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Jim Boomer • Sep. 01, 2018

Leaders in CPA firms across the country agree that Client Accounting Services (CAS) is an emerging, growing and profitable opportunity. In fact, it is one of the fastest growing new revenue segments of many Top 100 Firms, but it is relevant and available to firms of all sizes. What many can't agree on is what exactly CAS entails.

Boomer Consulting, Inc. has developed the Continuum of Value Model shown below to help clarify the transformation firms of all sizes are facing.

The definition of and types of services offered under CAS can vary. Some say it's just transactional accounting while providing strategic advice falls under outsourced CFO. Depending on the firm's definition, CAS might include:

- **Transactional Services:** bookkeeping, payroll, bill payment
- **Compliance Services:** tax preparation, audits and reviews, financial reporting
- **Performance Services:** outsourced CFO, data analytics, benchmarking, business advisory, Lean processes
- **Strategic Services:** strategic planning, succession planning, mergers and acquisitions

As we move from transactional through compliance and into performance and strategic services, there are two transformations taking place.

Digital transformation

First is digital transformation. Moving up the continuum of value from transactional and compliance work to performance and strategic services requires elevating

technology a much broader role. We must automate “low or no value” steps in the

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efficiency gains of automation.

Business transformation

Moving up the continuum of value also requires a business transformation. Your business model, skill sets and the talent you hire and develop will change.

- **Value pricing.** As long as your firm sells hours, there is little motivation for your staff to improve efficiency. To cater to businesses of varying sizes, create CAS packages ranging from basic to comprehensive, price them accordingly, and invoice clients on a regular basis. Clients will appreciate knowing what they can expect. The firm benefits from being able to charge more for bundled services than it would on an individual basis.
- **Marketing.** CAS must be seen and understood by clients as something more than the compliance services you currently offer. Make sure your marketing efforts communicate the contrast between them. Show your understanding that being a business owner is challenging and illustrate how CAS can ease that burden. If you can get that message across, clients will not see accounting services as an expense (and therefore something they want to reduce the cost of). Instead, they will recognize the value in the decision-support intelligence that CAS delivers.
- **Staffing.** Successful CAS doesn't necessarily require more staff. Technology and standardized processes will provide significant efficiency, allowing you to serve more clients with the same number of employees. However, where you find your talent and the types of people you hire will change. By leveraging technology, you can staff your CAS group with people who work outside of your geographic location, providing more options to source quality talent. You may also look at hiring non-accountants with unique abilities to meet client needs. You may be able to develop the necessary mindsets and skillsets in your existing staff, but don't be surprised if some members of your firm don't have a desire to be game changers.

- **Client interaction.** A successful CAS practice requires increased interactions with

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mind, this is a journey, not an event.

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