

## *Financial training For non financial staff*



*The financial training specialists*

### **Your financial footprint (Budgeting, Cashflow, Profit)**

One of the questions I often ask participants at the start of a financial workshop is "What's your financial impact on your business?" You take out a salary every month; what do you give back in terms of financial benefit?

People struggle to answer that question. It's often something we've never thought about before. But it's worth thinking about this if we want to persuade the directors to accept our proposal.

Sometimes the answer is "I cost money and I spend money." If our idea simply costs money, what's the value in it?

"I find ways of cutting costs." If our proposal costs money now, but saves money later, it's becoming more attractive.

"I bring in revenue from customers." Spending money on something in order to bring in more revenue (and profit) from customers is good!

"I enhance our customer relationships." Good relationships means longer lasting customers, and more profit from those customers, as we can resolve any issues much more easily (and cheaply).

"I develop new products." If these new products will eventually come to market and be profitable (after taking into account their development cost), they'll be attractive.

"I help increase employee satisfaction and reduce employee turnover." This reduces costs, so it's good.

If we want our proposal to be approved, we need to think about its financial impact on the business. If we can quantify that impact, it's looking less like a cost, and more like a benefit that the directors will want to see happening.