



PRACTICAL GUIDES #DIGITALINMOTION

#DIGITALINMOTION provides a step by step guide to help businesses re-tool and discover new ways to reach customers. This resource is provided through eight publicly available guides featuring practical tips and simple tools:



GUIDE 1: Expand your market and customers

GUIDE 2: Efficiently handle orders and deliveries

GUIDE 3: ORGANIZE BUSINESS FINANCES DURING COMPLEX TIMES

GUIDE 4: Ensure business safety and security

GUIDE 5: Implement various payment methods

GUIDE 6: Generate appealing products and promotions for your clients

GUIDE 7: Good environmental practices in your business

GUIDE 8: Contribute to gender equality



This icon indicates support tools that put this guide into practice. A summary of available tools is located at the end of this document.





GUIDE 3:

ORGANIZE BUSINESS FINANCES DURING COMPLEX TIMES

Appropriate financial management, especially in times of crisis, enables resources to be optimized to ensure that businesses continue to function. To this end, below is a simple guide to organize finances and control money management.

1

CONTROL INCOME AND EXPENSES IN DETAIL



Keep a complete and detailed record of all business income and expenses. Divide business expenses from personal expenses. Knowing where your money is going.

If you don't keep a record, start one now. You can use the model in Annex 2, print it or copy it in a notebook.

See Tool 2.

Give yourself time to keep a daily record, this will help to know how business is performing. See Tool 2.



2

IDENTIFY YOUR SHORT-TERM AND LONG-TERM DEBTS



Make a detailed list of all debts, identifying creditors, amounts, interest rates, installment values and payment times. This will help with decisions about more urgent payments and those that can be deferred.

It is essential to have sufficient financial resources to keep the business running.

See Tool 3.

3

PRIORITIZE PURCHASES AND EXPENSES



You know your business and what it needs for operational purposes. Classify each expense according to its importance and urgency. See Tool 4



Avoid impulse purchases at all costs. Suspend any purchase that is not essential to your business.

Take care of all money, do not spend more than is necessary.

Do not spend money that has not yet been received.



4

CALCULATE THE BUSINESS BALANCE POINT



Identify how much money is needed to cover fixed and variable costs. It is important to determine the point where there are no gains or losses, that is, the point of balance.

The balance point must be calculated for the day, week and month. This will help plan sales goals. **See Tool 5.** 📄

The **fixed cost** must be paid regardless of the volume of sales, such as the payment of electricity, wages or the rent of premises.

Variable costs are those that rise or fall according to how much is sold (for example, the purchase of materials and products).

5

MAKE A SALES BUDGET



Define what sales need to be achieved to cover balance points, that is, no gains or losses. It is vital that this is reached each month. Otherwise, money will be lost.

Project sales for the day, week and month. Projections must be realistic. **See Tool 6.** 📄

Every day evaluate if sales goals have been reached. If not, strategies must be generated to increase sales.

6

MAKE A PURCHASE BUDGET



Make a budget for purchases from suppliers, taking into account what is usually sold and other new products that could interest customers. **See Tool 7.** 📄

This will help predict how much money is needed to supply your business. Always have an inventory of the items that sell best. **See Tool 8.** 📄

Evaluate suppliers. Make a list and compare the quality of products, prices and delivery times, choose the ones that best suit your business needs.

Try to improve conditions with suppliers that are not meeting performance standards.

7

PAY ATTENTION TO ACCOUNTS RECEIVABLE



If credit is offered to clients, establish effective collection mechanisms.

Keep a record of accounts receivable and review it for management on a daily or weekly basis. **See Tool 9.** 

Give discounts or benefits for prompt payment. For example, gradually increase space for credit purchases, give gifts to build customer loyalty and speed up payment.



SUPPORT TOOLS

TOOL 1: Control of expenses and income video

TOOL 2: Record of income and expenses

TOOL 3: Debt register

TOOL 4: Expense prioritization matrix

TOOL 5: Cost analysis and balance point tool

TOOL 6: Sales projection video

TOOL 7: Tool for preparing purchasing budgets

TOOL 8: Video on planning the purchasing process

TOOL 9: Register of accounts receivable

Access all content and tools in the following link:
<https://mintic.gov.gy/digital-in-motion/>





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STEPSTOFOLLOW:

