



REAL TIME BUSINESS RESULTS IS IMPORTANT IN DECISION MAKING

Does your organization monitor business results in real time?

Okay, you followed your dream, took the plunge, and here you are a year later, knee deep in your new business venture. Hopefully, you started with a plan that included both sales and financial projections, as well as different scenarios of how it all might evolve. If, on the other hand, you started the business with a vague idea of what you wanted to do, and where you wanted to be at the end of the first year, then now is a good time to stop and review your progress. Either way, it's always a good idea to take a long hard look at the results.

I recommend having a system in place that allows you to review your results in real time, or at each month-end. If not that often, then at least at the end of every quarter. Any less often than that, you run the risk of letting something get too far awry before you can make the needed adjustments.

If sales are flat, you need to know by how much. If the cost of goods is too high, you need to know by how much. Of course, the ultimate goal is to have accurate and timely information to use when adjusting your operations.

What we all hope for is to see that the business is experiencing growth. Sales are increasing, costs are steady, and the bank account has a positive balance. Those are all good signs, but managing a business requires action in both good times and bad, so don't be lulled to sleep only to be surprised when things change.

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