Write a five to six page paper in which you:

1. **Describe the company you researched in one to two paragraphs**.

The company I researched for this assignment is “AccountingDepartment.com”. Their location is 512 Newark Pompton Turnpike, Pompton Plains, NJ 07444. They are an U.S. based, full-service virtual accounting online-based service company. The website address is [www.AccountingDepartment.com](http://www.AccountingDepartment.com). The AccountingDepartment.com quoted, “We are the next generation in virtual accounting for small and medium business owners looking to streamline and improve their accounting and bookkeeping functions with cutting-edge technology, forward-thinking culture and dedicated, full-service expertise”, (AD AccountingDepartment.com Leaders in Virtual accounting & bookkeeping services, 2015). The company was founded in 2004. There motto is “Do you want it done or do you want it done right”.

Mr. Bill Gerber, one of the founders of AccountingDepartment.com wrote an article on tracking employee’s time. The article mentions that the tracking of employee time is very important when calculating accurate client billing. Tracking time is not always about micromanagement or distrust of an employee, (Gerber, 2015), as it is about making employees more accountable for the time spent on an assignment. The measurement of tracking time also measures productivity and capability, task management and employee self-discipline. AccountingDepartment.com assigns a dedicated team of accounting professionals to each client which includes a daily bookkeeper, and accounting software specialist and a controller. Their clients develop a working relationship with their team members and are accessible through email, online chats, and telephone to answer questions, receive information, and handle urgent issues as they arise.

1. **Discuss how a time driven ABC cost system can be implemented in the company you researched and the benefits that the use will yield to the business performance.**

Cost accounting in the service industry provides management with a few options to calculate the cost of completing certain jobs in the service industry. Activity-based costing (ABC) provides for the most accurate calculation of completed jobs for manufacturing and the service industry. ABC costing is the most widely used method of cost accounting for the service industry and the manufacturing industry. As per our text, ABC costing, allocates overhead to multiple activity cost pools and then assigns those activity cost pools to products and /or services by means of cost drivers, (Weygandt, 2012). AccountingDepartment.com would greatly benefit from using the ABC costing method to help in tracking time by the team working with the client and also by each member of the team working with the client. This tracking of time can more precisely determine how much time is needed to spend with a client daily because in cases, the team can provide accounting services per day for two or maybe even three clients per day. I call that a form of efficiency in productivity. Of course, there will be occasions when a client may take up more time with the team then regularly needed, but these are special situations or maybe even called emergencies. Tracking the time is also needed depending on how you are billing your clients, by the hour or a flat rate.

1. **Assess how using an ABC system can provide a competitive advantage to the company in the market space it operates and the resulting impact to the business performance.**
2. **Examine the potential impact of time-driven ABC costing on services provided online with those provided through traditional channels, considering how this knowledge will impact decisions made by management about these services.**

5. **Use at least three (3) quality academic resources**