

Your Accounting and Finance Team - 5 Hot Tips for Start-up Entrepreneurs

5 Hot Tips for Start-up Entrepreneurs Stop the Madness and (Re)gain Control!



Let's face it: Entrepreneurs are a unique breed...you love creating new ideas, you have amazing vision and you see the company's success in your mind's eye every day. Conversely, unless you have a history as a financial professional or have a CFO background, you're probably just plain disinterested in the "bean counting" aspects of your business.

Yet, at the same time, you want to be able to track and read reports down to the finest minutiae. You want to pull up systemized data and read your financial past and future whenever you get that new idea or whenever you feel your company needs another push to a new level.

Does any of this sound familiar? We all know that accounting isn't necessarily the "fun" part of your business. But here's the rub: Other than your vision and culture, your financial and accounting plan is arguably the single most important part of your growth plan and absolutely requires professional attention. Otherwise, you end up a ship without a rudder, possibly headed for the rocks...

So, dear CEO, what can you do about all this? Simple: Just be the CEO. Be the manager of your company but also make sure you have a working knowledge of your financial systems, then trust someone who LOVES that part of the business to make sure those vital pieces are always in place.

Here are 5 hot tips for how you can make friends with finance and accounting and gain (or regain) control over that love/hate relationship you may have with accounting:

1. **Understand the Language** – It's not necessary that you become an accountant or bookkeeper (what a relief, right?), but it is important that you are able to have an intelligent

conversation with the person who is handling this area for you. Either take the time to sit with your accountant/bookkeeper and go through the systems, or take a course relating to the software that you will be using. Know that you want out of your accounting systems, from reporting to invoicing, make sure it's set up the way you want it and then let your accounting department deal with it!

2. **Keep Your Business and Personal Expenses Separate** – This is perhaps the single most common business mistake made, especially by start-ups and first-time entrepreneurs. This can be as simple as keeping one credit card for your business and one for your personal expenses. Using credit cards for expense management allows you to have an itemized expense list every month.
3. **Understand Your Credit Terms** -- If you use vendors that offer terms, or if you offer terms to your customers or clients, be sure you're clear about those terms and make sure they are being tracked in your systems. Something as simple as knowing when to pay what bill can move big dollars straight to your bottom line by the end of a year.
4. **Negotiate!** – Understand the power of this magic question: “Is that the best you can do?” You would be amazed at how many business owners simply say “ok” when they receive a bid on a project or materials, then go ahead and write the check. You don't have to be a “hardball” negotiator, but get yourself (and anyone on your team involved with these transactions) in the mode of negotiating, whether it is price, terms or perks.
5. **Hire Professionals to Do Their Jobs** – Especially when it comes to your finance/accounting department, nothing could be more true. Perhaps as a start-up, you don't feel you have a budget to hire, for example, a professional Chief Financial Officer (CFO). You'll be surprised to discover how much you can save in the long run, in time, money and headaches, by hiring the right person for the job from the beginning. You don't even have to actually “hire” someone on your payroll. [Even C-level executives can be outsourced.](#)

OK, we know that you just want get on with being the visionary in your company, but being an entrepreneur means that you simply must have a working knowledge of every area of your business operations, even if you're not doing the actual tasks yourself (and you shouldn't be).

Without a financial captain steering your ship, you're likely to run aground. You'll sleep much better at night knowing that you have someone you can trust at the helm, especially in your accounting department.