

PROFIT & LOSS FOR BUSINESS OWNERS/MANAGERS

TIPS & TRICKS:

- As a business owner, you must become a master Salesperson
- Cut expenses every single month, no matter what!
- Rule #1: Make a Profit
- Always track money and percentages on your P&L
- Key items that affect your profit:
 - Product mix
 - What you pay your employees
 - Margin and productivity of each person
- Top three jobs of business owner:
 1. Profit
 2. Process
 3. Sales
- If you are a boss, you will hire, fire and layoff people
- Make more in your business than you can a job!
- Make sure your financial statements are accurate!

- Lack of sales is #1 killer for any business
- Find ways to sell what makes the most gross margin
- Focus on large accounts that cut down sales time and maximize revenue
- Stay in touch every week with your top 10 most profitable accounts
- Create follow up system



- Cut expenses every single month
- Track every single expense cut MTD and YTD
- Taxes and people are most often your two largest expenses

- Focus on your high profit business!
- Grow top line revenue while decreasing costs
- You need to show a net profit every month or cuts are made
- Three major types of financial statements:
 - Profit and loss: Shows you if business is making or losing money
 - Balance Sheet: Shows assets, liabilities and capital in a business
 - Cash Flow Statement: Shows how changes in balance sheet and income affect cash

- 3 Ways to Fix a Losing P&L:**
1. Layoff people
 2. Cut expenses
 3. Increase revenue through more sales!

- If your business made a 20% profit margin, how much would you make per month? _____ Per Year? _____

- What is your number one frustration with your P&L right now? _____

- Three ways I will cut costs: _____

- Three ways you could increase your overall revenue: _____

- Five-year vision:
 My business will gross \$ _____ per month
 I will have _____ employees
 I will be closing \$ _____ I will make \$ _____ per year net profit.