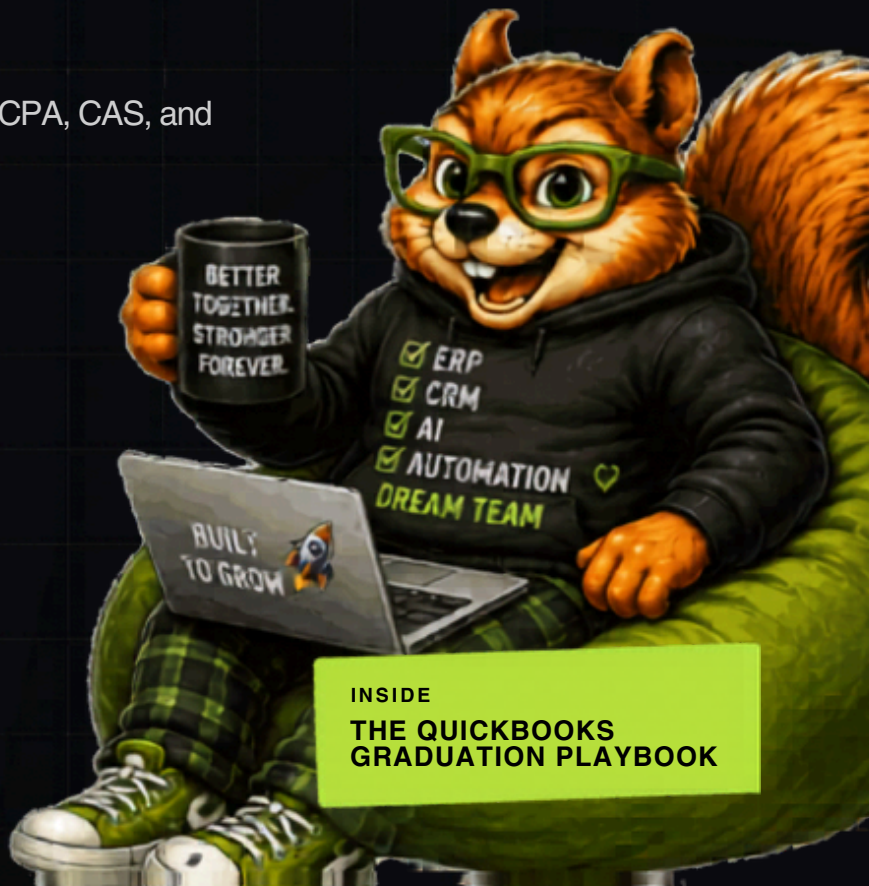


— FOR CPA, CAS & BOOKKEEPING FIRMS

Is Your Client Outgrowing QuickBooks?

A practical ERP readiness and referral guide for CPA, CAS, and bookkeeping firms.





FOR FIRM LEADERS, ADVISORS, AND CLIENT SERVICE TEAMS

At some point, a growing client will ask:

“Are we outgrowing QuickBooks?”

For CPA firms, CAS teams, outsourced bookkeeping firms, and trusted advisors, that question is bigger than software. **It is a referral-risk moment.**

Recommend a change too early, and the client may overspend or disrupt a system that only needed better reporting or workflow automation. Wait too long, and the finance team keeps burning hours in spreadsheets, manual reconciliations, and fragile workarounds. Refer the wrong partner, and your firm's reputation is attached to the outcome.

This guide gives you a practical framework for the QuickBooks-graduation conversation: how to recognize when a client is genuinely ready, which platforms usually fit different types of complexity, and how to vet an implementation partner before you put your reputation behind the referral.

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Who this **guide** is for.

This is a practical reference for the people most often asked, “Are we outgrowing QuickBooks?” - and the ones whose reputation is on the line when they answer.

— This guide is written for

CP

CPA firm leaders

CAS

CAS & client advisory teams

BK

Outsourced bookkeeping & accounting services firms

CFO

Fractional CFOs & controllers

TA

Trusted advisors to growing businesses

★

Anyone the client calls first when something feels off in finance.

— Especially useful when a client starts asking

“Can you recommend someone we trust?”

“Should we move to an ERP?”

“What comes after QuickBooks?”

“Is QuickBooks still enough for us?”

THE POINT

You do not need to be an ERP expert to guide the early conversation. But you do need a way to separate true ERP readiness from ordinary growing pains.

What you'll **get** from this guide.

Use this as a checklist, a client conversation tool, or an internal referral framework for your firm.

— Inside, you will find

- ◆ The real signs a client has outgrown QuickBooks
- ◆ The situations where a client should probably *not* move to ERP yet
- ◆ A view of where Business Central, NetSuite, and Sage Intacct typically fit
- ◆ A framework for matching options to the client's type of complexity
- ◆ Red flags to watch for when evaluating implementation partners
- ◆ Five questions to ask before making any ERP referral
- ◆ A one-page decision framework you can share with a client
- ◆ A clear next step when you want a second opinion on a client scenario

The goal is not to turn your firm into a software reseller. The goal is to help you protect your client relationship, preserve your advisory credibility, and make better referrals when a client is ready for the next system.

QuickBooks graduation, explained.

When the limitations of the system stop being inconveniences and start creating risk, inefficiency, or growth constraints - that is graduation. Not frustration alone.



What **is** QuickBooks graduation?

QuickBooks graduation is the point where a business has outgrown QuickBooks as its core **financial and operational system**.

That does not mean QuickBooks is a bad product. For many small businesses, QuickBooks is exactly the right tool. It is accessible, familiar, and widely supported by accounting professionals.

Graduation happens when the business needs more structure than QuickBooks can reliably provide. This may include stronger financial controls, multi-entity consolidation, dimensional reporting, inventory management, project accounting, audit readiness, role-based workflows, or deeper integration across the business.

— The key is this

A client should not leave QuickBooks just because they are *frustrated*. They should leave QuickBooks when the limitations of the system are creating material risk, inefficiency, or growth constraints.

— QuickBooks still works when

- One entity, simple operations
- Clean books, manageable close
- Standard P&L reporting needs
- Limited compliance burden

— It's time to graduate when

- ◆ Multi-entity consolidation lives in Excel
- ◆ Reporting requires manual reformatting
- ◆ Controls depend on individual trust
- ◆ Workflows happen outside the system

Why this **conversation** matters.

Most firms have been some version of this situation.

A client's books are clean. The controller is capable. The accounting team has built workarounds for every soft spot in the system. Spreadsheets fill the gaps. Manual processes hold things together. People know where the numbers live, even if the process is not documented.

And still, the business is being held back by its software.

Leadership wants faster reporting. The controller wants fewer manual steps. The owner wants better visibility. The auditor wants a stronger trail. The operations team wants finance to reflect what is actually happening in the business.

Then the client asks the CPA, bookkeeper, or advisor what to do next.

Many firms hesitate. They do not want to recommend a platform they do not fully know. They do not want to send the client to an implementation partner they do not fully trust. They do not want to be blamed if the project goes badly.

That hesitation is understandable. But it also creates risk.

— When firms do not have a framework, they default to one of three responses:

- 01 They delay the conversation even though the client is clearly struggling.
- 02 They recommend a familiar name without fully understanding fit.
- 03 They refer to a partner based on relationship rather than proven methodology.

A BETTER OPTION

This guide is designed to give your firm a framework so you can answer the question with confidence - and back the referral with real diligence.

How do you **know** when a client has outgrown QuickBooks?

When multiple signs begin *stacking up* across finance, operations, reporting, controls, and growth.

One issue alone may not justify an ERP move. But when several of the signals below are present at the same time, the business may be ready for a more scalable system.

— Operational signals

- ◆ Month-end close takes a week or more, and the controller is the bottleneck
- ◆ Multi-entity rollups happen in Excel
- ◆ More than one full-time person spends most of their time keeping QuickBooks working
- ◆ Custom fields, classes, locations, memo lines, or workarounds are stretched beyond their purpose
- ◆ Reporting requires manual reformatting every time leadership asks a new question
- ◆ Finance depends on undocumented knowledge held by one or two key people
- ◆ The audit trail is informal, incomplete, or overly dependent on trust
- ◆ Inventory, project, or job-costing workflows require outside spreadsheets to function

— Business signals

- ◆ Multiple legal entities or plans to add more
- ◆ International operations or multi-currency requirements
- ◆ Manufacturing, distribution, project-based, or service-delivery complexity
- ◆ Compliance requirements - audited financials, ASC 606, grant tracking, fund accounting, or segment reporting
- ◆ Acquisition activity or plans to integrate another business
- ◆ Rapid revenue growth with no sign of slowing
- ◆ Leadership asking for reporting that QuickBooks cannot produce cleanly

Revenue can be a signal, but it should not be the deciding factor. Complexity matters more than size.

— Soft signals

Some of the most important signals are not technical.

Watch for comments like:

"We are outgrowing QuickBooks."

"Only one person knows how to get the numbers."

"We can't answer that without a two-day analysis."

"Month-end is getting worse, not better."

"We don't trust the reports until someone manually checks them."

"The system technically works, but the process is exhausting."

These comments often point to a deeper issue: the business has become too complex for informal systems and manual heroes.

CPA TAKEAWAY

If the problem is one broken report, one workflow, or one frustrated user - ERP may be premature. If the client is dealing with delayed close, spreadsheet-based consolidation, weak controls, manual reporting, and operational complexity at the same time, it may be time to evaluate the next system.



When **not** to recommend ERP yet.

Not every QuickBooks complaint is a QuickBooks-graduation signal.

This is one of the most important parts of the conversation. A good advisor does not push a client into ERP just because the current system is annoying. Sometimes the better recommendation is to improve the process *around* QuickBooks before replacing it.

FALSE ALARM 01

Reporting is the real problem.

If the client's main frustration is reporting, they may not need a new ERP yet.

In many cases, a reporting layer such as Power BI, better chart-of-accounts design, cleaner dimensions, or a more disciplined month-end process can extend the useful life of QuickBooks.

ERP may eventually be needed, but reporting frustration alone does not always justify a full system change.

FALSE ALARM 02

One workflow is broken.

Sometimes the pain comes from a single process: approvals, invoice routing, expense review, vendor onboarding, inventory counts, or customer billing.

In those cases, a workflow automation, Power Automate flow, Power App, or process redesign may solve the problem without changing the accounting system.

Replace the wrong layer and you'll spend a year and a budget solving a problem the system never created.

FALSE ALARM 03

Inventory is messy, but the system isn't the only issue.

Inventory pain is often blamed on software, but the root cause may be inconsistent processes, unclear item setup, poor warehouse discipline, or lack of ownership.

Replacing QuickBooks will not fix broken inventory processes by itself. If the process is unclear today, ERP may simply make the unclear process more expensive.

FALSE ALARM 04

The team is tired.

Burnout is real, especially for controllers and small finance teams. But exhaustion alone is not enough to justify ERP.

The better question is whether the exhaustion comes from system limitations, process issues, staffing gaps, or unclear leadership expectations.

— Advisor rule of thumb

Do not recommend ERP yet if the client has:

- ◆ One legal entity
- ◆ Simple operations
- ◆ Clean books
- ◆ Basic reporting needs
- ◆ Limited compliance requirements
- ◆ Only one or two annoying workflows
- ◆ No material control or scalability concerns

BETTER FIRST STEP

In these cases, a process improvement, reporting project, automation, or fractional advisory engagement may be the right next move - not a platform replacement.

The ERP readiness maturity scale.

Use this scale to quickly assess where a client may be in the QuickBooks-graduation journey.

STAGE 1

01

QuickBooks is working.

Simple accounting needs, basic reporting, limited operational complexity, and a finance process that is reasonably stable.

LIKELY NEXT STEP

Stay on QuickBooks and maintain clean processes.

STAGE 2

02

QuickBooks needs help.

Some frustration, but the issues are isolated. Reporting may need improvement. A workflow may be inefficient. A few processes may need cleanup.

LIKELY NEXT STEP

Improve reporting, automate selected workflows, or redesign the process before considering ERP.

STAGE 3

03

QuickBooks is holding the business back.

Spreadsheets, manual workarounds, informal controls, delayed reporting, key-person knowledge. Finance functions, but the process is fragile.

LIKELY NEXT STEP

Begin ERP readiness conversations and document business requirements.

STAGE 4

04

ERP readiness.

The client needs stronger controls, structured dimensions, multi-entity support, operational workflows, integration, compliance support, and scalable reporting.

LIKELY NEXT STEP

Conduct an ERP readiness assessment or roadmap engagement before selecting a platform.

Don't refer software. Refer a team.

A solid implementation on a good-fit platform almost always beats a good implementation on the "best" platform. Most ERP horror stories are partner stories - not product stories.



What should a client consider after QuickBooks?

The next step should not be jumping straight into software selection.

The better next step is a structured **readiness conversation**.

At this stage, the advisor's role is not to name the final ERP system. The advisor's role is to help the client understand what kind of complexity they are dealing with, what risks need to be solved, and what an implementation partner should evaluate before making a recommendation.

— A strong ERP-readiness conversation should explore

- ◆ Where the current system is creating risk or inefficiency
- ◆ Whether the problem is software, process, reporting, controls, staffing, or scale
- ◆ Which workflows are currently being handled outside the system
- ◆ What reporting leadership needs but cannot reliably get today
- ◆ Whether the client has multi-entity, inventory, project, compliance, or operational requirements
- ◆ How much change the organization can realistically absorb
- ◆ What the client needs from an implementation partner after go-live

The client may ultimately evaluate several ERP platforms. But for an advisor, the most important question is not “Which software should they buy?” - it is, “**Is this client ready for a structured readiness conversation with a partner we trust?**”

— Why this matters

Software comparisons can become misleading too early in the process.

Two companies with the same revenue can need very different systems. A client with clean books and simple operations may not need ERP yet. A smaller client with multiple entities, inventory complexity, reporting issues, and manual controls may need to evaluate a more scalable platform sooner.

That is why the first recommendation should usually be a *readiness discussion* - not a platform recommendation.

— Same revenue, very different fit

COMPANY A - \$40M

Single entity. Service business. Clean books. Three monthly KPIs. Quarterly board pack.

STAY ON QUICKBOOKS

COMPANY B - \$7M

Three entities. Manufacturing + distribution. Inventory in spreadsheets. ASC 606 on the horizon.

ERP READINESS CONVERSATION

ADVISOR TAKEAWAY

Your client does not need you to be an ERP product expert. They need you to help them recognize when the business has outgrown its current tools, and when it is time to bring in a trusted implementation partner who can evaluate fit, scope, process, and risk.

How should CPA firms **vet** an ERP implementation partner?

The implementation partner matters more than most clients realize.

A solid implementation on a good-fit platform almost always beats a poor implementation on the "best" platform. Many ERP horror stories are not really product stories. They are partner, scope, methodology, expectation, and change-management stories.

For CPA, CAS, and bookkeeping firms, this is where **referral risk** becomes very real. You are not just referring software. You are referring a team that will work directly with your client's finance and operations leaders during a high-stakes business change.

— What a good ERP partner looks like

- ◆ Relevant industry experience
- ◆ A documented discovery process
- ◆ Clear implementation phases and decision gates
- ◆ Written deliverables at each phase
- ◆ Direct access to the consultants who will do the work
- ◆ References from clients with similar size, industry, and complexity
- ◆ Transparent pricing and scope assumptions
- ◆ Clear change-order rules
- ◆ A practical post-go-live support model
- ◆ Willingness to say when ERP is *not* the right next step

A good ERP partner should make the client feel *more informed* before they sign - not *more dependent*.

— Red flags to watch for

Be cautious when you see any of these patterns during the sales conversation.

- ✗ Salespeople who disappear after the contract is signed

- ✗ Vague methodology language such as “we adapt as we go” without clear governance

- ✗ No access to the actual consultants before signing

- ✗ Overuse of customization before standard processes are evaluated

- ✗ Weak or irrelevant references

- ✗ No clear definition of done

- ✗ No written post-go-live support plan

- ✗ Scope that sounds too cheap, too fast, or too easy

- ✗ A partner who claims to be great at every industry and every platform

ADVISOR TAKEAWAY

If the partner cannot explain the process clearly during sales, the implementation is unlikely to become clearer after kickoff. **Clarity now is the best predictor of clarity later.**

Five questions to ask before you refer.

If you do nothing else from this guide, ask these five questions before recommending any ERP implementation partner. The answers should be specific, fast, and confident.



01

Who specifically will do the work, and can the client meet them before signing?

You want **names, not just roles**. It is easy for a sales team to say the project will involve a senior consultant, solution architect, or project manager.

It is more meaningful when the client can meet the actual people who will lead the implementation.

If the firm will not introduce the delivery team before signing, the team presented during sales may not be the team that appears after the contract is executed.

02

What is your methodology, and what happens at each phase gate?

Good partners can explain their phases, deliverables, client responsibilities, and decision points. Listen for specifics:

- ◆ What happens during discovery?
- ◆ What gets documented?
- ◆ What does the client approve?
- ◆ When is scope confirmed?
- ◆ How are risks escalated?
- ◆ What happens before go-live?

If the answer is mostly "we adapt as we go," your client may end up paying for the adapting.

03

Can you provide three references from businesses that look like this client?

References should be similar in meaningful ways:

| | | |
|---|--|--|
| Industry Same vertical or close adjacency | Revenue Within an order of magnitude | Complexity Multi-entity / inventory / projects |
| Entities Comparable structure | Reporting Same depth of need | Scope Similar implementation size |

Two of the three should be willing to take a short call. If the partner cannot produce relevant references, they may not have the experience they claim.

04

What does post-go-live support look like - and what does it cost?

Implementation is not the end of the journey. The first six months after go-live are where many clients either build confidence or lose momentum. The client should understand:

- ◆ Who handles support after go-live
- ◆ Whether support is included or billed separately
- ◆ How urgent issues are handled & what response times look like
- ◆ How training gaps are addressed and how new needs are scoped

This should be discussed before signing, not after go-live.

05 What does “done” mean - and how will the client know they got there?

Every implementation needs **written acceptance criteria**.

Without a shared definition of done, the project may end when the partner says it ends, not when the client is truly ready.

— A strong partner should be able to define

- ◆ What must work before go-live
- ◆ What will be tested
- ◆ Who signs off
- ◆ What is included in scope
- ◆ What is excluded
- ◆ What gets handled after go-live

The answers to these five questions don't have to be perfect. They have to be **honest, specific, and quickly given**.

— All five, at a glance

01 Who specifically will do the work - and can we meet them before signing?

02 What is your methodology, and what happens at each phase gate?

03 Can you provide three references from businesses like this one?

04 What does post-go-live support look like - and what does it cost?

05 **What does “done” mean - and how will the client know they got there?**

USE THIS

Print this page. Walk it into the next ERP sales conversation. If a partner can't answer four of five clearly and quickly, slow the process down.

One-page decision framework for your client.

Use this when a client asks whether they are outgrowing QuickBooks. It is not a full ERP assessment - it is a starting point for a better conversation.

Section 1

Signs you may be ready to leave QuickBooks - check any that apply

- Month-end close takes a week or more
- More than one FTE is keeping QuickBooks working
- Reporting goes beyond basic P&L by class, location, or department
- Inventory, project, job-costing, or operational workflows managed outside the system
- The controller or finance team is showing signs of process burnout
- Multi-entity rollups happen in Excel
- Audit prep requires manual data cleanup or reformatting
- The audit trail depends heavily on trust and manual review
- Leadership cannot get reliable answers without manual analysis
- Adding entities, locations, acquisitions, or new reporting requirements

Section 2

You may *not* need ERP yet if...

- The issue is mainly one report
- The business has one entity and simple operations
- Reporting can be solved with better structure or a reporting layer
- The team hasn't yet cleaned up roles, process ownership, or month-end discipline
- The issue is mainly one workflow
- The books are clean and close is manageable
- Inventory or operational problems are mainly process-related

Section 3

Which Microsoft solution may fit?

A client outgrowing QuickBooks may not need only an ERP conversation - they may need a broader business application conversation. The Microsoft suite can support different parts of the business depending on where the pain is showing up.

MAY FIT IF

Dynamics 365 Business Central

Financial and operational complexity to manage - manufacturing, distribution, project-based services, inventory, purchasing, dimensions, approvals, reporting, or multi-entity needs. Often a strong fit when QuickBooks can no longer support the structure, controls, and visibility the client needs.

MAY FIT IF

Dynamics 365 Sales

The business needs better visibility into pipeline, account management, sales activities, quoting, customer history, or handoff from sales to operations - especially when sales activity lives in spreadsheets, inboxes, or disconnected tools.

MAY FIT IF

Power Platform

Manual workflows, approval bottlenecks, spreadsheet-based processes, disconnected data, or repetitive tasks that don't require a full system replacement. Power Automate, Power Apps, and Power BI can solve targeted issues before, during, or after an ERP project.

MAY FIT IF

Microsoft 365 & Teams

Better collaboration, document management, communication, permissions, or process consistency across departments. Many operational problems are partly system issues and partly communication issues - Microsoft 365 and Teams support the collaboration layer around the business applications.

TAKEAWAY The right question isn't only "does this client need a new ERP?" - it's "where is the process breaking down, and which part of the suite could create better visibility, control, automation, or collaboration?"

Section 4

Five questions to ask any ERP partner

-
- 01 Who specifically will do the work, and can we meet them before signing?

 - 02 What is your methodology, and what happens at each phase gate?

 - 03 Can you provide three references from businesses like ours?

 - 04 What does post-go-live support look like - and what does it cost?

 - 05 What does “done” mean, and how will we know we got there?

TEAR-OUT · SHARE WITH YOUR CLIENT

Print this page. Walk it into the next ERP sales conversation.

If a partner can't answer four of five clearly and quickly, you have your answer. The point of this framework isn't to disqualify - it's to slow down the conversation enough to make a confident referral.



NEED A SECOND OPINION?
SalesTeam@TruNorthDynamics.com

What happens **after** you refer a client?

A good referral process should protect the client, the advisor, and the relationship.

When a CPA, CAS, bookkeeping, or advisory partner introduces a client to TruNorth Dynamics, the goal is not to force a software decision. The goal is to help the client understand whether they are dealing with an ERP issue, a reporting issue, a workflow issue, a process issue, or a broader readiness issue.

A typical first conversation may include

- ◆ Understanding the client's current system and pain points
- ◆ Identifying whether the issue is software, process, reporting, controls, staffing, or scale
- ◆ Discussing whether Business Central may be a fit
- ◆ Identifying situations where another platform or a non-ERP fix may be better
- ◆ Recommending an appropriate next step - readiness conversation, roadmap, assessment, or implementation scoping

A strong partner should be willing to say, “You may not need ERP yet.” That answer can be just as valuable as a proposal.

Have a client who may be **outgrowing** QuickBooks?

You don't need to know the answer before you reach out. Send us the scenario. We can help you think through whether the client may need:

- A better reporting layer
- Workflow automation
- Process cleanup
- ERP readiness planning
- A Business Central evaluation
- A broader roadmap conversation
- An implementation partner

No pressure to refer. No premature software pitch. Just a practical second opinion from a team that has been in many QuickBooks-graduation conversations.

GET IN TOUCH

SalesTeam@TruNorthDynamics.com

