



CASE
STUDY

Powering Franchise Profitability with Real-Time Financials

INTRODUCTION

The right accounting partner does more than balance books. They become a strategic ally, helping unlock a business's full potential.

For more than a decade, Copeland Buhl has been the backbone of growth for a family-owned company, supporting its ownership and operation of more than a dozen franchise territories under a major national brand. Navigating the daily challenges of a multi-location franchise coupled with the unique dynamics of a generational family business, the company relies on Copeland Buhl for both the tactical support to operate efficiently and the financial insights required to make informed strategic decisions.

CHALLENGE

When the next generation of the family took over operations roughly a decade ago, they did so with their sights set on expansion. However, they were frustrated by the lack of visibility into location reporting capabilities. The company's sole bookkeeper at the time employed primarily manual processes that resulted in outdated and error-prone financial reports.

Without access to reliable, actionable financial insights, the family didn't feel confident making decisions about the future trajectory of the business, impacting their ability to move forward with possible acquisitions, expansion into new territories or even understand why certain stores were underperforming compared to others.

SOLUTION

Having relied on Copeland Buhl for years for tax planning and compliance, the owners decided to now outsource their accounting and finance functions to Copeland Buhl. Copeland Buhl's Outsourced Accounting (OA) team designed a customized accounting and finance structure to bring efficiency and clarity to the business. The cloud-based tech stack included:

- QuickBooks Online
- ADP Payroll
- BILL
- Credit card accounts
- An intermediate software that imports data from the company's proprietary point-of-sale (POS) system into QuickBooks
- Forecasting software

The OA team handles nearly all the day-to-day accounting functions—from paying bills to monthly and annual financial and tax reporting. Meanwhile, the owners maintain complete 24/7 online access to the company's financials, including live sales and expense data, which are automatically allocated to the correct store using each application's native AI tools. This allows Copeland Buhl to create monthly management reports including key performance indicator reporting.

A high-quality, responsive OA team is fully engaged at a cost of less than a full-time in-house employee. That team includes both a staff-level accountant performing transactional work and a controller who reviews and makes adjustments. If one of the regular team members is unavailable, other Copeland Buhl professionals step in to keep everything on track. Copeland Buhl also offers fractional accounting support for a broad array of needs, including CFO-level services for strategic purposes such as evaluating potential acquisition targets.

EVOLUTION

Migrating from manual recordkeeping to a modern tech stack not only streamlined operations but also enabled real-time, store-specific financial insights. New clarity from the improved systems and reporting revealed a gap in the financial picture.

There was an issue with store-level gross margin data. Part of the problem was that the company often shares staff across all of its 12 locations, an effective strategy for keeping stores staffed during busy periods. However, their legacy payroll system was unable to allocate those employee expenses to individual stores, making it impossible to accurately gauge the true profitability of any given location.

Copeland Buhl designed a new payroll allocation system, providing each employee a designated "home store," with their wages allocated to that store unless they reported to a different location, in which case the wages were coded to the alternate location.

The new payroll allocation system enabled precise tracking of labor costs per store and a clear picture of gross margin per location.

RESULTS

By outsourcing the day-to-day accounting function, the owners have been able to focus on optimizing operations and keeping their sights set on future expansion opportunities. Rather than waiting months to know the financial health of their 12 locations, they now have accurate financial reports on demand.

With access to precise, store-specific profitability data, the owners have been able to pull different levers to attract and retain employees, such as additional incentives that reward productivity.

The company made strategic acquisitions of neighboring franchisees to supplement their employee base and increase efficiency in overall operations. Copeland Buhl was integral in analyzing each acquisition target's store data (such as average weekly customer count and sales volume) so the owners could make informed decisions about what they could afford to pay for each franchise, including modeling how long it would take to recover the acquisition cost.

With financial clarity, the owners are free to focus on the future—including franchise opportunities in adjacent personal services sectors as well as businesses in neighboring states.

THE COPELAND BUHL APPROACH

Copeland Buhl's outsourced accounting and financial professionals are passionate about helping our clients achieve their business goals and make informed decisions. And when you're secure in the knowledge that your business is getting just the right level of accounting support, you're free to do what you do best—manage your operations and grow your business

