Today you’re going to learn about the potential to start and grow your own successful virtual bookkeeping business. Now, I love bookkeeping as a business model, because according to entrepreneur magazine, bookkeeping is the number 1, most profitable business in existence.

Now, you add to that, that starting a bookkeeping business is one of the lowest investments that you could ever make in starting a bookkeeping business, and couple that with the demand for bookkeeping, and it is very powerful – it’s a very powerful business that you should look at.

Now, I will warn you right up front, that starting a bookkeeping business, it's not for everyone. And what I want to do in this video series is share with you the perks, as well as the perils, of starting a bookkeeping business.

Bookkeeping has been around for over 500 years, so it's not going anywhere, but the bookkeeper, what she or he does has evolved tremendously. And what we did 10 years ago, 5 years ago even, we can't be doing today. We have to take our service – what we deliver, the value that we provide the business owners -- to a higher level. And so we're going to talk about that as well.

Now, the context of this conversation that I want to have with you is like you're my best friend, and you've just come over to my house to ask me, “Ben, I'm thinking about starting a bookkeeping business. Is this right for me?”. So, we're going to have a very candid and open conversation about this. But, before we go there, you need to learn a little bit about your best friend.

My name is Ben Robinson and I am a former CPA firm owner. I owned my own firm for 14 years, and over that time I did a lot of bookkeeping. I hired a lot of bookkeepers. We had to hire bookkeepers because our business owners, the clients that we served, they demanded that we had bookkeeping. And you know what? I found it really hard to find qualified bookkeepers.

I mean, it was like finding a needle in a haystack. And that was something that was right for me, it wasn’t scale-able. I couldn't go out there and search for bookkeepers all day long. So, what we did within my firm was to develop a training program for bookkeepers, where we could take somebody with no experience, and teach them how to become a bookkeeper.

But, we couldn't just take anyone, we had to take someone with very specific personality traits. And in this training today, you're going to learn about those, very specific, 7 of those personality traits, you’re going to discover. So, we’re going to cover that, we’re also going to talk about what’s the earning potential for a bookkeeping business. How much does it cost you to start? How do you go out there and
get clients? What are the tools and the technology that you need? And most important, what the heck is a bookkeeping business?

So, you're my friend, you're in my house, right now i’m in a studio – it doesn't look right. So, we need to change settings and go sit in my house where we normally would. I'll see you in the other room.

Okay, so, the first thing we need to talk about is, what in the world is a bookkeeping business? What are you going to be doing day in and day out? It's important that you understand this on the front end.

So, we're going to use a little acronym called G.R.A.B. that's going to teach you about what you're going to be doing. So, let's start with the 'G' of G.R.A.B and that’s 'Gathering facts'. So, if you're a reporter, the first thing you would do before starting a story is you would want to get all of the facts.

So, think of yourself kind of like a reporter. You're out there, you're gathering facts, but these are financial facts about the business. Now, in particular, what you're going to be doing is recording all of the financial transactions as they come into a business.

Now, if you've ever used a personal finance program, you're already familiar with this. So, let's say you're using one of those personal finance programs, and you're taking the transactions as they come into the bank, and you're saying, hey, this utilities, this is my house payment, this is groceries, etc, etc.

Well, that's the very first thing that you're going to be doing when you're serving as a bookkeeper. Alright? You're going to gather the facts. You're going to record those transactions, you're going to classify those transactions – and that's just simply putting them in the right categories: utilities, house payment, groceries – but for a business. And then, finally, you're going to be reconciling that data.

Now, reconciling is where you're, basically, making sure that everything is perfect, you're making sure that the numbers are right. You're making sure that if the business owner wrote a check for 10 dollars, that it doesn't clear for 1,000 dollars – that's the reconciliation process.

So, if you've ever done those things in any kind of personal software – personal finance software – you're already there, you already know how to do it. So, you've got the 'G', you're able to gather the data.

Now, the 'R', what that stands for is 'Reporting'. You take all of this data and you're going to report in, what are called, financial statements. There's three major financial statements, let's talk about what those are. So, the first financial statement is called a balance sheet.

Now, a balance sheet basically shows three things; it shows what a business owner owns,
what they owe, and then what is left over. Things that they own are assets. Things that they owe are liabilities. What's left over is kind of like what you know as the equity.

You may have heard, how much equity do you have in your house or how much equity is in your car. That's what this report, the balance sheet, shows. And you're building this as you're going through and doing the 'G', as you're gathering the data.

The second report that you're going to be reporting on is the income statement, okay? This is showing the income as it comes into a business, and then the expenses. So, that when we end up, we have what is called net profit.

Hopefully, the business that you're serving has a net profit. And again, you're building all this data from the information that you're entering. And then, finally, the last statement is called the statement of cash flows. And this answers the question, where did the cash go? So, maybe you look at your bank account and you're like, wow there was too much month left at the end of my money. Well, you're really saying, hey, where did my cash go? So, you're helping to determine the business owner where it went.

So, you've gathered the facts, and now you've reported, now the 'A' is the analyze that information. And guess what? This has become so much simpler. Bookkeepers 5 or 10 years ago couldn't go about doing this because there was a lot of time spent on data entry.

Well, now, if you' play your cards right, and you do your bookkeeping business the right way, you're not going to have to do any data entry. Which gives you time to do things like analyze. Analyze those three financial statements that we just talked about. Now, this is where you have a secret sauce.

This is where you can really add value to the business owner that you serve, because, quite frankly, most business owners do not understand the financial statements. And this is something that I'm out to right, I'm out to right that wrong.

I think that it's not good that business owners don't understand the three major financial statements. So, we're going to teach how to do that very easily. How they can understand the financial statements, because they're not that difficulty, but no one has ever sat down with the business owner and walked them through it.

They may have done it on their own or they may not know anything about it. So, you're going to help them do this with analyzing, and there's a few simple tools that we can use, and we'll talk about in a future training, that you can use for this.

So, you've gathered, that's the 'G', you've reported, you've analyzed, and the 'B' is to be there. Now, what in the world does that mean? To be there for your client. This is one of the most powerful things that, as a bookkeeper, you can do.

You see, being a business owner, and I can speak from this from a personal perspective, it's
a very lonely endeavor. Being an entrepreneur, there’s nowhere to turn, there’s no help desk, there’s nowhere else for them to turn.

So, as a bookkeeper, it’s important that you be there for your client. Now, that doesn’t mean that you have to know all of the answers to everything financial, but it means that you’re going to listen to them.

A lot of times, they just want to be heard. Sometimes you’ll be able to give one advice. Sometimes, you’ll be able to take that information and find somebody else that can help them answer that question. Just being there for them, caring for them, taking a vested interest in their business – that’s what the ‘B’ is.

And I’ll tell you, between the last two, between the analyzing and the being there, that’s where you can add tons of value to the business, and when you do that, by you add value, you get paid handsomely for that. So, that is basically a bookkeeping business in a nutshell. That’s my four minute dissertation about what it is. Gather information, reporting, analyzing, and being there for your clients.

So, now what I want to do is cover what are the 7 characteristics that you need to have before you consider starting a bookkeeping business, so, let’s move into that. Okay, so, you know what a bookkeeping business is all about.

So, now let’s figure out if a bookkeeping business is right for you. And to do this, this is something that I’ve honed over many years in my own CPA firm, where I had to hire bookkeepers. I think that you recall that story where it was just difficult for me to find great bookkeepers. So, what I started to do was to look at people who had certain character traits that indicated that they were going to be a great bookkeeper.

So, I want to share those with you right now. And let’s start with number 7, and we’ll work our way down. So, the first one, or we could say number 7, is that you have a positive outlook. Now, this doesn’t mean that you’re Pollyannan and you think everything is going to be great.

What I mean by positive outlook is that you know that no matter what happens, you’re going to be the victor in your bookkeeping business, because as we talked about with entrepreneurs, having your own bookkeeping business, having any business, is sometimes lonely. And there’s nowhere else to turn. And you have to know, whatever the challenge that you are facing, that you’re going to overcome it, that you’re going to find the answer, and that your business is going to prosper. So, having a positive outlook, number 7, that is very important.

Now, number 6 is that you are a difference maker. Being a difference maker means that you care. You care about the clients that you serve. You take a vested interest in their success. You take a vested interest in them as a personality, because you are there for them. And remember we talked about being there? The last 'B' in the acronym G.R.A.B? You need to be
this difference maker. That is characteristic number 6.

Characteristic number 5 is that you're a hard worker. Now, I probably don't have to elaborate on this very much, because when you have your own business, you have to work hard. There is no substitute for the elbow grease that it requires.

Now, you can leverage the time that you spend, and you want to do that. You don't want to spend your time doing things that you're not getting results, but you have to understand that you have to be a hard worker in order to succeed as a bookkeeper.

Number 4 characteristic is that you need to be organized. Okay, you're dealing with money – dollars and cents – thousands of dollars. So, if you're a slob, you probably don't want to be a bookkeeper. But, being organized means that you can take chaos – because a lot of times when there's just vast numbers of transactions, it kind of is chaos – but you can take it and bring it down and put it into an organized fashion. It's very vital that you do that. So, that's characteristic number 4.

Characteristic number 3 is that you have the ability to handle multiple projects. Now, this is not multi-tasking. I don't believe in multitasking, I believe in focusing on one project, getting it done or getting it to the point where you can't go any further.

What I mean here is that, as a bookkeeping business owner, you're going to have multiple clients, so you're handling multiple projects. It's not like when you have one project and you just have to manage it.

You're having clients that are asking for your attention. You have work that needs to be done. You may have contractors that are working with you – whatever the case may be, you need to be able to see the big picture, and say, what projects need to be done? What is the order? What is the priority? Again, it's not multi-tasking, but it's handling multiple projects, and that's characteristic number 3.

Now, the second characteristic that you must have, is that you have to be detail oriented. Again, this is like organization, you're dealing with dollars and cents. So, you need to be able to take details and pay attention to those.

You need to be able to just pay attention to the little things. There is a saying that “the success in retail is in the detail”, well, I'll say the success in bookkeeping is also in the detail. Very important and that is characteristic number 2.

And number 1 characteristic – can you guess what it is? Can you think about it? Well, it's that you are personable. Now, notice that most people think, hey, I thought you were going to say something about math. But, no, the number 1 characteristic is that you are personable.

Bookkeeping is first and foremost a relationship business. That is what clients pay you for, to be personal. Going back to that 'B', being there for your client. If they can't relate to you,
then it’s going to be difficult for them to develop a trust level with you.

So, you have to be personable. And the bookkeepers that I saw have a resounding success in my practice – and also with the 2,132 that we have trained to date – the number 1 characteristic that they all share for the uber successful bookkeeper, is that they are personable.

So, there you have it. There are the top 7 personal character traits. So, now, let’s move into what is the earning potential for your bookkeeping business. Now, let’s talk about something that is real exciting, and that’s the earning potential that you would have with your bookkeeping business.

But, before we go into that, I’ve got a couple of disclosures and things that I need to tell you.

First off, this is in no way a promise or a guarantee of any earnings that you would have. Second, your level of success in starting a bookkeeping business is 100% dependent on your efforts, nobody else is going to do that. Finally, these are my opinions and my experiences that I had in my accounting and my bookkeeping firm.

Okay, with those things out of the way, let’s talk about the good stuff. Let’s talk about the money. Now, I’ve written a number up here on the screen of $300. This is what, let’s say, a hypothetical, typical client would pay you on a monthly basis.

Now, unfortunately, we don’t get to keep all of that 300 dollars. We do have some expenses and some costs that we’re going to bare on behalf of our clients. Now, in the very next training, we’re going to talk about those expenses. We’re going to talk about the tools and the technology that you would use to service this client.

But, right here, let’s just say, for argument’s sake, that that is 50 dollars. So, you’re going to pay out, on behalf of your client, 50 dollars. So, we’re going to subtract this out here, and I’m left handed, so, I kind of get in the way. But, we’re going to subtract out this amount from the 300. So, that means that we’re left with 250 dollars profit, or net, for us on a monthly basis, for this client. So, this 250 dollars – that’s, again, on a monthly basis, that’s before taxes – so this is what you would take home gross.

Now, when we take that and say what is that client worth for a year? We multiply that by 12 and that is 3,000 dollars. That means that on an annual basis, you would earn net 3,000 dollars from this one client, before taxes. Now, that’s pretty good.

Now, remember, bookkeeping, as according to entrepreneur magazine is the number 1 most profitable business out there. That means there’s high profit margins and low cost. That’s a very exciting thing.

Now, what I want you to do right now, is I want you to write down a number. I want you to write down an income goal that you have for your bookkeeping business. I’m going to wait
for you, because it's important that you write this down and that you have a vision for where you want to take it.

Okay, you got that number down? Now, this number probably what is going to give you the freedom and flexibility in your life that you want. So, I'm going to run through a hypothetical situation, so that you can see the number of clients that you need to have with your bookkeeping business.

So, let's say, so we can make the math easy, that your number was 30,000 dollars a year. 30,000 dollars a year is what you want. So, I'm going to write that down, and now we know that each client, on a net basis, is worth 3,000 dollars. So, let's do some fancy math, here, and divide 3,000 into 30,000, and what does that give us? That gives us 10 clients that we would need.

Now, getting 10 clients, it does take some time, and it does take effort, but it's not unattainable. It is absolutely within your grasp. As a matter of fact, in the third training, that's all we're going to cover.

We're going to talk about how you market your bookkeeping services. So, that you can get clients in the most expeditious manner that is possible. But, 10 clients, that is what you would need. That's what you would need to get to 30,000 dollars, right there.

So, it's important that you have this visions, because what I like to do is put little mile markers that show I'm getting closer to my goal, my ultimate goal. Now, this number right here, that's 100% dependent upon you.

Now a question that a lot of people ask me is that, Ben, how much time can I expect to spend on a monthly basis, to earn that 3,000 dollars a year. Well, every client is different, but I want to tell you kind of a sweet spot, what you should be aiming for for this 300 dollar a month client, is 3-4 hours maximum; and that's all told.

That's everything that you're doing for that client on a monthly basis, should be around the 3-4 hours. Now, again, this is a hypothetical situation, but I want you to understand what your earning potential is.

So, that's pretty much it for the training. What we're going to do is wrap up and we're going to talk about the next training that you're going to get access to. So, let's do a quick recap of what you just discovered.

The first thing that you learned is what is the bookkeeping business all about. I hope that you remembered the G.R.A.B acronym. Remember? You're going to be gathering facts, you're going to be reporting, you're going to be analyzing, and you're going to be there for your clients.

The next thing that we covered was the 7 key character traits that you need to have to start
a bookkeeping business. And then finally, we talked about income potential. Now, those are all awesome things and starting a bookkeeping business, again, the number 1 most profitable business, this is really about transforming your life.

It's about taking your life to a place that you want it to go. It's about giving you freedom and flexibility to live life as you want. The ability to determine where you work, when you work, how much you work, how much you earn.

This is what it's really about, because bookkeeping it's a noble profession, we talked about that, but really starting any business is about what it's going to do for your life. So, I want you to take a critical look at the things that we've talked about here today.

Now, in the next video that you'll be getting access to, we're going to be talking about the tools and technology – the exact tools and technology – that you need to run your bookkeeping practice. We're also going to talk about the start up costs.

We talked about the income potential, now we need to talk about the start up costs and then the on going costs. And I'll break a little something to you right here, it's very minimal. And then, finally, we'll wrap up the next training talking about the number 1 thing that you need to know to be successful in your bookkeeping business.

Now, I ask you to do something for me. Down below there's a comments section; I would love to hear your comments, your questions, anything that you would like to say about this training. Because, we're always trying to improve and I want to make sure that you have all of your questions answered. So, please comment below and be on the look out for the second training video, and I'll see you there!