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# The Analytics-to-Advisory Springboard

Seizing the opportunity with  
data analytics and business  
insights CAS



Among the many benefits that client advisory services (CAS) practices have introduced to firms, their ability to serve as a gateway to deeper advisory-level relationships is the most important. It's easy to see why.

For firms, deeper relationships translate into long-term engagements, more services, and ultimately more revenue. And clients benefit from the insights, practical guidance, and strategic advice from firms that truly understand their businesses and long-term goals. The result? Clients are able to make more timely, better informed business decisions drawing from data-driven insights and strategic guidance from firms operating as true business advisors. That's the promise of business insights CAS.

Business insights CAS is a differentiated advisory service that builds on normal financial reporting created by financial CAS with additional business insights generated through financial and non-financial information, delivered through industry-specific KPIs.

Data analytics technologies deployed in tandem with accounting professionals' industry-oriented expertise are helping CAS practices deliver deep business insights to inform key decisions.

Many firms weren't built to deliver advisory-level services targeting the wide range of business issues that CAS practices address. But the swift rise of advanced, user-friendly data analytics tools is changing the equation for firms, ushering in a new era of client-firm partnership and collaboration. This is happening at a time when many clients are having difficulty attracting and retaining qualified finance and accounting professionals. As a result, they are actively seeking to outsource these activities, cutting costs and benefiting from deeper expertise along the way. These are favorable conditions for firms looking to grow their business by deepening their relationships with clients.

Within accounting firms, CAS practices are especially well positioned to take advantage of the explosion in data analytics tools, technologies, and capabilities underway today. After all, CAS practices already have access to an enormous range and volume of data coursing through clients' businesses every day. They're using it to accomplish fundamental reporting and compliance tasks on clients'

### Data analytics: What it is and why now is the time to put it to work

There's been so much discussion – and hype – about data analytics over the past few years, it's become all too easy to be confused about what it really is. At the core, though, it's simple: Data analytics is the practice of using data to generate insights that can inform decision making. Given that definition, any business leader would say that they've been using data analytics since the day their businesses were launched. After all, what business could succeed without using data to inform decisions?

What has changed in recent years, however, are all the analytics techniques, solutions, and tools available for deriving insight from raw data. They are more advanced than ever, using everything from new algorithms to AI and advanced visualization capabilities to deliver deeper insights, faster – in ways that a wider range of users can understand and act on. (Not just data science PhDs.)

Data has changed, too. There is much more of it – the volume of data that any business generates, receives, stores, and manages has increased significantly, thanks in large part to an increasing reliance on digital tools.

Fortunately, these new tools and expanding data volumes are creating new opportunities for organizations to generate data-driven insights that can improve the quality and timing of their decision making. In fact, this has emerged as a key competitive differentiator for many organizations, which are not only benefiting from deeper insights, but are able to share them with a wider range of decision makers within their organizations. With so many of these proven capabilities commercially available today, now is the time for firms to help their clients take full advantage of them.

behalf – the next step is to open the door to even more “what if?” conversations with clients about squeezing even more value from all that data. *What if we could combine your current weekly sales data with historical data to better anticipate next month’s revenue flow? What if we could help you anticipate time-to-profitability for a new line of business using payroll and benefits data along with revenue projections, estimated tax liabilities, and external market trend data?* These are the types of questions that clients wish they were better prepared to answer on their own – and when your firm shows how it can help, their perceptions about your value proposition will begin shifting immediately.

Leaders of successful CAS practices focus on three core strategic enablers of analytics to maximize their chances of success and take their advisory services to the next level. To learn more about these enablers and hear directly from the leaders who have successfully deployed them, read on.

#### Enabler #1: Industry focus/verticalization

Regardless of practice area, industry specialization is widely regarded as a successful way for firms to drive growth – but an optional one. Today, many firms continue to thrive as generalists rather than industry specialists. But in business insights CAS, industry-aligned verticalization is a prerequisite for success. “Being a generalist in business insights CAS may work in the early stages of the practice, but when you try to move up the CAS maturity model, it’s unsustainable,” says Ashley Doyen, Manager of CAS Firm Strategy at CPA.com. “In a mature business insights CAS practice, clients expect to benefit from insights that are unique to their industry, and the only way for firms to consistently deliver that level of value is through immersing themselves in that industry.”

Elinor Litwack, Partner, Outsourced Accounting & Advisory Services for GRF CPAs & Advisors, agrees. “Say you’re working with a restaurant client, and you have a longstanding practice focusing on the restaurant industry,” says Litwack. “You’re able to tell that client how their business and business practices stack up against their peers. Maybe other restaurants are tracking their meals by categories – comparing drinks, appetizers, dinners, and desserts – and they’re able to see that certain locations are

#### Business insights CAS: Sample services

- Budgeting and forecasting
- Financial planning & analysis (FP&A)
- Financial strategy
- Financial modeling
- Business insights
- Data analytics
- Market analysis
- Human capital
- Cybersecurity
- Financing advisory

generating more revenue from desserts and drinks. Which in turn, allows them to make smarter decisions about where and how to invest. That’s the kind of insight that gets clients excited –they want to know more, and want to have more conversations. The deeper you go into verticalization, the deeper your advisory capabilities will go.”

#### Enabler #2: Tools and technologies

CAS practices are widely known for their heavy reliance on technology – without advanced technology solutions, there is no way for firms to deliver high-quality CAS services at scale. Data analytics is no exception – no amount of spreadsheet warriors can keep up with the pace, volume, and breadth of data generated by multiple clients, much less translate it all into actionable insights.

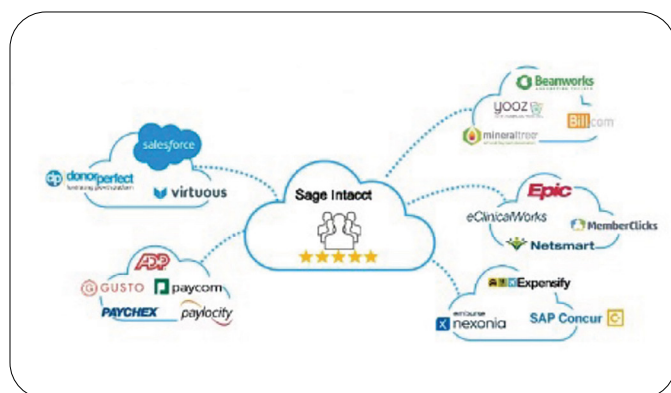
Clients are increasingly aware of the limitations of the traditional systems they have in place, too. “These days we have a lot of clients and prospects who approach us and say ‘we’re not getting the information we need from our current system’”, says Elinor Litwack at GRF CPAs & Advisors. “They have so much more that they need to know, and they’re doing it in spreadsheets – or they don’t have the data at all. Which requires an updated approach that uses new tools and solutions.”



Nicole Ksiazek, CPA, CGMA, Director, SIAP Strategy and Sales at Sage, agrees. “Clients want more,” says Ksiazek. “As things are becoming more automated, they want to understand what they can do to look forward, and they’re willing to learn – when you think about taking analytics skills to the next level, don’t just focus on your own talent, think about clients, too. Analytics skill development is a two-way street today – both clients and firms can learn from one another.”

Fortunately, the boom in analytics innovation has produced a rich variety of new solutions, many of which are specifically developed for the accounting profession. These solutions already boast advanced data management, analysis, collaboration, visualization, reporting, and other essential capabilities that make it easier for firms to generate actionable insights for clients. In fact, many solutions built for non-analytics tasks are adding analytics capabilities on top of their core functionality.

Even with these new capabilities, it is important to have a central tool for coordinating and analyzing data from a range of solutions and other sources of data. Sage Intacct is a powerful solution capable of filling this role. “There’s a whole layer of third-party tools generating data,” says Litwack. “We’re primarily working in Sage Intacct, and we have to make sure all the other tools we’re using integrate with that central hub. For financial planning and analysis, for example, we use Martus, Bill, Divvy, and others – all of which integrate with Sage Intacct.” Once the data is in Sage Intacct, firms can use it to populate dashboards for communicating with clients, conduct deeper analysis of the data in tandem with other data sources, and more. The graphic at right shows how firms can use Sage Intacct to orchestrate data from a wide range of sources.



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– Nicole Ksiazek, CPA, Sage Intacct Accountants Program Practice Development Manager

### Enabler #3: Talent, recruitment, and upskilling

Historically, front-line accounting professionals have not been expected to serve as advisors to their clients on business strategy issues. As a result, neither their formal training and education nor their experiences working in firms have provided them with a clear pathway to advisory – a critical aspect of any business insights CAS practice. Of course, this doesn’t mean that these professionals do not have the capacity to serve in this role for clients. If anything, they may be better positioned to make the move to advisory than any other client partners, given their deep familiarity with the ins and outs of their clients’ businesses. Accounting professionals can be data analytics experts responsible for providing actionable insights to clients – they just need to develop those skills through training, education, and new experiences.

Orienting the business insights CAS practice – and its professionals – with industry is a proven way to ramp up the skills and insights clients expect from the practice. By immersing themselves in the client’s industry and attending industry-focused conferences and events, professionals can immerse themselves in the issues their clients face

every day. Eventually, they will think and speak in industry terms – a convincing signal to clients looking for evidence of industry expertise.

Technical training can also play a central role in upskilling existing staff. At GRF, Elinor Litwack says the firm has built its own training library based on internal sessions. “We have our own people train one another, record it, and then save the sessions in a training library,” says Litwack. “It gives our people key opportunities to learn from one another – if someone is really good at some aspect of data analytics or advisory, we let them create the coursework and teach others.” Formal training opportunities are readily available from technology partners with deep experience in analytics and advisory, as well as other leaders in the profession such as CPA.com.

For some firms, training and upskilling existing staff isn’t enough to enable their business insights CAS strategy – which is where recruitment comes in. For example, firms often bring in industry experts who don’t have the deep accounting experience of their peers but have the deep industry understanding their clients expect – and that their colleagues can learn from. “I’m a living example of that,”

“Start the conversation with them. It can be as simple as saying ‘we’re thinking of doing something new that could deliver more insights to you – is this important to you? What would you like to see? Where would new insights benefit you the most?’”

– Nicole Ksiazek, CPA, CGMA Director,  
SIAP Strategy and Sales Sage

says Brian Singleton, Director at FORVIS. “I started in public accounting, spent some time in industry, and then returned to the profession in our outsourced accounting services practice. There’s no way I could deliver a high level of service to my clients if I didn’t have that industry experience. Today, hiring people from industry has really helped our practice grow.”

## Start delivering the next level of value to clients today

Not long ago, data analytics services and business insights CAS practices were the types of offerings that only large consulting and accounting firms provided, because they were resource-intensive and required lots of highly specialized, proprietary technology. But that’s changed. Today, firms of any size can tap into a wealth of readily available technology solutions and other resources to begin providing data-driven, insight-based services to their clients. However, most clients remain unaware that firms are able to provide these services – and many others aren’t even aware of what is possible with data analytics today. This is an important opportunity for firms to begin communicating about the deeper value they can offer clients – and to start

delivering it. “Start the conversation with them,” says Sage’s Nicole Ksiazek. “It can be as simple as saying ‘we’re thinking of doing something new that could deliver more insights to you – is this important to you? What would you like to see? Where would new insights benefit you the most?’”

**CPA.com and Sage Intacct can help.** Together, through the Sage Intacct Accountants Program, we have helped firms of all sizes successfully adopt the processes and technology solutions they need to build successful business insights CAS practices – and to help ensure their people benefit from the training and skills development they need to sustain these practices.

Visit [cpa.com/client-accounting](https://cpa.com/client-accounting) to learn more about how we can help you start delivering more insight – and more value – to clients today.