



The Business Experts Bureau Great Business Idea - Tuesday 1 March 2011

All businesses are different. I think you've got to accept that, but if there's one common theme we see, it's what I describe as financial clarity.

When you ask the question "How much are you making and what have you got to change to get to the result you want?" do you have a clear answer?

Businesses, as complex as they are, will all boil down to a few key things. If you have a clear understanding of how much you need to increase sales, improve margins and where to control costs, then you have a clear path to the future.

Regardless of your business, if you can manage those few key issues in your business, then 9 out of 10 times the business will come through with the right end goal.

Probably one of the clearest examples I can think of is not a big business. It's a little, wee, corner store selling knick-knacks. When I talked to the owner of that store, not only did they know all the products in their shop and what the prices are, they could tell me just by looking at an item how much they make on that item, and they were also able to give me a pretty fair estimate of how much margin they made versus the volume of space it took up. They knew the detailed profitability of their business so well, that they knew which items they needed to sell, and which ones cost them the most to hold

It's about drilling down; the information's there, you've just got to ask the questions if you don't know how to find it yourself.

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