

## *Financial training For non financial staff*



*The financial training specialists*

### **Who's managing the money? (profit)**

I've been working on project financial management this week. We did an exercise, and built that into a financial report. Aware that I hadn't been given a project report as part of my preparation I asked the project managers "So is this the kind of layout you're familiar with?"

Their answer surprised me. "I don't know. We never get to see the financial report. That's managed by a director."

"So you're managing the project that makes the money, but don't get the report that shows how the project is doing financially? Your director gets that, even though he has no involvement in day to day project decisions?"

"Yes, that's right."

Later I discovered the project managers didn't get to see the project contract either. So when the customer asked "Can you do this as well?" the answer was always yes as the project manager had no idea of the agreed scope of the project.

Happily, the director came in at the end of the course. He asked the project managers what they'd learned, and how they were going to implement it.

"In future we want to be given the project contract, the tender, and the financial report. We'll start charging for additional work we do beyond the scope of the contract. We'll start comparing the project results to the tender, so we can improve the quality of our tendering."

In short they were going to start managing the financial success of their projects.

Who manages your financial success?