



BENEFITS OF HIRING A BOOKKEEPER

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Contents

Disclaimer	2
A Bookkeeping Company Talks about the Benefits of Hiring a Bookkeeping Service	3
You save time.	3
You save money.....	3
You get professional help.....	3
You get to focus on work at hand.....	4
You get the support of a team – not just one person.	4
You get access to the latest bookkeeping tools and techniques.	4
You have the option to upsize or downsize – with ease!.....	5

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A Bookkeeping Company Talks about the Benefits of Hiring a Bookkeeping Service

by Henry Piatek

The need to cut costs to a minimum is one of the challenges all businesses must face. But more so for the small or fledging enterprise. Many start-ups will see sales revenues trickle in only after a few days, weeks or even months of operation. This is why many start-ups open shop using their own homes or garage as their office or production plant to save on prohibitive rental costs. They also multitask. The owner takes the role of general manager, salesperson and bookkeeper. In that manner, he saves on salaries. But this is not such a good idea. As a bookkeeping company, we know that bookkeeping is a backend activity and must not weigh down on small business owners.

In this regard, many owners of small businesses hire someone to do take care of their bookkeeping, freeing them to focus on more front-end activities. But even that one step of hiring a person to handle the books is not as practical as it looks. Here at Profit Financial Services, we advise small business owners to outsource their bookkeeping needs, instead of hiring a full-time staff member to record the books. This eliminates the cost of having another full time, in house employee. All financial data is supplied by the client and the bookkeeping company does its financial and accounting work in the comfort of its own office. Here are seven reasons why it is more practical to outsource your bookkeeping requirements rather than hire a full-time staff.

You save time.

Owners of small businesses are so focused on saving money that they lose track of saving another important business resource, time. Owners of small businesses often succeed in cutting costs to a bare minimum – but at the expense of spending too much time on back-end activities such as keeping financial records. Make no mistake about it: keeping record of the books is very important. However, small business owners should prioritize front-end activities such as generating sales, creating and maintaining a positive company image and building and strengthening relationships with vendors and clients. Having an accounting firm handle the books for them will allow owners of small businesses to focus on front-end activities and leave back-end chores to experts in the field.

You save money

As the owner of a growing business, you might strive to save every cent. You may not be able to afford to spend money the way established companies do. You can try to cut corners all you want on labour costs by doing several tasks yourself, but this is not as effective as you may think. You may be taking on tasks which are beyond your level of expertise. If you hire a full-time bookkeeper or accountant you won't have to worry about bookkeeping. You can spend your time generating leads and growing your income.

The best way for you to save money is to hire a bookkeeping service. When you hire a bookkeeping service, you do not pay expensive salaries and bonuses to a full-time staff. You pay a minimal retainer fee or monthly service fee to the accounting company.

You get professional help.

An accounting company like Profit Financial Services is simply just that: A group of accountants and bookkeepers who are focused on their discipline. As a matter of fact, an accounting firm

will have team members who specialise in accounting subspecialties such as taxation, payroll, cost accounting, inventory, and depreciation. Not only do these people have a bachelor's degree and even a government license in accounting they also attend seminars to keep themselves up to date on the latest developments in accounting and new government regulations. You get that level of expertise and professionalism for a reasonable monthly service fee or retainer.

A full-time bookkeeper hired by your company may have the same credentials as the best accountant or bookkeeper in an accounting firm. However, you would have reimbursed expenses relating seminars and conventions of fellow accountants and bookkeeper as well as the cost of the full-time employee benefits they may need. On the other hand, when you hire a bookkeeping firm, you get the expert advice and support of a team of bookkeepers – all for a very reasonable rate.

You get to focus on work at hand.

Multitasking may be the “in” thing for many businesses; but it still has its drawbacks, especially for small and growing businesses. Let's go back to the frontend / back-end dichotomy. Front-end staff should not be made to do back-end work. They cannot give their clients 100% of their attention if their minds are on administrative and financial matters. It is best that they focus their attention on front-end matters particularly sales and marketing.

Bookkeepers on the other hand easily get distracted by the hustle and bustle of business. They work best in a quiet, laid-back environment. Thus, small business owners can actually have their companies stacked almost entirely with front-end staff. When they outsource their bookkeeping requirements, they give the work to an accounting firm, where the bookkeeping staff works in an appropriate environment. The outsourced bookkeepers do their work in a place where they can thrive, while the sales and marketing people of the upstart business thrive in the fast-paced work environment, freed from the burden of having to do administrative work. It's a win-win-win situation for everyone: the small business owner, his in-house staff and the outsourced accounting company.

You get the support of a team – not just one person.

A small or medium-sized business that hires a full-time bookkeeper utilizes the talent and expertise of one person. Being the only bookkeeping expert in the small enterprise, there is no one to oversee or double-check his/her work. Thus, if he missed out on some small details, he will most likely not catch it.

Such will not happen when you outsource your bookkeeping services. You do not get the services of just one bookkeeper, but a team of bookkeepers and accountants. These people will help double-check (and even triple-check) each other's work. They will give input on the other's work so that it can be enhanced and refined. Hiring an accounting firm to do your bookkeeping is not just a case of “Two heads are better than one,” it is a case of several heads working synergistically as a team. And at a price of less than the salary of a full-time bookkeeper.

You get access to the latest bookkeeping tools and techniques.

As discussed earlier, as a small business owner you do not have to pay to let your bookkeeper attend those expensive (but necessary) seminars when you outsource your bookkeeping services. Also, you don't have to purchase advanced accounting software which can be expensive. The accounting company takes care of updating their staff as well as purchasing the most advanced accounting software. It's in their best interest to do so. For your part you do not have to spend a penny on seminars and software upgrades. But note this: you effectively have access to these tools when you outsource your bookkeeping services.

You have the option to upsize or downsize – with ease!

One of the things you cannot easily forecast in a business is sudden growth – or decline. Business owners generally project modest growths and marshal their resources to meet such growth. There are cases however when growth is sudden. All of a sudden a business might need more sales people, clerks, production staff, and your lone bookkeeper needs more help. In such a situation, it's not that easy to hire an additional staff. You have to post an ad, short-list the applicants, interview the applicant and finally select your candidate.

It is a different matter altogether when you hire a bookkeeping service for your company. When your business zooms, you can just tell the accounting firm to increase their services. Same concept if your business experiences a sudden decline. Just inform your accounting firm that you would like to lower the amount of services used.

As a Hamilton Bookkeeping firm, we want to point out that a small business has much to gain and little to lose when it outsources its bookkeeping. By doing so, a small business can focus on growing its business while the outsourced bookkeeping team takes care of the financial records.

- See more at: <http://profitfinancialservices.com/bookkeeping-company-talks-benefits-hiring-bookkeeping-service/#sthash.Yazur8pa.dpuf>
