

FIRMER FIGURES

7 PROVEN STEPS TO KEEP YOUR BUSINESS FINANCIALLY FIT

How to improve your chances of staying in business and get the results you really want

Author of [Firmer Figures](#) - Fess or Mess Up (the book)

Georgette Rowland Osborne



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Credits on page 62



PREFACE

This eBook was designed as an alternative way to consume the content of the popular audio recordings *Keep Your Business Financially Fit*.

Apart from any ad lib comments on the audio version, this document contains the same information.

The audio was designed so you can listen wherever you are; but people wanted something they could refer to quickly and make notes in.

This is not a course or workbook, it is a reference point for taking future action regarding how you set up and monitor your finances.



ABOUT

Georgette is Director of the Financial Gym, and Precision Services Outsourced Bookkeeping. She is creator of the Firmer Figures Finance Programme for entrepreneurs. An author and a speaker.



Georgette entered the cutthroat world of IT and Finance in Central London at a time when it was not the easiest place for females to belong, let alone someone from an ethnic minority. However she thrived there, and became manager of a bespoke IT outsourcing company in the City with banks as her main specialty. Her portfolio of clients included the Bank of England, Merrill Lynch, NM Rothschild, NatWest Bank, Ministry of Defence and ironically the Inland Revenue.

When she read a statistic that one in three businesses do not make it past 3 years old, she knew that for so many this could be avoided with the right information at their fingertips. She had personally been through it. She also realised that so much of what made her successful in big business did not apply in a small business. There was a different, tougher set of rules and very few safety nets.

Georgette wants to take the fear out of finances and believes that until people put as much energy into understanding the money, as they do into designing a logo or website; she has her work cut out.

For more information and offers go to:

<http://www.financialgymforbusiness.com>



CHAPTER ONE

INTRODUCTION



INTRODUCTION

Who? Why? What?

Thank you for taking the time to read this publication and also for listening to the series of recordings. and I hope that you will listen to all of them; and that as you do; you will get some practical tips to help on your journey of financial fitness.

Well who am I and what is the Financial Gym?

- Mother of two
- Wife to one
- Owner of two current businesses
- Planning the third.

I have worked in a number of industries in my time:

- Catering management
- Business equipment sales – yes I pounded the pavements collecting compliment slips from businesses so I could cold call them later. Brrr!!
- IT sales, training and consultancy
- Outsource management
- Corporate Vehicle Hire
- Distribution and transport

And underpinning all of them - ***Outsourcing, Bookkeeping and Accounting***



I have worked closely with large corporates like Merrill Lynch, UBS Services, Bankers Trust, The Bank of England, Inland Revenue, RAF, Compaq Computers, Hewlett Packard, to name a few.

With the exception of my time in business equipment sales, the other roles all culminated in my becoming the Manager, Divisional Head or Director and required me to produce and understand financial reports and meeting targets. Be they sales or financial.

I have also worked with many, many small independent businesses holding their hand while they sort out the minefield that financial administration can become.

Over time the exposure to these disciplines helped me to discover where my expertise lay. And that is in the area of systems, particularly, planning, implementing and managing the marriage of IT with accounting for the benefit of end user business owners. I am continually working on ways to help them get what they need; without bogging them down in the detail. You do not have to know how an engine runs to drive a car.

Entrepreneurs like you should be concentrating on driving your company, not tinkering with the nuts and bolts.

This in turn allows me to get involved in the area that truly puts fire in my belly: and that is providing support to the actual **people** behind the businesses.



When I first worked for myself I would have loved to have had access to a business service or a business person that was not so much about showing or telling me what needed to be done; but actually helped me do it. They would not only help me to actually implement things but would also be at the end of a telephone when I needed an ear, no matter how stupid I believed the question was.

Feeling alone in business will eventually drain you. It seemed that big companies who already had resources had no end of support. Meanwhile smaller businesses, which paradoxically make up the majority in the UK, US and Europe, etc, were faced with the choice of paying consultants they could ill afford. Or relying on accountants or the now deceased Business Link support organisation.

I, like so many people have had a rollercoaster life with its many ups and downs. Despite some tough times I have managed to get here in one piece. At a time in my life when I thought things would be slowing down I have more energy than I have ever had, more ideas and things I want to do and the thrill of looking forward to what I am going to do each day. Even though I have never worked so hard in my life.

And I have not even begun to touch the tip of the iceberg of the things I plan to do over the next few years.



After riding the sometimes traumatic and depressing rollercoaster, and with my feet now safely back on the ground; and working with business people, some of whom have themselves faced and are facing difficult times a few things have become apparent:

- We are rarely unique in our experiences, whatever we are dealing with; someone has been through it before and dealt with it.
- Don't be afraid to admit what you don't know or to ask for help
- Ask "What did I personally learn from my experience that was beneficial?"
- And "How can I use what I learned to help others to benefit also, while on the journey of helping me and mine?"

The last point encourages you deal with people as allies rather than adversaries or competitors.

If everything you do is to benefit only yourself, the levels of success diminish, equally if you are always giving and rarely getting something in return, you will lose heart. So there is a balance that needs to be found.

So how did this become the Financial Gym and how did it help me change my outlook, prospects and results?

Two areas of my life were not as I wanted; my finances; and my weight and fitness. Whether there was a genuine connection at the time is hard to say, all I know is that I wanted to make big changes in both.



In my younger days I had a stomach you could use as a spirit level, I just had to look at a set of weights and I would tone up. Money, well there was plenty where that came from. A great career in the City in IT kept me in Harvey Nichols pedicures, and a directorship on the side paid for the shopping.

Over time, and for reasons too complicated to go into here, I had to deal with some major changes.

I make it sound as if there was some great quirk of fate that happened **to** me. Really it was the realisation that more than things happening to me, I was a victim of my own decision making. I may not always have been at fault in situations. (I will cover more about choosing the people in our lives later in the series.) But I was ultimately responsible for where those situations took me.

It was this painful realisation, an episode of Eastenders, and a conversation with my daughter that provided the kick up the rear end that I needed.

What! An episode of Eastenders? I hear you ask. It was quite a few years ago, as I can only watch it now if my children force me. I can meet depressing people without trying, why would I do it on purpose?



Well it was the usual standard story where one character owes money to another and has to pay it back sharpish otherwise they are in big trouble. The part that I struggled with was that the amount owed was for about £1000. From the outset it was depicted as an insurmountable amount of money to have to find.

I could not get past the fact that for the sake of £1000 this character was going to lose everything. No family or friends to ask. Apparently unless you are a member of the Mitchell family you are stuffed. But even more telling; they could not even lay their hands on a few hundred to get the ball rolling.

While this was not my circumstances, I could see that if I continued to coast along in what I now recognise as protective mode, it was not inconceivable that this could be me.

The final straw was while moaning at my daughter for constantly asking for things, I could hear myself telling her that we could not afford it, *again*. I was brought up to believe that anything was possible and here I was teaching my daughter the opposite. If I told her “No” I wanted it to be because I decided that what she was asking for was inappropriate at this time. Not because I was not able to do it even if I wanted to.

Added to the mix, my other half was in a job that seemed to be going well, but after years of uncertainty in his career, I was still wary of becoming too used to the stability.



And that is when I got mad. I had forgotten what my goals, dreams and plans were and I was not getting any younger. I also had two children who were used to the holidays and I was saying “not this year “when everyone so clearly needed a break. I told myself I wanted them to see how life could be if they were prepared to do what was necessary, yet my behaviour was telling a different story. And I was constantly at the mercy of what was happening with my partner’s working life, instead of getting clear about my own.

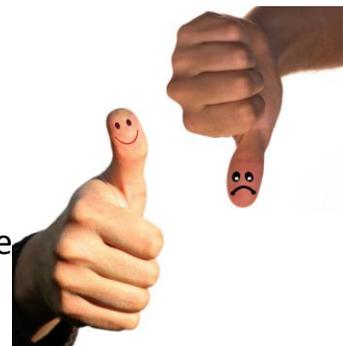
Then the old Georgette kicked in.

What was I good at? “Systems” and facing problems head on. As long as you are clear about the outcomes, put in logical steps and follow through; the results are yours for the taking.

Passion and determination are great; but with no plan they can only be sustained for so long.

So I decided to follow through on systems that had worked for others and myself in the past. Systems for both building my finances back up and getting back the body I had before, well something similar. As I said I wasn’t getting any younger.

Motivational teachers have for many years preached the need for having metaphorical carrots to dangle in front of ourselves or in layman’s terms positive reasons to drive us forward. Other times we are more motivated by having a metaphorical stick or a negative result that we fear will beat us, to keep us moving in the right direction.





My carrot -I dream of my children and particularly other ethnic children growing up in a world where they take abundance based on achievement for granted, so whatever I do in this lifetime may not be totally realised by me, but I would have laid the foundation for them to carry on and thrive from it.



I also love Christian Dior handbags, Salvatore Ferragamo shoes , and driving cars that are obviously too large for someone my size to drive.

My stick I have high blood pressure, so I need to be able to manage stress to ensure a longer life so I can be there for my family.

Another stick is standing up in front of people to give talks or workshops and feeling that I did not look my best because I was unfit and overweight.



Not matching my story, so to speak and being judged for it.

What are your carrots and your sticks? Are they strong enough to move you from where you are?

Your Three Carrots

1. _____
2. _____
3. _____

Your Three Sticks

1. _____
2. _____
3. _____



Whether you are dealing with debt in your business and its impact on your private life. You want to grow the business but the money does not support this. Is it due to circumstances or are your carrots and sticks not sufficiently exciting or depressing enough to inspire you to act.

For you yo-yo dieters and those that experience serial financial boom and bust. You may be saying “I have heard it all before and I still get no further”. I ask you to bear with me; humour me a little. For those that are new to the principles, listen, digest, and listen as many times as it takes and then make sure you act on what you read and hear.

What is the Financial Gym formula for avoiding disaster in your business finances?

In the next instalment of the audio series I will deal with laying the foundations.



CHAPTER TWO

FINANCIAL FOUNDATIONS & PLANNING



With finances as well as fitness, before you begin, you need to understand why you are doing it.

- To have more money
- Be slim
- Get fitter
- Buy nice things

These are the tangible results, but I bet if you look more closely they are not the real motivations. Only a few people really want to spend time working out for the sake of it. Staying up late at night, or going into the office at weekends so you can juggle money, is not many people's idea of a fun time.

In the last chapter, I shared some of my underlying motivators with you. Remember when I talked about the carrots and the sticks?

Motivators around our bodies and physique could reveal things like:

- Self-esteem – wanting to feel better about yourself
- Improve or reduce health problems
- A response to negative feedback about your appearance from others.
- Prepare for a special event – like getting married
- Running a marathon for charity

Financial motivations could be:

- Fear of failure or poverty
- Having a mission or higher purpose you want to achieve that having money will allow you to do.
- Improve the lives of others in some way or promote a message of improvement
- You want people close to you to be proud of you
- You want to prove people wrong about you, your ideas or abilities
- You want to be famous or held in high regard by your peers, or within an industry
- You want to be part of a business or social group and money will buy acceptance



What are Your Emotional Motivators?

1. _____
2. _____
3. _____

What are Your Financial Motivators?

1. _____
2. _____
3. _____

What are Your Physical /Practical Motivators?

1. _____
2. _____
3. _____

What are Your Spiritual Motivators?

1. _____
2. _____
3. _____



Once you know what is driving you, be honest about it. Even if it is just with yourself. Use it as the fuel to propel your planning.

Financial planning is a lot more interesting when you realise it is the foundation for you having what you want.

What does financial planning for a business entail? What do you need?

Let's start with two words that have been known to send even the most hardened of entrepreneurs into panic mode.

The words? Oh yes BUSINESS PLAN.

Now even though I am speaking from a financial viewpoint, your business plan is made up of 3 main areas.

1. The sales and marketing activities
2. The operations side encompassing customer fulfilment, servicing and administration
3. Thirdly, the money of course

The first two areas deal with how the money is made, what you will sell, how you will sell it, how will you deliver what the customer wants, who will do what, etc.



The financial section documents the result of how well you plan to handle the other two areas. The money management, as important as it is, merely reflects how well the other parts of a business are running. So while it does not in itself generate income, it is invaluable as a means of monitoring progress and growth, or decline if that is the case.

In my experience it is not that people do not want to do or have a business plan. It is very much more to do with not knowing where to start. Or they are struggling to find the time to do the work necessary to complete one.

As with most tasks these days, you do not have to do it yourself. Get help or outsource it altogether, but remember it is your future, so you will still need to be willing to provide valuable input.

A colleague of mine recently did a Business Plan for a couple who were investigating a new business venture which required a large amount of money just to get it off the ground. My colleague carried out a comprehensive plan for them that included doing market research, competitor analysis, etc.

The report was not favourable. It highlighted some big discrepancies in their assumptions. But most worryingly it revealed that they were about to enter a dying market. There were better alternatives to their product and as such any investment from outsiders - which was one part of their plan - would be difficult if not non-existent.



Two lessons were learnt.

An investment in an expert can save you time, money and stress in the long run, as they have expertise and experience and can be more objective.

And the other lesson was what costly mistakes can be made if we don't plan properly. The couple would inevitably have drawn the same conclusions, but by then it may have been too late to turn back.

Happily they did go ahead with the business, but only after rethinking their approach to the marketplace, and ensuring what they were offering would be wanted and profitable.

Statistics show that 1 in every 3 new businesses will have closed or changed to something else within 3 years of starting up. And of those still going, at least another 3rd will not make it past 5 years.

The numbers vary depending on who you listen to, but the message is clear.

The majority of business people approaching their bank for an overdraft or a loan; do not have adequate data to support their application. So while I accept getting money out of banks is like getting blood out of a stone; the quality of the information they are given to work with is often at best lacking and at worst does not exist.

There are very good businesses that have gone to the wall due to lack of investment or the ability to borrow in time. It is madness to make an already tough process even harder when you could tip the odds in your favour by being prepared.

For those that love numbers or are numbers savvy, let's us look at the standard financial data that one most commonly expects to find in a successful business. Those that do require time, knowledge and consistency to achieve.

For those of you that find it all too complicated, even though you know you should do something, right now can only cope with the bare minimum to get by without getting themselves into trouble. I will walk you through the various items only briefly.



If you want more detailed guidance and specific examples to help you get started, you are welcome to contact me on Facebook at www.facebook.com/financialgymforbusiness, find me on [Twitter](#), or go the website www.financialgymforbusiness.com and send me a message via the contact page.

Firstly:

If you are a Startup – then look at what you are going to need to get going. If you are going to be selling goods, you will obviously need to buy stock to resell. In addition you need to factor in equipment, overheads and day to day expenses, how you will survive until the money starts to come in? And will there be other staff costs if you are not going to be working on your own.

The odds are it will take you longer to get sales than you anticipate and you will spend more than you expected, which will result in a shortage of cash if you have not planned for how to fund your business while it ramps up.

Forecast the amount of **Sales** you need to make each month to achieve the income you have planned for. Forecast the number of sales in relation the amount of money those sales will generate. For example if you are service based business, and you want to earn £5000 per month and you charge £50 per hour, you know you need to sell 100 hours to make that a reality.

This is a very simplistic view because it assumes that you are working all the time so you of course have to allow for quiet periods and holidays. In the early days much of your free time could be mainly due to those quiet periods because things are slow as opposed to holidays which the majority of start-up business owners cannot afford to take anyway.



For those who sell products the principle is the same, how many units of your product at what price will achieve your goal?

In addition to establishing the target sales, it is also useful to know the minimum sales you need to make before you are making a loss. This is called the **Break-even figure** and is the point at which you are making neither a profit nor a loss. If your sales regularly dip below this amount, while your expenses remain the same, this is a recipe for disaster.

Even though you may have not traded yet, create a **Profit and Loss Budget**, this is a breakdown of how much you plan to sell (your revenue or income if you like), minus how much you need to spend to make those sales, minus the other expenses you expect to incur while running your business, so you can see how much profit you need to make.

A quick note about the word **budget**. In our personal finances, a budget is something that you stay within. For the purposes of business, I challenge you to rethink the word budget and treat it as something you aspire to achieve, no glass ceiling for you. If it helps, substitute the word budget for **forecast**, whatever it takes to remove any constraints on your targets, aim to exceed your expectations.

And now the real test of your financial fitness, step forward the **Balance Sheet**. This shows you what your business is worth at any point in time and whether you have the resources to pay what you owe at that time.

Your profit and loss figures will show you where profit is made, but it will not show you that you have very little cash in the bank, or too much or too little stock to play with, or that you have lots of sales that not been paid yet. This is where the balance sheet comes in.



What do you want your balance sheet to look like, how much will be made up of stock? How much made up of cash, will you be buying assets that grow in value, like property or stocks and shares?

And last but not least; but one of the most important - a **Cash flow** forecast. How much money do I need to pay my expenses and liabilities at any given time or turn it on its head, will enough money be available to cover my expenses at the time I need it?

I would go as far as to say that even if you do no other form of bookkeeping or accounting, at the very least understand the movement of your cash.

No profit leads to no cash. No cash leads to no business. Most business owners have no real idea what their cashflow is. A reduction in money at the bank on a consistent basis is usually the first indicator that all is not well. Business owners that track cashflow, see this coming and take steps to head it off at the pass.

Another tip, if money is tight, do a **daily** cash forecast, it does not have to be a spreadsheet. Get your bookkeeper or accountant to help you with a spreadsheet version, but even a diary of *payments out* is a start. Create a new Calendar on Outlook, Google Calendar whatever you use and schedule the payments.

Also an app called **Calendar Budget** is really useful

For larger businesses or those with lots of outgoings this is possibly too simplistic, but you will be surprised at what I have seen work for people. However you can get to the information that will help you, then that is what you do.

Also bear in mind that if you are just starting out or in the early stages, your forecasting will be wrong anyway. You have no history to use as a foundation so for most of you, unless you have a well-researched business plan will be relying on “educated” guesswork, but we all need to start somewhere.



Anyway that is all for part 2 of “Keeping Your Business Financially Fit”

I hope you will join me for Part 3 of this audio series where I will look more closely at money in and out.



CHAPTER THREE

INFLOW v OUTFLOW



Understanding how you make money and how it disappears

Inflows of Cash Must Exceed Outflow

To lose weight more effectively, you need to increase exercise and decrease calorie intake from food.

To build muscle you need to lift more weight than the targeted part of your body is used to dealing with so the muscle is stimulated into growing.

To be *financially* fit, you need to bring in more money than you pay out. Though with business finances there are other considerations that could still undermine your efforts, despite making more money than you spend.

So the basis is to put more in and take less out and you will be left with your desired outcome or income as the case may be.

However it is not just the amounts of money that have to be taken into consideration, but the timings, the actual movement or flow of the money. We will explore this in a later podcast when talk about money movement techniques.

And most importantly, HAVE A SYSTEM.

System is one of the most overused words of the modern business world. But what a system does is create a framework to get you from A to B, it makes it easier for others like staff and your advisors to understand what you are trying to achieve so they can support you better. And they enable you to delegate much easier knowing the results will be consistent, rather always relying on you to have to do everything.



The systems you may employ to aid your Inflows could include:

1. **Automating your lead generation**, be it via your website, social media, a referral/affiliate programme, etc.
2. **Sales Process/system** that builds on your leads and is consistent. It may enable you over time to hand over elements of it to others to free you up even more. An obvious one is documenting a script to enable someone else to handle initial enquiries for you, it may even be good enough to enable them qualify the suitability of a prospect for your product and then schedule appointment with you only if appropriate.
3. **Procurement / Purchasing / Buying Process/system** Minimising what it costs you to make sales and run your business without sacrificing quality
4. **Customer Fulfilment Process/system** the best way to get your product or service to the customer that pleases them and still makes a profit.
5. **Credit Control Process** that makes sure the money you have made is not messed up by poor financial controls in your business.
6. **Money Management** allocating the money to make sure it goes to the right place at the right time. And most important of all - **you** the business owner are being financially rewarded for your hard work.



How good you are at these different parts of your business will show up in Your Profit and Loss reports, Balance sheet and Cash flow reports. I will explain how in a later chapter. *(You may prefer to listen to the audio of that chapter)*

For now let us concentrate on how you can influence the processes in your favour so what the reports eventually show you is what you want to see.

If you remember in the podcast number 2 – Foundations and Planning I said your business was split into 3 main areas, Sales and Marketing, Operations and Financial Controls.

Lead generation and sales process are obviously marketing and there are amazing experts out there who have brilliant systems that you can apply. In the wider arena a few of my historical favourites are:

My only input on the subject, particularly for most of you who I presume are self-employed or small business owners would be:

Raise your prices. Your costs do not stay the same year after year after year. If you never raise your prices you are effectively reducing your profitability even if you are selling more. But do ensure that you are giving value to justify your prices.

No amount of money juggling will save you long-term if you are not selling enough. You have no choice but to improve and increase your marketing efforts.



Home businesses often use the advantage of having low overheads as a way to keep prices down so they can have a competitive edge.

However this can be disastrous for long term growth. If you ever need to hire extra help, move premises, invest in equipment etc., there may not be enough margins in your pricing to afford these things. If you then decide to raise your prices, the amount you need to raise them by to cover this may be such a big jump. So big that it may be too steep even for the clients who are not price sensitive.



Procurement /Purchasing and Buying

A word of warning. While keeping costs and expenses down is a fundamental principle of profitability; you do not want to do it to the point where it has a negative impact on your business. In 2011 Ernst and Young's Annual Business Leader survey declared cost cutting as the second most dangerous risk to business survival after regulations and compliance; in the eyes of business leaders.

Indiscriminate cost cutting just to end up paying less can be a false economy if it means you cannot trade effectively.

An example is buying cheaper inferior materials or stock. It will increase your profit on paper but could expose your business to other negative consequences. The possible effects are outlined in the flowchart on the next page.



You take longer to provide your product or service. And/or you need to increase manpower to get them done on time. This cuts into your gross profit. i.e. you make less per sale.



Consequently customer satisfaction levels are reduced because product or service is not of the same quality. Or the quality is the same, but takes longer to produce or provide



There is a rise in complaints. Customers spend less or buy elsewhere



It becomes difficult to get money owed because customers are delaying payment until issues are resolved. With some spending less or defected, future monies will go down in the near future.



This is how many business owners get caught out. They see there is lots of money still owing to them so they believe everything is fine as the money will come in. Because they have no current or recent profit and loss figures, they are unaware that the sales are decreasing. There will be even less money down the line.



And that is assuming you don't have to add the task of chasing money to someone's job. That someone could be you. Chasing money is time consuming, rarely done well, and may still not result in you getting your money.



Then you are faced with engaging a credit control or debt collection service because your own financial situation is showing strain as you are less able to pay your bills.

And with decreased sales the stock you bought is sitting unused. You are struggling to turn into money.

Now I know I paint an extreme example, and you would be really unlucky to experience all those things. It is just to illustrate the knock on effect of one badly thought out decision.

To buy or cost cut effectively you need to have a plan of action that takes into account what the impact of each buying or non-buying decision will have on the other areas of the business. You need to know whether the risk is none, low or high. This means you need to have your owner, not worker, head on. You need to be looking down on your business. Looking at the components like chess pieces and moving them around accordingly.

Difficulty comes because the need to cost cut is a reaction to what is already a bad situation. A business owner that is already stretched dealing with day to day problems. The aim is now just spending less money, because the business owner is desperate to stop fire-fighting.

The irony is if you strip back too much of your resources you could leave yourself with nothing to fight with.



If you go back to doing the bare minimums as a business, or as is common with sole traders, doing everything yourself; then what is it about you that will make you stand out from your competitors? What leverage will you have to ensure your existing customers stay with you. All it takes is someone doing the same as you to come along with a cheaper price and steal them away from you?

Often changing how you do things so you maintain your edge is a better alternative. A good part of my business is run virtually, with a heavy reliance on IT for this very reason. Changing systems, tools and processes was for so long my fear. It meant a massive change to the structure of things. It has since created a window to more opportunity.



A Few Buying and Cost Cutting Tips

- Ask trusted contacts for supplier referrals
- Continually research and evaluate products and services in your marketplace so you know what is available
- Regularly evaluate providers, services and pricing deals. Particularly commodity supplies like utilities, telephone, broadband, mobile tariffs. It is a sad fact but you often get better deals as a new customer switching over than you do for being local
- Maintain good relationships with suppliers, the better they know you the better the service you get and the easier it will be to negotiate better credit terms with them
- Negotiate better credit terms with your suppliers
- Pay on time if there are prompt payment discounts to take advantage of.
- Be very careful about premises and office space, find the cheapest you can. But not if you know you will outgrow it quickly and have the expense of moving again unnecessarily.
- Purchasing via Bartering can be great for cash flow, but I don't believe it suits all types of business.
- Buy stock and materials to ensure you can fulfil sales but not so much that much needed cash is tied up. Monitor your stock closely. For those of you in restaurants, bars and pubs this can be a constant battle.



A Few Buying and Cost Cutting Tips cont....

- Evaluate your staff or team and be honest about the real contribution each person makes. Get rid of who is not performing or causes you headaches, life is too short. If there is good reason, then train then up, but do not carry any passengers.
Of the thousands of profit and loss reports I have produced over twenty years, staff costs are usually in the top three biggest company expenses. Such an overhead should be beneficial to your business, not a drain.
- Cut out unnecessary tax bills. I don't mean tax on profit, but on accounting for trading activities like payroll and VAT. The amount of money lost to businesses in fines for not filing on time, or filing inaccurate returns is staggering. Apart from poor cash flow, the primary reason is inadequate bookkeeping.
- Consider if you can actually afford something. Does the item require you to borrow and if so can it wait until you can buy it from disposable income?



Credit Control

How frustrating to go through all the work and achievement of getting customers. Selling to them, providing your product and service and then to not get paid in time to cover your expenses. Even in businesses that have a lot of available cash reserves, this situation would eat into this over time and put the business at risk. Again monitor your profit and loss as you go along. There are fundamental things you can do to stay out of trouble, a few of them are:

- Ensure you are actually making a profit
- Raise your prices
- Have a credit control policy in place. I hate to use the word policy because it conjures up images of thick documents with clauses. But it may be lines on an A4 piece of paper that outlines a basic procedure that you follow it could include things like:
 - If you invoice your customers, send the invoices out promptly, monthly invoice runs can hamper the way your money comes in depending on your business
 - Do not give credit unless you have to
 - Consider credit checking new customers if their non-payment would cause hardship
 - Have clear and freely available terms and conditions
 - Watch out for new customers placing orders larger than average for a first time buyer on credit in a hurry. They could be on stop with another supplier and shifting to you. Again – credit check or references
 - Rather than put the amount of credit days on an invoice, state the date you want to be paid by
 - Take an initial deposit from new customers as a contingency and do not supply to them or start work until it is paid.
 - If appropriate take payment by standing order or direct debit for regular customers. You can even do this via credit card on PayPal.



There are many more and if you are interested in setting up a credit control policy or would like help merely to put a few processes in place. Go to the website www.financialgymforbusiness.com and put a request in the contact form.

A few more:

- Keep an eye on service levels, often cash in is hampered by unhappy customers refusing to pay until something is resolved. It is better to solve the underlying problem than to keep giving refunds, credits or lose a customer over money disputes
- Track the cash and be aware of what you will need before it is due
- If customers owe you money, collect it vigorously, you need it to pay your bills. Otherwise you are giving interest free credit.

Our time is over for this session.

I hope there are some tips in there that you can use right now.

See you in part 4 of the series



CHAPTER FOUR

TEAM

**Be the Financial Leader without
being a financial expert**



Be the financial leader without having to be a financial expert

So what are the things that separate really successful people from the not so successful? Well there is one fundamental thing.

Successful people do not try to do, or be responsible for every part of their business by themselves. This is usually reflected in how they run their private lives also. I don't just mean because they can afford it, but because they believe they can't afford to be any other way.

“No man is an island” As sure as eggs is eggs, you will accomplish far more in a shorter space of time if you have people around you. People who are as good, if not better than you at accomplishing the tasks that get in the way. Whether you lack time, motivation or the right skills.

Having experts around you will help. They will either relieve you from certain tasks altogether, or motivate you when you least feel like doing what you should. This limits the possibility of you letting things slide.

This is where organisations like Weight Watchers and Slimming World, local gyms and personal trainers really come into their own.

Few people have the discipline to maintain a fitness regime on their own for as long as they would be able to sustain one with a fitness trainer to guide them. The expectation of having to turn up to a weight loss group each week, makes you feel accountable and more likely to stick with the programme.



Similarly, in business, you are continually told to concentrate on what you do well and enlist help. This is often in the form of outsourcing for what you don't do well. My clients all have one thing in common. Regardless of whether they are one person working from home or in an office with 30 staff, they have no desire to spend time doing routine jobs that get in the way of making sales or developing their growth. The fact that the bookkeeping and accounting takes place away from their premises is also not a problem for them. In fact the less they have to get involved in the nuts and bolts, the better they like it. They just want to be confident things are being taken care of and that they get the information they need on a regular basis and in a format they can understand. This keeps the accountant happy and the tax office off their back.

Also don't wait until you can't cope or you are overwhelmed before exploring outsourcing. Plan for it before you need it. If you do it when you are desperate you are more likely to make expensive mistakes. I have clients who went through a number of bookkeepers and accountants, financial coaches, and so on; before they finally came to me. I have spent so much time clearing up other peoples financial messes that I actually created a service called "Clear Up Your Backlog" or as one client renamed it "Clear Up My Crap". I know when money is tight it just does not seem feasible to pay external providers, but calculated risks are what being in business is all about. If it works out; you will come out stronger because you are positioning yourself to handle more business. And remember you are free to undo any decision you make, you are the boss after all.



Outsourcing or the idea of it has become very fashionable in recent years. So much so that you would be forgiven for feeling inadequate or behind the times if you are not juggling staff from the Philippines while sipping cocktails in Monaco.

It is no secret that I am a convert, if not a disciple of the virtual working environment. Despite that, I am going to be a little controversial and recommend caution.

Before speeding towards adding to your team (which includes employing people of course) or the outsourcing route. I would strongly suggest that you need to make sure that what you have is in fact a business, or at least the blueprint of one.

Before any action can be taken to add members to your team or engage the services of experts on an ongoing basis. With the possible exception of an accountant. You must, and I mean you must be able to produce regular, predictable income or sales if you like.

The actual amount of money you need to have will obviously vary depending on the needs of your business, but the principle is the same.

Ensure that you can pay for the skills you buy in or employ. It is not uncommon for the over enthusiastic entrepreneur to expand their team to fit their vision but do it too soon. They eventually get to a point where they do not have the cash to maintain it. Or due to poorly prepared delegation or hiring criteria, having a team has caused more chaos than clarity.

Consequently, either due to panic or disillusionment or both the owner reverts back to doing it all themselves once again



Looking around at what other business people are doing, particularly if they are in the same industry as you, can make you feel insecure. You can believe you are behind the times or not evolving quick enough. Do what is right for your situation. Without knowing the exact set up, financial position and stage of life of another business it would be dangerous to compare, let alone act upon. *Though* there is nothing like little healthy competition to get us off our butts, even if we are not sure of the facts.

If you are what is deemed a fast growth business, or you have a revolutionary idea. That makes you an attractive proposition for investment and you can afford to seriously consider staff or outsourcing early on, even at start-up.

This is not the case for most small businesses. The reality is that you will probably have to graft and graft. That is until you build up the level of regular revenue that will give you the cash you need to take your first team building step.

As I mentioned earlier, if you are not really prepared; adding to your team can have the effect of, at best, inconsistent results. Right to the other end of the scale where things become chaotic because you no longer do important tasks all. You may have been working around the clock but you controlled everything and you knew what you were doing.

This scenario often finds us muttering “if you want something done well you might as well do it yourself” And no doubt in most cases that really is quite true.

Unless you relinquish some of the control you will not only stagnate, personally and financially. You will be tied to the day to day running of your business indefinitely. Eventually you will either burn yourself out or call it a day from boredom, lack of interest and feeling like a failure. Assuming other factors don't close you down first.



“You may own a video camera and write a script, but it doesn’t make you Steven Spielberg or Quentin Tarantino”

The skill is in planning for the new additions by having - dare I say it - systems and procedures to help things go smoothly. It is hard enough to manage change without winging it. Alternatively if you are using the services of a fully set up outside provider as part of your team, the good ones will already have the necessary systems, processes, knowledge and experience already sorted, just waiting for you, the customer or client to tap into.

You may own a video camera and write a script but it doesn’t make you Stephen Spielberg or Quentin Tarrantino. There is a good chance with time and effort and a little learning you would produce a pretty good movie. But you know that if you got Spielberg on the case with his expertise and access to other experts, you would end up with a great movie, done in less time – creative expression allowing of course.

The most common or first member of a financial support team is an accountant. But even then, accountancy services, with some exceptions of course, are not designed to get involved in your daily financial activities and nor should they be.

An accountant’s expertise lies in analysis, interpretation, and advice, be it about tax matters, compliance and regulations, business structure and forward planning.

If your accountancy firm handles your day to day transactions that is not accountancy it is bookkeeping and is a separate or additional string to their bow, even if you are getting just the one bill.

To really put the cat amongst the pigeons, rarely is the bookkeeping part of the service of great interest to accountancy practices or CPAs for the Americans among you. Bookkeeping is labour intensive and needs to be regular and consistent which eats into the fees charged which would be better spent giving you compliance and tax planning advice. If money is no object for you, than that is not a problem.



While there are accountants that will do the bookkeeping to keep control of the client relationship. Some, as a loss leader to get the accountancy work of a bigger or more lucrative client. One prime reason is to just to alleviate the time consuming and often unproductive task of chasing clients for paperwork, and information needed to complete tax returns and year end accounts.

Over and over again they get paperwork that arrives in poor condition with missing data. Even if they get it on time, the effort needed to sort out the information often results in late returns or returns that are not as accurate as they could be. The poor accountant has had to make judgement calls because they didn't have the facts behind transactions.

In fairness it is often easier for them to just do it in the first place, than have the problem of unravelling the mess. If you are one of those clients that fall into this category, *don't feel bad*. If doing your accounts well was a priority you would be an accountant or a bookkeeper. But you are not, you are an entrepreneur, and that is where your focus needs to be.

If your accountant is doing your transactional work, be aware you are paying for it in one way or another. If it is added to your bill it is at accountancy rates. Unless they have bookkeepers on staff. If it does not appear on your bill it is possibly being clawed back by giving you less time for strategic support. Most accountancy practitioners would love to be able to add value to their client's financial health. Remember they are *also* business owners and have a bottom line of their own to watch.



We all have our preferences when it comes to how we buy things. It does, however, depend on the item or service. As convenient as it is to have a one-stop shop, it rarely compares to using or buying from specialists. There is a reason why finding a niche is such a stalwart of marketing professionals, it is because they know the advantages to both customer and provider.

It is great to be able to grab a coffee at the supermarket while you do your shopping, and then get your petrol and maybe a car wash in the car park before you leave. Now compare that to drinking your coffee in a deep sided chair in Costa, Starbucks etc. tapping on your tablet or reading your e-book as the rest of the world goes by. Ooh forgive me, I am having a moment.

Would you prefer a ward nurse to deliver your baby, or a midwife, who does it all the time?

As a rule, specialists tend to cost more than the generalists.

I bet many of you are specialists, and are worth your prices; as the L’Oreal ads would say “You’re worth it”. I bet there are good reasons why you charge more for what you offer.

And even if a person or company specialises in a particular sector, area, niche if you like, more often than not they have great skills in other related areas and/or have a network of tried and trusted experts on the end of a telephone that would take hours of your time to find, evaluate, and approve. By the time you did that, they could have found someone and the task or project be completed or be well on the way there.



I was invited to a small gathering in London where Kelly Ritchie of Rich Dad Poor Dad fame gave us some pearls of wisdom. A couple that stuck in my mind were:

- “Environment is greater than will” and
- “Create an environment that sets or meets your standards.”

He went on to explain in more detail, but in a nutshell he pointed out how we strive to show the outside world how unique and exceptional our businesses are but then use mediocre resources to make that happen.

This could show up in your premises, your technology, your materials, the people you work with; etc.

That is not to say you go out and pay the highest rates for everything.

It is the subtle juggling act of balancing value received with value for money.

**Environment
is greater
than will**

If I go for the cheapest, what will be missing that I need? If I go for more expensive, will I be paying for that I don't need? Or even what I am I getting that I didn't know I needed?

Now I am the first to admit that while you are building your income it may not be financially viable to always go for the specialist or dedicated provider. But if you are to build an entity that is not draining you year year out,

then aiming for this type of support at least in key areas of your business will help that to happen. This applies even you decide to employ staff rather than outsource.

**Create an
environment
that sets or
meets your
standards**



If you are listening to this, the odds are you are serious about your business developing into something more than a hobby; or not just an alternative to being in a job. I would say that having a team, external or otherwise is inevitable and the sooner you do it, *successfully*, the greater your opportunities will be. Just being able to have more capacity to take on more clients was an amazing result for me.

Even the most finance phobic successful entrepreneurs have a financial team of some sort.

What does yours look like?



In an ideal world you could have a choice of bookkeeper, accountant, financial advisor, maybe a lawyer, business coach or mentor, investors. Overseeing them all is you – The Leader

These experts all have their role and when the communication and the data available are personal to you, you will be able to make decisions with confidence. Also when times are tough, having a trusted team in place will really come into its own.

You may not know how all the other members of the team do their thing, but what they bring to the table will help you do yours.



CHAPTER FIVE

Numbers and Crunches



In these next 3 chapters I am going to talk about the parts of a fitness plan, financial and otherwise, that are most commonly missed out, and then people wonder why they fail.

(If you have the full package; all 3 chapters can be listened to in the 5th audio lesson.)

When we try to lose weight it makes sense to keep track of how much weight we have lost over a given period of time. For example we may weigh or measure ourselves at the same time every week, whether at home, at a weight loss group or at the gym. My weigh in was always on a Monday morning. It set me up for what I needed to aim for that week, and plan for it accordingly.

If improving fitness is the goal; we assess how good we are at an activity *now*. We then compare that to how good we were when we started or when we last measured. (As I discussed at great length in the Inflows versus outflows audio)

We check the numbers to determine such things as:

- How many pounds have you lost if you are trying to lose weight?
- How much more muscular are you now, if you are bulking up?
- Centimetres lost or gained around your waist, hips, etc?
- The increase in distance you can run without collapsing
- The increase in the size of the weights you can now lift?

And so on...



For this to work we need to establish a *method of measuring* that will keep us informed of our progress. Otherwise we are working blindly.

No doubt you know where I am going with this. It is imperative you apply the same principle to the financial performance in your business. The trick is finding the best way to do it that is not only understandable for you, but is sustainable over the long term.

I cannot stress enough that even if you followed all the tips I discuss in the other podcasts but you neglect this part, you will struggle to know whether you are succeeding or not. And even if things appear to be going well, you will still not really know by how much. And most importantly; if things are not going well, you will be in the dark as to the total extent of your problems. If you do not track the numbers, your decision making will be based on little more than guess work.

Not to put too fine a point on it, if you do not produce regular accurate accounts your likelihood of running out of cash and ultimately going broke is greatly increased. Despite this well over 60% of business owners rely on gut instinct and whether there is enough money in the bank when they need it, to determine how well things are going.

Here is a shocking statistic. If you look at your own industry, that would also includes 60% or more of your competitors. Imagine if you are one of the minorities that *is* tracking your financial figures. That alone will put you in a better position of outlasting your competition. Never mind whether or not you have better products and services, marketing, etc.



Back to methods of tracking:

Think of bookkeeping software and data in the same way as weighing scales and tape measures. You can look in the mirror at your reflection, you can test how your clothes fit but neither of these give you the accurate information you need to check your true performance, they are just indicators. You could actually have lost no weight at all but you lost inches, how would you know without measuring this? For those who are; or have been through weight loss, do you remember that ever happening to you? Weighing yourself and feeling disappointed because you had lost nothing, lost very little or even gained a few pounds? But when you took measurements of your waist, hips, arms etc. being pleasantly surprised at how toned you had become since you began. That is because you got specific in your tracking.

How advantageous would it be if you were dealing with real figures specific to your business? If an interested party were to ask the following questions could you answer them?

- Do you have more money or less in the bank this month than last month? That may be an easy one to answer. But do you know the reasons for the difference?
- What are your actual sales in relation to your expenses? – i.e. profit
- Did you do more sales this month or less?
- Over the last 3 months is money coming in quicker or slower?
- Can you anticipate your expenses for the next 3 months and do you know whether you will have the cash available in time to cover those expenses.
- Can you predict the amount of money likely to come in over the next month, 3 months, 6 months
- What elements of your business eat into your profit the most
- How much better or worse are you doing this year than you were at the same time last year? This is an indicating whether your business has improved or declined over the last 12 months.



I will also lay myself on the line when I say this to you **DITCH THE SPREADSHEETS!**

You know what I mean, those one dimensional things your accountant gives you knowing full well you are unlikely to use properly. That will need untold tweaking at the end of the year if there is to be any hope of producing decent looking accounts for your tax return and your business taxes.

Spreadsheets are invaluable for a whole host of calculations, but producing easy to manipulate accounting records is not one of them. Granted, if you have minimal transactions, especially those of you who are just starting out; then a spreadsheet to get you going is fine and of course will save money on software, assuming you already have spreadsheet software like Excel at your disposal.



Nonetheless, if you are serious about growing, you cannot be basing your business decisions on rows and columns, you need proper reports. Many of the reports I discussed in Part 1 are produced automatically if the number crunching is being done regularly.

A spreadsheet will not grow with you. It will need to become increasingly more complicated to cope with your changing circumstances.



I take on board you may be an Excel wizard and capable of setting up very sophisticated spreadsheets. But why would you do that when the market is awash with products already, specifically designed for the purpose.

That is like trying to fit an engine on a bicycle, just get a car. It doesn't have to be a Bentley as long as it gets you from A to B, as they say.

I never tire of seeing the clouds lift from the eyes of new clients when they get a profit and loss report (or graph in some cases) that relates specifically to their business. Without fail, the numbers are always a surprise in some shape or form. The aim is to reduce those surprises over time.

As your ability to compare your forecasted numbers with your real results improve over time – whether you do it yourself or have them done for you. You will find you are able to predict your finances much more accurately. You implement effective changes based on them. If you do get surprises, more and more they will be pleasant ones.

So What do I Use Then?

The choice of accounting software options in the marketplace is staggering to me now. When I started out there was a main product (in the UK) called Pegasus which was the market leader and Sage accounts was a small player fighting to get even a modicum of market share. A David tapping at the heels of the Goliath that was Pegasus software. It is amazing when you see what a market leader Sage has become, and I bet many of you probably have never even heard of Pegasus, or forgot it existed.

Then the Americans changed the game again with [QuickBooks](#) which spoke accounting terms using everyday language. In recent years the move to online or cloud based accounting has created a platform for more contenders, such as Xero, Kashflow, [Freeagent](#) and [Freshbooks](#).



No single software application suits all businesses, and there are many variables to take into account (pardon the pun) when deciding which to go for. This decision alone can cause enough confusion to a business owner to stop them moving forward and stay with the spreadsheets. Even in my business where we come across most of them, we still evaluate what will be the best choice based on the actual company's needs and not because we have a preference.

No matter how many features, reports, platforms, whether online or desktop only. Regardless of how sexy the software supplier makes it sound, just buying it will not solve your day to day bookkeeping and accounting issues.

Obviously you need to understand how the particular piece of software works. Many of the online ones are lovely to use but are aimed at quite straight forward businesses, sole traders such as freelancers, coaches, tradesmen or very small limited companies.

If you have chosen your software and are comfortable using it, the next criteria is to be consistent, inputting data regularly; otherwise there is no point.

I was recently approached by a networking contact that was paying a monthly fee with an online supplier which also provides accounting support. He was concerned, because as the business was growing and getting busier they were falling more and more behind with the bookkeeping. He said he was still managing to keep on top of the sales, but struggling with the expenses. This meant he had not been reconciling the bank accounts. There was so much missing info there was no point. He kept going back to the provider who would get one of the accountants on their staff to play catch up. While they were helpful he was paying extra for this, and still did not have the thing he really wanted. To have regular, up to date, accurate management information because he was getting it months after the fact.



Then, assuming you understand the software, you use it regularly, how confident are you that the information you are entering is correct? How exciting for an accountant to get a new client who does their own bookkeeping. One that shows they have invested in software with the expectation that periodically or at least annually, the client will be able to provide them with workable data they can turn into accounts with ease.

Until, horror of horrors, the accountant realises they are spending more time undoing or correcting the entries made by the business owner or their team member.

What about after the initial enthusiasm of doing it, the business owner realises they don't have the time, the knowledge or the experience to get it done. The number one reason I encounter is that they just don't want to do it. Even if it began as a way to save costs, or they were in what I call start-up passion. The minute growth orientated entrepreneurs realise they can get rid of the books, that is exactly what they tend to do.

The difference between successful entrepreneurs and, to be frank the majority of other business people, is that the successful ones ensure that bookkeeping will continue to be done once it is set up. They put in place the systems and the people necessary to get that done. While they may take risks to build their company, they do not take reckless risks with their money.



Consequences of poor bookkeeping are numerous but the main ones are:

- They form the basis from which your budgets, cash flow forecasts, profit and loss information, Tax Returns, etc. can be created; otherwise all these reports are little more than guesswork as I have stated over and over.
- Year-end accounts and self-assessment tax returns are based on bookkeeping figures. Knowing what we know about the state of many peoples bookkeeping and accounting, it should not stretch the imagination too much to believe that many accounts and self-assessment returns filed with the authorities; are in fact full of errors and miscalculations. They only escape fines from the tax office because they slip through the net undetected.
- People with no or poor bookkeeping systems tend to end up paying more to their accountants because time needs to be spent doing what should have been done during the year.
- The same people or companies often end up paying late penalty charges to the Revenue because accounts are produced late.
- Even worse is being unable to pay taxes on time because of not having accurate up to date records as they go along, to enable them to be planned for.
- If an established business needs to borrow, one of the first things a bank or investor will want to see is a record of the financial history. And the year end or annual accounts are often insufficient because they want to know what is happening now. Has the business had a continuation of a successful period? Have things improved or have they become worse? What is the owner or director doing about it?

This brings us nicely to the next part of this course:



CHAPTER SIX

**EVALUATE & MONITOR YOUR
PROGRESS**

AKA: AM I CRAP AT THIS?



Now like the on the ball entrepreneur that you are, you have a clear idea of what you want to achieve. You have your plans and benchmarks in place. You have accurate, current information that you can now use to monitor how close, or how far you are from meeting these goals.

Weight loss and fitness is easy. Say for example you had planned to lose 12 pounds in six weeks at two pounds per week, is this happening? Allow for any fluctuations in the time period. You may lose only one pound one week but four pounds in the next one. But overall the progress is on target. If not what is not working?

If you are on target, or ahead of target, it is important to know what you have been doing that is working, so you can repeat it.

With structured weight loss and fitness programmes you not only track the changes such as weight and an increase in your ability to perform an activity. You are encouraged to also track what you did to get there. What and how much you ate, what exercise did you take? How often and for how long?

With this information you can go back over what you did and pinpoint what the causes of any slowdown in progress are; and rectify them. Did you eat more than you exercised? Did you eat the wrong things? Or horror of horrors, you did not track your progress at all? Do you plain and simply have no idea why you are getting the results that you are. In fact regularly the response is “it doesn’t make sense, I was good this week”

Were you? Based on what? How do you know you were good if you didn’t keep track? Was it a feeling, instinct? So you are still guessing.



When it comes to the finances I really do get how time consuming it can be setting up forecasts initially. Then to keep them updated. Once you start to use them each month, you will become addicted to the information they give you, because they will allow to anticipate, rather than respond to crisis.

Ideally you want to be working on amber not red alerts.



As I keep reiterating, look at your forecasted figure against your actual ones, and see if you are meeting those numbers.

An irony is that failure to meet your targets could merely be a sign that your initial forecasted figures were unrealistic. How many times have we seen entrepreneurs in the Dragons Den forecast amounts in the millions when they have barely begun trading. Or they have little track record or proof that their idea is even viable, let alone a winner.



CHAPTER SEVEN

SHAPE UP, SUSTAIN, STRENGTHEN



So let's say you have been diligently monitoring your performance; what is your next step?

If things are not going according to plan what do you need to do to shape up? Modify the plan of action? Step up the pace? Slow down the pace? In business, there are times when we need to slow the pace of growth or activity down.

This can be quite shocking to someone who has been so focussed on growth to realise they may be growing faster than their cash flow can cope with. Or their product or service is suffering because the business is moving at such a pace the I's are no longer being dotted and the T's are not being crossed.

If things *are* going well then what are you doing to capitalise on this?

This is the part of the process that will either make or break your business. It is no good having the information at your fingertips and then still not making the right decisions.

If you are not sure what those decisions should be, that is when you call on the knowledge and skills of your team and other experts.

Most business owners make decisions blindly at this stage. Imagine what an advantage you would have if you had all the data that you needed at your fingertips.

When you sit with your accountant, financial advisor, marketing consultant, business coach, etc. you are now able to concentrate on strategy and problem solving. Instead of wasting time gathering information that you cannot guarantee will be correct. Incorrect because it is done in a hurry. Also inaccurate, because your advisor, mentor, bank manager, investor has requested it and you cannot proceed much further without it.



I am regularly asked to be the point of contact for providing required figures for just these circumstances. Usually when the poor business owner would not have known where to start.

So to recap:

Number crunch every month, being in the dark about your business finances will catch up with you.

Don't keep paying the tax man unnecessary money that you could be keeping for yourself because you are late or inaccurate with your tax returns, VAT returns, payroll taxes etc. Caused because of not being up to date with your monthly accounts

If you are growing – spreadsheets alone are not enough, there are enough accounting options on the market to choose from.

Buying the software is not enough, before you spend money, be sure you will get value from it and use it properly and regularly.

If you really are:

- drowning under the weight or responsibilities
- building a scalable business that requires you to concentrate on income generation
- wealth building

Then outsource your bookkeeping.



Compare what you are currently doing with your short term goals using real figures. Assumptions, feelings, hunches and guesses will just mislead you. In turn also mislead those that are trying to advise you. They may be experts but they are not mind readers.

Be realistic in your goals. That does not mean they should be small, but they need to be achievable in the timeframe being monitored, with the resources you have or can get access to.

Interpret the information so that it gives you indicators for what you need to do next. Even if that is realising you need the knowledge and experience of people outside of you and your organisation. They will guide you on the best way to use that data effectively. Help you to make your business more profitable, cash rich and a vehicle to give you what you want and dream about.

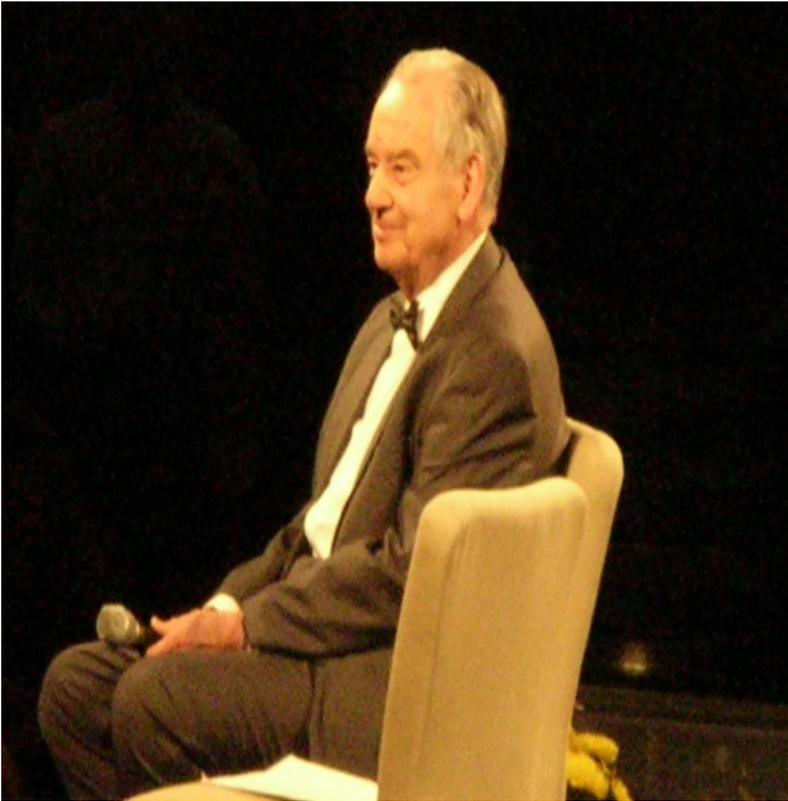
Well my friend we have come to the end of this course and I really do hope you got some benefit from it and you will take action to secure your financial framework.

More information can be found at www.financialgymforbusiness.com or lookup my name online for other resources that I have produced.

And if you feel you would like to take the next step in taking control of your finances and want to explore working with me.

[Go and check out the end of this workbook for more information.](#)

Have a great rest of your day.



Caption and Photo
Credit: Courtesy of
Ziglar.com and
[Wikipedia](https://en.wikipedia.org/wiki/Zig_Ziglar)

“You do not drown by falling in water.
You only drown if you stay there.”

Zig Ziglar

NEXT STEPS

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