



30 Ways to Improve Your Cash Flow

What is cash flow management?

Cash flow management is the process of tracking, analyzing, and optimizing the movement of funds going in and out of your business. When a business manages its cash flow properly, it will always have enough money to pay bills.

There are two types of cash flow:

- **Positive cash flow:** This is when the money coming into the business is more than the amount leaving the business.
- **Negative cash flow:** This is when the cash flowing out of the business is more than the money coming in.

Positive cash flow does not mean the business is profitable, it means the business has enough money to pay the expenses during that time period.

For example – You are a Dance Studio. At the beginning of a session, you would require students to pay for the full season in advance. So you will collect in the beginning of the session, September, all the fee's for the fall 10 lessons that end in November. Your September cash coming into your business will be for the 3 months of lessons. This business model would present a lot of cash in September. October and November will not have any sales since all the money collected in September has to support the full 3 month period.

You will have positive cash flow in September. For the 2 months, October and November, you will have negative cash flow since your costs for lessons will be paid in these months.

Negative cash flow does not mean the business is losing money, its means the expenses exceed the money coming in.



Example of your cash flow:

	September	October	November
Cash In - Sales	\$ 10,000	\$ -	\$ -
Cash out - Expenses	\$ 3,000	\$ 3,000	\$ 3,000
	\$ 7,000	\$ (3,000)	\$ (3,000)

In essence, there are 4 fundamental strategies that you can use to improve cash flow:

- Increase income
- Reduce expenses
- Receive payments faster
- Make payments slower

Now, let's explore some practical ways you can improve your cash flow.

As a special offer for you, at no cost to you, I will have my team analyze your existing and future telecom, utilities, small courier, fuel, waste, and merchant services. We will perform an assessment of best alternatives, implementation of cost-effective solutions, and correction of billing errors.

All I need is the past 3-months of invoices from your vendors along with your permission. On average our team saves **28% of expenses**. Recommendations are objective and independent and are based solely on your best interests. We receive no incentives from providers, and our services are risk free – **there is no cost unless savings are found.** Email me at larry@tabnv.com



CASHFLOW METHOD	N/A	I ALREADY DO THIS	I SHOULD DO THIS
1. Increase sales			
2. Increase sales of higher margin products/services			
3. Reduce expenses			
4. Defer spending on capital investments			
5. Increase prices			
6. Review the payment performances of customers			
7. Require deposit in advance of delivery or installment payments			
8. Reduce the terms			
9. Invoice immediately upon shipment or completion of job.			
10. Review all systems for billing and collection			
11. Request terms from suppliers			
12. Review reports on A/R and A/P			
13. Establish and adhere to sound credit practices - train staff			
14. Monitor collection techniques for best practices			
15. Add late payment charges or interest fees where possible			
16. Increase the credit line from suppliers			
17. Make prompt payments only when worthwhile discounts apply			
18. Install Just In time processes			
19. Sell off obsolete/excess inventory			
20. Utilize factoring, or discount facilities, to accelerate cash receipts			
21. Lease don't buy			
22. Re-negotiate bank fees to reduce charges			
23. Seek to extend debt repayment periods with bank			
24. Net off or consolidate bank balances			
25. Sell off surplus assets			
26. Enter into sale and lease-back arrangements			
27. Defer dividend payments			
28. Raise additional equity			
29. Convert debt to equity			
30. Check Working Capital Solutions Vendors eg: C2FO			



WEBINAR SPECIAL

The Business Identity Assessment is an innovative survey that exposes the core wiring of any business - its DNA - that drives decision making and execution throughout the business.

The assessment reveals the underlying mindsets that determine a business' approach to resource allocation, strategic positioning, addressing business challenges, and hiring and managing its team.

By participating in the survey, leaders will gain a better understanding of institutionalized mindsets that may be supporting or hindering goals, and how different leaders in the business are aligned or misaligned in their perspectives on both vision and tactics.

[The survey takes less than 2 minutes to complete](#)