

PATHWAYS TO PROFIT

Do I need more than a bookkeeper?

A bookkeeper ensures that the bills are paid, deposits are recorded and bank accounts are in balance. Is that all that your business needs?

What size does your company need to grow to before you will need a controller or chief financial officer? A better question may be: How big do you want to grow and how do you intend to get there?

As the accounting expert, a controller directs a company's budget and cost controls, financial analysis and accounting policies and procedures that need to be in place as a company grows.

And as the visionary for financial planning, a CFO plays a critical role in any company, no matter the size, that has a desire to grow. A CFO's primary responsibility is to manage the financial risks of the company, such as directing its financial goals, objectives and budgets as well as overseeing the investments, capital-raising to support expansion and dealing with mergers and acquisitions.

Without the structure that a controller will put in place or the direction of a CFO, you may find your growth handicapped. You may not have the "numbers" a banker or investor is looking for as you seek funding. Or you may find yourself short on cash as you invest in building infrastructure to support expanded operations. Without proper planning, some companies even "grow"

themselves right out of business.

Start by looking at the financial expertise of the owner/CEO and the existing management team. Evaluate the experience level as compared to where you want to take the company and how you want to raise the capital.



BY LEAH THISS

According to the most recent Robert Half's 2007 Salary Guide, the controller salary range for companies under \$50 million in revenue was \$62,000 to \$79,250, and for a CFO it was \$88,250 to \$116,000.

Luckily there are options available for small businesses. There are controllers and CFOs who offer their expertise on a consulting basis or are willing to accept part-time employment. There also are firms that offer these positions as an outsourced solution. In the outsourcing model, you only pay for the skills you need when you need them.

Whatever you do, be sure you hire someone you can trust. Check references. Make sure you feel comfortable with both the person's process and personality.

And don't be scared by the title. A

controller or CFO may sound like overkill for your small company, but look at the expertise that is provided and consider where you want to take your company.

Leah Thiss is the CEO and president of BBBS Inc., an outsourced accounting and bookkeeping services company with offices in Yuma and San Diego. She can be reached at leah@bbbsinc.com or 329-8000 or by visiting www.bbbsinc.com.