

Doing Your Part

By Quintin Wiggins, EQ Quickbooks Owner

Hosea chapter 4:6 says

“My people are destroyed from a lack of knowledge”. This is spiritual yet practical advice for today’s entrepreneur. We live in a very competitive business world. The planet is smaller so access to data is cheaper and anyone can create a virtual office storefront. There is a constant need for today’s entrepreneur to continuously update their business model. So the question becomes what separates the pretenders from the contenders? In this seemingly complex world the answer is simple. You need reliable, accurate, and quick access to your financial data. This data will help you make proper business decisions. In order to access and assess your financial information one needs a quick and reliable financial system. In creating this system, one needs to concentrate on developing a good collections and bill payments system. In my experience, I see an inordinate number of small businesses using spreadsheets and manual systems to track billings. It is virtually impossible to efficiently manage your accounts receivables with such antiquated methods. According to various industry reports, most small businesses fail due to financial mismanagement. Typically this means that a business does not manage its cash flows properly. Simply put cash inflows are not sufficient to meet cash outflows obligations. Luckily for some businesses, Intuit the maker of Quick Books has designed the perfect system for invoicing and bill payments. The Quick Books financial software system allows business to establish profiles on each of its customers. In establishing information in the customer master file, you can capture email addresses as well as credit card information. Additional features allow for progress billings that could speed up cash flow on longer jobs. The estimate feature in Quick Books allows you to create an estimate for a customer and once the customer agrees to the work, the estimate can be turned into an invoice. The reporting section of Quick Books allows you to track accounts receivable by customer and the total days outstanding for each invoice. The aforementioned features allow you instant access to your data on a daily basis. The next aspect of managing cash flow is to maximize the days allowed before vendor payments are due. Much like customer files, Quick Books allows you to establish a vendor master file for each vendor. In this vendor master file you can set-up the payments terms for each vendor. When a bill is entered into the system a due date will automatically alert you as to the due date of the invoice. The reporting section of the vendor system generates reports on outstanding payables. The key to having all this information is simple. You can maximize your efforts on collecting monies due from you. Then you can schedule your payments around the actual due date. The game that we play as small business owners is “Maximizing Cash Flows”. At EQQUICKBOOKS.com we have a 2 day training course that will teach every aspect of Quick Books. We also strongly cover account receivable, accounts payable and cash flow budgeting. We have a state of the art training room. We assign all of our students to individual personal computers with a version of Quick Books preloaded. A live onsite instructor will direct the students via an overhead computer projection screen on each lesson in Quick Books. If you are a novice no need to worry, the instructor will be there to assist you every step of the way. This class is ideal for both the entrepreneur and any clerical staff. Both beginners and advanced users are encouraged to attend the class. This month’s theme is “Doing Your Part”. Imagine the feeling as a business owner knowing that you are managing your cash flow and are able to take care of all your stakeholders.

For more information or to register for a class visit us

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