

# Hiring a Bookkeeper

by Denise David Baer

**T**he last time you or one of your employees broke a bone or needed stitches, you didn't call your plumber to tend the injury. Nor did you call your dentist to prepare your tax returns. Of course you didn't, because that's not what plumbers and dentists do.

Why then do so many contractors think they can be both a builder or remodeler and a bookkeeper at the same time? Those of us who attempt it produce mediocre results in both arenas and end up with frayed nerves. And our personal life is shot because we burn the candle at both ends.

I already hear the groans. "I can't afford the overhead" or "It's easier for me to do the bookkeeping myself, especially since I've computerized" or "No one understands my business as well as I do." I believed all of these statements myself at one time, but I've learned that I was wrong.

For those of you who claim you can't afford the overhead, a professionally trained bookkeeper will literally pay for herself. I'm not referring to your well-intentioned spouse or your neighbor's kid who took two or three beginner courses at the community college. I mean a bona fide bookkeeper who perhaps worked for a CPA, and who has experience working with the construction industry. A person with these credentials will get the work done more accurately in a fraction of the time you spend on it and will improve your existing system. A good bookkeeper will also lessen the load on your CPA, which will save you money at year end.

By relinquishing bookkeeping duties, you can put those newfound hours to

better use doing what you do best: marketing, sales, estimating, or managing field production. Or, you can take all those hours you've now given back to yourself and simply reclaim some of your personal life (isn't *that* a radical thought?). My suggestion: Do both. Devote some of those hours to improving your business and some to enjoying family life.

## Doing It All

For the first seven years we were in business, my husband, Gary, managed all the sales and estimating while I handled all of the office work. Gary realized early on that he couldn't handle both the field and office responsibilities. For me, it took a little bit longer, but as the business grew, the amount of office work grew right along with it. Before I knew it, my list of duties included typing specifications, contracts, letters, and job meeting notes; answering phones and relaying messages to the guys on our job sites; sifting through and filing mounds of paperwork every week; producing an eight-page quarterly newsletter; managing our client database; producing and overseeing our advertising and marketing efforts; managing our insurance programs; handling all our banking and working up our annual budgets; and assisting our CPA with year-end tax matters. Oh, yes, I also did the bookkeeping. On top of it all, I still had to keep up with the usual demands of home life, including dealing with aging parents.

I managed to keep my head above water for quite some time, but after

seven years of trying to carry that grueling workload, I started to experience odd symptoms: I had difficulty concentrating when I was awake, but I couldn't sleep the whole night through; I had constant headaches and frequent anxiety attacks; I developed an irregular heartbeat; and my hair started to fall out in clumps. Diagnosis: Stress. And, like all victims of stress, I didn't believe it. I was too strong a person to succumb to the effects of stress.

Like most contractors, I found every reason in the world for not hiring someone to help out. I couldn't justify the added overhead, especially since I had been performing these duties myself for so long. I didn't want to go through the ordeal of training someone, which I reasoned would simply add more stress. I certainly didn't want to hire someone, only to lay her off when business slowed down. And, of course, I was convinced that no one could do the job as well as I could.

## Key Player

Fortunately for me and for our business, Karen, a friend's wife, had decided to start up her own bookkeeping service. She had just two accounts when we first talked about giving her our business. She had all the qualities I needed: She was formally trained as a bookkeeper, and she had worked for several years for a CPA and a new-home builder. As an added bonus, she had spent the past seven years working with the same accounting software we used. While the software is extremely user-friendly, an experienced operator can make it do things far beyond the basics. Although I had been using it for several years, I never had the luxury of time to experiment with it. Karen, on the other hand, had spent seven years of doing nothing but working with the program, and she had learned how to manipulate the system in ways I had never considered. And, because her time was devoted entirely to accounting and bookkeeping, she had devised shortcuts that shaved hours from the weekly and monthly routines.

Despite Karen's glowing qualifica-

tions, I procrastinated for a whole year. She had estimated she needed six hours per week to do our bookkeeping, but I couldn't see how we could squeeze an extra \$150 a week out of our profit line. I kept telling myself that we had to reach a certain revenue level before we could absorb the additional overhead. Finally, I arrived at a point where I had grown tired of being tired. So I hired Karen.

Ironically, I made the hire in the middle of a down year. In hindsight, that turned out to be the best time to take the plunge. It intensified my commitment to making Karen a key player in our business, and it also spurred Karen into proving that her services would enhance our bottom line.

It took about two months of Tuesdays (Tuesday is the day we devote to bookkeeping) before Karen felt comfortable with my procedures. At that point, she asked if she could implement some changes to my system. Over the next two months, we collaborated

on her many suggestions. By the end of that period, she had convinced me we needed to upgrade our software program, which turned out to be another excellent investment. By the seventh month, she had whittled down my ten-hour bookkeeping day to about six hours, and she had the printer spitting out customized reports I hadn't even dreamed of. Suddenly, I was going to Karen with questions: "Karen, can we afford to make this purchase?" or "Karen, how will these expenses affect our overhead?"

It took more than a year before it finally dawned on me that I was no longer stressed out about the bookkeeping duties. That's not to say I don't keep abreast of what's coming in and going out of our bank accounts, or where we stand financially. Accountants will caution you to be always vigilant with your accounts, and we have an excellent system of checks and balances in place to prevent mistakes or improprieties.

But I've learned that I can trust

Karen's work, and I'm confident that someone does exist who knows our business as well as we do. I now devote my energies to tasks I do best, like managing our marketing program and our newsletter. That work has brought in more quality leads, which have turned into more sales with higher revenues — we posted our highest annual revenue last year — and greater profits.

The increase in profits finally proved to me the worth of hiring an office professional. It doesn't matter whether a contractor spends two hours or twenty hours per week performing bookkeeping or other office duties. By hiring the proper office professional, you free up precious hours that can be spent doing what you do best, which is building your business.



---

**Denise David Baer** and her husband, Gary, own and operate *Restore 'N' More*, a remodeling and restoration company in Lancaster, Pa.

---