

Financial training For non financial staff



The financial training specialists

Financial habits (profit and cashflow)

I've talked about habits before – and I'll probably talk about them again! Our habits mean that things happen automatically, subconsciously.

If you're not a "morning person", it's probably your morning routine – your habits – that get you to work on time every day.

When we drive, it's mostly by habit, rather than consciously thinking about the mechanics of when and how we change gear, for example.

On the workshop I ran this week we talked about financial habits, and I suggested two possible habits that the participants might want to develop.

One was about engaging with their departmental financial information. The information we regularly look at, changes what we do. Once my car could display my average miles per gallon, I began to drive differently to improve my fuel consumption. If you weigh yourself every morning, you probably think more carefully about what you eat.

I suggested they look at their financial information at least 2 or 3 times a week. How are sales doing against budget, and against this time last year? Costs? Profit (both as an amount in pounds, and as a percentage of sales)? Unbilled work, and unpaid invoices?

The second habit I suggested was to spend some time in the car on the way to work each morning thinking "What can I bill today? Which bills are still unpaid? How can I follow them up?"

Thinking regularly about the financial implications of doing business, and looking at the financial information, will quickly begin to improve our financial results.