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CHARTERED PROFESSIONAL ACCOUNTANTS
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Outsourcing Your Accounting

The top 8 reasons to look outside your business
for your accounting expertise



One of the most commonly-held beliefs among those who run a business is that the decision to outsource a function should be made when the activity is not central to generating profits or competitive success. For most businesses, their accounting operations fall squarely into this category and as such, are a perfect opportunity for outsourcing.

When thinking about why you would outsource your accounting operations, your primary consideration should be "Can I use my time more effectively elsewhere?". In other words, if I had the time I currently spend on my accounting as free time, could I use that to bring in more revenue by fostering relationships with my existing customers and building new relationships with prospective customers? If the answer to that question is yes, then you might want to consider the following reasons why outsourcing your accounting is often the best decision for the health of your business.

Access to Experienced Accounting Resources

A small business owner rarely has anything beyond the most rudimentary accounting skills. Even if you have someone on staff who "knows a little accounting", they are often not going to have the same level of expertise as someone who has performed these tasks full-time. When you outsource, you will gain access to a team of skilled accountants who have a broad range of expertise across an array of sub-specialties such as taxes, audits and payroll. By leveraging their skills, you can gain access to highly specialized experts without the commitment to pay them full-time wages.

Improve Your Operational Efficiency

Every minute you spend overseeing your bills and payroll is a minute that you don't have to work on managing your business. As an expert in your chosen industry, it makes sense to focus your expertise on achieving your most important business goals rather than ancillary tasks such as accounting. Optimal operational efficiency is the hallmark of a well-run business and you will not be able to achieve that if you are constantly searching for invoices or fielding questions from employees about the reason for the deduction from their last pay cheque.



Improve Your Accounting Processes

When you outsource your accounting processes, you have the opportunity to tap into the vast pool of knowledge of your accountants. Your accountants have likely worked across a range of industries in both small and large businesses. Because of this vast experience, they have seen both the worst and best ways of accomplishing the same task. Leveraging that experience, you can use their knowledge to improve your internal processes to conform with industry best practices. By doing so, you will suddenly find that you have reduced the time to close your books and perform your payroll.

Get Access to the Best Technology

Accounting software can be complicated and it's nice if someone else can make the decision as to what would work best for your business. By outsourcing, you gain access to a team of professionals who are already knowledgeable about the best accounting software available. Furthermore, since your accountants already know the software inside and out, they will be able to identify plugins or additional modules that you can consider adding to help tailor the software to your business.

Decrease Your Risk

Many businesses will have money stolen by trusted employees. Rather than figuring out how to manage your loss after your money is gone, it is best to be proactive and develop a strong checks and balance system before any problems arise. Thankfully, outsourced accounting offers the perfect solution. By allowing a trusted third party to audit your financial trail, you decrease the risk of fraud and increase compliance.



Scale More Efficiently

As a growing business, you understand that the resources you are using today will not be sufficient to manage the volume of your business even a couple of years down the road. To avoid having to invest your time in HR, technology and infrastructure both today and in the future, it makes sense to instead invest in a system that will scale efficiently. Outsourcing gives you that opportunity. Rather than having internal resources that will eventually get bogged down by the increased workload that ultimately comes with a growing business, you can instead trust your outsourcing provider to add resources in a more timely manner and focus your energy on the core activities of your business.

Reduce Your Environmental Footprint

Despite the advent of paperless technologies, there are still tons of companies that have cabinets full of paper records. Think about all the wasted paper, toner and storage space required to print and store these records. Since your outsourced accountant stores all of your records electronically, you not only reduce your carbon footprint but also reduce the clutter in your office.

Access to Financial Data No Matter Where You Are

Cloud-based accounting allows you to access your financial records online at any time and from any location. This means that you have complete visibility into the finances of your company whenever you need them. This visibility lets you make confident decisions, informed by solid and timely data. Ultimately, decision-making made with better data leads to better decisions and increased profitability.

If you are like most businesses, accounting is not a core competency. As such, it is the perfect candidate for outsourcing. By outsourcing, you can take advantage of the many benefits listed above.

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