perform remotely, such as checking project status, looking up source documents, taking notes in the field, etc.

Better Customer Service—Clients expect instant access to information, which extends to their communications with their tax and accounting professionals. If your firm can make itself available beyond business hours and more responsive to your clients without having to worry that someone is in the office manning the phones, you hold a definite competitive advantage. And as many tax services become a commodity, customer service is frequently the difference between losing or retaining clients.

Mobile-Friendly Software—Software products available to the tax and accounting profession today naturally lend themselves to mobile computing, because they're expressly built to make accessing data remotely more convenient than ever before. Dashboards in products such as practice management software and CRM applications make it easy to quickly access critical data at a moment's notice from a mobile device. So as your firm evaluates new software and technology in your office you should evaluate the mobile computing position of your software vendor. Are they a leader in the profession, or are their products not taking advantage of the efficiency that mobile computing can bring to a tax and accounting firm?

Business Efficiency / Productivity—Approvals can happen faster, business decisions can be made, and actions can be taken without having to wait for a staff member or manager to come into the office. Mobile computing opens up countless options for more creative work environments by letting some employees work from home or on a flexible schedule during the work day, since they can easily be just as accessible and productive remotely as they can when in the office and at their desk.



CHALLENGES IN A MOBILE ENVIRONMENT

When you're evaluating mobile computing for a tax and accounting firm, it's impossible to have a balanced picture without a discussion of the challenges that individuals or firms adopting mobile computing will face.

Of course, as mentioned earlier in this paper, security and privacy are certainly important concerns in today's environment. Another significant challenge to adoption in a firm is that many people in firm management might not be as comfortable with emerging technologies and devices, and may fight the adoption in their firms. This should be expected, as many of the technical reviews still discuss whether or not some of the mobile devices (outside of smartphones, which have become mainstream) available today are ready for prime time or are still considered to be geared more toward personal use. The way to move forward in a firm with that attitude is to focus on the tangible benefits that mobile computing brings to the firm.

Another challenge to adoption of mobile computing in a tax and accounting firm is the perception that mobile devices such as a smartphone or iPad are not as robust in capability as a traditional desktop or laptop computer—which is actually true to a certain extent. The response to this situation is that the mobile devices available today are not designed to take the place of a PC, but to extend the office computers reach. With their instant on/instant connect capabilities, mobile devices serve as a much more convenient alternative to hauling a full-sized heavy laptop to a client's office, to a conference, or even on vacation, especially when all you want to do is pull up an email, view a source document, or do a quick status check for a client. When making the case for adding mobile devices to your firm, be sure you consider exactly how the device will be used, so you focus on what it's perfect for—quick access in the field, status checks, approving workflows—as opposed to what it isn't designed to do—document creation, tax return preparation, etc.

LOOKING AHEAD

In this white paper, you've seen how mobile devices and mobile computing have become a significant part of both the consumer world and the business world in which tax and accounting firms reside. Today, there are many applications and uses for mobile computing that can enhance a firm's relationship with its clients, provide a competitive advantage to firms looking to differentiate themselves from the competition, and offer enough real benefits to make it worthwhile to test the mobile computing waters.

So...what will the future bring to mobile computing and the tax and accounting profession? Well, we know that smartphones will continue to become more and more prevalent, and will transform from an item that all professionals should have, to a device that is required to do the job.

Morgan Stanley recently estimated that by the year 2013, smartphones will have replaced PCs as the most-used device for accessing the Internet. In 2010, vendors in the tax and accounting profession have started to develop and release mobile applications that are extensions of their desktop- or web-based applications. As you research the vendors and solutions available to your firm, be sure your evaluation criteria includes a solid look at the vendor's mobile strategy to ensure they'll support mobile computing for your firm, staff, and even your clients.

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