

FINANCE AND COMMERCIAL MANAGEMENT | QUICK CARD FI-04

The few numbers that matter

Fifteen minutes, one page of numbers, and the questions a good coach would ask you.



The practice

Most owners have more numbers than they can use and fewer than they need. The management accounts arrive six weeks after the month they describe, run to eleven pages, and are read with the care usually given to the terms and conditions of a software update. Meanwhile the numbers that would have warned of trouble are in someone's head, or nowhere.

The Office for National Statistics measures how UK businesses are managed, and using key performance indicators was the weakest practice of all in 2023, scoring 0.42 out of 1. The fix is simple and easy to let slip: six to eight numbers on one page, some looking back and some looking ahead, each with a target and an owner, reviewed on the same day every month, with one action for every number that is off track.

Your one page

Number	Looks back or ahead	Target	Owner

Not sure where to start? Choose from fees billed, contribution after people costs, share of hours billed, cash in weeks of costs, lock-up days, weighted pipeline, the next three months booked, and your largest client's share of fees.

Try this this week

Write down the six numbers you would most want to know on the first working day of each month, and who could give you each one.

Coach yourself

Set aside fifteen minutes where nobody can interrupt you, and answer in writing. An answer looks surprisingly different once it is on paper.

G

GOAL

What would I want to know on the first working day of each month, and why?

R

REALITY

What do I look at now, what do I ignore, and what surprised me last year?

O

OPTIONS

For each number, what would I do differently if it changed? Which ones look ahead?

W

WILL

Who will produce the page, by which working day, and in which meeting will we act on it?

If you catch yourself saying...

You hear yourself say	Try asking instead
<i>"I've got it all in my head"</i>	What happens to the numbers when I am on holiday?
<i>"We need to get the data perfect first"</i>	What would a good-enough first page look like?
<i>"I don't really do numbers"</i>	Is that about what I do, or who I am?

ONE HARDER QUESTION

Which number am I avoiding looking at, and what am I afraid it will say?

Keep it going

Dashboards are easy to start and easy to abandon. Give one person the job of producing the page by a fixed working day, make it the first item in your monthly meeting, and put check dates in the diary: 3, 6 and 12 months from today.

When to get help

Your accountant produces the management accounts and can often get them to you sooner if the books are kept up to date, so ask. If the first page shows several numbers in serious trouble, talk to your accountant this week.

What a coach adds

This card gives you the questions. What it cannot do is notice which one you avoided. It is one of the SMARTer practice cards, covering the ten key areas of a business that sells expertise.



Talk yours through with me: book a Discovery Call at smarterentrepreneurs.co.uk

No pitch, no pressure, and you'll leave with something useful either way.