

# High-Growth Business Management 101

January 2019



# Introduction

You step into the office on Monday, the usual bounce in your feet tempered by a sense of dread. Like the past few weeks, you brace yourself, knowing what's going to greet you first thing -- a gigantic, overwhelming backlog.

The thrill with skyrocketing sales also riddles you with doubts. Can you meet the demand? You'd love to hire someone to help you out, but that could risk damaging your cash flow, and requires investing time you don't have in training the new team member. On top of that, between payroll and accounting getting trickier to manage by the day, you fear you'll be stuck running in place.

Welcome to high-growth business management.

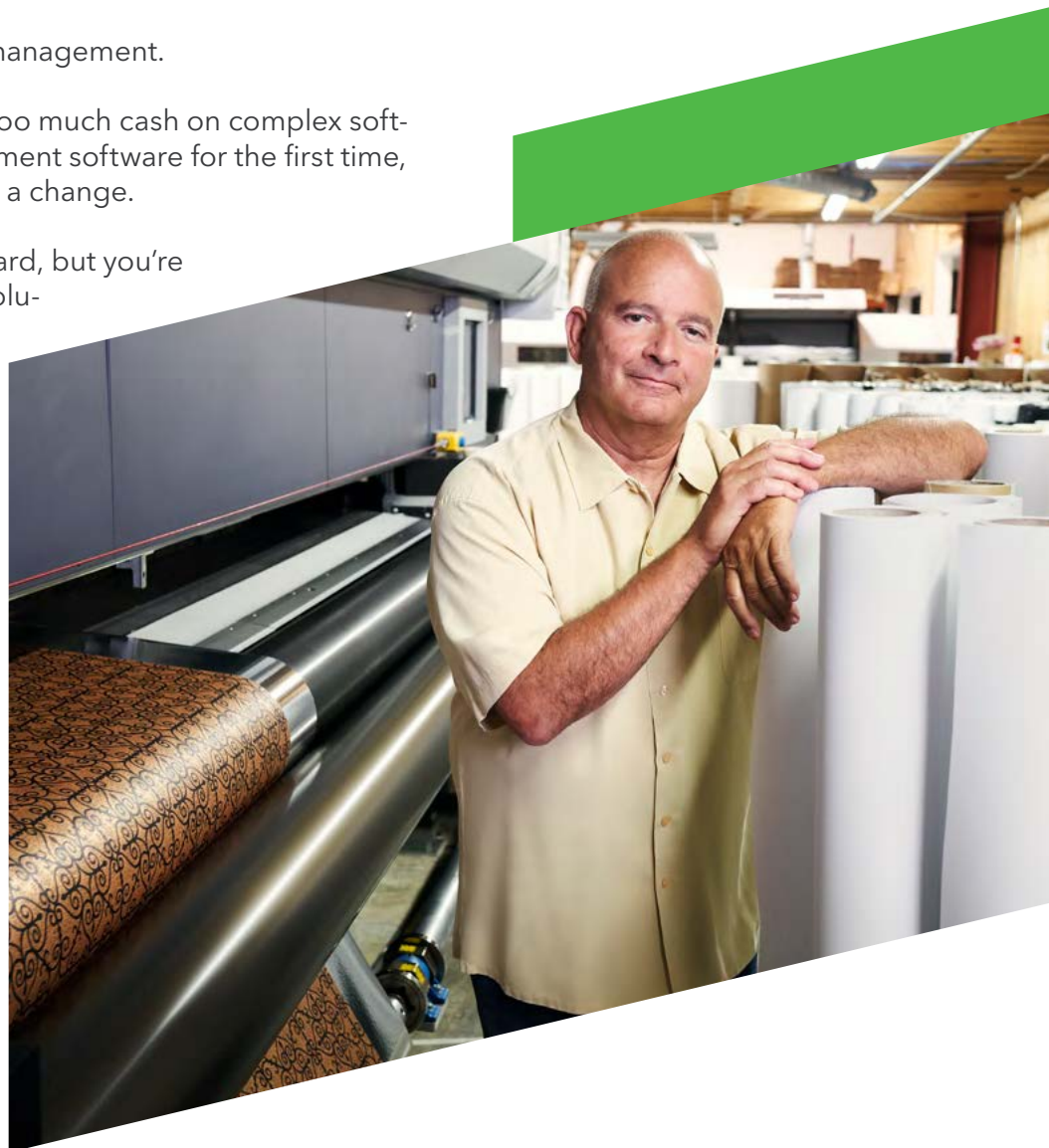
Whether you're currently spending too much cash on complex software or turning to business management software for the first time, one thing is clear: You need to make a change.

Your business is ready to move forward, but you're not sure what the best technology solution is to support your growth...

There's too much information. You don't have the time, energy, or interest in spending the next six months researching and separating the functions your business needs from the ones you don't.

We created this guide so that you won't have to.

In it, we share stories of real businesses that have overcome the challenges you currently face, draw insights from them, and talk plainly about the functions that are actually important to sustaining your business without breaking the bank.



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## Automate your accounting operations

Office managers and other small business operators are often in charge of multiple areas of the business, including accounting.

As the business grows, accounting gets increasingly difficult to manage and decreases productivity, resulting in as much as [23% of the workday](#) spent solely on manual data entry.

Looking for a quick fix, you might stumble upon costly, complex software that's difficult to use and way beyond what you need. Your research, constrained by time, causes more problems down the road. It is a psychological challenge – you must look past the sunk costs of switching software, even though it wastes cash you could use elsewhere every single day.

### FEATURES YOU NEED

#### **Automated invoices, tracking payments, easy-to-manage data files**

A few clicks should be enough to fill out all your invoices, send them out, and track payments you still have to make. You should have visibility into where your money's going and when it's coming at a glance.

You should be able to, in real time:

- Check the status of your invoices in real time.
- Understand what invoices are outstanding at a glance.
- Have inbound payments automatically categorized without wasting time on data-entry.

In this day and age, it shouldn't be unreasonable to expect that you can manage everything with your mouse.

That's how simple and easy accounting can be.

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## Keep your inventory's pulse at all times

Without effective software to keep track of up-to-date inventory data, scaling your business is out of the question.



Even if your inventory isn't vast or unique, increased sales mean more items in your inventory. Growth might also involve expanding to a different physical location... Both these situations require a larger inventory and more careful management. No longer will you be able to rely on spreadsheets alone to move all the pieces in a timely manner.

Over time, not tracking inventory data accurately can lead to major problems like overstocking, understocking, and ultimately, losing customers. Worse yet, poor inventory management can bankrupt your business, as in [the infamous case of Atari](#), the gaming company that wildly overestimated its stock and lost millions of dollars as a result. In fact, studies show that inventory tracking mistakes [create up to 35%](#) of unnecessary costs per year.

#### FEATURES YOU NEED

##### **Barcode scanning, sales order management, customizable reports**

Instead of precious hours spent updating spreadsheets, what if you could simply scan the barcode on an item, and have all the information get automatically updated to the cloud?

What if your team could get live updates about where each item is at all times, helping to minimize errors and lost items? As the items get scanned in the warehouse, it would initiate the shipping process with the Pick, Pack, Ship feature that moves items instantly to the next stage, sending instructions to your workers and printing shipping labels right away.

With this new system, you could fulfill an order delivery in no time. Afterwards, customizable reports let you review the sales data so you can accurately predict and order stock in advance.

## Make job costing work for you

In the construction industry alone, where job costing is the word of the day, [40% of companies](#) don't properly track job costs.

Over time, this can build up to unnecessary expenses, losing out on bids or clients with inaccurate estimates, or simply not having a good grasp on job profitability. When you're only looking at final project costs on an invoice, you're not taking into account the hours spent on the job, or the cost of the materials you needed to buy, and many other factors.

If you don't keep an eye on these individual components, it will be harder to scale your business efficiently, as resources slip through your fingers.

#### FEATURES YOU NEED

##### **Cost accounting, profit and loss analysis, up-to-date field information**

If you want to implement job costing for your business, the first thing you'll need to do is account for all costs so that you'll know which part of the project is using up the most time and cash.

You'll want to track jobs from initial quotes to accounts payable/receivable to reduce the gap between the estimate and final invoice. You'll also want to keep an eye on billable and non-billable hours, so you can reduce the non-billable hours to a minimum.

It sounds like a whole lot of factors to track, but software can make it simple. For example, you can enter the job information into your software once to help filter the information however you like (e.g., by hours, costs, or materials). When you're out on the job, a field service management feature should enable you follow the job in real-time.

Maybe a client asks to change a scheduled date. Change it then and there.

Or, maybe you need to update an invoice due to an unexpected cost. Create one on the spot instead of having to go back to the office. That's one non-billable hour saved right there.

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## Host on the cloud for greater access and flexibility

When you're confined to a single location to conduct your business, it can be challenging to grow in the long run.

While a small business with few employees might be able to get away with a system confined to a single physical location, any business that's growing rapidly will run into a wall eventually.

Even your hiring process will be limited to a local pool of employees, who may not always have the skills you need. In the digital age, remote access and flexibility are increasingly important for fast, efficient communication. By 2020, [60% of IT infrastructure](#) is projected to be cloud-based.

## FEATURES YOU NEED

### Access anywhere, anytime

It's 7 p.m. in California and you're on a business trip. You desperately need access to information that only your office manager has. Just one slight problem... she's back on the east coast, where it's already 10 p.m. If you can even reach her, you'll be disturbing her at the late hour. Or, you risk losing the deal, and wait until the next day to get the information.

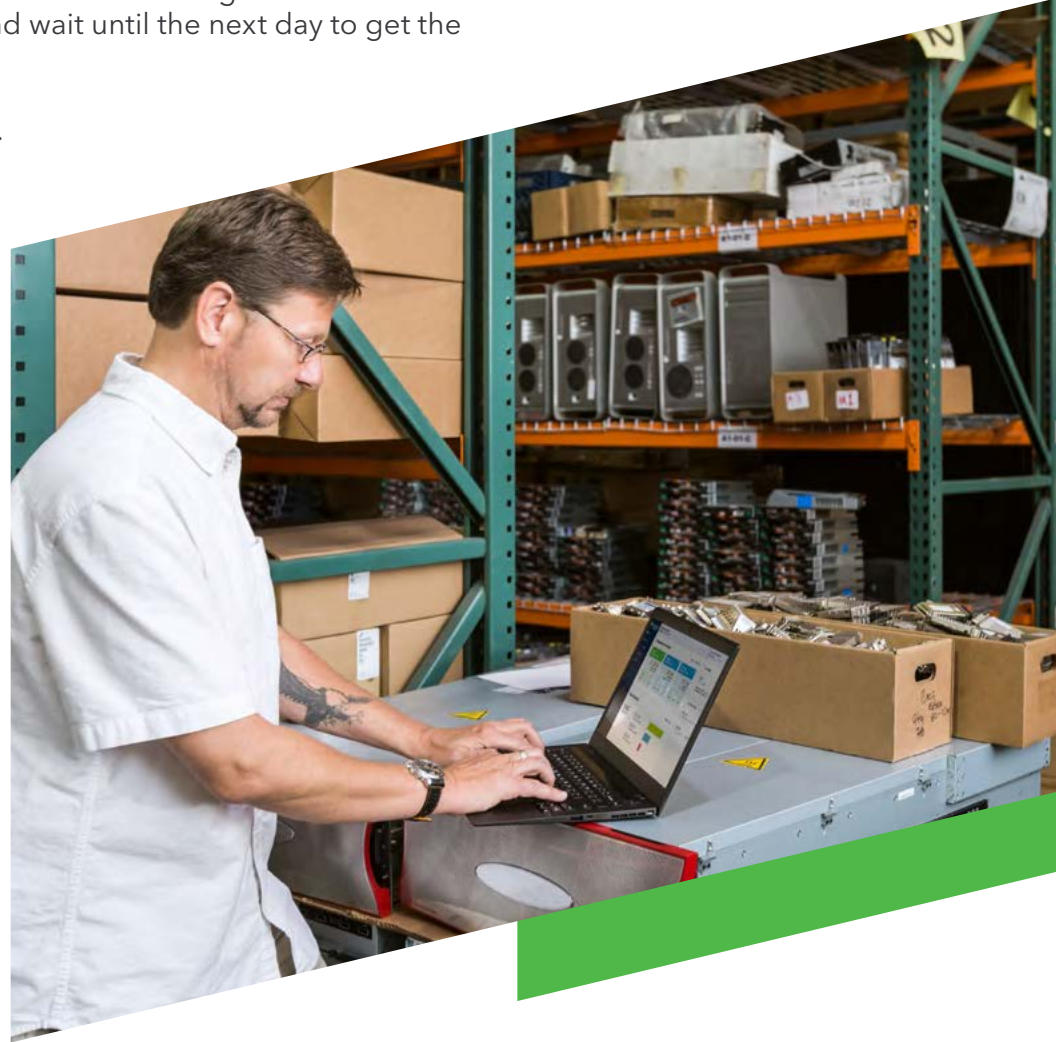
There's a way out of this rabbit hole.

By hosting your company's data on the cloud, you no longer need to rely on a single location for access. You don't even need to worry about time zones since you can simply log in from wherever and whenever you are without waking anyone up. This kind of setup better facilitates information as your business grows and expands to multiple locations.

Location will no longer be a constraint, but a greater opportunity to appeal to more customers.

## Protect your sensitive data with security and permissions

When each security breach [costing SMBs \\$15,000](#), the stakes of not taking preventative measures are very high. Anti-virus systems and firewalls should be the default for businesses to help protect sensitive data, yet [only 27 percent of SMBs](#) have an anti-virus system installed. On top of it all, with [up to 23 percent of cloud users](#) sharing sensitive files externally, it's more important than ever to limit access only to employees directly responsible for the information.



#### FEATURES YOU NEED

##### User permissions, vigilant security

You know that scene from the movies, where tech whiz types away madly on a keyboard to combat cyber crimes, and sits there for hours on end? This high-tech scenario with constant virtual threats may seem a touch extreme, but it exists nonetheless. The world is full of hackers interested in your financial information – all the more reason to invest in a vigilant security solution who can perform regular checks to protect your physical servers. Lucky for you, this won't cost a fortune if you go with software that already employs security staff around the clock.

Plus, you can control who sees what information and when, through user permissions. No one should have access to sensitive company data. Not every employee, and certainly not the prying eyes of malicious hackers.

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## Automate your payroll process

[1 in 6 SMB owners](#) report spending more than 6 hours a month dealing with payroll taxes internally. But it's not just the hours that are costing businesses.

Oftentimes, attempts to handle payroll taxes in-house can mean struggling over different compliance issues that are subject to frequent change. Errors can lead to further complications and accumulate to even more hours taken away from other productive work. Not to mention, calculating taxes can cause a significant headache even on a good day.

#### FEATURES YOU NEED

##### Payroll automation, tax calculations/filing

With just a few clicks, paychecks could be filled and sent out. Your employees will appreciate it – not only because you pay on time, but also because through a feature, they're alerted when a payment is coming their way.

You can literally automate software to automatically pay your payroll taxes, and file state and federal tax forms. No more hours spent typing away on the calculator or reading through tiny letters on tax forms trying to decipher their meaning. No more paychecks getting lost in the mail, or employees asking you when their payments are coming.



## Make data your ally

When businesses take advantage of data analytics, they either increase sales by 2 percent in each segment of their business, or [reduce costs by as much as 50 percent](#). The comparison is especially stark when comparing [44 percent of businesses that saw a sales increase](#) through data analytics, versus 33 percent that did not. These businesses are also five times more likely to make faster business decisions.

And yet if you don't know how to organize the data in a way that's easy to understand, it doesn't matter whether you have the data or not. Staring at numbers that don't make any sense won't lead to better business decisions. That's why you need software that organizes that information for you.

### FEATURES YOU NEED

#### Customer sales history, sales forecasting

You sit down and open a dashboard that's clearly organized. You can see all the customer data, and arrange according to sales items, sales location, or even customer demographics.

Curious about which items sold the most in Ohio? Or maybe you'd like to know which items sold the least in the last quarter, if you're thinking about eliminating some of your less in-demand stock. Either way, once you have this information, you can forecast your future sales and restock your inventory to increase profit margins. Knowledge is key, and advanced reporting can open the doors.

## Expand your capabilities with integrations and an ecosystem

As your business grows, you might start out with a single, simple tool to help manage all the disparate areas. But with continued growth, your business data continues to get more and more complex. Before you know it, you might be spending time on different tools and software and finding it difficult to get organized.

You're not alone. [81 percent of SMBs](#) do not use integrated systems. Clearly, this is not a sustainable model. The last thing you want is for your business to run on a swamp of tools your team can't manage.



**FEATURES YOU NEED****Integrated solution with third-party support**

Moving data should be as simple as a few clicks, and you should not have to leave the software for other tools. In more technical words, you want an integrated solution that provides as many functions as possible in a single piece of software.

Much like the vibrant ecosystem of a rainforest, a smoothly-functioning piece of software also benefits from a system of tools that work together to serve your needs. The wealth of integrations and third-party support available for QuickBooks Enterprise makes it that much easier for you to migrate any existing data from other tools you're already using. Take control of your tools, otherwise your team will be at their mercy.

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## Final thoughts

Just 30 minutes ago, you might have felt backed into a corner. More challenges come up, and your team scrambles to keep up. "It will be like this for the next few months," you said to your team. You needed the reminder, too.

But now, the possibilities pop into your mind. Based on these eight sections and stories, you now have a stronger vision for what you need from your software. The idea is that it's very likely your business won't need much more than these eight core functions.

In fact, it's hard to believe, but it could all be so simple...

You breathe a sigh of relief. You have a feeling, next Monday will feel different.

Learn more about QuickBooks by contacting us: