AI IN ACCOUNTING
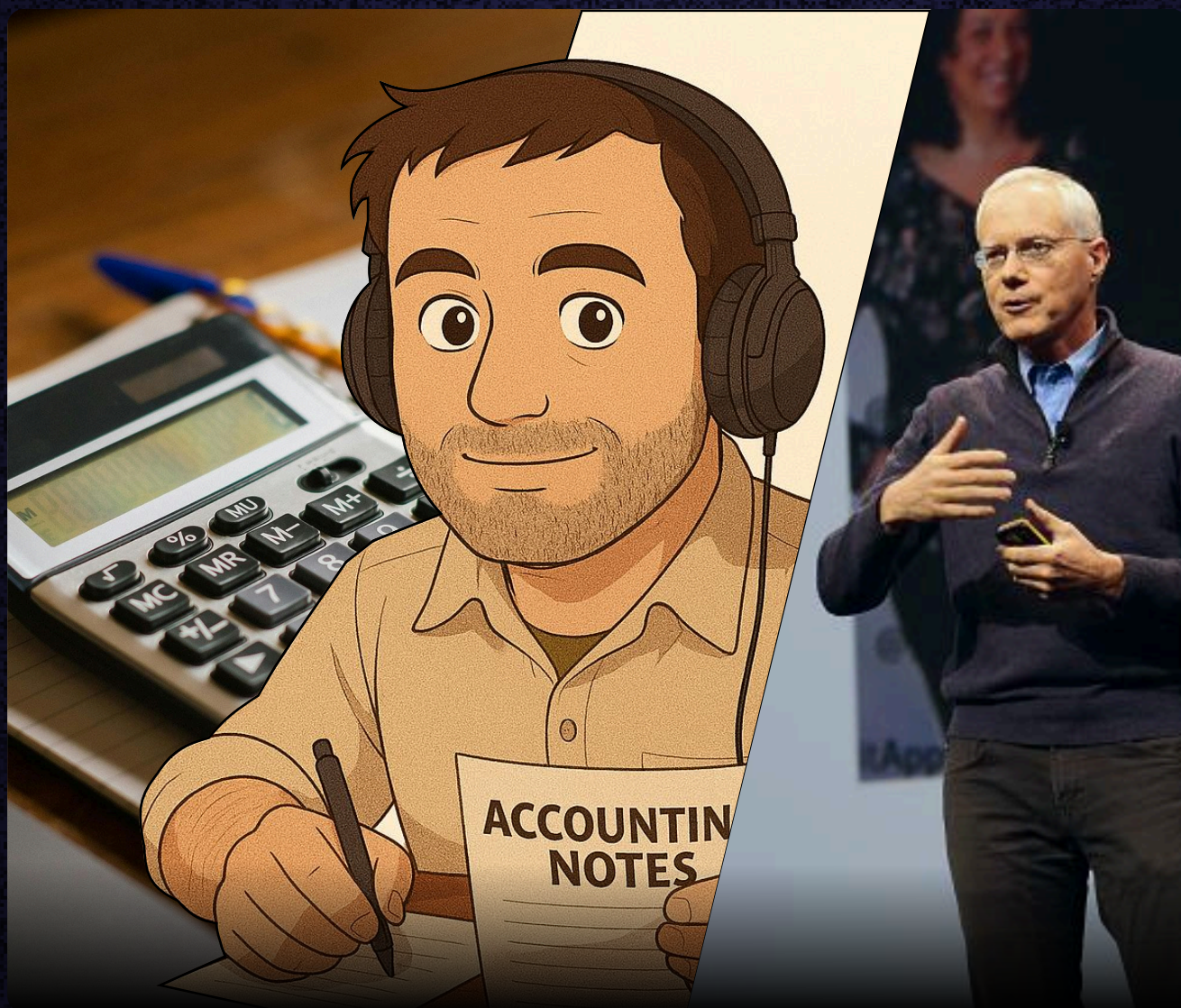
LLMs TRANSFORMING LEDGERS

The Accounting Crisis: A Shrinking Workforce

3M+
Accounting Professionals Currently

Including accountants, bookkeepers,
and payroll specialists

75%
Accountants **Retiring**

Percentage of accountants set to
retire over the next decade
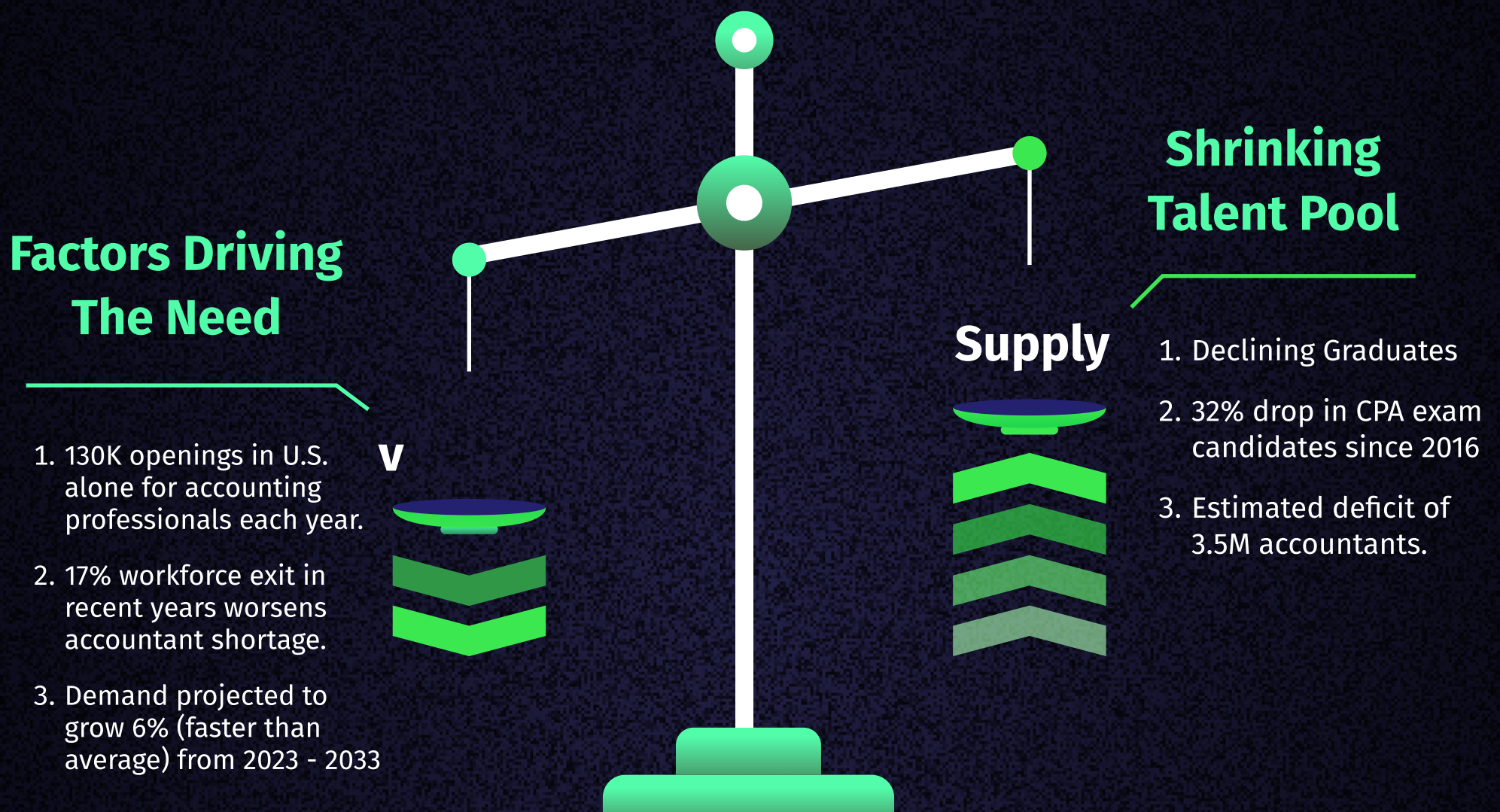
300,00
Workforce Decline

Approximate drop-off in accountants
between 2019 and 2022

Aging workforce + lack of new CPAs = talent crisis.

What's Causing The Talent Gap?

Factors Driving The Need

1. 130K openings in U.S. alone for accounting professionals each year.

2. 17% workforce exit in recent years worsens accountant shortage.

3. Demand projected to grow 6% (faster than average) from 2023 - 2033

Shrinking Talent Pool

Supply

1. Declining Graduates

2. 32% drop in CPA exam candidates since 2016

3. Estimated deficit of 3.5M accountants.

*Source - U.S. BUREAU OF LABOR STATISTICS, CPA JOURNAL, ACCOUNTING TODAY, BLOOMBERG

There's a growing gap between the need for accounting professionals and their availability.

Massive Market Ripe For AI Disruption

Increasing workloads

Manual, repetitive tasks

$100B+ In annual wages is spent on employees doing manual repetitive tasks.

Declining staff numbers

Client service pressure

Maintaining the same level of client service with increasing workload is becoming a challenge.

While AI startups in legal, such as Harvey, have gained significant attention.

The **Accounting AI** space has been somewhat **less visible.**

gAI Ventures, Inc.
https://gai.ventures/

AI's 4 Key Roles in Remaking Accounting

Data Ingestion
- ✓ Bank statements integration
- ✓ AR/AP automation
- ✓ Real-time reconciliation

Research Work
- ✓ Tax regulation analysis
- ✓ Precedent matching
- ✓ Compliance guidance

Reports & Filing
- ✓ Automated financial statements
- ✓ Smart audit reporting
- ✓ Tax filing automation

Client Service
- ✓ Automated query responses
- ✓ Proactive updates
- ✓ Strategic advisory support

Firms see AI as a key solution to improve efficiency & reduce the burden of repetitive tasks.

With advancements in reasoning, AI will significantly improve accuracy and speed of accountants.

This doesn't replace human judgment, it provides the context needed to make informed decisions, faster.

The Bundling and Unbundling of Accounting Services

Accounting and Bookkeeping

Bundling

- ✓ Embedded accounting in vertical SaaS
- ✓ Industry-specific workflows
- ✓ Smarter categorization via AI + context

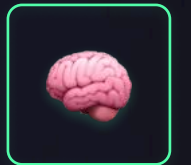Healthcare   Construction   Insurance

Unbundling

- ✓ Opportunities for niche tools
- ✓ Decoupled services using AI
- ✓ Flexible, modular solutions

Software   Analytics   AI Tools

Either build into vertical SaaS platforms tailored to specific industries

Or unbundling into innovative standalone tools.

Case Study: DARTbot Deloitte's AI-Powered Assistant

🔍 **Rapid Research & Information Retrieval**

📊 **Complex Information Processing**

⚡ **Task Automation**

Key Features

- ✓ Real-time guidance and query resolution
- ✓ Complex accounting research assistance
- ✓ Integrated industry knowledge base
- ✓ Source material references

Security & Complaince

- 🔒 State-of-the-art encryption protocols
- 🛡️ Dedicated secure environment
- ⚡ No user data model training
- ✓ Trustworthy AI™ framework compliance

It automates "behind-the-scenes" legwork
of accounting research & apply professional judgement.

It can process and retrieve information from vast
databases of accounting standards and protocols.

Track regulatory changes with reference linking &
streamlines routine research tasks.

Go-to-Market Strategies for AI in Accounting

From Seema Amble
Partner, a16z

👨‍💼 Selling to Accountants

Recommended Initial Strategy

Opportunities

- ✓ High AI interest
- ✓ Workforce challenges
- ✓ Expansion potential

Growth Strategy

- ✓ Plant the flag
- ✓ Expand services
- ✓ Scale adoption

🤝 Selling Through Accountants

Success Factors

- ✓ Trusted advisor status
- ✓ Existing relationships
- ✓ Bill.com success model

Key Benefits

- ✓ Lower CAC
- ✓ Faster adoption
- ✓ Built-in credibility

Like Bill.com Channel Strategy

🏢 Selling Directly to Companies

Advantages

- ✓ Direct access to end-users
- ✓ Higher profit margins
- ✓ Strong SMB market potential

Challenges

- ✗ Low accounting priority
- ✗ Longer sales cycles
- ✗ Higher CAC

Market Size: $75-100B Annually

Strategy for Creating AI Accounting Products

⊘ Address Bottlenecks

Focus on data collection as the primary entry point. Master accurate and efficient data ingestion before expanding.

🔒 Build Trust

Establish credibility through consistent accuracy and reliability in automated processes.

⚡ Product Wedge

Create a "slingshot" product with immediate value, enabling broader adoption and workflow expansion.

⇄ Data Connectivity

Address integration challenges while maintaining data accuracy and security standards.

Start by offering a compelling solution for a specific pain point like data extraction.

Slowly build trust & gradually expand your offerings.

The ultimate outcome should be cheaper prices, faster service, and generally improved experiences for those needing accounting services.

gAI Ventures, Inc.
https://gai.ventures/

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