Everyday Finance Tips for Small Business Owners

Description

Ken Yager contributed to this article for Quicken.

> While historical data is vital for keeping your budget on a firm foundation, it's not going to tell the whole story for this month or the months to come, especially if your business is growing. Forecast future sales and expenses based on realistic, but conservative, estimates. "The flow of cash in a business is the hardest for a good craftsman or artisan to learn, and they have to learn quickly," says Ken Yager, president of Chicago-based Newpoint Advisors Corporation.
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> "The only way to truly ever get a grip on it is to know your liquidity and to see that you have a way to plan your cash flow forecast, not just look at historical financial statements."If you do decide to bring on new people and are unsure about your ability to take on a full-time person, consider doing so gradually. Hire a part-time person for three to nine months to establish processes, says Ken Yager, president of Newpoint Advisors, a company in Schaumburg, Illinois that helps organizations focus on cash flow.
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> Taking the time to ramp up from part-time to full-time — or temp to perm — can give your cash flow some breathing room as your company grows.

Read the full article here.

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