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Isaac M. O'Bannon • Mar. 03, 2014



Managing a successful small business is a challenge, especially when it comes to

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The results show that more than half of small businesses surveyed still use manual processes, such as a spreadsheet or pen and paper, to track finances. In addition, almost 40 percent of these businesses are spending multiple days on tax preparation.

While small business owners are known for being optimistic, confident and passionate about their trade, business functions such as bookkeeping and taxes are seen as burdensome. In fact, 40 percent of small business owners say bookkeeping and taxes are the most unpleasant part of owning a small business, right up there with going to the dentist and public speaking. Additionally, 40 percent of small business owners are only 'somewhat confident' in managing business finances and taxes.

"This April, nearly 23 million small businesses in the U.S. will file a Schedule C form, and yet there are still some small business owners who have no idea how much money they owe and have not set aside money for taxes," said GoDaddy Vice President of Applications Steven Aldrich. "At GoDaddy, we understand how painful tax time is and how critical it is for small business owners to report tax information accurately. We're committed to empowering the small business owner by providing them with products like GoDaddy Online Bookkeeping, which is both very easy to use and dramatically simplifies tax preparation."

The survey also indicated that using more sophisticated tools, such as software or online services, to manage finances, seems to give businesses insight into how their business is performing and how to accurately project growth and financial results. For example, a full 60 percent of small businesses using software or online services to manage finances performed as they expected to perform financially, whereas just 46 percent of small businesses that manage finances manually performed as expected.

The survey results also reveal that:

- Almost half (46 percent) of small business owners reported they do not work with

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- pay income taxes.
- 12 percent of small business owners have no idea how much they will owe in income taxes, while 74 percent reported that they usually know the “ballpark” of what they owe, while just 15 percent know exactly how much they owe.

GoDaddy Online Bookkeeping empowers small businesses, helping them monitor business metrics easily and enabling them to be more prepared and organized at tax time. The tool helps small business owners manage taxes, create, send and track estimates and invoices, track sales and expenses, as well as profits and loss, and categorizes transactions into IRS categories, among other capabilities.

“As entrepreneurs, small business owners are responsible for a number of business tasks, including marketing, inventory management, accounts payable, accounts receivable, payroll – all of these different areas that large companies have dedicated departments and specialists for,” said Danni Ackerman, founder of The Danni App. “It is imperative that we find tools to help us become experts in these areas. GoDaddy Online Bookkeeping has been an absolute godsend for me, helping me stay organized and manage my business’ finances effectively and efficiently.”

Accounting • Financial Planning • Small Business

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