



# *How GreenTree Financial Transformed with AI*

## REAL-WORLD USE CASE

### Introduction

GreenTree Financial, a mid-sized accounting firm, faced several challenges typical of growing firms. Their operations were hindered by manual processes, a lack of scalability, and increasing complexity in compliance regulations. With a client base expanding rapidly, the firm struggled to maintain accuracy, efficiency, and client satisfaction. Recognizing the need for transformation, GreenTree Financial turned to artificial intelligence (AI) to streamline operations, improve client services, and unlock growth opportunities. This case study details how GreenTree implemented AI tools, the challenges they overcame, and the substantial results they achieved.

### Initial Challenges Faced by GreenTree Financial

As GreenTree Financial grew, so did the volume and complexity of their client data, financial reports, and tax compliance requirements. The firm's leadership recognized several key pain points:

1. **Manual Tax Compliance Processes:** GreenTree's team relied heavily on manual data entry and paper-based processes to prepare tax filings, which led to inefficiencies and increased the likelihood of errors. With clients operating across multiple states, staying compliant with evolving regulations became more difficult.
2. **Bottlenecks in Auditing Processes:** Auditing client accounts was a time-consuming task. Accountants had to manually review vast amounts of data, which limited their ability to take on new clients and slowed down auditing cycles.
3. **Compliance with Regulations:** Staying up-to-date with the ever-changing landscape of tax regulations was a major challenge. With manual processes, GreenTree risked overlooking crucial regulatory updates that could result in non-compliance or financial penalties for their clients.
4. **Data Overload:** Handling client financial data was becoming increasingly difficult. Their existing systems struggled to process large datasets effectively, resulting in delayed reports, inefficient workflows, and slower decision-making.

### AI Solutions Implemented

After evaluating various options, GreenTree Financial decided to implement AI-driven solutions tailored to their specific needs. They adopted several AI tools that addressed their key challenges:

### *1. CCH Axcess iQ® and CCH ProSystem fx Scan with AutoFlow Technology:*

- **Why:** Tax compliance was one of GreenTree's biggest pain points, and the firm needed a solution that could automate both tax preparation and ensure real-time awareness of regulatory changes. GreenTree chose a combination of **CCH Axcess iQ®** and **CCH ProSystem fx Scan with AutoFlow technology** to streamline document processing, data extraction, and predictive tax analytics.
- **How:**
  - **CCH ProSystem fx Scan with AutoFlow technology:** This tool automated document processing, including the classification and extraction of data from tax-related documents such as 1099s and W-2s. Once extracted, the data was automatically imported into the 1040 tax return software, significantly reducing manual entry and minimizing errors. This automation helped streamline GreenTree's tax preparation processes, saving time and increasing accuracy.
  - **CCH Axcess iQ®:** Rather than just automating tax workflows, CCH Axcess iQ® provided predictive insights by analyzing the firm's tax return data and alerting GreenTree to legislative changes that could impact specific clients. During tax preparation, the firm would check CCH Axcess iQ® for any recent tax law changes that might affect their clients' returns. This predictive capability ensured that GreenTree could proactively adjust strategies to meet new compliance requirements, reducing the risk of overlooked regulations.

### *2. Botkeeper®:*

- **Why:** GreenTree's manual bookkeeping processes were error-prone and time-consuming. Botkeeper® was chosen to automate data entry, transaction reconciliation, and other bookkeeping tasks.
- **How:** Using machine learning, Botkeeper® handled repetitive tasks such as categorizing expenses and reconciling accounts, freeing up staff to focus on higher-value tasks like financial analysis.

### *3. Microsoft Power BI:*

- **Why:** GreenTree needed a way to streamline financial reporting and improve their forecasting capabilities. Microsoft Power BI was selected for its powerful data visualization and real-time reporting features.
- **How:** Power BI allowed GreenTree to create customized dashboards, making it easy to track financial performance across clients. With real-time data, they were able to generate faster, more accurate financial forecasts.

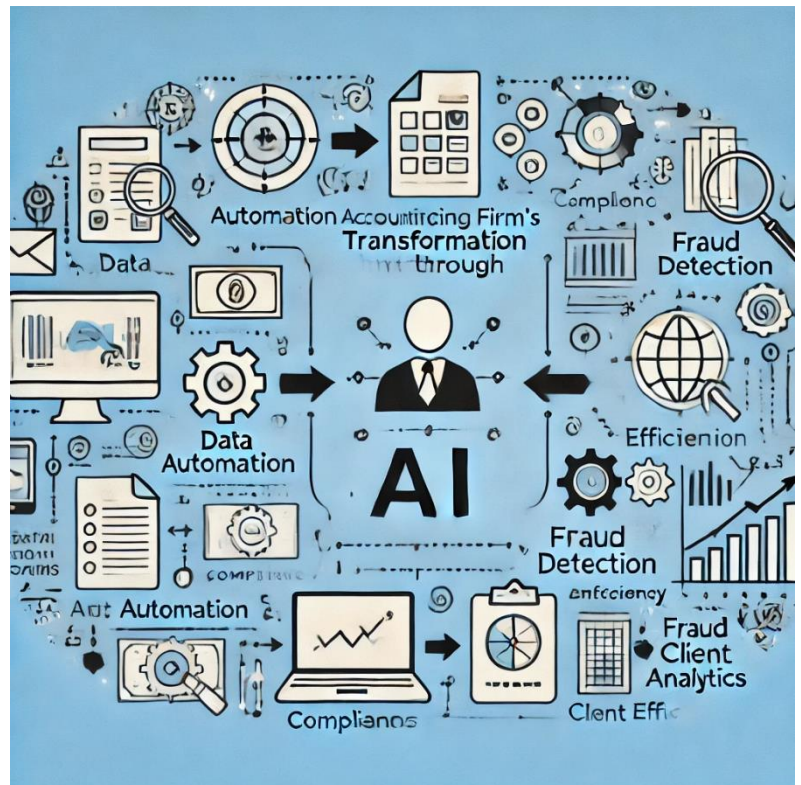
### *4. IBM Watson Analytics:*

- **Why:** Fraud detection was becoming increasingly important for GreenTree's auditing services, particularly as they took on more clients. IBM Watson Analytics was chosen for its ability to detect anomalies in financial data using AI.
- **How:** Watson's AI-powered analytics identified unusual patterns in financial transactions, helping GreenTree catch potential fraud early. This tool provided actionable insights that enhanced the firm's auditing processes.

## Key Results and Improvements

Implementing AI solutions like **CCH Axcess iQ®** and **CCH ProSystem fx Scan with AutoFlow technology** brought about significant improvements across several areas:

1. **Efficiency Gains:** The combination of CCH ProSystem fx Scan with AutoFlow technology for document processing and the automation of data extraction reduced the time spent on tax preparation by 40%. The integration of AutoFlow technology meant that staff no longer had to manually input data into the 1040 tax returns, freeing up valuable time for higher-value tasks.
2. **Improved Compliance:** CCH Axcess iQ's predictive analytics played a crucial role in ensuring that GreenTree remained compliant with ever-changing tax legislation. By providing real-time alerts on relevant legislative updates, the firm was able to proactively address tax changes during tax preparation, significantly reducing the risk of errors or missed regulations.
3. **Faster, More Accurate Tax Preparation:** The automation of document processing and data import into tax returns not only improved accuracy but also sped up the overall preparation process. GreenTree was able to complete more returns in less time, with a reduced error rate compared to manual processes.
4. **Increased Client Trust:** GreenTree's ability to flag important tax legislation changes and advise clients accordingly, thanks to CCH Axcess iQ®, built trust with clients. They appreciated the firm's



proactive approach to compliance and the personalized attention to changes that directly affected their tax filings.

## Lessons Learned

GreenTree Financial's journey into AI adoption also highlighted several important lessons about integrating advanced tax compliance tools:

- **Streamlining Document Processing:** The integration of CCH ProSystem fx Scan with AutoFlow technology was a game-changer for the firm. By automating the classification, extraction, and import of tax-related data, GreenTree was able to reduce manual processing errors and save significant time. This emphasized the importance of automating document-heavy processes as a first step in AI adoption.
- **Predictive Analytics for Compliance:** CCH Axcess iQ® underscored the value of predictive analytics in the firm's tax preparation processes. The ability to stay ahead of legislative changes provided GreenTree with a strategic advantage, enabling them to offer clients timely advice and avoid last-minute compliance issues.

## Conclusion and Takeaways

GreenTree Financial's successful transformation using AI is a testament to the power of automation and predictive analytics in modern accounting. By adopting **CCH ProSystem fx Scan with AutoFlow technology** to streamline tax document processing and **CCH Axcess iQ®** to leverage predictive analytics for compliance, GreenTree was able to overcome their operational challenges, reduce errors, and offer enhanced services to their clients.

### Key Takeaways:

- **Automate Document-Intensive Processes First:** Tools like CCH ProSystem fx Scan with AutoFlow technology can drastically reduce the time and effort spent on manual data entry and document processing.
- **Use Predictive Analytics for Compliance:** With tools like CCH Axcess iQ®, firms can stay ahead of tax legislation changes, ensuring they remain compliant and provide added value to their clients.
- **Focus on Long-Term Scalability:** Start with automation and predictive tools that address immediate needs, but ensure the solutions are scalable as your firm grows.