The Case for Keeping Timesheets, But Making It Easier and Faster

BY: CHRIS CAMARA

If a firm must track time – and Tim Moy believes it's essential – why not figure out a way to make it less onerous?

Moy, the MP of Baraboo, Wis.-based **MBE CPAs** (FY22 net revenue of $15.4 million) and board member of **goVirtualOffice**, an Oracle Netsuite provider, came up with the idea driving home from a board meeting. Netsuite had asked goVirtualOffice to consider creating an Enterprise Resource Planning (ERP) system for one industry, and the board's ideas ranged from law firms to golf courses.

"It's about a 45-minute drive from my place to the board meeting and so as I was driving back I was reflecting on the meeting," Moy said. "I called Dirk and I said, 'You know, the CPA industry is desperate for good ERP systems.' " **Dirk Shimpach**, founder of goVirtualOffice – who says firms typically use disparate systems that don't talk with each other – agreed. They also agreed that the testing ground should be MBE.

Now MBE is using a new integrated system, **PracticeERP**, a platform that bundles CRM, client management, billing, and time and expense tracking, and Moy is an evangelist – not only for automating timesheets, a key feature of PracticeERP, but for keeping track of time in general.

Trashing the timesheet was a rallying cry of value-pricing advocates for years. Although the concept has lost popularity recently, the idea persists that firms should focus on the deliverable rather than the time to make it happen. Even so, Moy still thinks tracking time is critical.

"I am not in favor of the movement of no timesheets and the reason I'm not is from a management or a shareholder perspective. If I'm going to put a product out to the market even if I flat-fee bill it, I still want to know what it cost me to produce that product. And as long as time is a major input to the output, I'm going to want to know what that time costs."

He adds, "Without good data, which is of course what we're sacrificing if we go to a zero-timesheet environment, you can't properly score good clients and good employees."

One of the drawbacks to keeping time is the frustration and effort it takes to do it, however. Every firm wants to increase efficiency, and one way to do it is to cut the administration of keeping time through automation.

"I've cut the time to keep time by 75%," Moy says. Additionally, the firm now can measure time not only by employee but also by project, which he calls revolutionary. "It's not just that we're going to get better numbers, we're going to get better utilization, we're going to get better realization, we're going to get better leverage, and we're going to get more accurate pricing."

Shimpach, who noted that "data is king," added, "They can analyze where their teams are most efficient or inefficient, or where they're most profitable or not profitable. We've just taken it to another level."

Staff benefit as well. Though using timers is nothing new, some staff still track time by filling in spreadsheets or marking it down on a notepad by their desks, Shimpach said.

"I think it's one of the hugest detractors of keeping professionals in our industry," Moy said. "They come out of college and we call them professionals and then we start telling them to keep their timesheet by three-minute intervals. Even if I went to the local factory and was an hourly employee, they might only ask me to keep it by the hour or by the day." Automatic tracking means employees are aware of their own time budgeting, meaning fewer nudges by supervisors.

Finally, firms can use the extra time to improve their businesses, Moy said. "It might be a better work life-balance; it might be better client service; it might be producing more money; it might be working on the firm. But because we are a professional service organization that is so dominated by time anyway, we can gain time that has a multiplication effect that you can use any way you want." 🔖

Tim Moy