

Financial training For non financial staff



The financial training specialists

Warning lights (Budgeting, Cashflow, Profit)

I've just changed cars. I always buy second hand (that's what comes of being an accountant who has lived in Yorkshire for a long time!), so changing cars always brings some uncertainty.

As I was driving back from Birmingham last week, the engine coolant warning light came on. I pulled over, and as I had spare water in the boot for the windscreen wash, I topped up the coolant. Now I need to get the leak checked out.

But financial performance is similar to car performance.

We need warning lights to tell us if something major is going wrong. What are the key things that could badly sabotage your financial performance? How can you get early warning if these things aren't going well? That's your warning light!

Then we need to have a plan to deal quickly with the things that are most likely to go wrong. I always carry water in my car as (especially in winter) a dirty windscreen can make driving dangerous. I haven't had to use that water to top up the engine coolant for years though! And when I was younger and cars less reliable I always used to carry oil as well.

Finally, we need to have long term fixes. If I don't fix the leak, I'll always be topping up the water, which isn't ideal.

So, what are the key threats to your financial performance? How will you monitor them, and what are your short-term and long-term fixes?