



THE CLIENT ADVISORY SERVICES ROADMAP

It's no secret: CAS – short for “client advisory services” – is the wave of the future for the accounting industry. All the experts are saying you should be offering it. But, aside from the decade-old “compliance is dead” argument, few are answering the questions that are probably keeping you up at night. Questions like:

1. What, exactly, is CAS?
2. Why, exactly, should I be offering it?
3. How, exactly, do I start offering CAS to my prospects and clients?

Fret no more. These questions are exactly what we are going to answer in this e-book. And, once we've answered these questions, we will share our six-step process to help you start offering client advisory services in your firm TODAY.

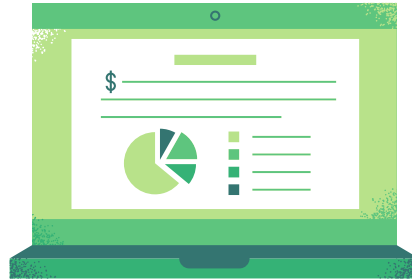
PROFIT FIRST
PROFESSIONALS

©2023 Profit First Professionals

WHAT, EXACTLY, IS CAS?

Like its predecessor, simply known as “advisory” or “advisory services,” CAS has a definition so broad as to be almost undefined. Depending on who you ask, CAS can mean:

- Budgeting and forecasting
- Accounts payable management
- Technology management and training
- Payroll and HR services
- Cash flow management
- Financial statement preparation and review
- CFO services – which has become sort of a catchall term for all of the above



It doesn't stop there:

- Software developers would have you believe CAS is a matter of having the best dashboard for your clients to use.
- Traditional accounting organizations will tell you CAS is all about teaching your clients how to interpret and use their financial statements.

Overwhelmed yet? You aren't alone!

But let's not overthink this. Here's what CAS actually is:

- At its core, CAS – like “advisory” – goes beyond data entry, reconciliation, and tax return preparation.
- It's more than a fancy dashboard or a series of courses on reading financial statements...things that are more beneficial to you than they are to your clients.
- CAS extends to strategic work with your clients to help them get what they want from their businesses.
- As a CAS provider, you will help your clients look ahead and make predictions about how to move their businesses forward profitably, using a combination of “real time” reporting and advising and future-focused guidance.

HOW, EXACTLY, TO OFFER CAS: A SIX-STEP PROCESS

By now, you're probably feeling the excitement of offering client advisory services in your firm.

And (glances at watch) now you're probably feeling the anxiety of figuring out HOW you're going to do this.

It's not as hard as you might think. You just need to follow this simple six-step process, and you can start adding CAS in your firm today!

DETERMINE YOUR CURRENT CAS SCORE

Chances are, you already offer CAS in your firm in some capacity. Maybe you don't call it that, and most likely you don't have a process around it. But let's not let that get in our way. This short quiz will help you determine your current advisory score. Simply put a check next to each thing you currently do in your firm.

- Tax planning, or alert your clients to contact their accountant for tax planning
- Have regular meetings with clients
- Use videos to walk clients through their financial statements
- Have conversations with your clients about their goals
- Have sales conversations that focus on the prospect's goals and not just the number of bank accounts and transactions they have
- Help clients with their technology stack implementation
- Help clients with their internal financial processes (accounts payable, accounts receivable, etc.)
- Keep the books on a management reporting basis (meaning you usually have to make some adjustments so the tax preparer can create the tax return)
- Cash flow forecasting and/or budgeting
- Cash management consulting
- Profitability consulting

Total Score:

Scoring:

0 points: You're standing at the edge of the CAS splashpad. Time to get wet!

1-3 points: You're wading in the CAS pool.

4-7 points: You're a CAS doggy-paddler.

8-11 points: You're swimming with the big CAS fish!

Your score doesn't determine how successful you will be in implementing CAS in your firm. It's just a starting point to get you thinking about what you are currently doing and how that can be used to build a formal CAS offering. Think of your score as "water wings": There to help you build confidence to take the plunge.

ACHIEVE, REDUCE, MAINTAIN

Now it's time to dream a little. Following is a list of services – both compliance and advisory – that you might already offer in your firm. There are also some blank lines for you to add additional items to this list.

Next to each item, write:

- **A.** This is something you don't already do in your firm, but you want to achieve it.
- **R.** You are doing this thing in your firm, but you don't love it and you would be happy to reduce it.
- **M.** You are doing this thing in your firm, and you are happy to keep doing it.

Ready? Go!

Bookkeeping
 Tax preparation
 Payroll
 W-9/1099 management
 Accounts Payable/Bill Pay
 Accounts Receivable/Invoicing
 Financial statement preparation
 Goal-setting conversations with your clients
 Goal-tracking with your clients
 Tax planning/alerting your clients to contact their accountant for tax planning
 Technology stack implementation for/with your clients
 Design/oversee client financial processes
 Cash flow forecasting and/or budgeting
 Cash management consulting
 Profitability consulting

Look at the items from #8 through #15 that you marked with an A or an M, as well as anything you consider “advisory” that you wrote in the blank spaces. These are CAS items that excite you; the areas where you can see making a real difference for your clients (and achieving greater profitability for your firm while you do it.)

Now it's time to assess your clients' desires.

ASSESS YOUR CLIENTS' DESIRES

Do you know what your clients really want? Chances are, it's not a clean set of books or a flawless tax return.

Sorry.

You *could* guess at what your clients want, based on what you know they need. Following is a list of some common “gaps” in small business systems and processes. As before, there are some blank spaces for you to write in the items unique to your clients.

Write next to each item below how many of your current clients DO NOT have:

- A cash flow management framework
- Budgeting/forecasting templates
- Defined internal financial systems (A/P, A/R, etc.)
- A tax planning strategy, and a plan to pay their taxes
- A goal-tracking system
- An executable plan for profitability

The items with the highest number next to them can be a great place to focus on as you build your CAS offering.

OR

You could take out the guesswork and *ask* your clients what they want.

Does that seem daunting to you? Don't panic! [Click here](#) to download our e-book, *Value Starts With Hello*. This e-book was designed to use with prospective clients, but you can use pages 8-13 for a discovery exercise with your existing clients.

Okay, you know what CAS you already offer. You know what lights you up and what extinguishes that flame. You know what your clients want and value.

Now it's time to find alignment.

**STEP
4****FIND ALIGNMENT**

Your perfect CAS offering lies at the intersection of what you currently do, what you want to do more of, and what your clients want.

Refer back to Steps 1 through 3, and complete the following table:

Step One: Things I Do	Step Two: CAS Offerings I Want to Achieve or Maintain	Step Three: Things My Clients Want

Now, highlight the items that appear in all three columns. And, voila! You have the perfect CAS offering for your firm.

Don't be discouraged if you only have one or two items highlighted in all three columns. Heck, don't be discouraged if you don't have any items highlighted in all three columns. As long as there's some alignment between what you want to do and what your clients want from you, you can move forward with building your firm's CAS offerings.

LAUNCH YOUR CAS OFFERINGS

You've found that sweet spot between what you already do, what you want to do, and what your clients want and need. You've identified the CAS offering(s) for your firm.

Now, how do you launch it?

Prospects

Launch your CAS offerings with your prospective clients right away. No need to wait until your new website is up or you've taken another class or attained another certification...get started now.

If you didn't download it earlier, go get our *Value Starts With Hello* e-book. This six-step framework guides you through how to set the tone of the sales conversation so your prospect can immediately tell you are not like the compliance provider down the road. You will end the conversation with the prospect asking "When can we get started?" instead of "What does it cost?"

Existing Clients

Launching your CAS offerings to your existing clients can be a little trickier, especially if they have gotten used to you providing everything to them at no additional cost. And it can be tempting to just continue doing that.

Resist the temptation.

Continuing to offer high-level client advisory services to those not paying for them is unfair to both you and the client.

- It's unfair to you because:
 - You are giving away your knowledge and expertise without being compensated for it.
 - Because you are spending your time with clients who aren't compensating you, you are not available to work with those who *are* willing to pay for your knowledge and expertise.
- It's unfair to your clients because:
 - People value and use what they pay for. If you give away your guidance, your client is less likely to follow it, meaning you could actually be *hurting* your client by not charging them.

LAUNCH YOUR CAS OFFERINGS

Schedule a conversation with each client you wish to offer CAS. Explain to them that you are upleveling their services with you and the exact benefits they will receive from these enhanced services. Then, tell them what their investment for these services will be. We suggest giving existing clients a 3-month “warning” before enacting the price increase.

What if your clients won't go for the price increase? Well, you have two options:

1. Keep them on as compliance-only clients. If, on a rare occasion, you want to help them with something that falls under your CAS offering, let them know you are working outside of the scope of your engagement and this is a one-time favor.
2. Strategically disengage them as clients. Our suggestion is to only disengage a compliance client after signing on a CAS client. In fact, you might find you can disengage **two** compliance clients for every CAS client you sign.

Whew! We've accomplished a lot in a short period of time. You've identified your existing CAS offerings, discovered what you want to amplify, determined what your clients want from you, found that “sweet spot” alignment, and created a launch plan. You are well on your way to creating a CAS firm!

There are a few things you need to keep in mind as you create your CAS firm, though. These “devilish details” aren't enough to keep you from moving forward, but planning for them now could prevent headaches in the future.

PLAN FOR THE DEVILISH DETAILS

There are three key “devilish details” to keep in mind as you grow your CAS-based practice. Don’t let these stop you from getting started, but put them on your roadmap to address as your firm grows in this exciting new direction!

1 - Insure (nope, that’s not a typo) your future. You’ll want to address this devilish detail right away. Chances are, your existing errors and omissions (E&O) insurance doesn’t cover advisory or consulting services. Contact your insurance broker and discuss the requirements you’ll need to fulfill to add this coverage to your policy. It could be as simple as adding a rider to your existing policy, but some providers may want you to update your engagement letter to specify that business decisions are still 100% the responsibility of the business owner.

2 - Manage CAS creep. Just like scope creep in your compliance-based firm, CAS creep can decimate your profitability and have your team working round-the-clock. You didn’t move away from compliance focused work just to get back onto that same stressful hamster wheel!

Start by clearly defining what is included in your CAS offering. This should be shared not only with your client in your engagement letter, but also with your team.

Train your team – and yourself – to address CAS creep as soon as it starts. This doesn’t mean you can’t help your client with something not included in their service level; however, if you do, the client needs to be aware that this is a one-time “freebie.”

Avoid the temptation to keep adding services just because a client asks for it. Instead, collaborate with complementary service professionals with whom you can share business. These connections will broaden your sphere of influence, providing you with referral partners who understand the sorts of clients you want to work with, all while serving your clients better.

Finally, depending on the size of your firm and your client mix, you might find it beneficial to “segment” your clients and your team so only certain team members work with CAS clients, while others work exclusively with compliance-based clients. This will prevent your team from accidentally exceeding the scope of your firm’s engagement with your clients. If you choose to go this route, though, train your compliance team to watch for indicators that their clients may be ready for a CAS conversation. Talk about the ultimate upsell!

PLAN FOR THE DEVILISH DETAILS

3 - Stay off the bandwidth bandwagon. Way back at the beginning of this e-book, we mentioned the accounting talent drought. Many financial professionals worry about how to offer advisory services when they can't even keep their compliance team fully staffed. Add to that the not-completely-untrue stereotype of the reticent accountant, and it's easy to get discouraged about staffing before you even sign your first CAS client.

But here's a secret: You can staff your CAS firm with non-accountants.

We're not the only ones saying this. In an [article published in Accounting Today](#), Gary Bolinger goes so far as to say that perhaps your advisory staff should NOT be CPAs. "Make sure that your advisory services staff has outstanding communications skills – especially listening skills," Bolinger says in the article. "Consider finding staff with degrees in communications, marketing, management, and/or business administration."

Use AI to do the data entry. Hire a couple of high-level accountants or knowledgeable bookkeepers to validate the information. Then, if necessary, look outside of the accounting industry to find the staff you need to ensure your firm has the bandwidth necessary to deliver your CAS offerings.

Now you know the exact methodology we share with our Profit First Professionals as part of their certification and ongoing coaching process to build their CAS-focused firms. Remember, the journey to CAS has many paths, and that path is not always a straight line. We hope this e-book has provided you with a starting point for your firm's CAS journey!