

AI UNCHAINED

Accounting Intelligence. No boundaries. No limits.

2024



CHECK IN: 1010EDI

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ELEVATE OR DIE 2

THURSDAY, OCTOBER 10

PRESENTERS:



W. MICHAEL HSU

**SPEAKER, FOUNDER & CHIEF EXECUTIVE OFFICER, DEEPSKY
& CFO CLUB**



ENRICO PALMERINO

**FOUNDER & CHIEF EXECUTIVE OFFICER,
BOTKEEPER**

01 

INTRODUCTION - INTRODUCING EACH OTHER

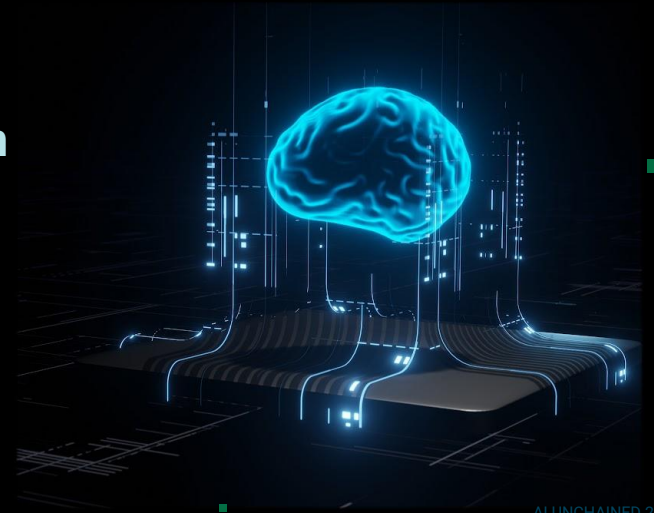






QUICK RECAP OF ELEVATE OR DIE

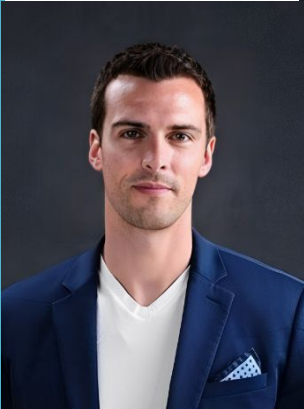
Today we are talking about what's changed in
the past 360 days



W. Michael Hsu
Founder & CEO
Deepsky,
CFO Club &
MEASURE x HACK



**Enrico
Palmerino**
Founder & CEO
Botkeeper



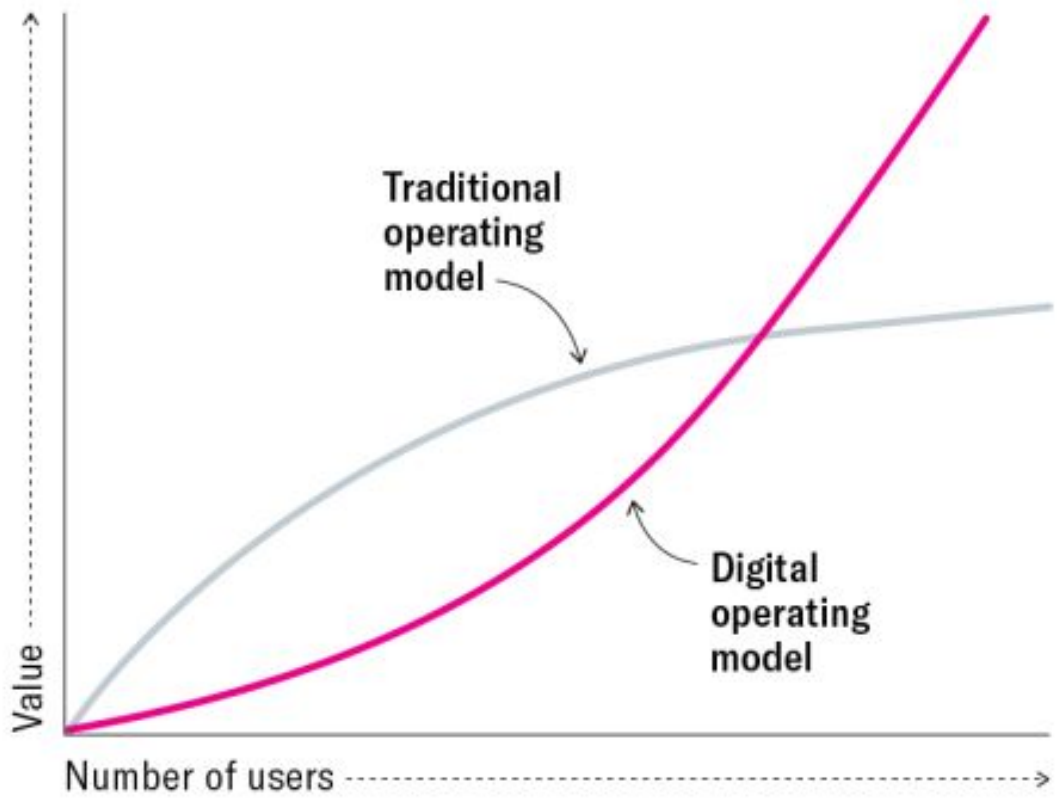
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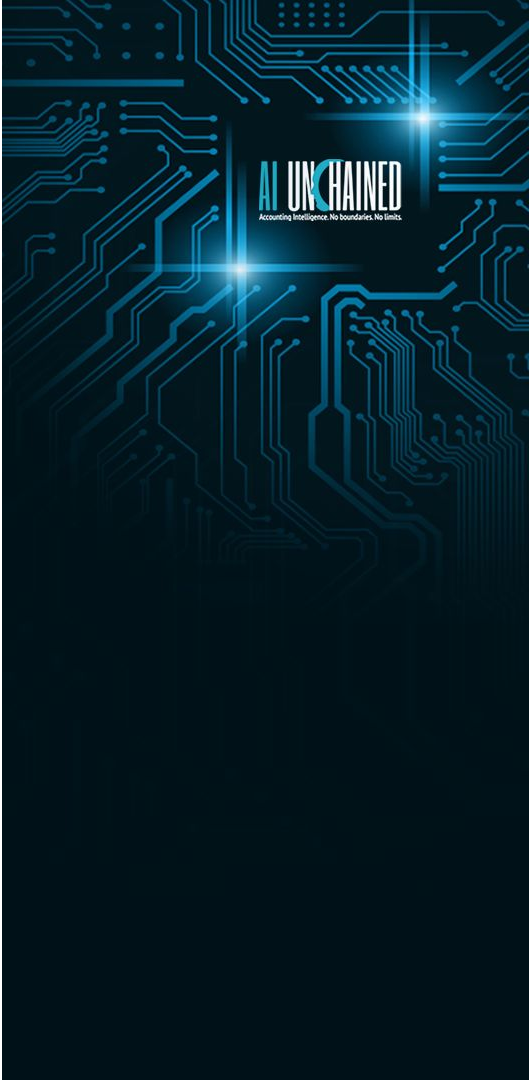
ELEVATE OR DIE

September 22, 2023

**Understand the human
capital limitations on
the
production side**



From: "Competing in the Age of AI," by Marco Iansiti and Karim R. Lakhani, January-February 2020



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Benefits of Bookkeeping

1. Everyone needs it, so it's easy to find prospects
2. Simple to sell and understand, but hard to differentiate — compete on price
3. The foundation for all other services and higher margin work
4. Relatively sticky and recurring revenue

Challenges with Bookkeeping

1. Scaling: hard to hire bookkeepers and growth equals inefficiency (more work more bookkeepers, more bookkeepers more management, more turnover, more excess capacity, more expense and benefits and overhead)
2. Best people get sucked into bookkeeping — when you lose a bookkeeper your senior accountant or controller gets pulled in because they have the most knowledge on the accounts and need to avoid disruption to clients
3. Maintaining margin is a challenge with need to give raises and rising benefits costs
4. Becoming commoditized and highly competitive

Compliance is being automated away. Focus efforts on the future, not the past.

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The Future is Relationships & Value

1. Frequent client meetings, problem solving, guidance and advice
2. Calling attention to inefficiency, highlighting areas for improvement
3. First to spot potential future problems
4. Focus on profits and how to drive margin and reduce expenses
5. Tax mitigation strategies, transfer expenses, fringe benefits, Corp structures
6. Tying personal goals into business performance
7. Forecasting, budgets, board and banking compliance
8. Identifying what client spends time on — could it be offloaded to you?

Poll #1

Where do you see your biggest challenges?

1. Scaling - finding the right talent
2. Maintaining Margin
3. Getting commoditized and highly competitive
4. All of the above
5. None of the above

**What it should look like
when your firm shifts from
delivering financials to
offering financial insights**

12 years ago...

CloudSolutions Alliance
October 31, 2011 · 🌐

The Whole Shebang - great visit to Zappos with all of our friends...now off to the opening night at #GroPro11! — with Michelle River and 7 others.



CloudSolutions Alliance
October 31, 2011 · 🌐

In this corner we have Team DeepSky in the sporty Honda Civic: W. at the wheel with Nell Ma navigating and Mark showing off his amazing back-seat driving skills — with Nell Hsu and 2 others.



CloudSolutions Alliance
October 31, 2011 · 🌐

#GroPro11 - Avalara — with Brian Austin and W Michael Hsu.



12 Years Ago

Our Clients Don't Appreciate Us

**Become Trusted Business
Advisor**

Trash Your Timesheet

12 Years Ago

Our Clients Don't Appreciate Us

**Become Trusted Business
Advisor**

Trash Your Timesheet

12 Years Later

Our Clients Don't Pay Us Enough

Get into CAS

Can't Hire Qualified Staff

Poll #2

WHICH STAGE ARE YOU AT WITH CAS?

- 1: We've been doing it for 3+ years w/ great success
- 2: We've been doing it for 1+ year but still have some questions
- 3: We are in the process of starting and already see success!
- 4: We are in the process of starting and see challenges...
- 5: We are still sitting on the fence because...

So is it even possible...?

Some of our clients from DeepSky



LTV: \$8000
Consulting
Session

LTV:
\$500,000

ARR:
\$96,000



LTV:
\$480,000

ARR:
\$51,000

LTV:
\$252,000

<https://youtu.be/9v6jZ-wqf9M>

So... for the next 30 min or so...

**We are going to show you how you are only
1-2 quarters away from leveling up your
practice and the value you provide your
clients**

HOW TO ELEVATE YOUR PRACTICE

Technical
SKE

Showmanship

HOW TO ELEVATE YOUR PRACTICE

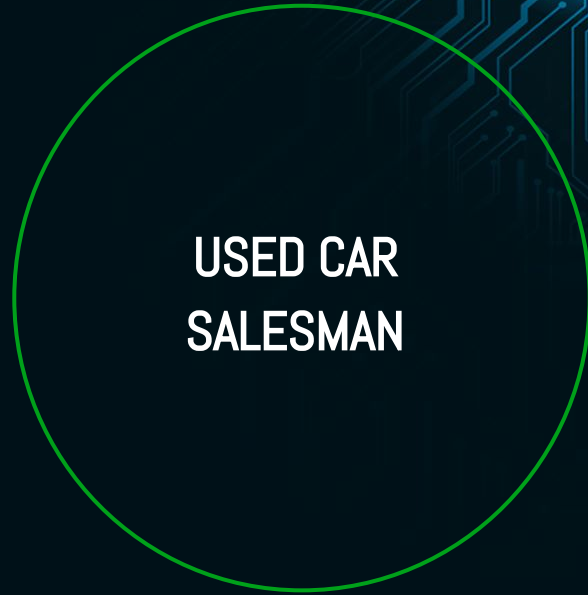
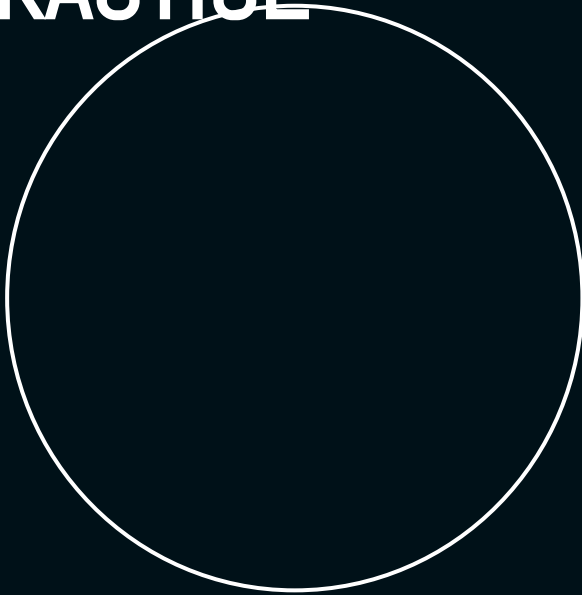
Technical
SKE

Business
Application,
Communication,
Advisory

HOW TO ELEVATE YOUR PRACTICE

NERD

HOW TO ELEVATE YOUR PRACTICE



HOW TO ELEVATE YOUR PRACTICE

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Business

CAS MASTERY - CFO ADVISORY

Advisory

What True Advisory Looks Like



Hit Goals
(Personal/Professional)



Mitigate Taxes
(Greatest ROI)



Maximize Value
(Valuation/Outcome)

Poll #3

To successfully implement CAS, do you feel like you need...

1. More accounting technical skills
2. More communication skills
3. Better understanding of business (MBA for accountants)
4. All of the Above
5. None of the Above. I'm a master CFO Advisor!

HOW TO ELEVATE YOUR PRACTICE



Phase 1

Phase 2

Phase 3

W1	W2	W3	W4	W5	W6	W7	W8	W9	W10	W11	W12
Understand Your Clients' Needs											
		Implement process and establish rhythm									
					Level Up Your Skills			Go forth and HELP!			

Week 1 - Platform
 Week 2 - Familiarization and process dev.
 Week 3 - Packages and Pricing
 Week 4 - Training

Week 5+6 - Implementation & migration /
 cancellation of apps
 Week 7-10 - Staff Training & cheat sheets

Week 11 - Marketing and supportive
 materials
 Week 12 - Determine where & how you will
 fish for prospects
 Week 13+ - Sell, upsell, onboard, support,
 profit!

Timeframe & Steps

1. Week 1 - Platform
2. Week 2 - Familiarization and process development
3. Week 3 - Packages and Pricing
4. Week 4 - Training
5. Week 5+6 - Implementation & migration / cancellation of apps
6. Week 7-10 - Staff Training & cheat sheets
7. Week 11 - Marketing and supportive materials
8. Week 12 - Determine where & how you will fish for prospects
9. Week 13+ - Sell, upsell, onboard, support, profit!

HOW TO ELEVATE YOUR PRACTICE

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Phase 1

Understand Client's Needs



Week 1 - Platform

Week 2 - Familiarization and process development

Week 3 - Packages and Pricing

Week 4 - Training

Time to Train Your Staff

1. Tax mitigation
2. Profit maximization
3. Review and analysis of financials
4. Budgeting & forecasting
5. Fringe benefits
6. Board reporting best practices
7. Industry KPIs and benchmarks
8. Vendors and pricing
9. Credits and accelerated expenses or depreciation

HOW TO ELEVATE YOUR PRACTICE

Phase 2

Implement System



Week 5 - Implementation & migration

Week 6 - cancellation of apps

Week 7-10 - Staff Training & cheat sheets

Simplify Your Practice

1. Less to manage = more time to think and analyze
2. Suite of tools vs. app stack of headache and cost
3. Trade the robust for the simple — you and your clients will learn to appreciate it
4. A few packages and standard processes for compliance — customized advice

Simplify Your Practice

SYSTEMS CREATE

FREEDOM



+



PROCESSES

RHYTHM

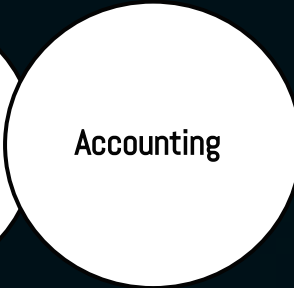
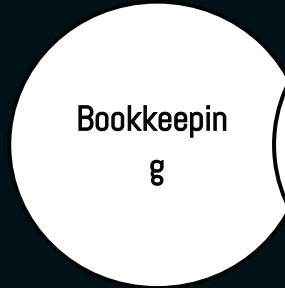
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Accounting Process

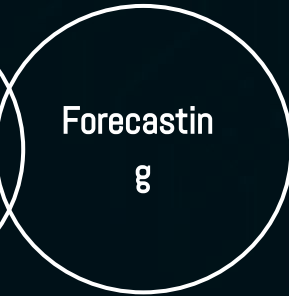
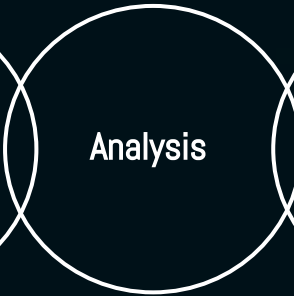
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PROCES
S



Close Book

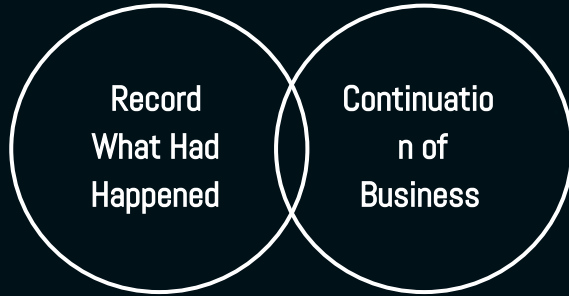


CAS



Accounting Process

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botkeeper

Close Book

~~PROCESSES~~



CAS



Rhythm



~~RHYTHM~~

RHYTHM to EXECUTE
VS
RHYTHM to REVIEW

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Rhythm

The rhythm between meetings should provide enough time for you to impact change; otherwise, it's just noise.

Rhythm



RHYTHM



Daily Report offers a meticulous examination of the business status. This is ideal for businesses that can't afford a financial misstep.

Weekly Snapshot compiles bills and invoices, as you shouldn't have to react or take actions on a daily basis along with 2-week forecast.

The monthly reports serve as a strategic tool and are integral for management decisions. Ideally, you should be able to review them with your clients between the 10th and 15th for maximum relevance.

How to unlock more dollars without needing more clients

HOW TO ELEVATE YOUR PRACTICE

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Phase 3

Create Value



Week 11 - Marketing and supportive materials

Week 12 - Determine where & how you will fish for leads

Week 13+ - Sell, upsell, onboard, support, profit!

VALUE IS IN THE EYE OF
BEHOLDER

**Understand
Clients' Needs**

Match The Needs

**Provide at least
5x Value to Price**

Understand Client's Needs

Your clients LIE to you

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Understand Client's Needs

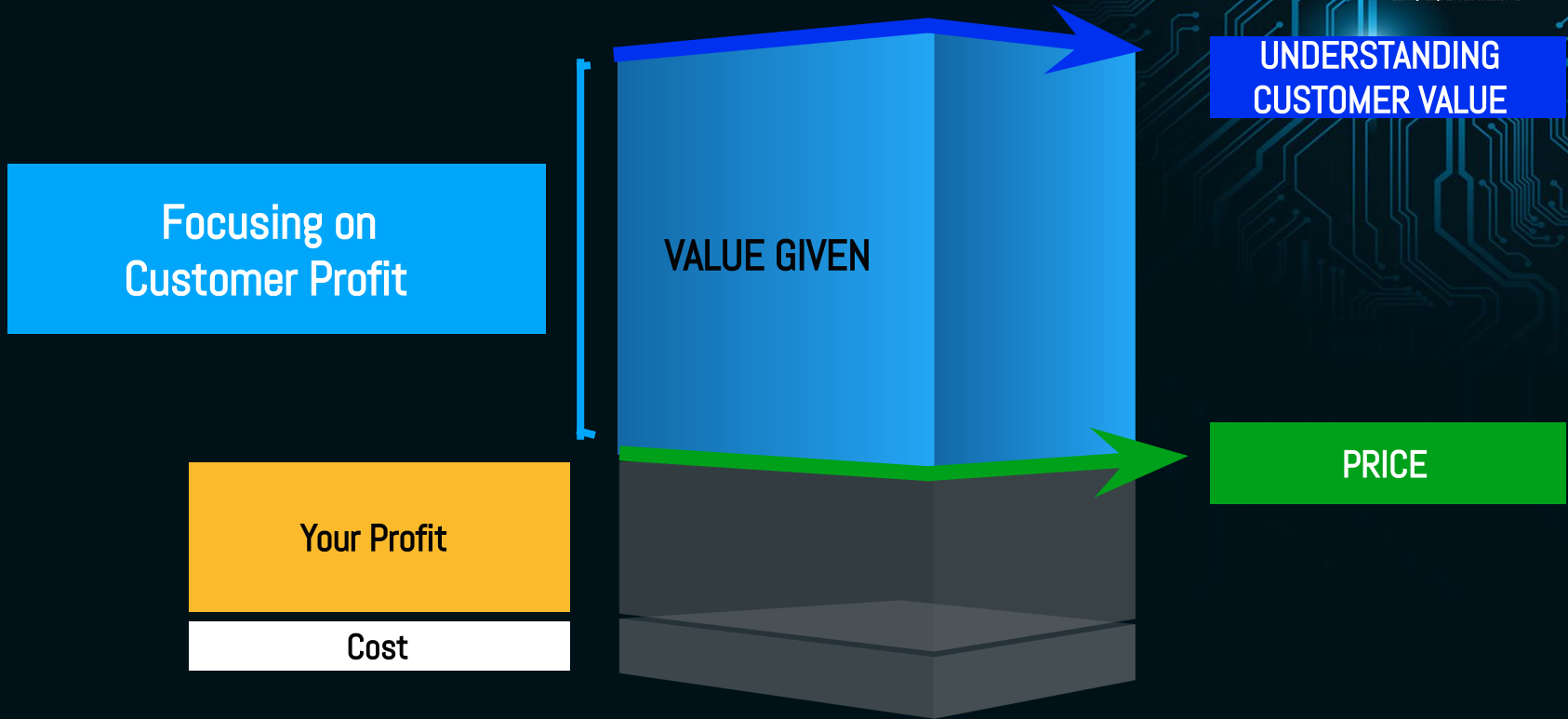
Peel the Onion



*Personal capability should not be consider in the "peel the onion" section

Wait Till the End !

Download the 35
questions that will
help you identify
the client's needs



Identify Needs

Implement
System



Create Value



Poll #4

What areas are you struggling to develop in your CAS practice?

1. Identifying Needs
2. Determining Implementation
3. Creating Value
4. All of the Above
5. None of the Above. We have them all figured out.



ELEVATE or DIE

How I did it and you can too!

- SmartBooks
- Michael's Company
- Wolf
- What are you waiting for... extinction?

Advice Examples

- Kids on payroll
- R&D credits
- Equipment expense acceleration
- Profit transfer to tax free states
- Car 6000 weight
- Fringe Benefits
- Home office and landscaping
- Childcare benefit and expense write-off
- Opportunity zone investing
- Roll over Roth
- Equity building with breakeven acquisitions
- Financing & debt
- Personal loans

Pricing & Packaging Examples

CORE

Package Includes:

- Transaction Categorizations & Coding
- Bank and Credit Card Reconciliations
- Payroll Journal Entries
- Standard Income Statement, Balance Sheet, & Statement of Cash Flow
- Overall Review for any discrepancies

PRO

Package Includes:

- Everything in Core
- Weekly Accounts Payable Processing
- Applying Payments to Accounts Receivable Invoices
- Class & Department Tracking
- Premier support

CUSTOM

Ideal for larger businesses/complex needs.

Custom Pricing

Includes Core + Add-ons



Package Includes:

- Everything in Pro + Choice of:
- Supports multiple entities, classes & locations
- AR, AP, and inventory tracking
- Billable expenses
- Fully customizable chart of accounts

Poll #5

What are you interested in learning more about?

- The CFO Club
- CPA to CFO Bootcamp
- Botkeeper Automation
- None of the Above
- All of the Above

AGENDA

- 1** Understand the human capital limitations on the production side
What it should look like when your firm
- 2** shifts from delivering financials to offering financial insights
How you are only 1-2 quarters away from fully
- 3** leveling up your practice and the value you provide your clients
- 4** How to unlock more dollars without needing more clients
- 5** Learn to Elevate!

WHO DID IT?



LEARNING OBJECTIVES

01

Learn how to optimize your firm's structure by leveraging technology to increase productivity and efficiency. Discover the optimal staff ratio for modern accounting practices.

02

Understand what outsourced CFO services entail, how they can position your firm as a strategic partner, and the value they bring to your clients.

03

Gain actionable insights into the deliverables and packages you can offer as a CFO, including budget and forecast management, cash flow optimization, and employee forecasting.

04

Walk away with a light version of CFO 1.0 that you can immediately implement for your clients.

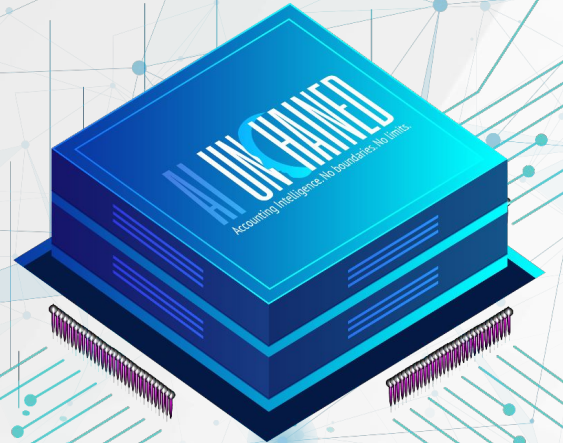
THE FUTURE IS SUITE, NOT STACKED

The Future is Suite

- Stacking apps is so 2019
- To maximize your use of AI you need an integrated platform
- The future of AI involves assistance and automation from the start to finish of your workflow - done with a single prompt(less), integrated, and succinct...simple.

Why Stacks Suck

- Disjointed workflows
- 8 app stack and 100 clients is 800 instances
- 800 vulnerabilities, 800 licenses that need turning on and off and tracking, 800 opportunities for margin erosion as vendors raise pricing, 800 opportunities for integrations to break or product changes to occur, 800 system switches
- 8 tools that need to be learned by staff
- Independent and disconnected AI trainings



PRE-SUCCESS



PRE-SUCCESS

Clients per Accountant	12-20
Revenue per Accountant	\$230,000
New Clients per Month	1-5
GM	25-50%



WHAT SUCCESS LOOKS LIKE

Clients per Accountant	100+
Revenue per Accountant	\$511,990
New Clients per Month	20+
GM	70%



WHAT IS CFO ADVISORY SERVICES?



WHAT IS CFO ADVISORY SERVICES?

~~Big Teams~~

~~Complex Financial Models~~

~~Long Term Planning~~

WHAT IS CFO ADVISORY SERVICES?

Story Behind the Numbers and

WHY IT MATTERS

WHAT IS CFO ADVISORY SERVICES?



I have a student...

150+ clients

Average Revenue per: \$600


An offer: \$49, 100 took, 59k

2nd offer: \$99, 70 took, 83k

WHAT IS CFO ADVISORY SERVICES?



Data -> Story -> Client Understanding -> Value -> Profit



**START WHERE YOU STAND
USE WHAT YOU HAVE
DO WHAT YOU CAN**

WHAT CAN I OFFER?



WHAT CAN I OFFER?

Cost + pricing = contractor + 50%
60k for set up + 6000 / mo.

WHAT CAN I OFFER?

Cost + pricing = contractor + 50%
60k for set up + 6000 / mo.

Dealership with multiple entities
 $100 * 550 = 55000 * 12 = 660,000$
411,000 set up

WHAT CAN I OFFER?

$1,071,000 / 84,000 = 12.75x$ return

WHAT CAN I OFFER?

You can only cut cost to 0... the value potential is
INFINITE

WHAT CAN I OFFER?

Answer their Questions... (35 Questions)

Business Analysis (How's it going?)

Cash Forecast (Look ahead / around corners)

Operating Plan Budgeting (Cash - Profit - Cash)

monday
morning
mood



TRUTH NO. 1





TRUTH NO. 2

IF YOU WANT TO GO FAST, GO ALONE.

IF YOU WANT TO GO FAR, GO TOGETHER...

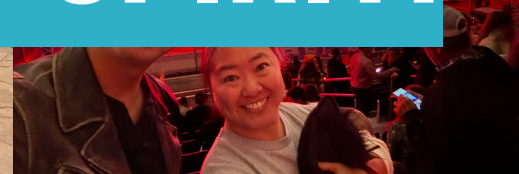
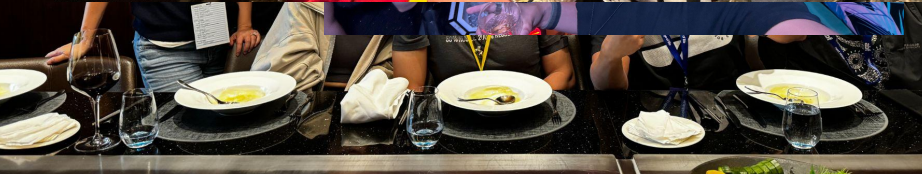
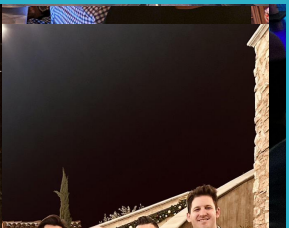
WHAT IF YOU WANT TO GO FAST AND FAR?



**YOU WANT TO GO
FAST AND FAR?**



**GO WITH
KINDRED SPIRIT!**



MY GIFT TO YOU...



Ask Better Questions: Use the 35 Questions Template to start deeper conversations with your clients.

Analyze Their Business: Watch the BA tutorial and highlight key areas of focus in their business.

Create a Cash Flow Forecast: Help your clients plan ahead with a simple cash flow forecast.

Have a conversation around their Operating Plan: Understand the concept of cash - profit - cash, start a conversation with your clients, then ask them about 2025.

MY GIFT TO YOU...

Email: winnie@xhack.co - tell her

1. Who you are / what do you do
2. Your firm
3. And that you want to start the CFO 1.0 Blueprints

WANT TO MAKE AN EXTRA \$100K?

Who has a practice with revenue of a million dollars or more?

What if...

You started offering your clients this service (you name it) and you raise your prices 10%

Let your client know you have upgraded them with [defined services] and it's the reason for the price increase.

- If you don't want it, you can downgrade



QUESTIONS?



CHALLENGE

Truth is... most of these conferences go nowhere...

Take the Gifts

I've worked with Botkeeper to give you guys some of the templates we use internally to start offering these services

Implement IRL

Implement what you've learned today and from the templates

Report Back

Schedule a meeting with me in 30 days and tell me what you did, your wins, and your struggles. I'll spend an hour with you troubleshooting it - for FREE.

CHECK OUT: 1010EDO

THANKS!

Do you have any questions?

W. Michael Hsu, DeepSky & CFO Club: [LinkedIn](#)

Enrico Palmerino, Botkeeper: [LinkedIn](#)