

How well do you really know your small business?*

*Hint: Maybe not as well as you think.

Let's find out together.



Are you in the black or in the dark?

Here's the thing: it's hard to know where your small business stands when you don't have clarity on what your goods and services are actually worth. We recently conducted a survey and discovered that one in four Canadian small business owners (27 per cent) believe they may be undercharging, while 15 per cent believe they may be overvaluing the goods and services they offer. Are you one of them? Let's find out together.

1 in 4

By not knowing your numbers, entrepreneurs like you often miss opportunities, which means less profit and less chance of long-term success. This is your dream and you don't want it to fall prey to poor financial management. Knowing your business starts with taking a closer look. We can help; let's get started...

Know your worth:

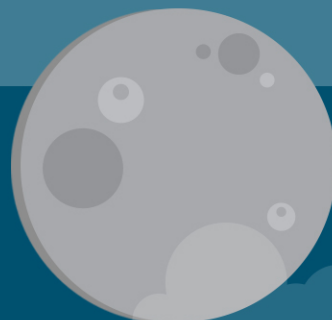
Begin with financial management and education tools that show you how to make your startup viable by giving you an accurate picture of your business.

Worth is not just about price and what to charge – it's about the true value of your product or service; which measures of success should be employed; and what you mean to your company. This eBook will help you understand all of that and more.



Do the math:

- Analyze your competitors – how are you stacking up?
- Understand your customers: are they able to spend more? Would they?
- Dig into your business: List out the true costs of your products and/or services: think overhead (e.g. taxes, insurance, rent, marketing and transportation), labour, and even hidden costs, including:
 - The cost of borrowing money
 - Your own salary
 - Return on investor capital
 - Capital for future expansion and replacement of fixed assets as they age
- Start using financial management tools and educate yourself on the back-end of your business
- Consult a professional to help you go further



Do you control your finances or do they control you?

A lack of basic financial knowledge is dangerous. Our survey found that 87 per cent of small business owners manage the finances of their businesses themselves. Of that number, 51 per cent do so with some help from an accountant or bookkeeper. Thirty-five per cent manage their own business finances with software and help from an accountant or bookkeeper.

Even if you have professional help, you still need to understand what each item means and where the numbers come from. It's your business and your data is unique. It's important to have a firm grasp of it if you wish to put it to work. Always look to combine trusted advisors with education and tools as you and your business evolve.

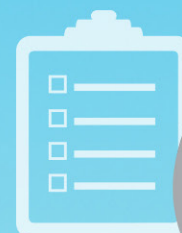
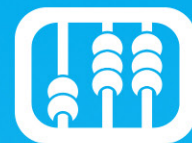
Watch the flow:

Poor cash flow management is a leading cause of business failure during the first two years of operation. To combat this, you don't have to become an accountant or earn an MBA. Tools like QuickBooks provide entrepreneurs with the capacity to take an accurate snapshot of their business – and take control.

Take control:

- Adopt financial management software for better accounting and cashflow practices – both of which are critical to growth and long-term success.
- Learn the basics, including how to:
 - Use income statements and balance sheets
 - Establish strong internal controls
 - Understand inventories, cash conversion cycles, and supply-chain management – and if you don't know what this means, you're not alone! (But we do suggest learning about them.)
- Seek credible guidance – StartUp Canada, Communitech and Futurpreneur offer an excellent variety of services and resources for entrepreneurs.

**By doing the above,
you will know where you truly stand.**



Are you financially literate or financially lost?

An understanding of or access to financial management tools can help you identify strengths, weaknesses and opportunities for growth, and how to put them to work for you. Incidentally, nearly half (46 per cent) of small business owners rate their knowledge in this area as "sufficient" or less.

Financial management remains the strongest driver of small business failure, impeding owners from reaching that crucial five-year milestone. Twelve per cent of Canadian entrepreneurs site a lack of tools and knowledge as the greatest barrier to small business success.



Break down barriers:

Strong financial management will increase the financial health and wealth of your small business. Here are the most important foundations:

- Separate your personal and business finances
- Develop a comprehensive business plan
- Understand the inner workings of your business
- Know your industry:
 - What can you learn from your competitors?
 - Who are your best customers?
 - Which suppliers have the best service and support?
- Invest in financial management software like QuickBooks Online (you can try it for free for one year)

A deeper understanding of your business will lead to smarter, more profitable decision-making. By learning about common financial management pitfalls and how to avoid them, you can greatly improve your chance of success.



"Financially literate" doesn't have to mean "financial expert"

QuickBooks Online delivers a powerfully simple solution that enables small business owners to take control of their business' finances and gain a clearer understanding of the numbers.



Are you a technophile or a technophobe?

Maintaining a healthy small business requires mindfulness, hard work, and dedication. To amplify these things, you should also be taking advantage of technology.

As your company grows, you'll face new challenges, from a growing customer base and recruiting to engaging employees and maintaining cash flow. Technology offers many important tools to help you maintain control even as your business scales up.



Get ahead:

A sizeable majority – 86 per cent - of Canadian entrepreneurs agreed that the value technology adds to their business is worth the cost. What's more:

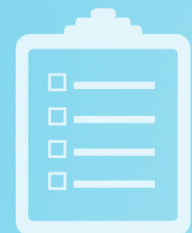
- Eight in 10 small business owners agreed that technology makes their businesses more time-efficient (88 per cent) and cost-efficient (85 per cent).
- Sixty-three per cent of Canada's small business owners say they are more likely to adopt new technology if it improves productivity.



Financial management tools will help you understand your worth, allowing you to save time and money freeing up your time and resources... and letting you get back to what you love: growing your business.

Embrace the future:

- Use time management software
- Create a digital filing system to easily sort, save, share and find documents
- Develop an efficient email management process
- Use online financial management software to make invoicing, expense tracking, budgeting and tax filing more streamlined and efficient



So, how well do you really know your small business? Let's find out together with QuickBooks Online. Get started now: <http://quickbooks.intuit.ca/>.

