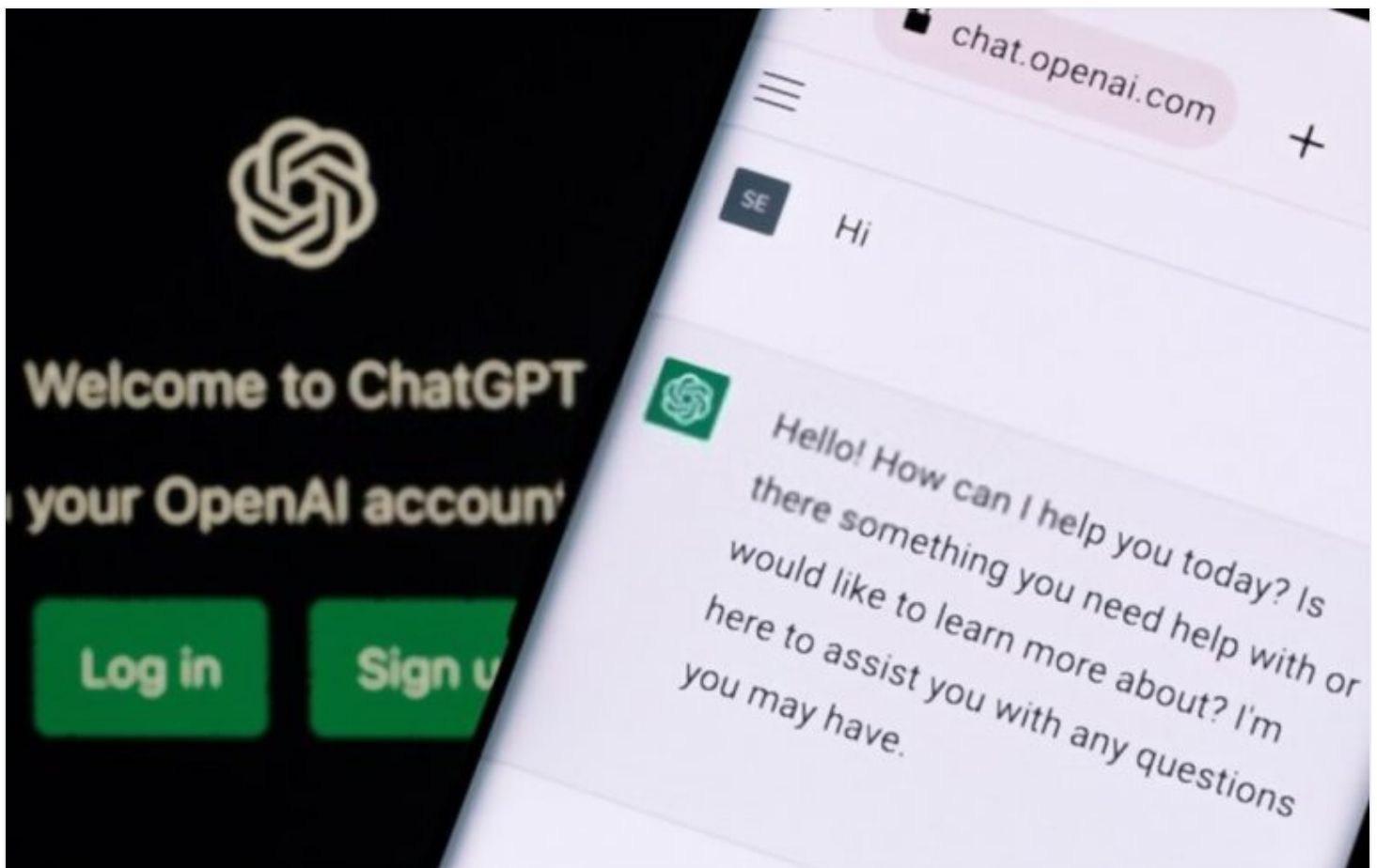


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discussed in previous columns.

Randy Johnston • Apr. 20, 2023



It must feel good to have another tax season in the record books. While you worked heads-down, the Artificial Intelligence (AI) world advanced rapidly. Generative AI tools expanded notably, and various competitors released their offerings. My colleague Brian Tankersley and I have recorded five podcasts on the topics of AI with ChatGPT4, Microsoft AI, DALL-E & AI Competitors, AI Truthiness & Hallucinations, and Large Language Model (LLM) considerations.

Please ensure you have checked out these AI podcasts and our podcast discussions of

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insights for your firm.

If you have not signed up for a ChatGPT account from OpenAI AND asked permission for early entry into Microsoft Bing, you should stop reading this article and do those two things now. I suspect you will find the paid version of ChatGPT4 worth the \$20/month fee since the tool will readily save you time. Beyond these two tools, there are additional AI products that could be useful to your practice, but I don't want you to attempt to do too many things at once.

What Are the AI Trends That Can Affect Your Practice and Tech Stack?

As artificial intelligence (AI) continues to advance, CPA firms must stay informed about the latest trends and developments. Several AI trends can significantly impact a practice and tech stack, which we have discussed in previous columns.

First, the sky is the limit for applying AI in your firm. The tools can do all that you imagine and more, with some limitations. While being hyperbolic is questionable, consider that the following could all be done with AI.

- Marketing information and summaries describing your services
- Social media posts
- Writing a routine email
- Summarizing tax code and regulations ready for your review to provide to a client
- Writing procedures such as a month, quarter, and year-end – for example, I had ChatGPT4 write QuickBooks Online procedures (correctly!) in less than five minutes
- Analyzing markets
- Analyzing financial statements
- Forecasting based on past performance (but be cautious here since most of the AI models today are text-based, not numeric)

- Creating tables of information

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trends, and provide insights that can inform business decisions.

Natural language processing (NLP) is another AI trend that can help automate document review and analysis processes, allowing firms to manage large volumes of data more efficiently. Machine learning is another trend that can help firms automate processes and make more accurate predictions by analyzing data and detecting patterns. We have seen Machine Learning in various Client Accounting Services (CAS) tools.

Finally, blockchain technology is becoming more widely used in financial transactions, and AI can help automate and streamline these processes. While these trends can offer many benefits to CPA firms, it is essential to carefully evaluate and test any new technology before implementing it in the firm to ensure that it meets the needs of the practice and its clients. By staying current on these trends and incorporating them into their tech stack, CPA firms can improve efficiency, reduce costs, and provide better service to their clients.

In addition to these trends, CPA firms must pay close attention to cybersecurity. As AI technology continues to evolve in this field, it is essential to implement robust security measures to protect sensitive data and ensure client confidentiality.

What Are Valid Concerns About the Technology?

First, any work product or correspondence from your firm represents you and the partners. You have liability for incorrect recommendations. Further, we expect a level of professional embarrassment from improperly reviewed work.

Additionally, intellectual property violations are certainly possible with a tool of this type. Imagine, if you will, research done by a junior team member that is not carefully reviewed. A few lines may read fine, but the further AI tools go, the more

they make stuff up or “hallucinate.” Finally, AI tools can generate results that the

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use the platform to write new, original zero-day attacks. But, again, note the cybersecurity trend above. It is clear that the current AI tools have bias. I also suspect many competitors were caught flat-footed and want time to catch up.

So, What Is the Outlook for AI?

Consider every area of your practice that is routine, mundane, or repetitive. You can likely cut work hours in this area significantly. I can do the same work with AI assistance in about 25% of the time. One area of concern is that I don't want to lose creativity or originality by using this assistance. Because of that, I'm taking more time to think and sketch on a yellow pad to outline my ideas before structuring my queries and commands to AI tools like ChatGPT or Bing. In effect, I'm trying to train the AI engine like I would a staff assistant. It is working, but I learn more every day about how to ask my question better. It would be even more helpful if I could pre-load supplement data to help focus the LLM. I've been refining my work methodologies to teach you and others how to leverage AI in your technology stack. While refining my techniques, I encourage you to spend some time with generative AI tools now!

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