

Financial training For non financial staff



The financial training specialists

The shopping list (budgeting)

As you know we live in the more remote parts of the Yorkshire dales. Because we only go to the supermarket once a month or so we have quite a long shopping list. As we can't easily pop back for the things we missed, the shopping list is a pre-printed checklist covering all the things we use. (Can you see a male accountant's hand in this?)

I recently reorganised the list, cupboard by cupboard, to make sure it was comprehensive, and easy to complete. Writing the shopping list now takes only minutes!

However, when we got to Sainsbury's, it was a different story. The list bore no resemblance to the store layout, and we spent ages going back and forth across the store getting everything on the list.

When we do our budgets it can be like this. We spend money (the budget) carrying out activities (doing the shopping) to achieve our aims (eating). But if our activities are inefficient – possibly for very good reasons, like my reorganised shopping list – it costs far more to achieve our objectives than if we did things in a different way.

As HR and training budgets will probably remain tight for some time to come, look at how you do things. You can easily explain why you do things that way, but try asking how else you could do it. Involve the whole team. See how much of the budget you can save by doing things more efficiently.