

Transforming Your Client Accounting Services

Accounting Firm Best Practices on how to **Strategically Price,
Package and Position Client Accounting Services** within Your Firm

This white paper was created in partnership with ConvergenceCoaching, LLC., a leadership and marketing coaching and consulting firm focused on the needs of the CPA profession.

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Introduction

Today's challenging economic climate demands that accounting professionals collaborate with clients to improve their financial performance, deliver better financial advice and make faster, smarter business decisions. To help CPAs deepen their role as trusted business advisors, CPA2Biz, a subsidiary of the American Institute of Certified Public Accountants (AICPA), develops and manages client- and firm- focused business solutions programs that enable CPAs to build stronger relationships with their clients. **In this paper, we will explore ideas to help CPAs enhance their value to clients and increase profitability by transforming their firm's client accounting services practice.**

“ Now is the time to become the trusted business advisor that clients need to help them succeed. We've transformed our client accounting services practice – and ultimately the value we deliver to our clients – by moving away from just bookkeeping and streamlining our processes, leveraging technology, and focusing on delivering high-level advice to clients to help them run their businesses better. ”

— M. Darren Root, CPA, CITP, President
Root & Associates, LLC

This paper will first explore the various resources and research used as the basis for this information. Then it will provide an overview of the current state of the Client Accounting Services market, including the challenges that most CPA firms face providing client accounting services to their clients. This will be followed by real-life advice from forward-thinking practitioners who have adopted technology and savvy marketing strategies to grow their Client Accounting Services practice and to deepen their relationships with corporate clients.

Based on this extensive research and insight from practitioners who are paving the way, this paper will posit some ideas that your firm can implement to position, package, and price your client accounting services to increase the level of service that you provide your clients, and ultimately enhance your firm's bottom line. Firms that are transforming their client accounting services practices are doing so by:

- **Strategically positioning their client accounting service line as proactive, consultative services for their corporate clients** and moving the focus away from low-value, transaction-oriented services. Firms are deepening their client relationships and delivering information that enables their clients to improve their business processes, cash flow, and profitability
- **Leveraging Internet-based software technologies, or cloud-based Software as a Service (SaaS) applications**, to increase collaboration with clients and other firm leaders and to enhance productivity and repeatable processes
- **Creating non-traditional work environments** that take advantage of remote or part-time resources and not requiring the expense of full-time staff that may not be fully utilized

This paper will then explore how Internet-based software technologies, or Software as a Service (SaaS) applications, can enhance productivity, increase collaboration, reduce overall costs and generate a profitable return on investment for your firm and your clients. Finally, this paper will conclude with next steps to transform your client accounting services practice.

Our Resources and Research

As background for this document, CPA2Biz conducted primary research in the form of the web-based *AICPA Client Accounting Services Survey of Accounting Firms* sent to 20,000 AICPA members in public practice during the height of their busy season (February 18, 2009). The survey was intended to gather data about practitioner Client Accounting Services practices and gathered feedback from 341 CPA firm respondents. This survey is referenced in this document as the “AICPA Survey.”

In addition, CPA2Biz participated in two pertinent studies. First, a September 2008 Intacct-sponsored Wharton Graduate School *Survey to Understand Client Accounting Services in CPA Firms* (referenced herein as the “Wharton Survey”) and then a March 6, 2009 UCLA Anderson School of Management study entitled, *SaaS and the Transformation of the Accounting Profession* (referenced herein as the “UCLA Anderson Survey”). The findings from both studies were also considered and incorporated, as referenced, in this document.

Lastly, members of the CPA2Biz team conducted interviews with a number of Client Accounting Services practitioners at various stages in the development of this white paper. Several were asked to share their stories in this paper and these include:

Carrie Waldrop, CPA, Accounting Solutions Manager

Carver Moquist & O'Connor, LLC

www.cmocpa.com

► *Carver Moquist & O'Connor, LLC (CMO) is a two-office CPA firm in Edina and Plymouth, MN serving Minneapolis/St. Paul. CMO's \$9 million practice supports 9 partners and 65 staff, with 1 partner and 7 staff dedicated to Client Accounting Services. Other firm services include tax, audit, information technology, business and asset valuation, and financial management.*

Michael Smith, CPA, MST, CITP, Shareholder

Caturano and Company, P.C.

www.caturanoandcompany.com

► *With 33 partners and over 270 employees, Caturano and Company is New England's largest regional full-service CPA, consulting, and wealth management firm. Caturano and Company offers business process outsourcing services in a variety of areas including accounting and technology. The firm provides a full array of services to companies ranging from small and emerging to middle market and prominent public, including audit, tax, management and technology consulting, compliance, internal audit, transaction advisory, and wealth management.*

Seth Pomeroy, CPA, MIS, Partner-in-Charge of CFO and Accounting Technology

NDH Group, Ltd.

www.ndhcpa.com

► *NDH Group is a single-office firm in Chicago, IL serving fast-growing companies with integrated CFO, tax, accounting technology, and personal treasury solutions. NDH Group has 4 partners and 9 employees.*

M. Darren Root, CPA, CITP, President

Root & Associates, LLC

www.root.com

► *Root & Associates, LLC is a single-office firm in Bloomington, IN delivering accounting, bookkeeping, payroll preparation, individual and business tax planning and preparation, and technology services to their clients. The firm also has an affiliated business, RootWorks, which provides consulting to CPA firms across the country in the areas of best practices, workflow efficiency, advanced technology, and integrated software systems. In addition, Darren Root serves as the Executive Editor of The CPA Technology Advisor. Their 2 shareholders and 9 staff members serve clients and CPA firms on a national basis.*

Thomas Crutchfield, CPA, Shareholder

The Burdette Smith Group, P.C.

www.bsgpc.com

► *The Burdette Smith Group, P.C. (BSG) is a single-office firm in Fairfax, VA, serving the greater Washington D.C. metropolitan area. A \$5 million firm with 4 partners and 28 staff members, BSG has 6 staff dedicated to their Client Accounting Services practice. Other firm services include assurance, tax, financial planning, estate and trust management and financial reporting.*

Mark Weston, CPA, CFF, Partner

Wood, Johnson, Heath, P.C., Certified Public Accountants

www.wjh-cpa.com

► *Wood, Johnson, Heath (WJH) is a single-office firm in Austin, TX with 4 partners and 13 employees. WJH has 1 partner and 5 staff dedicated to their Client Accounting Services practice and they also offer professional tax, accounting, financial consulting, payroll processing, and management consulting services.*

While each of these firms approaches their client accounting services differently, **they are similar in that they have elevated their Client Accounting Services practices by progressing beyond high-volume bookkeeping services to also deliver proactive advisory services that help their growing business clients achieve their objectives by running their businesses better.** Later, this paper will explore how these firms have positioned, packaged and priced their client accounting services to become strategic assets of their respected firms – and highly valued services by their clients. First, this paper will seek to provide a greater understanding of the traditional approach to client accounting services in firms today.

Traditional Client Accounting Services Overview

“We try not to offer accounting services. We provide them only as required by our clients.”

— Anonymous CPA Respondent

AICPA Client Accounting Services Survey of Accounting Firms

Client accounting services are viewed by most partners as “have-to-provide” services for clients rather than strategic, value-add services that represent the firm’s future. Historically, client accounting services have not garnered the same level of regard as CPA firm audit and tax services, nor have they had the same financial impact. According to the Wharton Survey, CPA firm respondents stated the breakdown of the revenue and profits for their primary service lines as:

- Tax services accounting for 45.49% of the firms’ revenues and 48.13% of the firms’ profits
- Assurance services being 28.31% of the firms’ revenues and 26.13% of the firms’ profits
- Client accounting, bookkeeping and write-up services making up 14.09% of the firms’ revenues and 12.42% of the firms’ profits
- Outsourced accounting services being nearly 2.49% of the firms’ revenues and just under 1.86% of the firms’ profits
- Other services, including financial planning, technology consulting, payroll services, and other management advisory or consulting services accounting for 13.77% of the firms’ revenues and 13.92% of the firms’ profits

Often, firms provide client accounting services to their smaller business clients with the primary goal of producing a financial statement that can be used to prepare a corporate tax return and/or help the business owner understand their financial performance and position.

While the services offered within Client Accounting Services vary, they generally fall into three categories:

- **After-the-fact financial statement preparation.** Also called “write up,” where the client has already written their checks, issued invoices, and taken cash receipts. The client provides proof of all of this activity after-the-fact to their CPA firm and a member of the CPA firm staff enters the data into a general ledger to produce a financial statement. This service is often low client touch, where the firm may produce a financial statement as infrequently as once per year, or as often as quarterly or monthly, and the actual financial statement is not typically valued by the client – as they are usually interested in the tax return that is produced after the financial statement is completed. Because of this, the fees charged by firms for this after-the-fact write up service are often low.
- **Transaction processing.** This is where the CPA firm issues invoices for a client, processes accounts payable and cuts checks (or processes electronic payments), processes payroll, pays employees, pays payroll taxes and more. In this case, the CPA firm uses more than a general ledger to deliver these services, needing at least accounts payable, accounts receivable, and cash management applications to support their clients. Transaction processing is typically seen as more valuable to the client, providing a relief to the business owner and saving them the cost of internal staff doing this work. The fees for this service are often higher than write up, but not as high as tax or audit work. Another benefit is that these services offer the CPA firm an even revenue stream and year-round work, while traditional audit and tax work are more seasonal in nature.

- **CFO/Controller services.** This work entails a higher-level CPA (often a partner) meeting with the clients' management on a regular basis to review financial performance and provide input to strategies to improve business. The client may be using an "on premise" accounting solution to do their own books or may be using the CPA to do the books as described in the transaction processing section above. This is the highest value service and usually applies to larger or rapidly growing businesses and is offered by more forward-thinking CPA firms. The fees for this service can exceed those of tax and audit services.

In terms of specific services offered under these three service umbrellas, the AICPA Survey showed the following were the top services offered:

- **Financial statement preparation/compilation**, which was offered by 96% of the respondents
- **General ledger or client write up**, offered by 90% of respondents
- **Payroll reporting**, offered by 80% of respondents
- **Cash flow management or bank reconciliation**, offered by 77% of respondents
- **Payroll preparation** offered by 63% of respondents
- **Accounting software assistance and training**, offered by 63% of respondents
- **CFO support services** including financial analysis, budgeting, reporting and helping clients understand the underlying drivers to their financials, offered by 54% of respondents
- **Transaction processing** including accounts payable, cash receipts, and/or invoicing, offered by 49% of respondents

Those leading this service line are traditionally faced with a myriad of challenges including difficulty in staffing and leveraging the work. To illustrate, respondents of the Wharton Survey identified the top challenges they feel are "critically important" or "very important" to address in their firms in the next 12 months to be:

- Finding qualified people to meet their staffing needs (76.7%)
- Freeing their staff to perform higher end/value-added work (60.5%)
- Reducing the significant amount of time wasted correcting errors (46.5%)
- Ensuring that their client's financial data is sufficiently secure or auditable (41.8%)
- Reducing the risk of their firm or client losing financial data due to hardware or software failures (40.2%)
- Improving the efficiency of receiving client data via current offline mechanisms (e.g., paper, data files, FedEx, email, memory key) are not efficient (33.2%)

One of the challenges at the root of several of these issues is that CPA firms traditionally support multiple "on premise" accounting solutions for clients who are entering their own accounting transaction data. These same CPA firms use one or more network-based, internally-managed accounting solutions to enter and manage the data they bring "in house" and process on behalf of clients to produce financial statements. **These disparate software solutions and networks lead to increased internal IT management costs for CPA firms, costs to maintain multiple licenses for different systems their clients are using, risks and time associated with data sharing over unsecured or "offline mechanisms" and the ever-present potential of losing a server** that hosts the mission-critical client data.

With staffing, leverage and technology challenges, today's Client Accounting Services practices have plenty of opportunity for improvement. The next section of this paper will explore how several progressive firms are transforming their client accounting services through strategic positioning, marketing strategies and technology enablement to provide higher-margin, value-added services to their clients.

Firms Who Are Leading the Way

Carver Moquist & O'Connor, LLC

“ SaaS solutions have distinguished us from the competition. The ability to access a single copy of a client file in real-time with multiple users has definitely helped our firm's productivity and efficiency. Our SaaS solution also enables us to add value to each client because they can start out small and add users and features over time as their business changes, without paying the large initial fees of other enterprise-level solutions. ”

Carrie Waldrop, CPA
Carver Moquist & O'Connor LLC

The **Carver Moquist & O'Connor LLC (CMO) Accounting Solutions** group serves over 60 clients on a monthly and annual basis. They offer financial statement preparation, compilation, general ledger, write-up, cash flow management, bank and credit card reconciliations, payroll, sales tax, and CFO support services, including financial analysis, to their clients.

The typical CMO Client Accounting Services client has annual revenues ranging from \$500K - \$2 million per year, although they serve some smaller clients with write-up services and several larger organizations, too. The CMO Client Accounting Services group specializes in several industries including the specialized niche of hearing aid dispensers/audiologists, attorneys, doctors and dentists, professional service firms, auto dealerships, and the non-profit sector. Most of the CMO Client Accounting Services clients were referred by CMO audit and tax partners.

CMO uses the [Intacct Accountant Edition](#), a Software as a Service (“SaaS”)-based accounting solution, to deliver most of their Client Accounting Services. Delivered online, the Intacct Accountant Edition provides CMO and its clients anytime, anywhere access to their data and eliminates the many headaches CPA firms face managing client data because both the CPA firm and clients access the same solution and data via the internet and all data, for all clients, is stored in one secure data center. CMO has some clients on QuickBooks and their smallest write up clients on Creative Solutions, and they are considering shifting these clients to Intacct given Intacct's attractive write-up pricing, to further simplify their data management.

According to Carrie Waldrop, CMO's Accounting Solutions manager, the firm named their practice “Accounting Solutions” to convey the fact that they conduct an assessment of each client's individual needs and requirements and then tailor a client-specific accounting solution, along with an individualized monthly services agreement, for each client they serve. Because of this, CMO's service and fee arrangements with clients vary and change as the client's needs change.

The CMO Accounting Solutions assessment considers their client's internal resources available to perform accounting functions, the service options the client needs (like general ledger, accounts payable, payroll), the frequency of the reporting they require, the client's typical transaction volume, and the degree of consultative assistance the client would like from the firm as the basis to scope the services and fees. Fees range from \$600 a month to \$3,000 a month depending on the client's unique needs and these monthly fees take into account the services, the cost of personnel and the cost of technology. CMO initiates a change order with clients for projects that are outside of the scope of the original agreement when necessary. Tax services or assurance services are also scoped separately by the tax and assurance personnel directly and those projects are managed separately from the Accounting Solutions group, too.

In addition, CMO charges clients a set up fee of approximately 1 to 2 times the client's monthly fee, which includes setting up or refining the chart of accounts, reclassifying items, and moving information from the client's old system to the new CMO system. Charging the set-up fee establishes the client's commitment to move to CMO and the likelihood of them continuing with the service. CMO also charges for "catch-up costs" if the client starts sometime mid-year to enter the data and produce the needed monthly statements to bring them current.

Lastly, CMO considers technology fees as part of their pricing strategy. For example, the Intacct Accountant Edition Complete Client Access costs CMO \$100 per month per user. CMO then charges clients \$130 to \$150 per month per user, for a margin of 30% to 50% per user per month on the software. In addition, CMO factors in staff billing rates of \$75 to \$85 and partner/manager blended rates of \$150 per hour to develop the monthly service fees package for each client.

The CMO Client Accounting Services practice is strategic to their firm as it fills a need in the marketplace for quality monthly financial statements and provides businesses with the option of outsourcing some of their transactional accounting work to a team of trained accountants. Carrie Waldrop said, **"Our practice offers small business owners access to CPA expertise without the full-time cost burden of employing a controller or CFO. And, Client Accounting Services provides our firm a source of year-round work in a seasonal profession – we're very committed to grow this practice area."**

CMO words of wisdom for Client Accounting Services practitioners:

- **Appoint a strong champion or team leader(s)** to develop the Client Accounting Services area.
- **Ensure that your CPA firm shareholders are committed and truly buy-in** for the Client Accounting Services practice to succeed.
- **Don't expect instant success.** It takes time to develop processes and train staff to be efficient.
- **Be patient because pricing on a monthly basis is an art.** Expect a learning curve on selling techniques for Client Accounting Services and leave room to adjust fees with clients as you learn more about the cost to deliver the services themselves.

Caturano & Company, P.C.

"Our outsource accounting clients benefit from our services in a number of ways. First, we have already invested in technology, so our clients can leverage sophisticated tools without having to make considerable investments themselves. Second, when our clients turn to us for expertise, they experience an increased level of internal control that helps minimize the risk of fraud. Third, we're motivated to increase efficiency for our clients – perhaps more so than their own internal accounting staff – saving them valuable time and money. **"**

Michael Smith, CPA, MST, CITP
Caturano & Company, P.C.

The **Caturano & Company, P.C. (Caturano)** outsource accounting group provides a range of outsource accounting and technology services to over 100 clients in a number of industries, including medical practices, hospitality, professional services, retail, real estate, non-profits, and family office. **The Caturano client accounting service line is strategic to the firm, as it substantially increases the number of touches they have with each client.**

Having more frequent interaction with their clients deepens their relationships and has led to additional service opportunities, too.

With an emphasis on client collaboration and efficiency, the team at Caturano seeks to leverage technology wherever possible to simplify their lives and the lives of their clients. Believers in SaaS and other remote access technologies that allow their clients and CPA firm staff to share data in real time, Caturano is a member of the [Bill.com Accountant Program](#) and has recently become an [Intacct Accountants Program](#) member.

They have had strong success with Bill.com and indicate that the seamless integration of the online bill pay solution has helped their clients save time and money on the sometimes mundane task of paying bills.

“We serve a number of restaurants. Restaurant owners often have multiple locations and the need to approve expenses and payments quickly. Digitizing the process with Bill.com, so that the approval of payments can be done from anywhere, anytime, saves the restaurant owner time because they no longer have to travel to sign checks at their various locations,” said Michael Smith.

Caturano also benefits from the electronic nature of the online services, which enables the Caturano team members to perform the work from almost anywhere, providing more flexibility in how they schedule and resource their engagements.

The firm also emphasizes the increased peace of mind that client accounting services bring their business owners, including reducing the fragility of the client’s organization by providing more structure and consistency around their accounting processes and controls, reducing the risk of fraud and error, easing data recovery and spreading the knowledge of the client’s accounting and finances across two organizations, which makes recovering from the loss of client personnel much easier.

The goal of the Caturano team is to implement process and technology improvements that improve the quality of life for their clients and for them. The team at Caturano is able to spend less time delivering their client accounting services, which improves profits, and their clients are able to reduce time and money spent on aspects of business management so they can focus on growing their businesses.

Caturano words of wisdom for Client Accounting Services practitioners:

- **Seek to ease the minds of your clients.** Being a business owner is challenging. Work to illustrate how your client accounting services will ease that burden.
- **Standardize processes.** This will increase your efficiency in serving your clients and will also improve the structure and consistency with which they run their businesses. Standardizing the process mitigates transition issues associated with staff turnover which benefits both the client and the CPA firm.
- **Staff outside of the box.** When you leverage technology, you can staff your client accounting services group with people who work outside your typical geography, or away from the office, providing more options to source quality client accounting team members.
- **Avoid pricing arrangements that involve hourly rates which do not appeal to clients.** Each client’s accounting needs are unique which needs to be considered during the proposal process.

NDH Group, Ltd.

“ Clients value financial statement analysis, not write-up or financial statement preparation. We work to deliver the value of analysis and advice and strive to be a world-class service provider. ”

Seth Pomeroy, Partner
NDH Group, Ltd.

NDH Group, Ltd (NDH) CFO Outsourcing provides outsource CFO, controller and staff accountant services, tax services and accounting technology solutions to approximately 500 clients. NDH Group provides high-level, value-added financial analysis services to their outsource CFO clients. They also deliver client write up and transaction processing services, but with less emphasis on these lower-value services. **Most of NDH's clients have an accounting person on staff and an NDH team member that assists that accounting person in creating processes for transaction management and financial reporting. In addition, NDH provides financial direction, reporting and analysis to the business owner to help their business progress.**

NDH predominantly serves the professional services industry as well as some clients in distribution, manufacturing, retail and agriculture. Rather than marketing by industry, NDH instead focuses their efforts on fast-growth and Inc. 500 companies that are looking for financial consulting, technology solutions, tax compliance and consulting services. NDH clients range from well-funded start-up companies to large corporate entities.

In addition to acting as an outsource solutions provider, NDH also serves as an Intacct Business Partner, selling and implementing the software when their client is of the appropriate size that they want an in-house accounting solution. NDH assists their Intacct clients in configuring the solution to meet their specific organization's financial needs. NDH proposes the Intacct implementation separately from the monthly fees they may charge the client for performing ongoing accounting work and financial analysis. A typical Intacct implementation ranges from 120-180 hours at \$170-\$270 per hour and the Intacct solution is marked up 33% to 50% of NDH's cost. Implementations are performed and billed on an actual time and materials basis due to the unique nature of each client.

NDH delivers ongoing accounting, financial analysis, and tax services which range from \$5,000-\$20,000 per month, depending on the client's needs. The monthly services provided are tailored to address each client's unique growth strategy.

NDH words of wisdom for Client Accounting Services practitioners:

- **Focus on high-end, value added services.** Write-up, financial statement preparation and transaction processing are a commodity and not valued by most clients and are difficult to deliver profitably. Financial analysis, advice and planning help clients achieve their goals and they are more willing to pay for them.
- **Provide services clients need but can't afford to have in-house.** We offer tax, accounting and technology solutions and focus exclusively on these services and how they can make a difference for our clients.
- **Build your practice on three fundamentals.** They are: have a deep understanding of accounting, have a working knowledge of technology including web applications, data flow and configuration and deliver financial analysis to clients.

Root & Associates, LLC

“To be successful, you have to first define who you are, who you serve and what you deliver. Then, you have to lead your clients in the direction they should go – which isn’t always the direction they want to go initially.”

**M. Darren Root, CPA, CITP, President
Root & Associates, LLC**

Root & Associates, LLC (“Root”) is a full-service tax and accounting firm that has made technology a competitive differentiator. They strive to empower their clients by providing them with a working knowledge of those technologies.

At Root, they serve approximately 1,000 clients and package many of their corporate solutions as a single “all in” package, to avoid clients feeling frustrated by incremental charges or too frequent invoices. They include accounting, financial statement preparation, payroll services and tax filing, corporate and property tax preparation, technology support and financial planning for one monthly fee. Engagements are usually sold on a 12-month basis, where fees can range from \$1,000 to \$3,000 per month depending on the number of employees a firm has and the volume of transactions expected. While the fees are calculated based on the traditional cost to deliver the services based on hourly rates that range from \$60 for transaction entry to \$250 for consulting and tax planning, **Root works hard to leverage technology to increase efficiency and improve realization, which often exceeds 100% on these services.**

Since technology is a differentiator and enabler for Root, they provide all of their clients secure access to their financial data via a web portal, regardless of the services used, at no additional cost. Through the Root website, clients access data – whether a copy of their financial statement, a tax return, payroll journals, or other accounting data 24 hours a day, 7 days a week. Some may wonder if allowing clients to access data online, independently, reduces the quality of service or the personal touch, but the Root team knows differently. They believe that allowing their clients to decide the degree of interaction they want and to have control over the accessibility of their data empowers the client and improves the client service experience.

Root has long believed that managing client data “in the cloud” of web-based computing was the way to go. This way, everyone has access to the same data at the same time. **They joined the [Bill.com Accountant Program in 2008](#) so that they could streamline their clients’ accounts payable, reduce the cost of processing payments and provide online storage of A/P invoices.** “We are always trying to solve client pain points,” said Darren Root. “In the old A/P model, clients receive their bills and then have to drop them off, fax them, scan them or email them to their CPA for processing. Then someone has to enter them, get approval for payment, pay them, and then mail them -- a very manual process. Bill.com solves these problems because it allows an invoice to be faxed or emailed directly to Bill.com and then the bill appears to both our client and our people on-line at the same time. Bill.com then facilitates on-line approval and payment of the invoice and serves as a wonderful paperless storage and archival system, too,” continued Root.

Root uses Bill.com to alleviate the A/P pain point for their clients and they have experienced a dramatic increase in their efficiency and leverage managing those transactions for clients, which all drops to their bottom line.

Root & Associates has been a market leader in moving all of their clients into a hosted QuickBooks environment. As much as they have appreciated the ability to share QuickBooks files in the clouds, they feel it is important to move toward a true SaaS-based system. As a result, Root has become a member of the [Intacct Accountants Program](#) and has begun actively working with clients on the platform.

Root words of wisdom for Client Accounting Services practitioners:

- **Innovate.** Clients shouldn't dictate what services you offer or how you offer them. Lead clients to where they should head and leverage new technologies and processes wherever possible to solve pain points and increase efficiency, realization and ultimately profitability.
- **Package your solutions.** Avoid "nickel and dime" pricing strategies that generate too frequent, small dollar invoices which frustrate clients. Develop packaged solutions that include as much as possible for an annual fee, invoiced monthly. Your clients will appreciate knowing what they can expect and you can charge more for your collective services when bundled than you can on an individual basis.
- **Develop repeatable processes.** Root has created processes that allow them to do the same thing for each client over and over, improving quality, accuracy, efficiency and profitability.
- **Leverage technology and give your clients more access and more control.** Move to a truly collaborative platform on the web and deepen your relationship with your clients by allowing them online, anytime access to their data so they can manage their business better and appreciate your firm more.

The Burdette Smith Group, P.C.

“ We look at Client Accounting Services differently than other firms. We see it as allowing us to truly act in a trusted business advisor role – not just as someone's bookkeeper. Bookkeeping is important, but it is simply a means to our end goal – which is helping our business owners succeed. ”

**Tom Crutchfield, CPA, Partner
The Burdette Smith Group, P.C.**

The Burdette Smith Group, P.C.'s (BSG's) Accounting Support Services and Financial Advisory Services practice supports approximately 30 business clients at any given time. Their primary services include monthly transaction processing, business advisory services and financial reporting. The typical BSG Client Accounting Services client is a small to mid-size closely held and family business that engage BSG to handle their transaction processing, account reconciliations and financial reporting on a monthly basis. The primary industries the BSG Client Accounting Services group serves are government contractors, construction contractors, not-for-profit groups, professional service firms, such as law firms, and information technology companies.

In addition to the above-mentioned services, the BSG Client Accounting Services group offers financial statement compilation work, tax and financial planning, management advisory and consulting services, and accounting software support as a QuickBooks certified advisor. Similar to CMO, BSG compliance teams scope and perform actual compliance work, such as completing the tax returns, separate from their Client Accounting Services team.

The BSG staff predominantly use the software that clients have purchased to perform their services. **They are preparing to move to a more robust, Internet-based accounting solution that has more controls in place, additional executive information or dashboards available and offers scalability to each client's needs as their business grows and evolves.** They see the Intacct Accountant Edition as a likely option for this transition.

The BSG Client Accounting Services team usually scopes and prices their services on a time and materials basis due to the difficulty of estimating the volume and actual work the firm will perform for each client. Rates are typically \$125 per hour on a blended basis between staff and partner involvement and the fees usually include some initial client set up and clean up. **As the BSG team becomes more confident about the amount of time it will take**

to deliver a client's services, BSG moves toward a monthly fixed-fee model that ranges from \$1,200 a month to \$6,000 a month, depending on the size of the client, the frequency of the work (i.e., weekly vs. monthly) and the number of services the clients need. Currently, BSG does not charge a technology fee to clients.

BSG feels it differentiates itself as more consultative than other firms – more than bookkeeping and transactions. Tom Crutchfield shared, “We like to meet with the business owner and make sure they understand the financial information they're looking at. We answer the questions they have – how cash flow is looking, why the line of credit is so high – and then we offer solutions to help their business succeed. **We take a proactive approach with our clients from planning, business consulting and advisory services to add even more sophistication and value-add to our services. At this point, Client Accounting Services is an integral part of the services we offer because it allows us to build a nice recurring revenue stream as we deliver important value to our clients.**”

BSG words of wisdom for Client Accounting Services practitioners:

- **Be proactive versus reactive.** If a client just wants their tax return done, that has its place but your client will be better served if they have better information to run their company, make the right business decisions and be proactive with their tax planning. By delivering this value, you'll lock in your client relationships and make a difference, too.
- **Know your client's business.** Learn your client's business and industry inside and out as well as their individual goals. Then, you can better serve them from an accounting perspective and look more deeply into their requests to make a bigger difference for them.

Wood, Johnson, Heath, P.C., Certified Public Accountants

“ Our Client Accounting Services practice is very strategic to the long term goals of our firm. We believe that this is where the accounting profession is heading. And, we have hundreds of tax clients that we believe we can provide client accounting services to that will help them better manage their books and their business. ”

**Mark Weston, CPA, Partner
Wood, Johnson, Heath, P.C.**

The Wood, Johnson, Heath, P.C. Certified Public Accountants (WJH) Outsourced and Online Accounting Solutions serves over 125 clients. WJH provides clients with various service options that range from bookkeeping services and financial statement preparation to full outsource accounting and finance solutions for their clients. **WJH's main approach is to position their Client Accounting Services practice as a full-service accounting department that their clients can outsource to completely.** WJH provides their clients all of the accounting services that a small- to medium-sized business would need, including accounts payable, accounts receivable, bank reconciliation, cash flow management and consulting or advisory services. They serve clients in a variety of industries, with a significant concentration in the non-profit sector.

WJH chose the [Intacct Accountant Edition](#) as an important element for service delivery based upon Intacct's native SaaS, or web-based, design and the flexibility of the Intacct General Ledger module. Over the last few years, **WJH has been able to increase productivity and efficiency using Intacct because of the powerful report writing ability and the ability to easily manage general journal entries.**

When selling their Client Accounting Services, WJH proposes a “targeted” monthly fee for each client based on the level of activity they project for that client. They then bill the client monthly on an actual time and materials basis. To begin, WJH provides a potential client with an analysis of their business and they project the level of transaction activity for that client based on that analysis. The prospective client reviews WJH’s analysis and makes any changes or additions they perceive. Once the prospective client signs off on the analysis, WJH provides a proposal that includes the targeted monthly fee calculated based on the number of hours they project. In addition, WJH bills separately on the invoice for a technology service fee.

Mark Weston shared, **“Our clients will continue to embrace the convenience of our SaaS solution because it provides them increased flexibility and the ability to run their businesses more efficiently without the headaches, and cost, of one of us traveling to the other’s location to manage our accounting collaboration.** We both have access to the same data online, anytime, from anywhere, so our clients can easily approve payments, check cash balances, approve billing and more without ever having to leave their offices or put up with us visiting theirs. **When we do meet face-to-face now, it’s to talk about the things that matter – financial strategy, not transaction detail.”**

WJH words of wisdom to Client Accounting Services practitioners:

- **Have the proper resources in place.** Ensure the resources dedicated to your Client Accounting Services practice understand how to leverage technology and SaaS applications to gain efficiencies and increase collaboration with clients.
- **Commit to a long-term growth plan for Client Accounting Services.** It has to be viewed as a key service offering for clients and a strategic initiative in your firm. Develop a plan that accomplishes these two things and ensure that your plan has the buy-in of the rest of the partner group.

The next section of this white paper will explore ideas that your firm can implement to position, package, and price your client accounting services to increase the level of service that you provide your clients, and ultimately enhance your firm’s bottom line.

Client Accounting Services Strategies for the Future

Whether a firm is just starting a Client Accounting Services initiative, or they are ready to take their Client Accounting Services practice to the next level, the key to success is the firm's go-to-market strategy. **The firms interviewed for this paper agreed that top-down buy-in and establishing a firm leader who sits at the partner table to run the Client Accounting Services practice are must-haves for success.** In addition, defining a clear direction for the practice is a critical element for running this practice with success.

In this section, we will examine Client Accounting Services strategies in the following areas of strategic marketing:

- **Positioning** – defining how the Client Accounting Services practice will be thought of and compared to others
- **Product/service mix** – assessing and reaffirming product/service offerings within the Client Accounting Services practice
- **Pricing** – gaining agreement on how to price and propose each product/service offered
- **Place** – defining the ideal target client for the product/service offerings defined and identifying the “place” where they will most easily be found

Positioning

Developing or refining the positioning for the client accounting service line is the first step in defining the strategy. Just as a firm's positioning includes its mission, vision and values statements, or some combination of the three, **a mission, vision and values statement should be defined to position a firm's Client Accounting Services practice.** A mission articulates why the service line exists and answers the question, “What difference do we make in the lives of our clients (and sometimes our employees and community)?”

Consider these Client Accounting Services mission statements from BSG and WJH:

“At The Burdette Smith Group, P.C. (BSG), we provide significant, measurable benefits to your organization. We work closely with each of our clients to identify the client's needs and develop a customized outsourced accounting plan. Our aim is to allow your management team to dedicate more time to working on your core business instead of on accounting issues.” This is then supported by the BSG firm values of trust, commitment to excellence and quality client service.

“At WJH, our focus on **360 Degree Accounting**[™] allows us to provide accurate, timely, and cost effective services directly focused on each client's needs. Accounting services have traditionally focused on what we call the “rear-view mirror” approach. You may have been good at reporting where you have been, but not as able to envision your future path. Our focus on 360 Degree Accounting changes that by integrating compliance, planning, and implementation services.”

While a mission statement is public and should be published everywhere, such as on a firm's web site, in the firm brochure, and in sales proposals, a vision statement is often for internal purposes only as it identifies the future direction for the service line. A vision articulates your planned direction for the practice in terms of revenue/clients/staff, the services offered and where the Client Accounting Services practice will be in three to five years. The values for the practice are the core attributes or guiding principles that are most important to the Client Accounting Services partners and staff and to which they are willing to be held accountable.

One of the recurring themes for firms with Client Accounting Services success is their commitment to “move away” from positioning their practices as “bookkeeping services” or “write-up services” and instead be known for providing more proactive, consultative services that position their firm as trusted business advisors for their clients.

Tom Crutchfield of BSG explained, “We look at the service a little bit differently from other small firms. We see it as a trusted advisor role – we’re not just looking to be someone’s bookkeeper. That’s a by-product. Our end goal is to help the owner succeed.”

To elevate these services from transaction-based to consultative services, the opinion of the firms in this paper is that a firm’s client accounting services need to drive “solutions” – or added value – and to address pain points for clients that translate into improved business results.

That’s how the services become the “by-product,” and clients can instead focus on the benefits they receive in terms of reducing expenses, improving cash flow, improving their financial ratios, etc. **Shifting the client’s focus away from the work and on to the results they’ll realize allows firms to charge more for the service and increase the profitability of the client accounting service line.** This requires a shift from what has traditionally been perceived as low-dollar value, low-touch “bookkeeping” and “write up” services that firms “have” to provide because their clients need them, to position client accounting services as an outsourced controller, CFO or trusted business advisor solution. Shifting the positioning of Client Accounting Services will expand the level at which CPAs are able to serve clients by solving their business challenges and capitalizing on their market opportunities.

In these firms, the focus is on the relationship and the role the CPA is playing and not on the tasks or transactional work performed. The work and transaction processing is necessary, but the daily transaction processing, check depositing, and even financial statement creation is not what the firms feel their clients value. What ties the clients to these firms is the advice and forethought the CPAs provide about what the client can do to improve their business processes, cash flow, and profitability.

Another element of positioning that seems consistent is the **integration of this service line with other aspects of the CPA firm**, with service synergy between the Client Accounting Services and tax service lines, either with complete integration of these services, as is the case with Root & Associates, NDH and WJH or good referral activity between the groups, as with BSG and CMO, who end up collaborating with their compliance departments to serve clients together.

Positioning strategies:

- **Position Client Accounting Services as consultative and higher value** – focusing on the difference made for clients who are better able to run their businesses, versus the transactions or reports produced.
- **Clearly state the benefits the client will derive or solutions they’ll receive** versus a listing of the services or transactional work performed. *See more on benefits and examples of “WIFM” in the Pricing section of this paper.*
- **Avoid using the terms “bookkeeping” or “write up”** unless they are positioned as specific, less-emphasized services offered versus using these terms to describe the service line itself.
- **Stress the integration of services, leverage internal relationships within the CPA firm to encourage referrals from other service lines and make sure everyone is aware of the ideal target clients** desired by the firm’s Client Accounting Services team.

Product/Service Mix

To sell client accounting services more strategically, the services offered within the Client Accounting Services practice should be clearly defined. Most firms provide a variety or menu of services beneath the umbrella of client accounting services, such as:

- Bookkeeping and accounting services on a weekly or monthly basis, including accounts receivable and accounts payable maintenance, cash reconciliation and more
- Payroll processing and payroll tax filing
- Monthly, quarterly or annual financial statements and balance sheets – and this may include financial statement preparation or review
- Outsourced CFO or controller services
- Fixed assets and depreciation maintenance
- Tax returns and tax compliance, such as quarterly taxes
- Tax planning and consulting
- Cash flow analysis
- Management advisory services
- Strategic planning services
- Software training and support services

Typically, firms with growing Client Accounting Services practices provide a number of pre-packaged service options that their clients can choose from depending on their accounting needs, their level of skill and resources available to perform the accounting work and their goals for the future.

As Darren Root suggests, “Develop packaged solutions that include all the services your clients need for one annual fee, invoiced monthly. Your clients want to budget their accounting costs and they’ll value the complete package more than they will some of the services, like transaction data entry, when billed individually. Packaging your offerings simplifies things for the clients and for you, too.”

Product/Service Mix strategies:

- **Bundle Client Accounting Services together to develop easily understood packaged options for your clients.** Doing so will enable you to ensure your clients get all of the services they need and will help you avoid “nickel and dime-ing” them with small invoices for incremental services along the way.
- **Keep your service options simple.** Ensure that your clients can clearly identify the differences in your service options and why they would choose one over the other.
- **Have a plan for transitioning/upgrading a client’s service plan or package (additional accounting modules and services) as your clients grow and requirements change.** Clients who are satisfied and whose businesses are growing will add services and you want to have thought through the best way to facilitate that for them when they are ready.

Pricing Strategies

Firms that articulate the value, or benefits, that Client Accounting Services provide find the job of pricing services much easier and more profitable. **Most of the firms interviewed for this paper indicated that they have moved away from traditional time and materials pricing models to service packages**, or fixed price agreements, billed on a monthly, quarterly or annual basis. No firm appears to be 100% there yet, but they all have taken strides in moving in that direction, beginning with new clients and eventually moving existing clients to this new model. Clients appreciate the service packages, too, because they can plan for and budget the majority of their accounting services expenses each year.

The actual pricing for the services package varies by firm and by client and is dependent on many factors, or pricing levers, including:

- How much the client plans to be involved, if at all, in performing accounting functions
- The frequency of the work needed – weekly, monthly, quarterly or annually
- The number of services the client is receiving and the sophistication of their accounting needs, such as whether the client needs payroll services and, if so, if they are multi-state or whether they want a single entity financial statement or have multiple entities that need to roll up into a single financial statement
- The expected transaction volume of the client
- The software the client is using and the method of sharing data and updating information in the accounting system
- Where the services will be performed, whether at the client's office or remotely in the firm's office
- The degree of consultative, controllership and/or CFO-level advisory services the client wants from partner-level personnel

When firms bundle services and sell customized packages and bill them on a regular basis, typically monthly, they find that they can provide a full-range of value-added services in exchange for the base fee. These can include proactive advisory services, such as a quarterly meeting with the business owner, “free” phone calls with questions related to the client's financial information, and accounting software and technology support services and training.

Because of the dependencies that impact the pricing for these services, a services package can range from a few hundred dollars a month for a small company requiring simple accounting or write-up services and an annual financial statement and tax return upwards of over \$6,000 per month for true outsourced accounting or controllership services. **The sweet spot that most firms are targeting is the \$1,500-3,000 a month services package for clients that includes the accounting services** and sometimes payroll, tax preparation and tax planning services.

It is also clear that it is critical to manage change orders when original estimates of the “pricing levers” listed above change, or when something new arises, and ensure that staff are trained to identify services that are out of scope from the original services package to ensure the profitability of the service line. Most firms stated that their engagement letter explicitly outlines the services that are included in the monthly fee. **When firms do not manage scope changes, Client Accounting Services profitability quickly erodes.**

Firms that have transformed their Client Accounting Services practices articulate the benefit the clients will receive from their services as part of their pricing and packaging strategy. In marketing terminology, this concept is referred to as the WIIFM – “What's in it for me?” Firms stand apart from their competition by defining their services, the team that will provide the services, their services methodology or approach, and then explaining the difference these services will make for clients. As Michael Smith of Caturano & Company says, “our goal is to ease the minds of our clients. When proposing our client accounting services, we illustrate how our services will reduce the burdens carried by our business owners and managers including mitigating risks by standardizing processes and providing redundancy of data and business knowledge, too.”

Consider these other examples of Client Accounting Services WIFM from NDH, BSG and WJH:

“At the NDH Group, our CFOs will benefit your business by preparing you to meet the "strategic six" of fast-company financial operations:

- 1 **Respond quickly.** Your business needs to respond quickly to operating, investing, and financing events.
- 2 **Access intelligent data.** You need access to relevant financial and key-metrics to make informed decisions.
- 3 **Answer to investors.** You need to answer to the formal requests of your lenders, investors, and board.
- 4 **Use forecasts.** You need to know how to implement and use short-term forecasts, rather than budgets.
- 5 **Contain costs.** Your ownership needs to know that costs are contained by managing activity and capacity.
- 6 **Know the drivers of growth.** You need to cut down on details and focus on the key driver(s) of your business.

Consider having your own contract NDH CFO who will be dedicated to helping you achieve growth and increase shareholder value.”

“At BSG, we provide wide-ranging accounting, financial management and consulting services on a full-time, part-time or interim basis. In many cases, business owners find outsourced accounting services are more cost effective than hiring full-time accounting or financial employees. They also find both the quality and timeliness of financial management information is improved. The bottom line is we assist in improving the performance of your business and bring peace of mind to the business owner.”

Similarly, Mark Weston of Wood, Johnson, Heath, P.C. stated that he tells prospective clients that using WJH as an outsource accounting provider will cost the client about three-quarters of what it would cost to hire a full-time bookkeeper and his people have more expertise than the people the clients are usually able to employ. This knowledge translates into proactive advice for the business owner to help them prevent problems or address them as soon as they arise, reducing the business owner’s risk and overall cost.

When a firm illustrates WIFM for their Client Accounting Services clients, which includes the reduction in accounting or controllership staff and increased peace of mind in the quality of the work, pricing becomes less of a focus, because the return on investment is evident.

Pricing strategies:

- **Move away from traditional time and materials pricing models and develop service packages**, or service options with fixed price agreements, billed on a monthly, quarterly or annual basis. Clients appreciate the service packages because they can plan for and budget their accounting expenses each year.
- **Be clear about the variables that drive pricing differences in your Client Accounting Services practice and be sure to qualify each client opportunity based on those variables before quoting pricing.**
- **Manage change orders when original estimates of the pricing variables change, or when something new arises.** Also ensure that staff are trained to identify and up-sell services that are out of scope from the original services package.
- **Articulate the benefits or “WIFM” clients will receive from the Client Accounting Services as part of their pricing and packaging strategy.** When you illustrate WIFM for your Client Accounting Services clients, pricing is less of a focus, because the ROI is evident.

Background on Historical Pricing Approach:

The historical approach to pricing these services is to estimate and bill the services on a time and materials basis. The challenge with this approach is that clients usually push for the number of hours to be minimized. This is one reason that Client Accounting Services billing rates are traditionally the lowest within a CPA firm and these services become a means to an end, such as producing a financial statement to complete the tax return. The blended rate of the partners and staff performing accounting and bookkeeping services seems to range from \$100 to \$150 an hour, with the average for the staff performing the majority of the services between \$60 and \$85 per hour. These averages are typically lower than the rates for partner-level consulting and are lower than the blended rates for the firms’ other service lines. By billing the work as a bundled client accounting services package - at a fixed retainer fee - the firm can realize a new level of profitability and value from this service area.

Place – Identifying Your Ideal Target Clients

Once the Client Accounting Services positioning, product/service mix and pricing strategies are defined, the ideal target client for these services should be defined. The ideal target client for a Client Accounting Services practice is highly dependent upon the typical client the firm focuses on in other service areas, the industry expertise of the firm's personnel, the prevalent industries in the firm's geographic area and a host of other factors. However, **most firms expressed success focusing on specific industries to build a knowledge base of the typical accounting needs and processes within those industries and to develop systematized templates and processes that can be replicated among many clients.**

Knowing a client's industry and their business is another way to differentiate and to demonstrate added value to the client. As Tom Crutchfield commented, "Learn about your client's business and industry and understand their individual goals. Then you will be poised to differentiate yourself and serve them better with your accounting and advisory services."

According to the AICPA Survey, the industries most served by Client Accounting Services practitioners, include:

- Professional services firms, such as attorneys (83%)
- Construction (69%)
- Medical offices (68%)
- Retail (64%)
- Manufacturing (51%)
- Not-for-profit organizations (51%)
- Wholesale distribution (37%)
- Hospitality (28%)
- Transportation (15%)
- Governmental contractors (13%)

The less frequent and more sophisticated industries of manufacturing and wholesale distribution that some firms target require advanced knowledge and experience, as well as additional accounting software functionality including inventory management, purchasing and sales order management. Each industry has its own nuances and requirements that firms should address and ensure the accounting solutions they use can accommodate them.

The "typical" Client Accounting Services client varies in terms of size, too, but mostly center on small, growing businesses. Revenues can range from \$500K - \$2 million per year, depending on the industry and transaction volume required by the organization. Clearly, as firms move up market, more opportunities exist to provide higher-level advisory services bundled with the accounting and transaction processing services that each client requires. **Firms should identify their sweet spot and decide whether to serve the smaller companies that require once-a-year write-up services and tax returns as a pathway to increase those services over the years as the client's organization grows, or if the firm is better off to focus on the larger, full-service opportunities and how the Client Accounting Services practice can address those needs.**

Place strategies:

- **Focus on specific industries to build knowledge of the accounting needs and processes within those industries.** Develop templates and processes that can be replicated among many clients in those industries to increase leverage, efficiency and profits.
- **Know your client industries and business issues which will enable you to be more of a trusted business advisor.** Subscribe to industry trade magazines, visit web sites, and attend trade conferences and association meetings for the industries you serve.
- **Identify your target client by industry, size, need and location in writing,** so that others in your firm can support your business development efforts and so that you can target your promotional marketing activities accordingly.

Leveraging SaaS to Improve Profitability

There are many solutions to help CPA firms deliver Client Accounting Services more efficiently. As discussed earlier in this paper, many of these solutions require that the CPA firm and clients manage data on separate systems, at their respective locations, which can cause inefficiency due to travel back and forth to clients or the insecurity and challenge of sharing offline data using tools like memory sticks or file transfers.

Using Software as a Service (SaaS) – or on-demand software accessed via the Internet – to deliver client accounting services is one way to leverage technology and improve efficiency, security and profitability. Most of the firms interviewed for this paper indicated that **collaboration and efficiency for their Client Accounting Services practices were greatly enhanced by their investment in the Intacct Accountant Edition and Bill.com SaaS platforms**. These firms, and others like them, cite a number of benefits of their SaaS solutions including:

- Facilitating seamless collaboration between clients and staff for better, faster service
- Enabling CPA personnel to access and manage client data securely 24/7 from any web-enabled browser
- Providing the ability to update and share data instantly with clients and in-firm personnel, regardless of location
- Reducing travel time/costs and giving staff the flexibility to work out of the office
- Eliminating wasted time re-keying data and fixing errors
- Easing staffing challenges by creating non-traditional work environments that take advantage of remote or part-time resources and not requiring the expense of full-time staff that may not be fully utilized
- Opening up new geographies for client service

In addition to the cost-savings and process improvements these firms realized, they also stated that **cloud-based applications differentiate their firm and allow them to focus on the consultative services – which translate into increased revenues and improved bottom lines**. To examine a hypothetical Client Accounting Services revenue and cost scenario using the SaaS Intacct Accountant Edition, refer to the [Intacct Accountant Edition Return On Investment Analysis](#).

The AICPA Survey points to a trend, where 45% of CPA firm respondents indicated that when evaluating a new accounting software solution for their Client Accounting Services practice, they would consider both traditional desktop or Internet-based software and 8% would exclusively consider Internet-based applications. Tom Crutchfield, who has been evaluating SaaS applications and other technology tools to be more efficient in transaction processing and to gain access to more robust reporting tools, dashboards and statistical information, appreciates the up-side this type of technology investment can make. He stated, “Our firm is consultative by nature. We look for whatever we can do to help business owners achieve success – whether it’s providing timelier reporting or offering some form of dashboard to get a quick financial picture using a SaaS solution so we can review real-time information together without having to travel. We’re committed to add solutions or software that are more sophisticated and increase the value our clients receive.”

Interestingly, firms have found that when they adopt a SaaS platform and other on-demand or remote technology solutions, their staff can focus less on technology and more on the clients and services they provide. SaaS applications, for instance, allow firms to:

- Offer clients a wide range of basic and complex accounting services unconstrained by the limitations of traditional software
- Eliminate updating and upgrading software systems – with SaaS technology, applications and templates are always up-to-date
- Support one standardized financial applications platform – multiple versions of different software for different clients are no longer necessary
- Lower infrastructure, network management, and maintenance costs
- Reduce the stress and expenditure of data protection and backups; powerful and reliable data centers provide security, disaster protection, backup and recovery

While SaaS adoption is on the rise, **firms using SaaS solutions today find that they are differentiated from their competitors who are not leveraging technology. These firms are leading the way in providing proactive, consultative services and truly becoming their clients' trusted business advisor.**

When defining your firm's Client Accounting Services strategy, the solutions you will use and support in the delivery of your services are an integral part of your firm's overall positioning, product/service mix, pricing and service delivery strategies.

Be Different – Transform

According to the Wall Street Journal article *For Rent: Chief Financial Officer* "...the deep recession has forced small companies to look for money-saving alternatives that can yield good returns yet avoid substantial overhead costs." The article also indicates that, "Some small-business owners in need of accounting help to balance their books and guide them out of a financial black hole are renting CFOs rather than hiring them." With approximately \$5.6 million firms in the U.S. with less than 100 employees (U.S. Census Bureau), this represents an enormous opportunity for CPA firms who wish to grow their Client Accounting Services practices. The possibility to do so profitably has been proven by the practitioners who were willing to share their stories for this white paper.

These practitioners, and others like them, have elevated Client Accounting Services to a strategic service line. They have applied differentiated positioning strategies to promote their Client Accounting Services practices, developed innovative packaging and pricing methods, honed their ideal target client definition and invested in the latest web-based technologies to deliver their services in a leveraged, collaborative and difference-making way. And you can, too.

To get started, consider the following next steps:

- **Share this white paper with other members of your Client Accounting Services team and with your partner group, too.** Hold a meeting to select one or two initiatives to focus on changing or adopting in your Client Accounting Services practice in the next year.
- **Visit the CPA2Biz website at <http://ClientSolutions.cpa2biz.com> or call us at 646.233.5048 for more information about the [Intacct Accountants Program](#) and the [Bill.com Accountant Program](#).** Learn about the affordable Bill.com program and the scalable program fees for Intacct, which vary based on your firm size and explore how these technologies can transform your Client Accounting Services practice.
- **Attend a CPA2Biz educational web seminar on this subject and others related to enhancing your firm's role as a trusted business advisor.** Register for one of our web seminars by visiting <http://ClientSolutions.cpa2biz.com>.

*Differentiate your firm. Deepen your relationship with your clients and improve their business performance.
Transform your Client Accounting Services practice today.*