

Pro@ctive CPA

Interact With Your Accountant

To: Clients, Friends, Family & Associates of ProActive Advisory
From: Mark Wyssbrod, Managing Member
Date: February 1, 2015
Re: Improve your processes!

In this memorandum you will receive information about the following:

- Improve your processes
- Deadline reminders
- Financial ration of the month

Please contact me should you have any questions. Embrace change!

Optimism pouring, not dripping, into our mindset

This year has seemed to have started off differently for everyone I speak with. Some businesses are extremely busy while others anticipate business but are in a holding pattern, and then there are what seems to be a vast majority of businesses which appear to be steady. Even though the businesses I have spoken to are operating in different industries and at various operating levels, they have one main thing in common: they are all optimistic about the future!

I am not certain where optimism left (abandoned?) small business owners, but the return is a good sign of the American “can do” attitude. I have a few concerns about the timing of the attitude shift, including “the crowd” effect and the potential softening of the economy that can turn the optimism into sarcasm. “The crowd” effect is when everyone thinks or behaves in the same way; it is generally best to become a contrarian when this occurs. This may be due to the crowd overlooking the risks and only focusing on the reward they were told about if they took certain actions or made certain decisions.

For now, let’s keep the optimism growing!

Mark W.

How to improve processes

With many small businesses in their third year of growth and optimism returning in full force, it is time to focus on items that you can control! Many small businesses are still reluctant to invest in their business; with the return of optimism, this may be a sign that they do not have the financial resources available for growth. Therefore, assuming minimal budgets for investments, small business owners must be creative in order to improve efficiency!

How can you improve your processes?

Pro@ctive CPA

Interact With Your Accountant

- Understand goals and objectives of the organization
- Discover
 - Take a step back from the process, just because you have been doing it this way for years doesn't mean it's the best way anymore, especially with new technology available
 - Why does the organization need the task?
 - How should the process work?
 - Where are the pain points?
 - Ask the team members, customers and vendors involved for their opinions on how to improve
 - Ask a friend or associate outside of your industry as they have a different point of view and knowledge base to find "outside the box" solutions
 - What are alternative ways to achieve the task?
 - i.e. what are new solutions?
- Improve
 - Create a trial period and multiple trial cases
 - Write down what worked correctly and what did not go according to plan
 - Build moral during the improvement to help the new process be
- Implement
 - If the new process improves efficiency try to replicate it to other areas of the business
 - Be sensitive to the change; humans generally do not enjoy change (complain on the frontend) until they see the benefits of the change (which occurs on the backend)
- Refine
 - Continue to be open to ways to improve the process
 - Listen to feedback
 - Observe
 - Implement adjustments to make the process easier
- Monitor
 - Keep an eye on the progress!
 - Build a culture that allows your team members to proactively provide feedback on how the business can improve
 - As your business environment evolves so should your practices!

Build efficiency by 1% improvements. These little improvements can have major impacts on your financial results as well as some intangible items such as a reduction of stress and increased spirit!

Deadline Reminder

Remember to renew your INC or LLC with the Secretary of State. You will need to register with each Secretary of State your business operates in.

Important Dates to Remember:

- March 2 – Form 1096 and 1099 Due to IRS
- March 2 – Form W-2 and W-3 Due to IRS
- March 16 – Corporation (S & C) Tax Returns Are Due (for annual tax filers)
 - File Form 7004 For Extension
 - Employer Retirement Matches Due
- April 1 – Business Personal Property Tax Returns due for Georgia Counties

Financial Ratio of the Month

Rent-to-Sales = Rent / Sales

Rent-to-sales measures the company's efficiency of space. Is your business making the most of the location it is in? Is it generating enough sales to afford the space? Most importantly it helps a business owner focus on overhead metrics.