

# Bookkeeping Tips

## How a Freelance Bookkeeper Went from \$0 to \$80,000.00 in 3 Years

Because AIPB's 30,000 members include 6,000 freelancers, we include in members' free monthly technical briefings, *The General Ledger* newsletter, ([www.aipb.org/general\\_ledger.html](http://www.aipb.org/general_ledger.html)), reports on how successful freelance bookkeepers make it on their own.

Alice Logan, CB, Business First, LLC, Milford, CT, had dreamed of going on her own, but put off the decision until her employer was bought out in late 2003 and she had to look for a job.

"While looking for a job, scared as I was, I looked for clients," she says. "Just before an interview, a prospect took me on. I cancelled the interview and I was on my own."

Logan attributes her decision to certification. "If I wasn't certified, I would not be in my own business," she says. "I wouldn't have the confidence in my ability."

### Setting up the business

Logan took the following steps to start:

- ✓ Set up Business First, a limited liability corporation.
- ✓ Created stationery. "Paper Direct has an inexpensive package (around \$25) of high-quality stationery, matching envelopes and business cards. A template (\$3) is available that lets you put in your logo, address, etc. and text and print your business cards, on your printer."
- ✓ Used her home office (which she still uses) and phone (she now uses a cell phone for business).
- ✓ Got an answering machine with caller options ("If you want Business First, press 1; if you want Alice Logan, press 2"); cost: \$40.
- ✓ Bought an all-in-one HP copier/fax/scanner for \$150.
- ✓ Created a Web site for \$250. She gets no clients from it, but believes it is essential for credibility.

### Setting rates

To figure out what she should charge, Logan called local bookkeeping firms and said: "I'm starting as a freelance bookkeeper. There's plenty of work for everyone. What kind of work do you do, and what do you charge?" Many gave information. If they did not, she said, "I respect that; thank you very much."

### Aggressive marketing

Logan says she is an aggressive marketer, approaching everyone she can. She recommends the following:

1. **Develop an "elevator speech,"** a sales pitch you can give in an elevator between the time you get on and the time you reach your floor: 1-1½ minutes tops: "My name is Alice Logan; my company is Business First. I offer bookkeeping and accounting services to micro companies—10 or fewer employees—and to individuals." After this, she says, the questions come.

(continued)

2. **Join the local Chamber of Commerce (CC).** “My primary marketing is Milford’s CC’s ‘Leads Group,’ people from different businesses who meet one day a week,” she says. “I used the group to develop my elevator speech.” Members of the group give Logan’s information to their contacts, and two members are now clients. She also attends as many CC events as she can, giving business cards to CPAs, health insurance agents, lawyers and others who deal with small firms.
3. **Contact small-business vendors.** Logan called Paychex and Intuit Payroll and met with their reps and said she would recommend them to small businesses if they would do the same for her. “They were thrilled because we were marketing to the same group in my area,” she says. “These relationships have paid off. In fact, my first client came from the Paychex rep.”
4. **Stress benefits to close a sale.** Logan stresses three factors:
  - a. **Her ability.** “I believe certification is the single biggest reason for my success, and the reason I have a 98% closing rate—all but one prospect have retained me.” Being a CB, she says. “proves I’m at the top of my field.”
  - b. **The prospect’s goals.** Logan learns everything she can about their business, plans and goals—then tells them how she can help meet those goals:
    - “I can open up time for you to focus on your job.”
    - “I can help you avoid late fees on bills you may not be getting out on time.”
    - “I can give you a monthly picture of where you stand—your revenues, expenses, payroll and other areas compared to last month and last year.”
  - c. **I’ll work at your site.** Documents will not leave your office, and I’ll get a picture of your business. If I have questions, I’ll get faster, more accurate answers because everyone is here, saving you time and money.” Logan works at home for clients who don’t have an office (a carpet installer and a dance studio).
5. **Spread the word everywhere.** “I start conversations on supermarket or clothing store checkout lines, with neighbors or my son’s school teacher,” she says. “They get my elevator speech.”
6. **Encourage referrals.** Logan lets her clients know she would be happy to help any of their colleagues who need help.

### 100% growth

Logan serves 15 clients. She pays a part-timer \$15/hr. and bills at \$30 and is requiring her to become certified. She is looking for a second part-timer. Her revenues are as follows: 2004, \$32,000; 2005, \$65,000; and 2006, \$80,000 (projected)

### New markets

Logan does individual bookkeeping for two elderly clients. She came up with her rate of \$45/hour through joining the American Association of Daily Money Managers (AADMM) and obtained a \$10,000 fidelity bond and liability insurance.

To expand in this area, she attended The Elder Show at a local college. For \$100, she got an exhibit table along with 50 other vendors (pharmacies, etc.). A local retirement home saw Logan’s exhibit and invited her to their elderly fair.

“Good bookkeepers are hard to find, so if you’re good you can earn a good living and have a satisfying career,” she says.

**Alice Logan, CB, BusinessFirst, LLC**, bookkeeping for micro-businesses and daily money management for individuals. 167 Cherry Street, #136, Milford, CT 06460. E-mail: [info@businessfirstllc.com](mailto:info@businessfirstllc.com). Web: [www.businessfirstllc.com](http://www.businessfirstllc.com).

(continued)

---

BOOKKEEPING TIPS is a free newsletter published by The American Institute of Professional Bookkeepers ([www.aipb.org](http://www.aipb.org)). To subscribe: Send a blank email to [bookkeepingtips-on@aipb.org](mailto:bookkeepingtips-on@aipb.org)

Contact information: AIPB. Suite 500, 6001 Montrose Road, Rockville, MD 20852.  
Tel.: 800-622-0121, Fax: 800-541-0066, email: [info@aipb.org](mailto:info@aipb.org). Web site: [www.aipb.org](http://www.aipb.org)

The American Institute of Professional Bookkeepers (AIPB), is the national association for bookkeepers, currently with 30,000 active members

AIPB was founded in 1987 for the following purposes:

- To recognize bookkeepers as accounting professionals
- To make sure that each member has the latest bookkeeping, accounting and tax information
- To answer members' everyday bookkeeping and accounting questions on the telephone at no charge.
- To provide bookkeepers with low-cost continuing professional education.
- To return the membership fees of any bookkeeper who is dissatisfied with the benefits of membership