

## **Do You Know Your Numbers - Vital To Survival**

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## **Do You Know Your Numbers - Vital To Survival**

Do you know what? I always HATED MATH!

I was terrible in school, and it was my weakest area. It gave me no joy, and I simply couldn't stand the idea of being taught this area. And as for accountancy, well that just filled me with utter boredom. There was no way I could focus in this area, so I always hire those better than me to do this. Wise no? Sure, but there is more to making a business work than hiring experts.

**So, I will explain now why I learned this and got to understand my numbers; and even though it was a tough lesson for me, it changed everything.**

**That is why I know that this is so important!**

The most important stuff is often tough, and greatness is tough or it would be easy and everyone would do it.

Now, undoubtedly you will have heard that phrase 'know your numbers' million times before, right? And you probably get the importance of it, but do you REALLY GET IT and what have you done about it?

How on top of your business are you?

Because - if you only have a vague idea about what's going on, or put it to the back of your mind then the chances are you are risking your entire future, and even losing profits and ultimately your business.

*So why risk it?*

If you don't know your most important numbers NOW or you only have a grasp of the basics then you really don't know your business in reality, and if your accountant isn't honestly up to scratch with this, then that is also a huge risk. It is easy to hand our business to an accountant isn't it, but what if they don't even really truly get what is required?

Therefore, risk isn't just about the blindingly obvious stuff such as saturated markets or having no business plan to speak of, it is about actually knowing your business inside and out.

**By the way, I'm not suggesting for a moment that we should be paranoid about everyone, or not trust anyone trying to help us, but it does really pay us to know what everyone is doing, and to know that our accountant understands what is going on before we hire them. If possible!**

The first year is vital in ANY business as you may know, and it is a hugely challenging test in that 'you will learn a great deal', and you will also find the greatest stresses, obstacles and setbacks as you are new and trying to become experienced, so, as you tweak, test, alter, edit, improve and stay ahead of the curve, this first year will be a great lesson to you in determining whether or not you have what it takes.

But the last thing you want to add to that is to know that you are working your butt off for months YET in reality are ignoring the most important aspect of your operation.

The trouble is that, when we work ON our businesses rather than IN them, it takes a great deal of blood, sweat, tears and energy, and we can lose sight of what matters at the core. Even though we must work on them to enable growth, we can overlook those vital components of ensuring that the numbers are taken care of.

As we attempt to face tons of uncertainties, extra expenses and teams who need constant attention and training it can feel overwhelming of course, but we cannot afford to allow that overwhelm to make us ignorant.

Know your numbers' is a fundamental precept of business.

Bill Gates

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*So it ain't easy, as we all know! Just as anything worthy will take some time, so we must be patient and relentless, but we must have a sufficient management of our numbers, and this must act as an integral part of our overall operation, where we check up with our accountant every week at least.*

Your role as a business owner is to ensure that either you or a financial expert is taking good care of the core language of your business.

If you want to have a greater chance at not only beating your nearest competition, but at also staying in business for more than that first year then your business finance has to be at the very heart of your strategy for growth, and when you can grasp business finance, profits, saving money and being clear on

the tax side of things, you will have a distinct advantage over others, and see that all areas really do matter when seeking to survive and of course increase profits.

Unquestionably, understanding what most don't will put you ahead.

## **Past lessons I learned the tough way!**

Being the passionate emotional sort of chap myself I always hated crunching numbers and using logic personally, so I sold my products and services and I handed my numbers over to my accountant; but over the years I had more and more questions, and I couldn't seem to grasp certain aspects of my business - but I also wasn't seeing the kind of growth I was deep down expecting, so I was forced to learn.

I decided that I had to absorb every element of the processes involved in overseeing my model, and so I took a few courses and books for me to understand what was going on beneath the bonnet as it were; even though I would still hand over my numbers to a trusted expert which I still do today, I also knew what I expected my accountant to do.

**This is what also enabled me to ask more pertinent questions about the health of my business, which ensured that I was not just looking like a dummy or leaving things just to chance. Never a good idea!**

So, what did that do for me though? To no great surprise - it increased my growth quite steadily and after 6 months fairly rapidly! Sometimes it can take a few months to really start seeing the measured changes, as growth isn't always an immediate thing. It can take time, but with the right processes in place anyone can achieve far greater results with the right application.

What I am really getting at is that - no matter what your core skills, talents and strengths are, and no matter how passionate you are about what you do, you cannot be blind or narrow minded about what you hand over when it comes to your business and numbers - especially if things are becoming more of a struggle and you are seemingly losing money.

And sometimes it could even be something very simple that just needs addressing!

*So, don't just bury your head in the sand, cross your fingers and pray, you have to ACT!*

## **But why does this REALLY matter so much?**

**Because, one day your business should be able to run without you.**

**The more your business is less dependent on you the better, if you are trying to scale it. And the more attractive your business structure is from planning to execution to culture and operation the greater value it has. This also means that you will be able to raise further funds where required and professional organizations will want to lend to you when they see the health of your business.**

I'm sure you already know that you will want to become 'the' primary choice in your niche, and you will want to also be able to reinvest into your business, and that is because you will have the skills to outperform others all because you mastered your understanding of numbers. And by the way, these skills pay you in life also. I have found that I really can get what's going on in all areas of my life thanks to learning these skills.

So I know what decisions I need to make in all money areas, thanks to applying myself and spending some time grasping the importance of the numbers.

Sadly though, through my research and through speaking with countless small business owners every day I have seen how many of these passionate types have no clue about this, and not only that - they are just scraping by.

*They went into business to 'live the dream' but it tends to become a nightmare!*

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So, you will need to get to know your accountant first off, and also get to know what they do and why they do it, so you can ensure you are getting the most important numbers each and every month from them, because if you ignore this and if you fail to take control here you will most certainly be losing money.

**And in the long run it could mean failure.**

But by doing this now, this will mean you have less work in the future, as you will have grasped what you should have implemented before and you will be prepared to deal with it.

If you take anything at all from this post then take **SPECIFIC ACTION!** Take specific action on the fundamentals and improve your chances of success because after all, what is the point in having all that huge potential not working for you?

What is the point in working your A@@ off only to realize that you had ignored the vital elements that make or break it?

Control your cash. Stick to your core business.

Know your numbers.

Marcus Lemonis

I'm sure you can see that this is not in the 'would be nice to do' pile, this is in the **GET THE F@@@ ON WITH IT PRIORITY** pile. And we all must do what is a priority in business to demonstrate continued success, and not just do what we just enjoy doing.

Have a good think about the longer term goals you have for your business, and ensure you know your vision, whilst you also remember to see that your job is to **MAKE IT WORK NOW** with a view to growth, when thousands of others sadly don't. It can be a fun, exciting, passionate journey of a lifetime - but not if you ignore the nuts and bolts, as it will eventually cause you unnecessary pain and suffering.

### **Do You Know Your Numbers - Vital To Survival checklist:**

- 1. Get to know your numbers now and if needed take a basic finance course**
- 2. Understand what your accountant does and what matters and why it matters**
- 3. Ask your accountant each month to show you the key numbers to keep updated on growth**
- 4. Look for profit areas you may be missing and fix them as soon as possible**
- 5. Look at all costs and see where you may be able reduce some costs and even tax**
- 6. If you don't have an accountant yet then do your research and try to find one with proven track record**
- 7. Ensure that your primary strategy is to drive long term profitable growth so the business can run without you**
- 8. Study your products/services and tweak price points where necessary to ensure you are not undervaluing these**
- 9. Ask questions and find solutions to your most pressing issues as they arise and make it a**

**priority**

- 10. Also prioritize your most important numbers tasks to ensure you maintain focus on growth**
- 11. Read as much as you need to regarding business numbers and management of accounting**
- 12. Communicate regularly with your team and keep them updated on numbers and progress to motivate growth**

Now - Here Are The Numbers You Need To Know! Courtesy Of Wealth Triumph:

[CLICK HERE TO READ 11 NUMBERS EVERY ENTREPRENEUR NEEDS TO KNOW](#)

And Here is a FREE ebook worth reading about accounting:

[ALSO HERE IS A FREE EBOOK BY INFORM ACCOUNTING WHICH I RECOMMEND YOU GRAB](#)

*As always I hope this is helpful*

*Best*

*Greg*

Business Idea? Get In touch. Or if you have a Business planning question

contact me a for a quick chat for free

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