

Financial training For non financial staff



The financial training specialists

New Year thinking (profit & cashflow)

We can't really start 2015 without a blog about New Year resolutions. Most resolutions have been forgotten by mid January, so my challenge is about New Year thinking.

Thinking about what makes your business financially successful, and what part you play in that.

Financial success comes down to 3 main factors, and you'll have an impact in at least one of them.

First, it's about keeping our customers coming back. Repeat business is so much easier than finding a new customer for every sale. What keeps your customers coming back, and what's your role in that? What stops your customers coming back, and how can you help change that?

Second, it's about profit. That's partly about the price we charge our customers. If we charge rock bottom prices, we can't afford a quality service. If we provide a premium service, how do we translate that into a better price? If we charge a premium price, do we provide the premium service needed to support that price?

And of course, profit is about cost management. Are we spending our time and money wisely, and getting value for them?

Third, financial success is about cashflow (money in the bank). This is primarily about getting our customers to pay on time. What are your customers' excuses for late payment? Many of these are excuses we've given them! How can you help short circuit some of these excuses?

Get into the habit of looking at your business through these lenses this year!