

*The Insider's Guide To*  
**Building Business Cash Flow**  
*\$1,067 per week in 21 days*

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## Increase Weekly Cash Flow by \$1,067 in 21 Days.

*It's free, all you need do is make a decision to act.*

If you are reading this, it is likely you experience the varied emotions brought on by a shortage of cash: Frustration at lost opportunity through to the crushing heart ache of self-doubt, those black times when you ask yourself:



I have seen it before, many times, and I have been there myself. And that is why I created [buildabetterbusiness.com](https://buildabetterbusiness.com)

In this mini book I explain the steps to take to achieve an immediate and significant increase in profitability and cash flow. You will need to invest a little of your time, not much, just a little. And there is no cost.

The book will take you all of 8 minutes to read, after which you can decide whether or not the actions are for you.

## Action #2

I begin describing Action 2 because this is the most powerful profit and cash flow generator there is. For each of my 32 years as a consulting accountant my go to strategy to achieve a positive and immediate impact on cash flow, and the lifestyle of the owners, was pricing strategy.

There is enormous pressure on small business owners to deliver both security and a comfortable lifestyle to their family. Understandably therefore owners are reluctant to tinker too much with the price they charge.

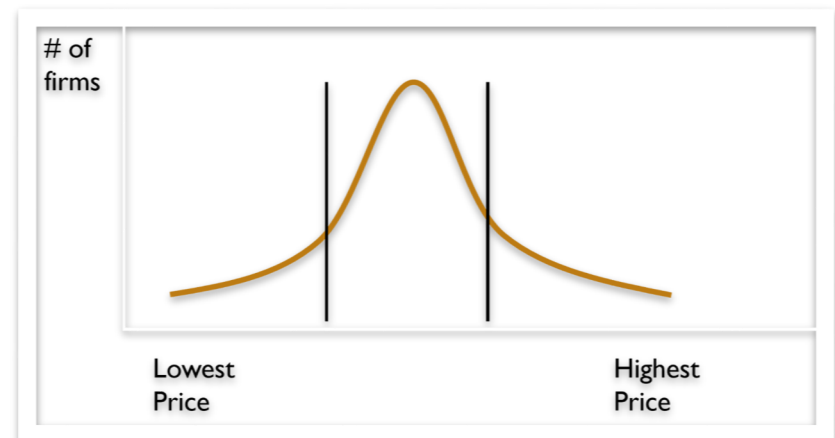
It's understandable in as much as nobody wants to lose customers, or price themselves out of work.

So most business owners set their price in the mid-range.

This presents a massive opportunity. If your price is set somewhere between the two black lines, you have an opportunity to increase price by 10%, perhaps more, without losing market share to competitors.

Feel free to think: *"Not possible in my industry!"*, but **please** keep reading for another 30 seconds.

Because it is possible in your industry and I can prove it to you, but before doing so I want you to consider this.



If you did increase your price by 10% **and** maintained your existing volume of work, what would the impact be on profit and cash flow? Let me help you work it out, first with a case study business and then for your business.

My case study business is a motor mechanics workshop: an actual client from back when I owned my accounting practice. Jock's (*not his real name*) business generated annual sales of \$650,000 and made a profit of \$86,500.



7% of \$650,000 = \$45,500

The decision Jock made to lift price by 7% increased his profit by \$45,500! He was an extremely satisfied client. (*I couldn't convince him to go for 10% because he wanted to keep his rate below \$90 per hour.*)

What is the weekly turnover of your business? And what is 10% of this number?

Your Sales Revenue

\$

10 % of your Sales Revenue

\$

Assuming you did not lose any sales volume as a result of the increase, the second number is the amount by which your weekly cash flow will increase as a result of a 10% lift in price. Unlike an increase in sales volume which brings with it an increase in activity and costs, a price rise has no associated cost and the entire increase is transformed to bottom line profit and cash flow. – dollar for dollar!

If you are worried by the price rise affecting the volume of work, **Action #1** acts as a safety net for the leap.

But I don't think you will need a net because customers are not as price sensitive as business owners believe them to be. I promised you proof of this and **my proof is wrapped in a course called Pricing for Profit**. In this free course you will learn 8 key lessons about pricing:

1. Compelling evidence to convince you customers base their purchasing decision on things other than price .	5. The #1 most popular profit building lesson I delivered across 32 years - some customers volunteer to pay a higher price. If you have a one price fits all policy you are missing out on thousands of dollars lost profit every month!
2. The real reason why customers ask “How much do you charge?” and how you should respond.	6. How to keep price sensitive customers on your books but on terms better suited to you.
3. How to calculate the number of ultra price sensitive customers you can afford to lose after a price rise, and be no worse off, because the customers staying pay more.	7. How to steal valuable pricing strategies from the best marketing minds in the world, by reading your junk mail, and doing the weekly grocery shopping.
4. Reinforce what you know to be true: you should focus on good customers and sack the rascals; let them go to a competitor and mess with their business.	8. Understand the psychology of buying from a business to business and business to customer perspective.

# Action #1

What do you think is the easiest thing to do in business?

**Answer: Get new customers.**

If you are surprised by this, you are in for a real treat when you read about Action #1.

And if you are like the majority of business owners I work with, who have no problem winning new customers, can I just ask... *“What was your concern about Action #2, the 10% price increase?”*

[This blog post](#) explains where all the new customers are, and how to win them. – It has never been easier, thanks to Facebook and Google!

Because **SO MANY OPPORTUNITIES EXIT TO WIN NEW WORK<sup>2</sup>** it is important your marketing and customer selection processes is aimed solely on the recruitment of “A Class” or potential “A Class” customers.

Fortunately, both the Sales & Marketing, and Measure What Matters courses will focus your attention on this criterion. And again both courses are free on [buildabetterbusiness.com](http://buildabetterbusiness.com)



My goal is to help you increase **profit & cash flow**, as opposed to growing the sales *volume* of the business. Accordingly the predominant purpose of the sales & marketing training offered on my site is the creation of a stream of new “A Class” customers and additional work from existing “A Class” customers.

Most clients are surprised at how little marketing effort is required to achieve the profit goals they set. But do not take my word on the matter, the impact is greater if you discover this for yourself. To this end **Action #1** requires you to invest 60 minutes over the next 7 days to complete the Profit Improvement - First steps course.

The diagram on the next page outlines how the case study business increased profit by \$563 per week as a direct result of the strategy outlined in the first steps course.

Free

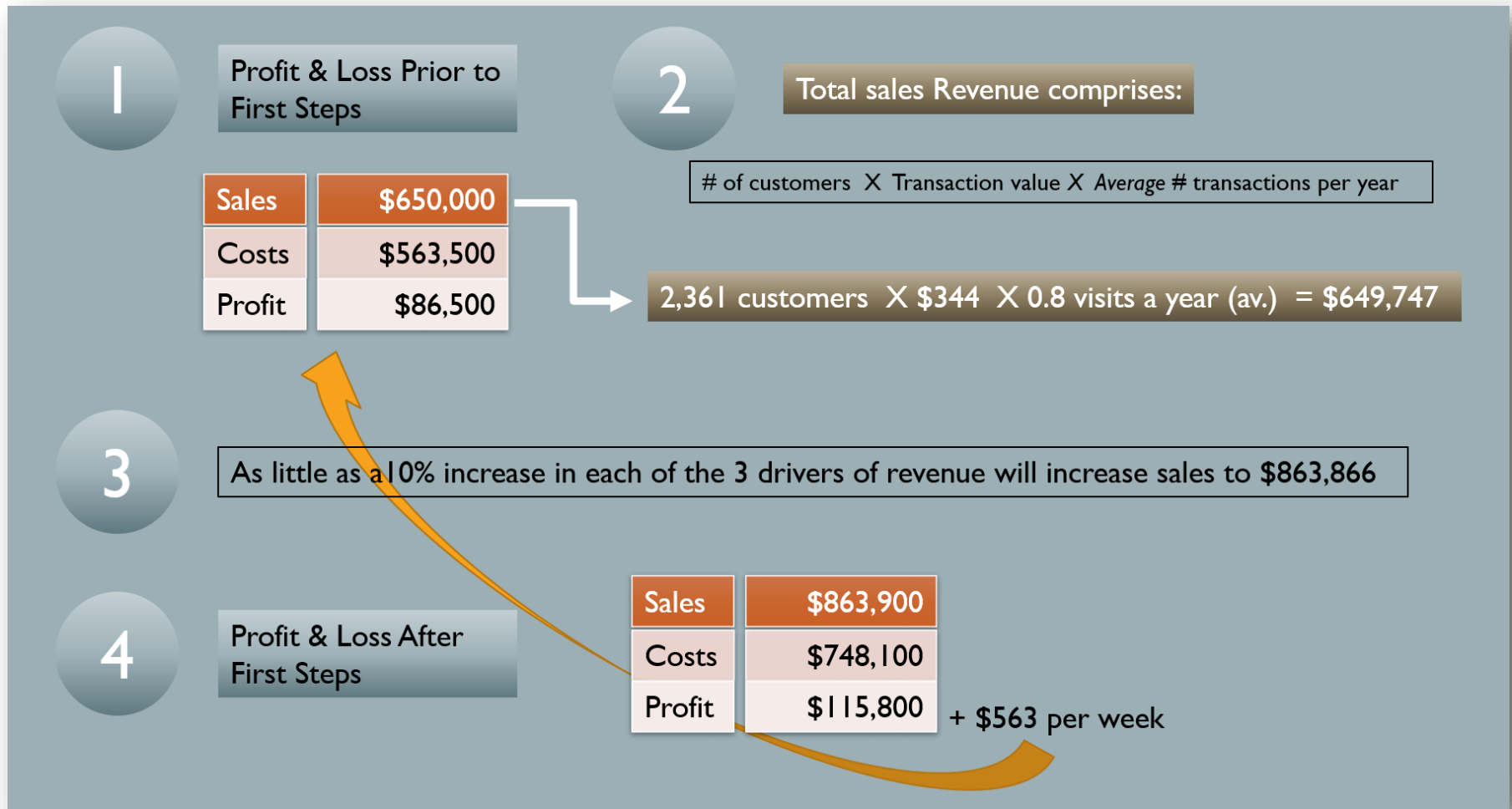


### Profit Improvements – First Steps

Small changes to key parts of the business have a significant impact on the profit that is generated. As a result of completing this course you will change your focus from sales revenue to net profit; calculate the true profit earning potential of the business; and outline the specific actions that need to be taken to achieve that potential.

[See more...](#)

In the First steps Course you will calculate the impact on profitability of a small (10%) increase in each of the 3 drivers of revenue. In the sales & marketing course you will work on a few strategies from a list of 64, no more than a few will be necessary.





## Action #3

The profit improvement achieved through **Action #3** will be the result of an increase effectiveness. Other than in retail and SaaS businesses (*which is in effect retailing*), businesses generate profit from the conversion of hours worked to hours charged to customers.

Effectiveness is the measurement of hours traceable into customer invoices, as a percentage of the total number of hours worked.

What comes as a shock to business owners is how low this % is in their businesses, typically in the range 54% to 62%. The shock arises because busyness is mistaken for effectiveness, in fact busyness hides a lack of effectiveness.

Setting a target of 70% has a dramatic impact on profit and cash flow as shown by the diagram on the next page.

In the summary page at the end of this book I have downgraded, by 50%, the profit improvement actually achieved for my case study business. I do this because until you complete the course and run the numbers on your business, the results are simply too dramatic for most owners to accept.

To be able to complete the Measure What Matters course, and **Action #3**, you may require some input from your accountant. But don't concern yourself with that as the additional cash flow you generate through **Actions #1 & #2** will well and truly cover the cost.

Free



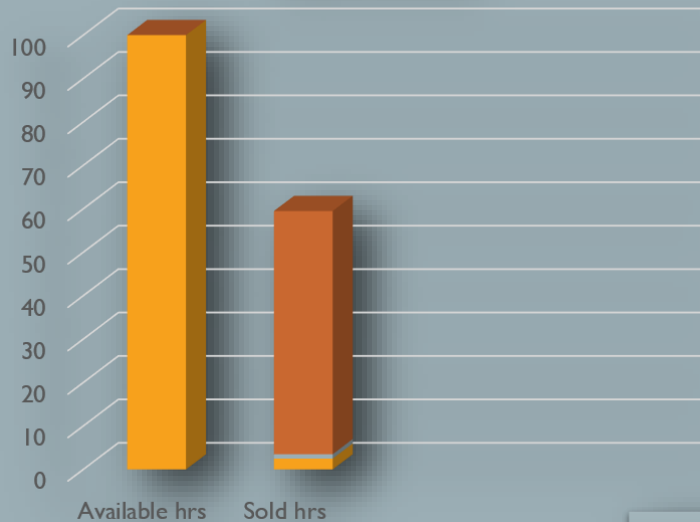
### Measure what matters

At the completion of this module you will be able to clearly identify the main profit drivers of your business (they will be different to what you think they are); set weekly performance targets in respect of the profit drivers, monitor performance relative to the targets, and take corrective action as required.

[See more...](#)

## Action #3: Measure What Matters

Effectiveness



### What You Learn How to Do

1. Calculate *gross profit* per hour

2. Work out available hours

3. Trace hours invoiced

4. Target improvement 70% (+ 483 hours)

5. Profit improvement = 483 hours × \$132

### Case Study

\$132

3,450

1,932

56%

2,415

\$63,756

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## SUMMARY

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Action	Timing	Profit Improvement per week	
		Case Study	Your business
#1 Three revenue drivers	Days 1 to 7	\$ 563	\$
#2 Pricing for Profit	Days 8 to 14	\$1,250	\$
#3 Effectiveness <i>(50% of result)</i>	Days 14 to 21	\$ 625	\$
	<b>TOTAL</b>	<b>\$2,438</b>	\$
Let's be conservative and work to only 60% of total		<b>\$1,462</b>	\$
<b>Additional after tax weekly cash flow</b>		<b>\$1,067</b>	\$

Start today. Enrol in the Profit Improvement—First Steps course on [buildabetterbusiness.com](https://buildabetterbusiness.com)

**All the courses are free!**