

## *Financial training For non financial staff*



*The financial training specialists*

### **3 key questions (Budgeting, Cashflow, Profit)**

We've looked at how we assess the key numbers in our financial reports which gives us lots of focus.

But the numbers in the report simply point to where things are happening in the business: now we need to understand what's happening to cause the numbers we're seeing.

So there are three key questions we can ask once we've identified which numbers concern us. And we need to remember to focus on what's going well, not just on what's going badly!

The first question is "What's happened to cause it?"

Whether things are going better or worse than expected, why is this happening? If we don't know the cause, it's just luck, and we can't improve our luck. We need to remember to dig down into the real cause: techniques such as "5 whys analysis" can help here.

Then we need to ask "What can we do about it?"

If things are going better than expected, what can we do to keep that happening? What can we do to turn things round if they're going less well?

If the first question incites blame as people look for excuses, the second question gets people working together as they look for solutions.

And finally "What are the wider implications?"

We need to think through the implications on staff; customers; resources; suppliers; other teams; etc before we take action. A danger with finance is that we focus on the immediate financial issue, and forget about the bigger picture!