



# IS CAS KING AT YOUR FIRM?

Deneen Dias  
VP ,Growth & Strategic Relationships  
Botkeeper



# INTRODUCTION & OVERVIEW

# DENEEN DIAS

## Vice President of Growth & Strategic Relationships Botkeeper



- Passionate about helping firms use Artificial Intelligence & Cloud Technology to transform their accounting practices.
- Keen interest in helping firms create fast growing, profitable/predictable new revenue lines by focusing on automation & innovation.
- Facilitated the CPA.com Digital CAS Roadmap Workshop and advisor to firms on how to build a Client Accounting & Advisory practice.
- CAS speaker at conferences: ITA, Allinial Global, LEA, Engage, CPAmerica, Rainmaker, BDO Allinial
- Host of “On the Edge” Podcast



# AGENDA

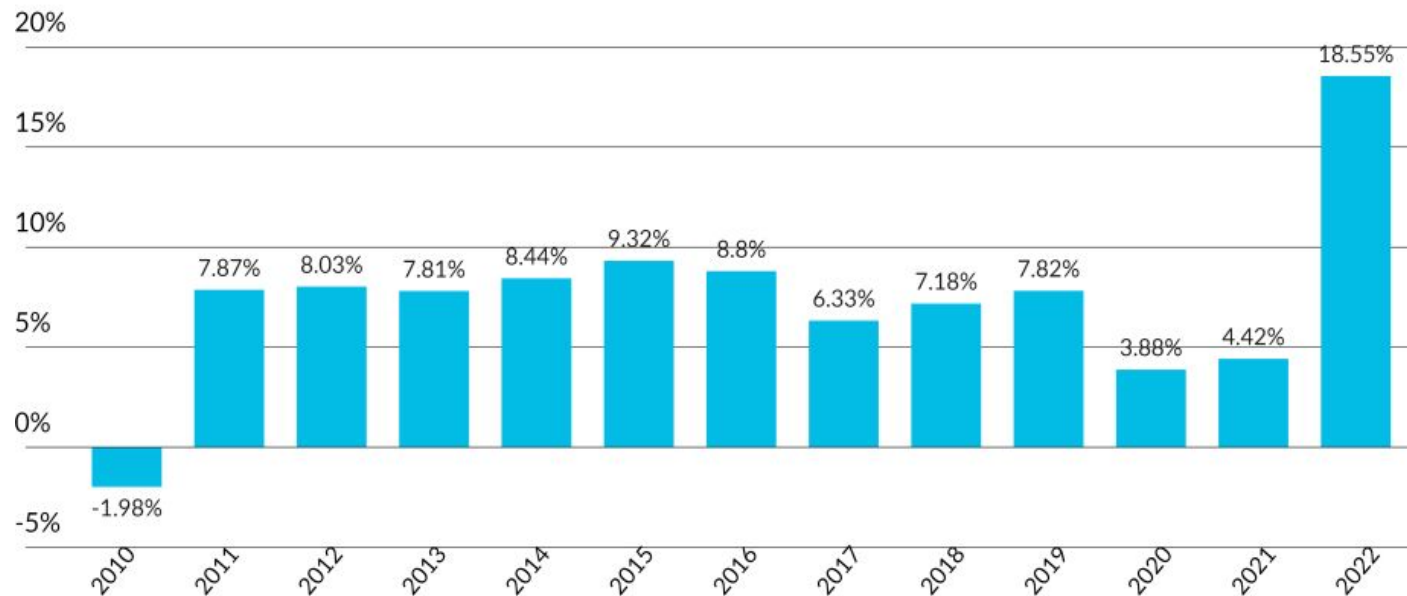
1. Trends in the Accounting Profession
2. Trends in CAS
3. Is CAS King at your firm?



# TRENDS IN THE ACCOUNTING PROFESSION

# ABUNDANT OPPORTUNITIES EVIDENT IN 2022

## TOP 100 GROWTH RATE



Source: Accounting Today Top 100 Firms Survey

# JOEY HAVENS, CPA

Managing Partner 2012-2021, Horne



“What got us here - won’t get us there! Firms need to put their legacy firm out of business in the next three years (in a good way).”

Author of the book, *Leading with Significance*.

He shares insights, failures, low points and lessons learned in his experience helping to lead the successful transformation of a professional services culture to one that is truly magnetic and people focused.

Joey.Havens@HORNE.com



# PRIVATE EQUITY EYES FIRMS

Money infusions to conquer the biggest challenges facing the profession: talent, technology, and growth.

Investments are needed to get ahead of the automation and offshoring trends that are reshaping audit and compliance.

**“We have a declining revenue base in compliance,”** Koltin said. And automated software is expected to lead to a race to lower costs: “The feeling is technology is going to cause evaporation of our revenues,” he added.

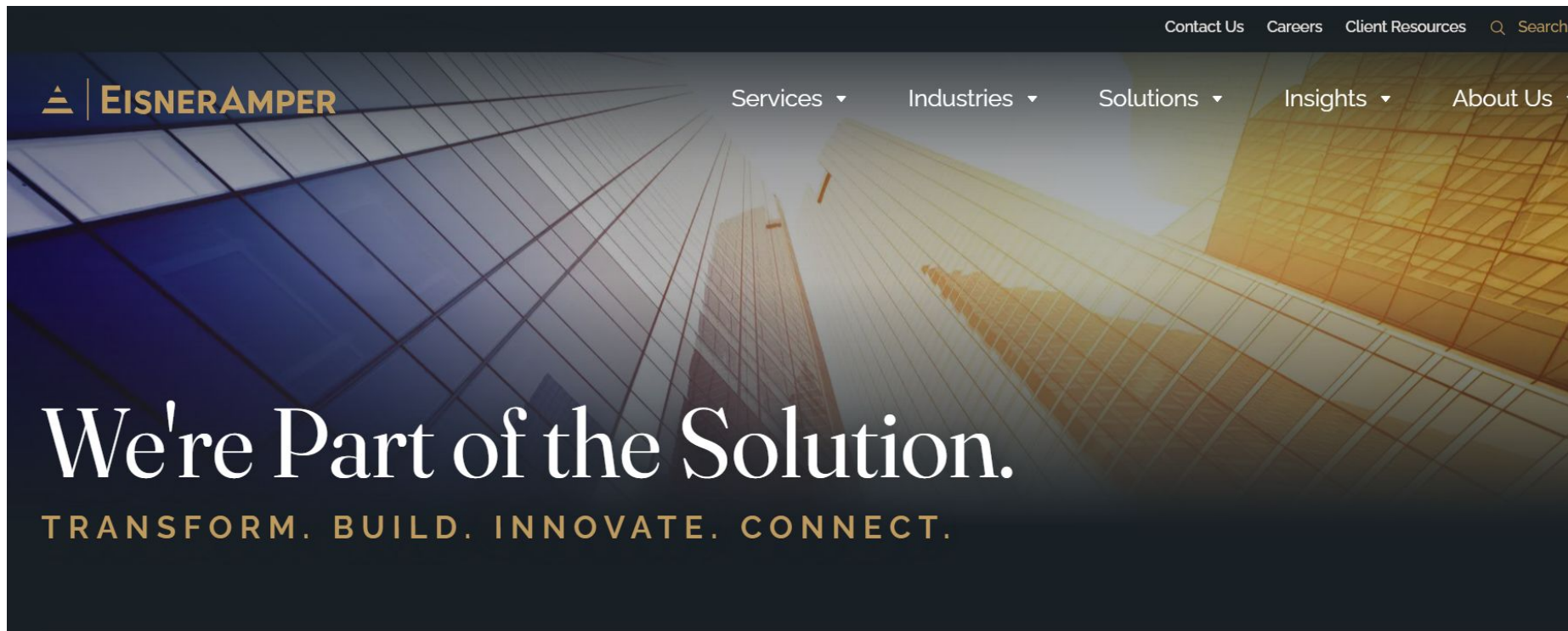
Many also want to diversify into **advisory and consulting** — which, once again, takes money.


<https://www.journalofaccountancy.com/issues/2023/feb/private-equity-eyes-accounting-firms-large-and-small.html>






# SPLIT FIRM - AUDIT SEPARATE FROM TAX ACCOUNTING

The banner features a low-angle photograph of several modern skyscrapers with glass facades, reaching towards a bright sky. The perspective creates a sense of height and architectural grandeur. The image is overlaid with a dark gradient at the bottom where the text is located.

Contact Us Careers Client Resources  Search

 **EISNERAMPER**

Services ▾ Industries ▾ Solutions ▾ Insights ▾ About Us ▾

# We're Part of the Solution.

TRANSFORM. BUILD. INNOVATE. CONNECT.

# JOSH BECK

Managing Partner, MarksNelson



Why they decided to accept PE?

**His response:**

*"Their goal is to go from 30 million in revenue to 500 million in 3 years!"*

Prior to assuming the role of Managing Partner in 2020, Josh served as a Partner in MarksNelson's advisory services area



# BDO SETS UP ESOP



BDO USA, will set up an ESOP that will buy a substantial minority interest in the company. The plan will include more than 10,000 U.S. employees. In July this year, BDO converted from a partnership to a corporation, allowing it to seek outside equity. Apollo Global Management is providing \$1.3 billion in debt financing to fund purchases of shares by a new employee trust and for other purposes.

CEO Wayne Berson stated, "Amid the changing landscape of our profession, the ESOP unlocks the value of our firm today and embodies our strategy to sustain a strong, caring and resilient business for tomorrow.

Chief Operating Officer Steve Ferrara noted that "[t]he ESOP also has material benefit to the firm. It allows for continued **investment in quality, as well as operations and growth strategies.**"

**IS YOUR FIRM KEEPING UP WITH THE TRENDS AND MAKING  
STEPS TO COMPETE WITH THE CHANGES IN THE  
PROFESSION?**

- 1) YES**
- 2) NO**



# TRENDS IN CAS





## PRACTICE MANAGEMENT

# What CAS looks like

By [Daniel Hood](#) July 31, 2023 5:44 PM

Whether you call it client accounting services or client accounting services — or something else entirely — CAS is one of the fastest-growing, most profitable niches in the profession in decades.

It has also varied widely from firm to firm, and as a relatively young niche, its general outlines and best practices are still being codified. To get a sense of the state of CAS today, Accounting Today and the research unit of its parent company, Arizent, conducted a survey of approximately 600 CPA firms in May.

An in-depth report on the results, sponsored by Intuit, is available here: "[From Accounting to Advisory: The Evolution of CAS.](#)" Below are some of the key highlights of the survey, which paint a clearer picture of a service that has rapidly become a core offering of the accounting profession.

**GROW YOUR  
TAX CAREER**

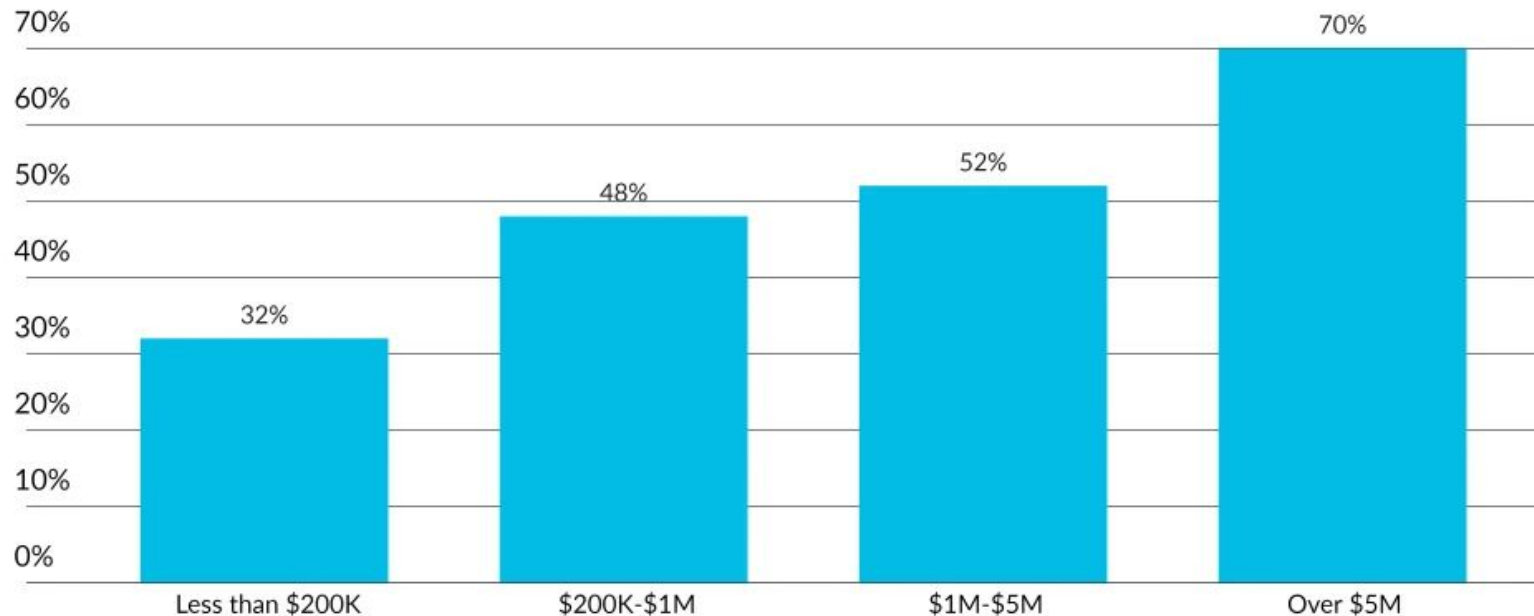
Earn income and develop your skills.

[Apply Now](#)



## Leaning large

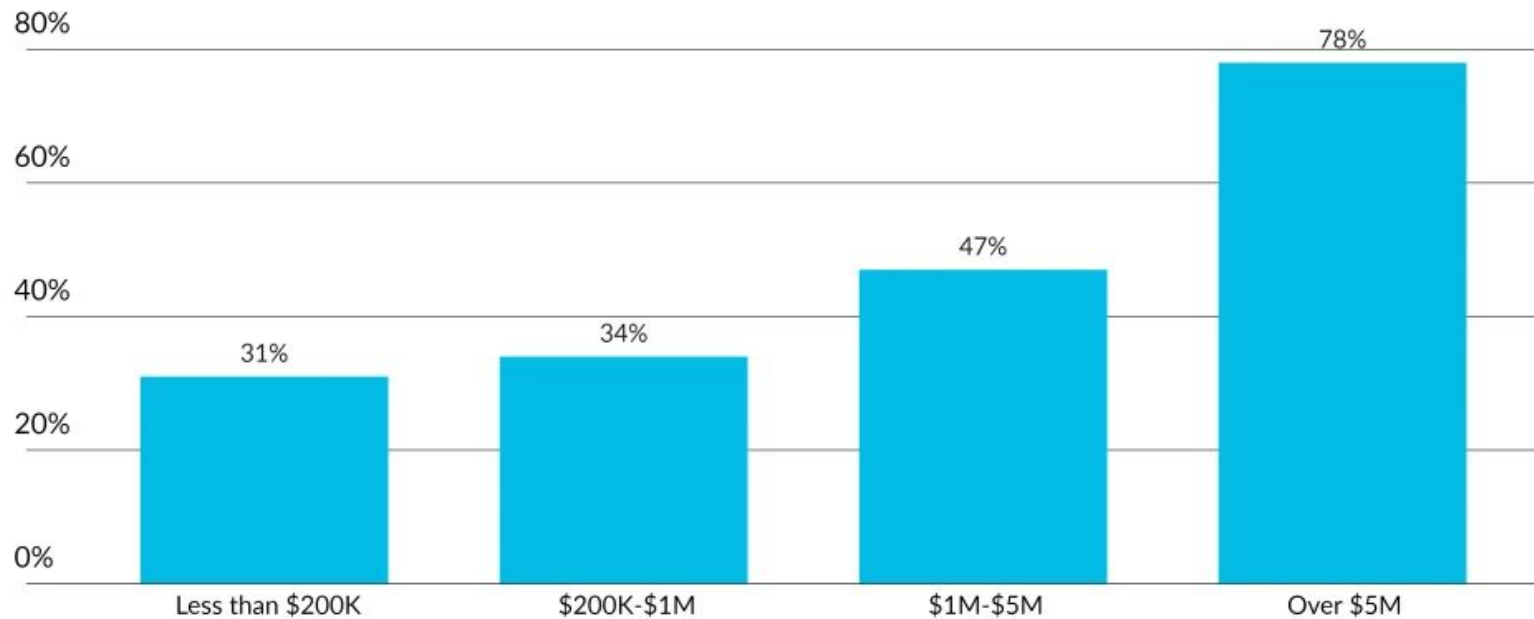
Percentage of firms with a CAS practice



Source: "From Accounting to Advisory," Accounting Today/Arizent Research

## Larger firms dedicate staff

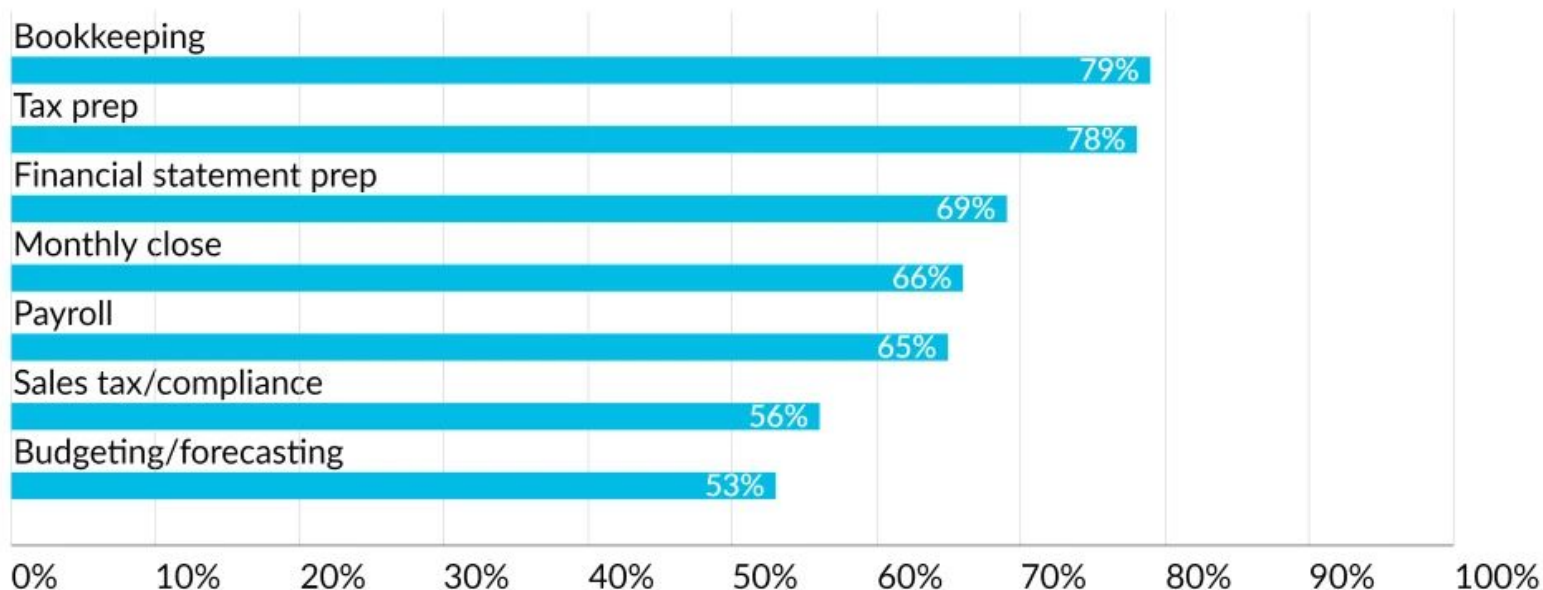
Percentage of firms with dedicated teams for their CAS practice



Source: "From Accounting to Advisory," Accounting Today/Arizent Research

# What's in the bundle

Percentage of firms offering these services as part of their CAS practice

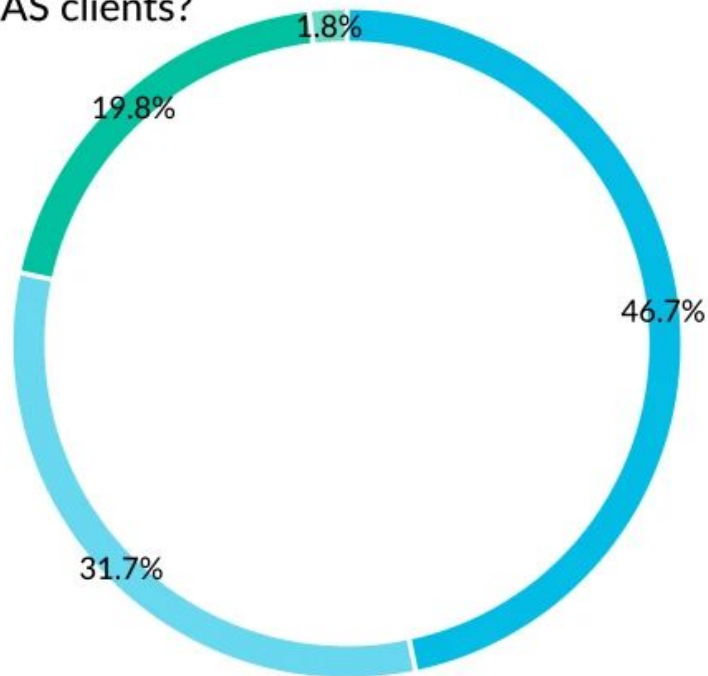


Source: "From Accounting to Advisory," Accounting Today/Arizent Research

## Compliance still in the lead

How does your firm spend its time serving CAS clients?

- Transactional/compliance work, 46.7%
- Administrative work, 19.8%
- Advisory work, 31.7%
- Other, 1.8%



Source: "From Accounting to Advisory," Accounting Today/Arizent Research

# DAVID BERGSTEIN

CPA, CITP, CGMA



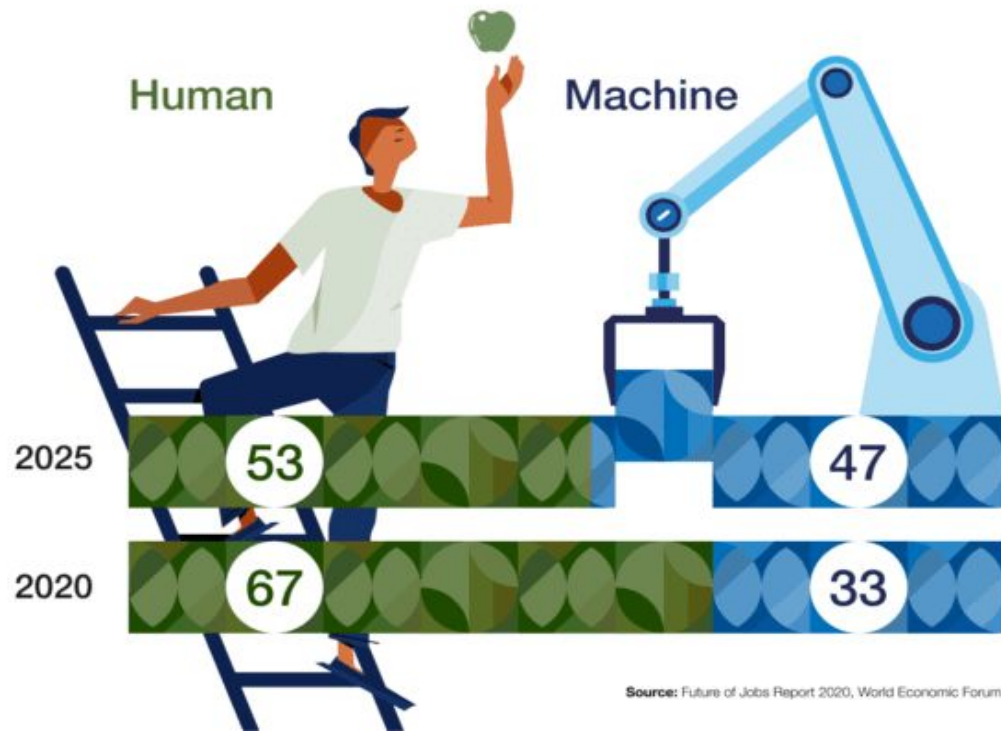
“The future of accounting is about accounting and not bookkeeping. Let AI do the automation while you do the advisory and coaching.”

## Deneen Dias

SPOT on as usual! AI is changing the way transactional accounting is being done in REAL time... allowing humans in the firm to use the data in exciting new advisory ways that clients VALUE (and will pay more for)!



## Rate of automation



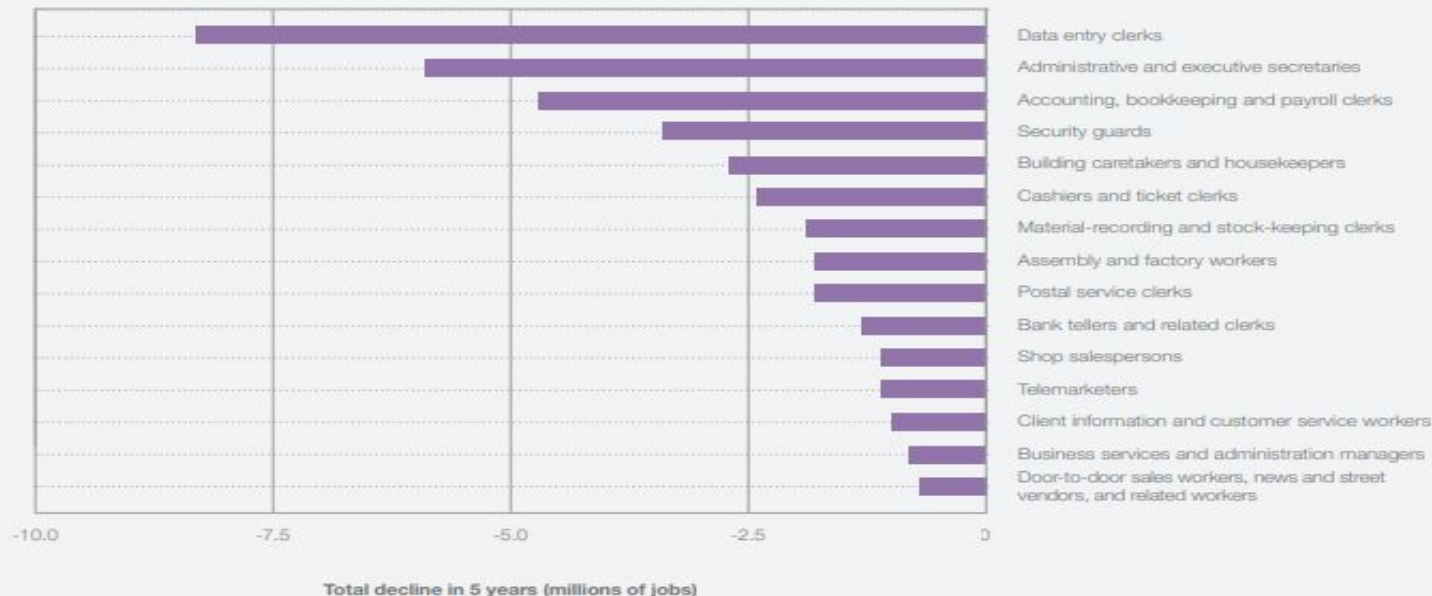
Source: Future of Jobs Report 2020, World Economic Forum.

# LARGEST JOB DECLINE - ACCOUNTING/BOOKKEEPING/PAYROLL #3

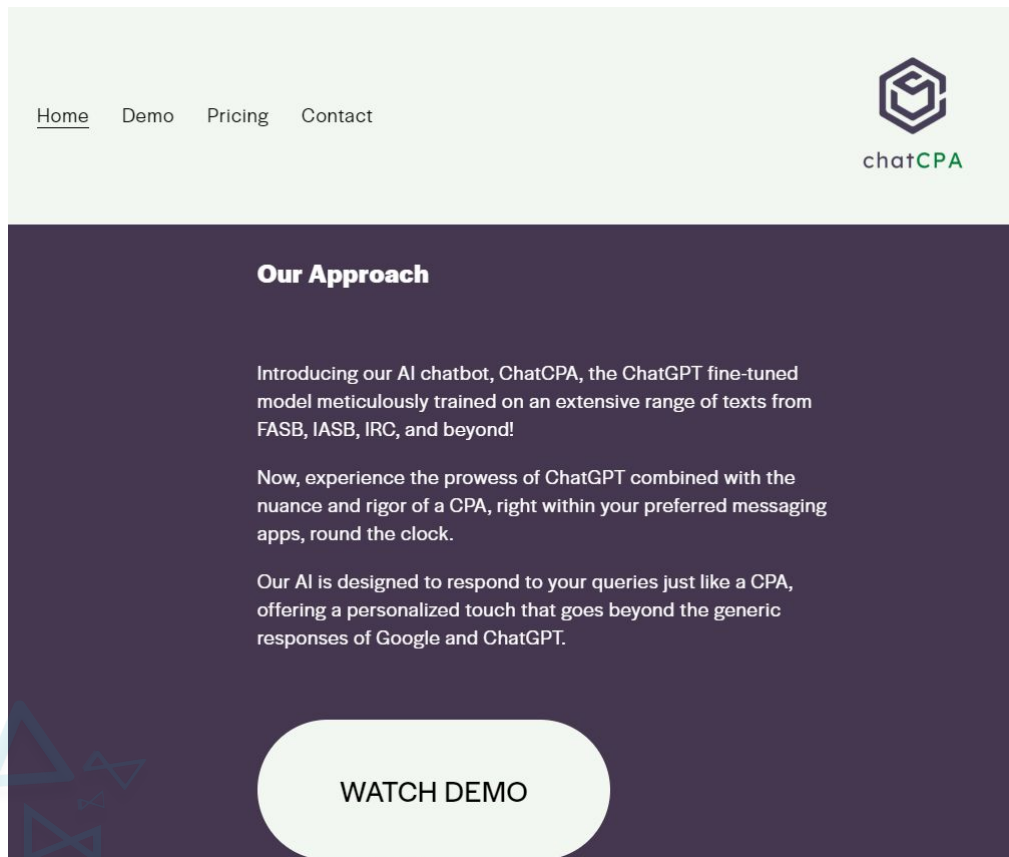
FIGURE 3.5

**Largest job decline, millions**


Top roles ordered by the largest net jobs reduction, calculated based on ILO Occupation Employment statistics and growth reported by organizations surveyed





The image is a screenshot of the chatCPA website. At the top, there is a light green header bar. On the left side of this bar are four navigation links: 'Home', 'Demo', 'Pricing', and 'Contact'. On the right side is the chatCPA logo, which consists of a stylized hexagonal icon above the text 'chatCPA'. Below the header is a dark purple main content area. At the top of this area is the section title 'Our Approach'. Below the title are three paragraphs of text. The first paragraph introduces ChatCPA as a ChatGPT fine-tuned model trained on various accounting texts. The second paragraph describes the experience of using ChatGPT with CPA-level nuance and rigor. The third paragraph states that the AI is designed to respond like a CPA, offering a personalized touch. At the bottom of the purple area is a large, light green rounded rectangle containing the text 'WATCH DEMO'.

[Home](#) [Demo](#) [Pricing](#) [Contact](#)



## Our Approach

Introducing our AI chatbot, ChatCPA, the ChatGPT fine-tuned model meticulously trained on an extensive range of texts from FASB, IASB, IRC, and beyond!

Now, experience the prowess of ChatGPT combined with the nuance and rigor of a CPA, right within your preferred messaging apps, round the clock.

Our AI is designed to respond to your queries just like a CPA, offering a personalized touch that goes beyond the generic responses of Google and ChatGPT.

**WATCH DEMO**

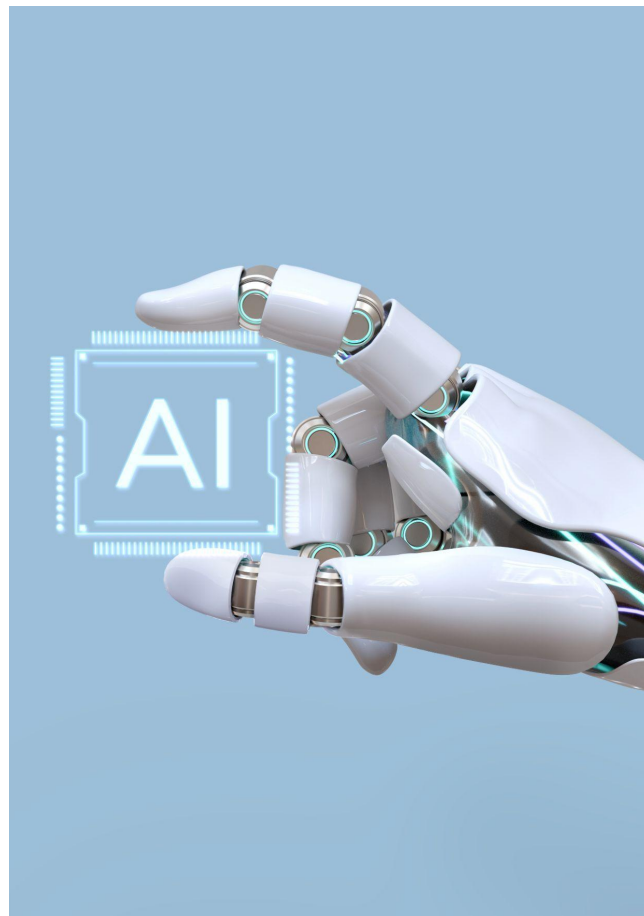
- The bot was custom tailored to interpret questions and reply like a CPA would.
- Will read through a vast library called “the internet” and determine the most appropriate answer for you.
- Remembers previous questions, so it will use that knowledge to help guide it on your follow-up questions.
- Everything takes place within apps (iMessage, WhatsApp, Facebook, Telegram, or Instagram) so your conversation history with the A.I. is readily available.

# PREDICTION FOR 2025

85 million jobs may be displaced by a shift in the division of labor between humans and machines

But even more jobs - 97 million - may emerge that are more adapted to the new division of labor between humans, machines and algorithms

**Many current in-demand jobs did not exist 10 years ago! In fact, 65% of children in school now are expected to end up working in roles that currently do not exist**



## TOP 10 EMERGING JOBS FOR 2022

1. Data Analysts and Scientists
2. AI and Machine Learning Specialists
3. General and Operations Managers
4. Software and Applications Developers and Analysts
5. Sales and Marketing Professionals
6. Big Data Specialists
7. Digital Transformation Specialists
8. New Technology Specialists
9. Organizational Development Specialists
10. Information Technology Services





**DOES YOUR FIRM HAVE A DATA ANALYST?**

- 1) YES**
- 2) NO**

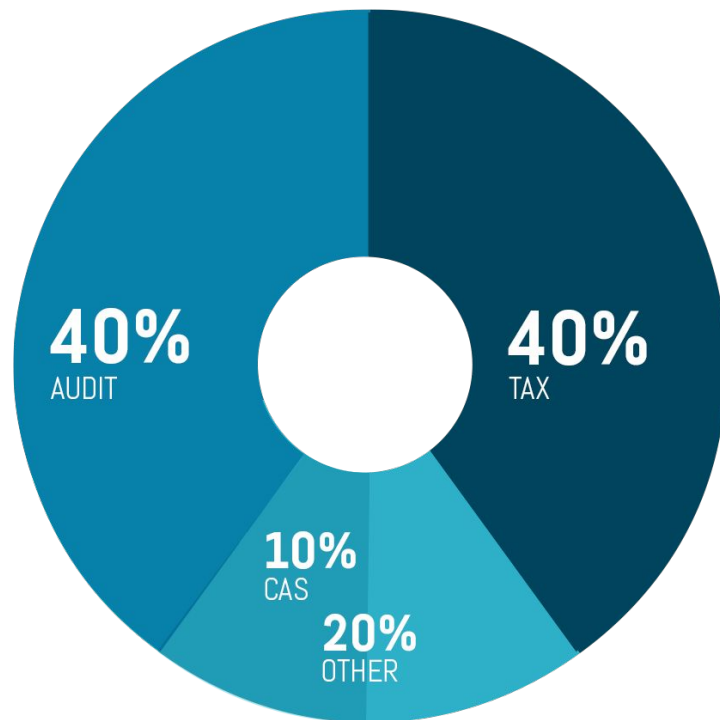




# CAS IS KING

# TRADITIONAL FIRM REVENUE

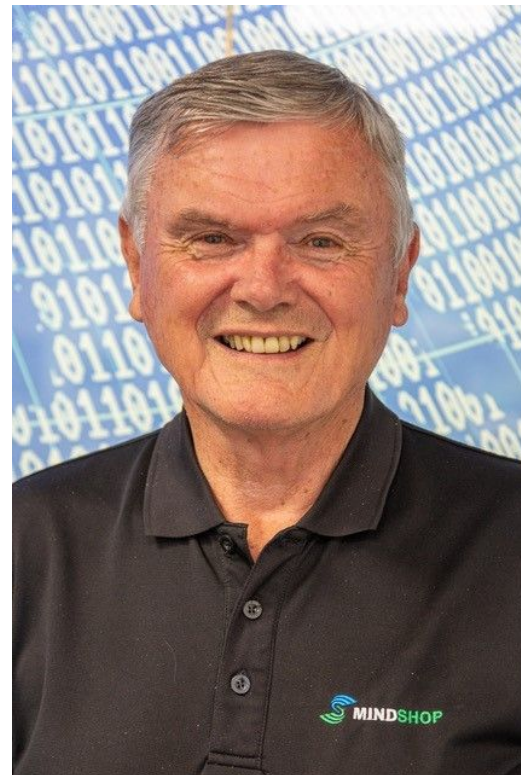
- Tax -40%
- Audit - 40%
- Other- 20%
  - **CAS 10%**





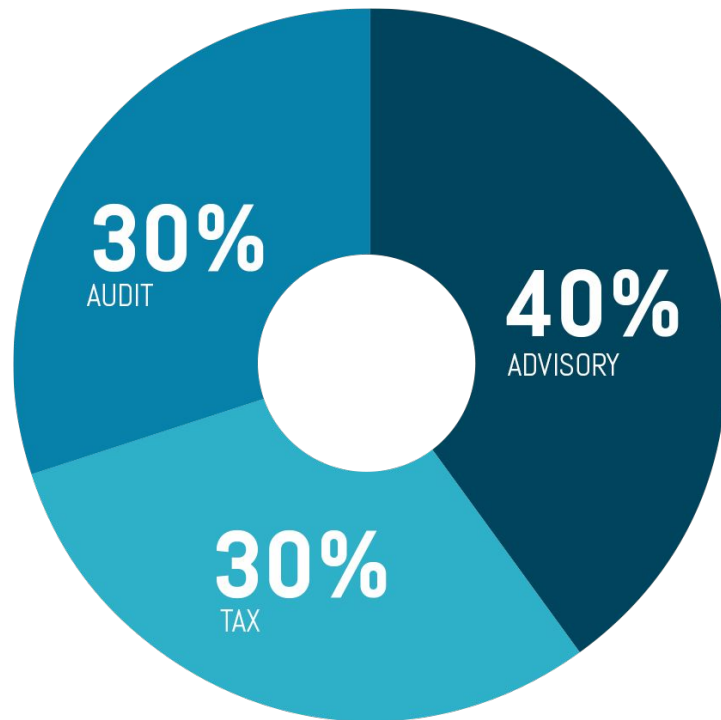
# CHRIS MASON OF MINDSHOP

“Many firms have a new mindset that they are going to be an advisory firm offering accounting (instead of an accounting firm offering advisory).”



# DENEEN PREDICTS FIRM REVENUE MAKEUP IN 2030

- Tax - 30%
- Audit - 30%
- **Advisory - 40%**



**WHERE DO YOU THINK THE MAJORITY OF FIRM REVENUE  
WILL COME FROM IN 2030?**

- 1) TAX & AUDIT**
- 2) ADVISORY**

# CAS IS THE FUTURE OF THE FIRM

1

You have the client relationship

3

You talk to the clients every day, week, every month

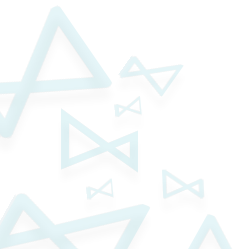
2

You understand the client's goals & challenges

4

You are working with the DATA - and data is GOLD

# EVERYTHING STARTS WITH A TRANSACTION



**80%**  
are telling us

Turning away new  
bookkeeping clients!

**BOOKKEEPING IS THE  
BOTTLENECK**



# LAND BOOKKEEPING, EXPAND INTO ADVISORY

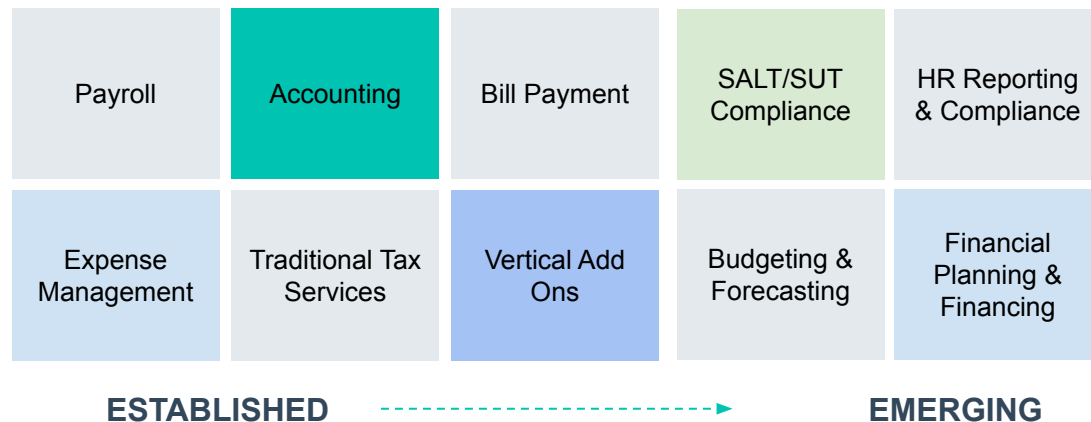
1. Clients are asking for help with their books - demand is HIGH
2. Get data in the cloud
3. Create live, accurate and automated financial data
4. Can bundle in tax services (low cost or free)
5. Upsell higher value services... ADVISORY







# BUILD THE CAS MACHINE WITH TECHNOLOGY



## YOUR TEAM SHOULD INVESTIGATE THE BEST TECHNOLOGY IN YOUR NICHE

QBO's & Xero's Cloud-based services have APIs that connect the data to accounting applications so the data is imported rather than re-keyed. This reduces errors and provides faster reporting as many of these integrations can be imported near real time.

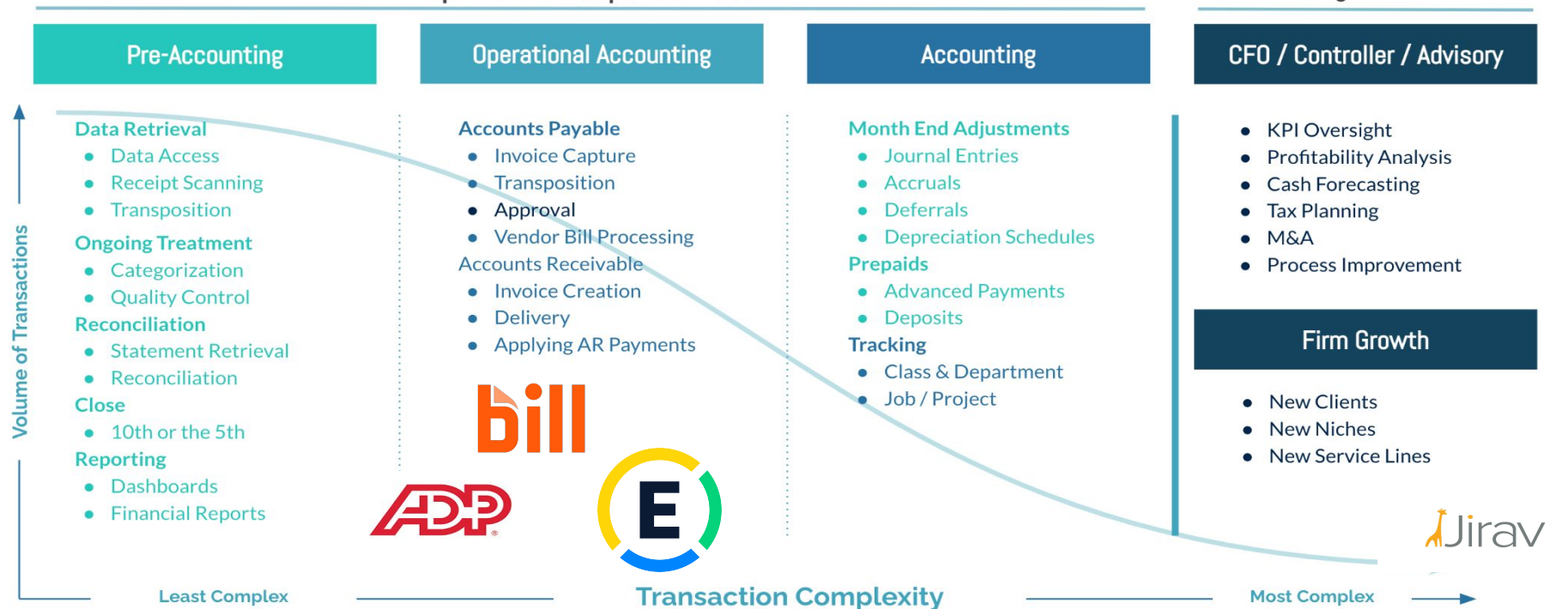


# BOTKEEPER HANDLES THE CRITICAL, YET TIME INTENSIVE & LOW MARGIN WORK AT SCALE



## Span of Botkeeper Services

## Accounting Firm FOCUS



LEGEND:



Basic Package



Advanced Package



Firm Responsibilities

# AUTOMATION IS:

**Fast.** It allows accountants to spend their time using data to create a value-focused firm.

**More accurate.** No more transposition errors or other costly human errors. Automation is a cut-and-paste action rather than transposing.

**Reducing burnout.** Less time spent on menial labor means getting home on time and putting your brainpower toward more rewarding problems.

**Being advisory.** You don't have to do day-to-day administrative tasks like recording entries, so you can focus on consulting with your clients.

**Scale.** The ability to grow your firm without additional headcount just makes good business sense

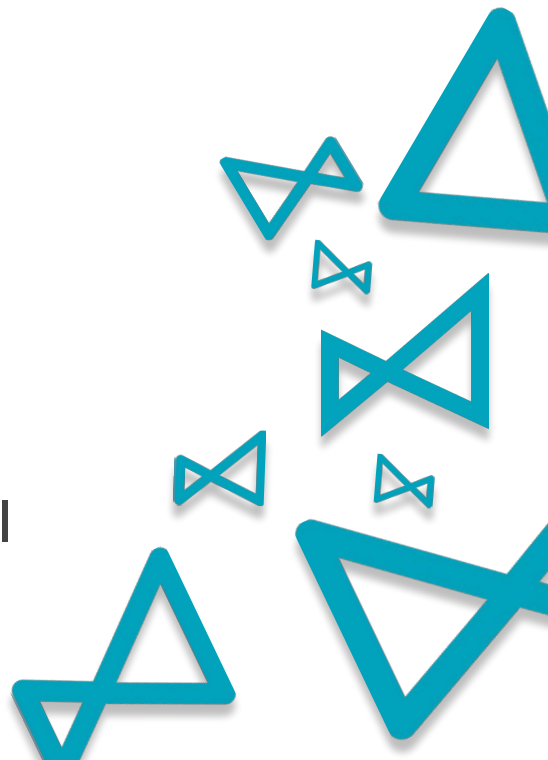




# IS YOUR FIRM **FUTURE** READY?



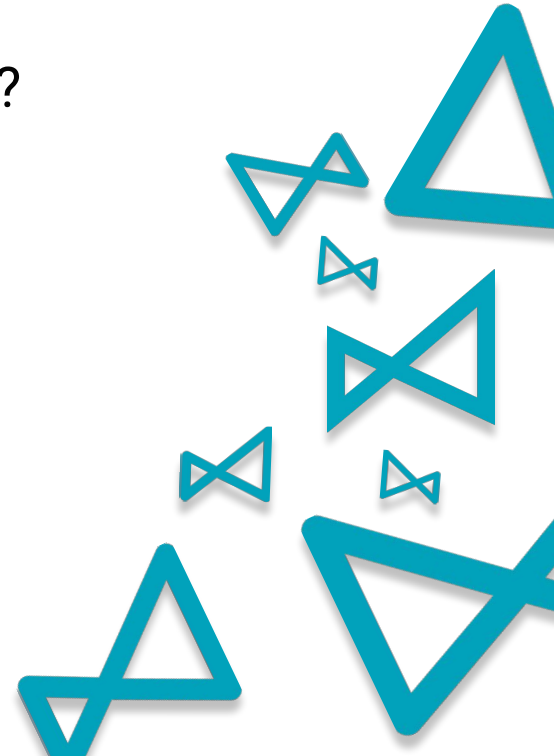
1. How will you compete with PE firms?
2. Are your retiring partners making decisions for the future of your firm?
3. Are you growing at the rate of tech (not talent)?
4. If tax returns could one day be free where will your firm revenue come from?



**DO YOU FEEL YOUR FIRM IS FUTURE READY?**

- 1) YES**
- 2) NO**

1. Do you have a dedicated CAS partner 100% focused on the fastest growing new revenue?
2. What are your CAS revenue goals for 2023?
  - a. What are they for 2025?
  - b. What are they for 2030?



# CAS Strategic FIRM OnSite Session with

Deneen Dias  
\$3,000

## GOAL:

Firmwide alignment for CAS growth

## AUDIENCE:

Part 1: Managing Partner,  
Tax Partners, Audit Partners, CAS lead

Part 2: Bookkeepers & CAS team

## FIRM WALK AWAY:

Agreed upon top 3 items to implement  
immediately



**Deneen Dias**

VP of Growth & Strategic Relationships

[deneen@botkeeper.com](mailto:deneen@botkeeper.com)

**THANK YOU**

**botkeeper**  
The Future of Bookkeeping