

What to do during economic unrest!

Situation:

The marketing company was experiencing a downturn in sales and profitability due to the economy. Recognizing that expenses had to be cut, they were trying to determine where they could cut without being detrimental to their survival and growth once the economy improved. They determined the best reduction would be to reduce headcount and began looking at roles.

Solution:

The person that was doing the bookkeeping was also doing other tasks such as filing and answering the telephones. Management felt these jobs could be done by a part time person at a lower pay scale than they were currently paying the bookkeeper. They placed ads for a part time bookkeeper in various sites, but either the qualifications or the cost structure were not favorable for the company. They had concerns that they would need certain reports or access to information while the bookkeeper was not there.

They then learned of Bookkeeping Express. Because all of the bookkeeping is virtual, they would have access to their information without having to wait for the bookkeeper to return. They could structure their needs and their costs as the company continued to decrease, and would be able ramp up easily when the marketplace improved.

By outsourcing the bookkeeping they could receive timely service and not be concerned about hiring or training a bookkeeper. They could continue to receive timely service, keeping current on Accounts Receivable and Accounts Payable, have cash management and not be concerned with the necessary oversight to prevent fraud.

As a further possibility for cost reductions, they could decrease their rentable space and not worry about upgrades or software on a computer. When the economy rebounds, if they want to take the bookkeeping back in house, they know all the information will be easily transmitted to them without any concerns or transition.