



# *How Can You Redefine Success and Sustainability in Your Business?*

**SMART FINANCE STRATEGIES TO  
EMPOWER WOMEN BUSINESS OWNERS**



Prepared Especially for  
Women Business Owners  
by Karen Bershad,  
The Small Business Advisor

# All for you...

- C1 – Building a Financially Empowered Business
- C2 – Setting 5 Strategic Goals for Sustainable Growth
- C3 – Overcoming Financial & Operational Challenges
- C4 – Mastering Cash Flow Management
- C5 – Avoiding Common Financial Pitfalls
- C6 – Implementing the Profit First Methodology
- C7 – Collaborating with a Cash Flow Strategist
- C8 – Empowering Women Business Owners to Thrive

Acknowledgements

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## eBook Dedication

To Joe Thompson, whose unwavering support has been a constant source of strength in my work and life. Your encouragement and belief in me have made all the difference.

To Mike Michalowicz, whose wisdom along with the Profit First methodology have been a guiding light. Your journey—from “piggy bank” bottom to success—has been an inspiration, proving that resilience and the right financial strategy can lead to remarkable achievements. Your influence has shaped my professional journey, and I am deeply grateful.

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## Chapter 1

# *Building a Financially Empowered Business*

**Financial empowerment is more than managing numbers—it involves confidence, a healthy mindset, and informed decisions. Here is an outline with four key areas of how to build a financially empowered business and the steps to achieve each significant milestone.**

## **Develop a Financial Mindset That Drives Success**

### **Step 1: Understand Your Relationship with Money**

- Reflect on past experiences with money, both personal and business-related.
- Identify any habits or beliefs that might be holding you back.
- Cultivate a mindset of abundance rather than scarcity to allow you to be confident, not desperate, about gaining financial opportunities and building relationships that grow into trusted partnerships.

### **Step 2: Set Clear Financial Intentions**

- Write down your financial goals for your business, both short-term and long-term.
- Focus on specific, measurable, realistic, and timely intentions.

### **Step 3: Educate Yourself Continuously**

Invest in financial education through courses, books, or workshops. Regularly read financial reports and business news relevant to your industry.

### **Step 4: Practice Financial Accountability**

- Schedule regular financial reviews—monthly, quarterly, and yearly.
- Track spending and profitability to ensure alignment with goals.
- Be open to seeking help or adjusting strategies when necessary.





## Stay Motivated and Resilient in the Face of Challenges

### Step 1: Embrace Challenges as Learning Opportunities

- Reframe financial setbacks as lessons for growth.
- Celebrate small wins to maintain motivation.

### Step 2: Create a Support Network

- Surround yourself with other business owners, mentors, or accountability partners.
- Join groups or forums for women entrepreneurs where you can share experiences and advice.
- Work with a business coach.

### Step 3: Set Up a Routine for Self-Care

- Schedule breaks to prevent burnout.
- Prioritize personal time to recharge.

### Step 4: Keep Your Vision in Focus

- Remind yourself regularly of your "why" behind the business.
- Visualize the long-term benefits of financial stability.

## Reap the Benefits of Partners as Trusted Advisors

### Step 1: Identify Your Needs

List the financial areas where you need expertise (e.g., tax planning, cash flow management).

### Step 2: Research and Choose the Right Advisors

- Look for advisors who specialize in serving women-owned businesses.
- Consider credentials, expertise, and client testimonials.

### Step 3: Communicate Your Goals Clearly

- Share your financial goals and concerns with your advisor.
- Be transparent about your current financial situation for the best guidance.

### Step 4: Establish a Long-Term Partnership

- Meet regularly with your advisor to review progress.
- Be open to their feedback and adjust your strategy when needed.

*Financial empowerment is more than managing numbers —it involves confidence, a healthy mindset, and informed decisions.*





# Use Financial Metrics to Track Progress and Adjust Strategies

## Step 1: Choose Key Metrics to Track

- Common metrics: Net Profit Margin, Gross Profit Margin, Cash Flow, Revenue Growth Rate, Customer Acquisition Cost.
- Tailor metrics to your specific business needs and goals.

## Step 2: Set Up a Tracking System

- Track your metrics using spreadsheets, accounting software, or financial apps.
- Schedule time to review and analyze the data regularly.

## Step 3: Interpret the Data to Make Informed Decisions

- Use the data to identify trends, strengths, and areas for improvement.
- Adjust strategies based on the insights gained, such as changing pricing, reducing costs, or reallocating resources.

## Step 4: Keep Metrics Aligned with Your Goals

- Periodically review if the chosen metrics are still relevant.
- Update your metrics as your business evolves.

## Financial Empowerment Checklist

Here is a checklist to build a financially empowered business:

- Reflect on your financial mindset and beliefs.
- Set clear financial goals with specific deadlines.
- Educate yourself on financial matters through reliable sources.
- Review your financial performance regularly.
- Seek support from a trusted financial advisor.
- Monitor key financial metrics and adjust strategies as needed.
- Join a community of women entrepreneurs to network and gain support.
- Prioritize self-care to maintain motivation and resilience.

## Chapter 2

# *Setting Five Strategic Goals for Sustainable Growth*

*By achieving these five strategic goals, you will build a strong financial foundation for sustainable and scalable growth while maintaining control over your finances.*

## **#1 Set Realistic Financial Goals**

### **Assess Your Current Financial Position**

Review your financial statements (profit and loss, cash flow, and balance sheet) to understand your business's current position.

### **Identify Key Metrics**

To track your progress, determine key performance indicators (KPIs) like revenue growth rate, profit margins, and customer acquisition costs.

### **Break Down Goals**

Set short-term (monthly, quarterly) and long-term (annual, 3-5 years) goals, ensuring they are SMART (Specific, Measurable, Achievable, Relevant, Time-bound).

### **Align with Business Objectives**

Ensure your financial goals support your business's vision and mission.

## #2 Reinvest Profits for Growth While Maintaining Cash Flow

### **Prioritize Profit**

Use the Profit First methodology to allocate a percentage of revenue to profit, ensuring you are not overspending.

### **Identify Growth Opportunities**

Evaluate opportunities like hiring fresh staff, marketing campaigns, or technology upgrades that can drive sustainable growth.

### **Allocate Resources**

Decide on a percentage of profits to reinvest in the business without jeopardizing day-to-day cash flow. Aim to reserve at least 3-6 months of operating expenses.

### **Track Your ROI**

Regularly measure your reinvestments' return on investment (ROI) to ensure they contribute to growth.

## #3 Create a Flexible Budget

**Establish a Baseline Budget** Start with a zero-based budget, where every dollar is allocated for a specific purpose based on historical data and projections.

### **Differentiate Fixed and Variable Costs**

Understand what costs are consistent (like rent and salaries) versus what can fluctuate (like marketing and supplies), allowing for adjustments.

### **Monitor and Adjust**

Review your budget monthly, comparing actual performance with forecasts, and adjust as needed to stay on track.

### **Incorporate Flexibility**

Create and fund a contingency savings account of between 5-10% of the total budget to manage unexpected expenses or opportunities.





## #4 Tools and Technology to Streamline Your Finances

### Accounting Software

- Use QuickBooks, Xero, or Wave to manage bookkeeping and automate financial tasks.

### Financial Dashboards

- Implement software such as Fathom, Spotlight Reporting, or LivePlan for visual insights into your financial performance.

### Expense Tracking Apps

- Consider apps like Expensify or Receipt Bank to track expenses and receipts efficiently.

### CRM Integration

- To streamline operations, use customer relationship management (CRM) software like HubSpot, ZohoOne, or Salesforce, which integrates with financial tools.

### Regular Financial Audits

- Use audit tools and conduct periodic financial reviews to ensure your processes are efficient and accurate. Attend regular meetings with the SBA for continued guidance to keep you on track.

## #5 Have a Plan for Funding

NOTE: This strategic goal should only be necessary if you have not been planning for a specific or unexpected need.

### Assess Need and Timing

- Understand when outside funding is necessary (e.g., expansion, new equipment) and ensure it is the right time to seek additional resources.

### Explore Funding Options

- Consider traditional loans, lines of credit, grants, angel investors, or crowdfunding. Choose the option that aligns best with your business stage and goals.

### Research Financial Partners

- Look for partners who understand your industry, share your vision, and have a good history with other businesses like yours.

### Prepare a Solid Presentation

- Develop a compelling business plan highlighting your financial stability, growth potential, and how the funds will be utilized.

### Understand the Terms

- Be clear about the terms of any funding—interest rates, repayment schedules, equity stakes, etc.



## Chapter 3

# Overcoming Financial and Operational Challenges

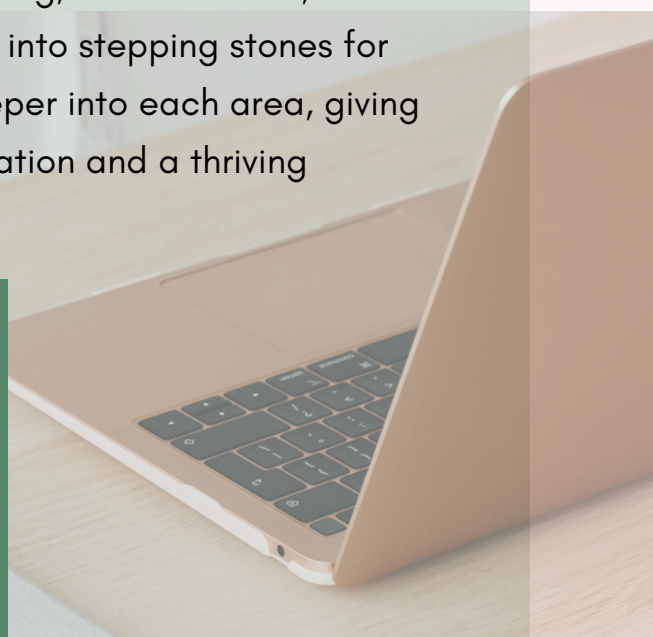
Running a business as a woman is rewarding but often comes with unique challenges. Women business owners face various obstacles, from securing financial stability to balancing business and personal demands.



This chapter will review four common issues in detail and provide actionable strategies to help you overcome them. You will learn how to manage cash flow effectively, scale your business sustainably, break through industry barriers, and find the financial guidance you need to thrive.

Challenges are inherent in business ownership, but understanding them is the first step towards overcoming them. Woman-owned businesses often face additional hurdles, but with careful planning, determination, and the right resources, you can turn these challenges into stepping stones for success. In the next chapters, we will dive deeper into each area, giving you the tools to build a strong financial foundation and a thriving business.

*Did you know it was not until 1974  
that women could engage in  
financial activities  
without a MALE COSIGNER?*



## CHALLENGE #1

### Managing Cash Flow with Limited Resources

Cash flow is the lifeblood of any business, but limited financial resources can make it difficult for many woman-owned companies to maintain a healthy cash position. With less access to traditional funding, strong cash management strategies are critical.

#### Strategic Plan to Overcome

##### *Build a Cash Flow Forecast*

- Create a cash flow forecast for small businesses using simple spreadsheets or software.
- Include expected income from sales, services, and other revenue streams.
- Compare this to your estimated expenses, which include fixed costs (such as rent and salaries) and variable costs (such as inventory and marketing).
- Plan for slow periods and anticipate cash shortages by projecting your financials.

##### *Prioritize Expenses*

- Separate essential expenses from non-essential ones. Focus on what is critical to keep the business running and cut or reduce costs that are not directly contributing to revenue growth.
- When necessary, negotiate better terms with suppliers, find more affordable alternatives, or delay incurring non-urgent expenses.

##### *Improve Payment Collection*

- Set clear payment terms with clients and customers.
- Consider offering small discounts for early payments or charging fees for overdue payments to incentivize timely payments.
- Utilize online invoicing tools that make it easier for clients to pay and track outstanding invoices.
- Depending on your industry, you may have a monthly subscription plan and be paid upfront monthly by auto draft.

##### *Use Profit First Methodology*

- Apply a structured approach like Profit First, developed by Mike Michalowicz. In this method, you allocate revenue into different "buckets" such as profit, taxes, operating expenses, etc.
- Use this method to help you manage cash flow by clearly breaking down funds, ensuring your profit and expenses are always accounted for.





## CHALLENGE #2

### Balancing Business Growth with Personal Responsibilities

Balancing personal and professional life is a common struggle for many women entrepreneurs. The demands of scaling a business while maintaining personal responsibilities can feel overwhelming, but it is possible with a strategic approach.

#### Strategic Plan to Overcome

##### *Use Priority Management*

- Utilize time-blocking techniques to segment your day into focused periods for different tasks.
- Prioritize revenue-generating activities first and set strict boundaries for when you will work and focus on personal responsibilities.

##### *Build a Strong Team*

- Identify areas where you can delegate in your business. Hiring the right people, whether an assistant, bookkeeper, or marketing professional, can free up time for high-level tasks and personal responsibilities.
- Use project management tools like Zoho One, Trello, or Asana to keep the team aligned.

##### *Leverage Technology for Efficiency*

- Automate routine tasks to save time. Tools like Zapier can connect apps and automate workflows while accounting software like QuickBooks can streamline financial tracking.
- Consider outsourcing non-core functions like social media or administrative work to virtual assistants.

##### *Establish Self-Care Routines and Healthy Boundaries*

- Set clear boundaries between work and home life.
- Schedule "off" hours when you are not checking emails or working on business tasks.
- Prioritize self-care activities, like exercise or meditation, which help you recharge and avoid burnout.



## CHALLENGE #3

### Overcoming Barriers in

### Male-Dominated Industries

Women often face additional hurdles in male-dominated sectors, including limited networking opportunities, unconscious bias, and difficulty accessing capital. However, you can position yourself as a leader with the right mindset and strategies.

#### Strategic Plan to Overcome

##### *Develop and Promote a Powerful Personal Brand*

Invest the time and effort to develop and maintain a strong personal brand highlighting your values and expertise. This can include one or more of the following ways to highlight your accomplishments and unique strengths to establish credibility:

- Create and maintain a professional website.
- Build and maintain a robust LinkedIn profile.
- Share insights through blogging or public speaking engagements.

##### *Network with Purpose*

- Seek out women-centric networks and industry associations.
- Attend conferences, workshops, and networking events to build relationships with other women entrepreneurs and allies.
- Join online communities, forums, or social media groups that support women in your field.

##### *Find Mentors and Sponsorship*

- Find mentors who can guide you and offer insights into your industry. Mentors can advise on how to overcome challenges, navigate industry dynamics, and find opportunities.
- Consider sponsorship, where a well-positioned individual actively advocates for your career or business.

##### *Build Resilience Against Bias*

- Prepare for bias by developing assertiveness and resilience.
- Practice managing tricky situations, whether dismissive comments or being “talked over” in meetings.
- Focus on your expertise and practice reinforcing your contributions with data and facts when presenting your ideas.

## CHALLENGE #4

### Accessing Trustworthy Financial Expertise

Finding reliable financial advice for a woman-owned businesses can be challenging. Many women feel underserved by traditional lending and banking entities as well as CPA's and financial advisors, which can lead to a lack of confidence in making economic decisions.

#### Strategic Plan to Overcome

##### *Choose the Right Financial Advisor*

- Look for an advisor who understands the unique needs of women entrepreneurs.
- Consider asking potential advisors about their experience working with similar businesses, familiarity with cash flow management, and their understanding of issues like access to capital and gender dynamics in business.



##### *Ask the Right Questions*

- Prepare key questions when interviewing potential advisors.
- Ask how they can help with financial forecasting, cash flow management, tax planning, and profit maximization.
- Ensure they explain complex topics in a way that is accessible and understandable to you.

##### *Learn Financial Literacy and Understand Your Financial Reports*

- Empower yourself by learning the basics of business finance.
- Know how to read a profit and loss statement, balance sheet, and cash flow statement.
- Familiarize yourself with key financial metrics like profit margins, ROI, and operating expenses to make informed decisions even if you rely on an advisor.

##### *Establish Regular Financial Reviews*

- Schedule monthly or quarterly reviews with your advisor to discuss the state of your finances.
- Track your goals and ask for explanations on any financial changes.
- Ensure your advisor proactively suggests strategies that align with your business objectives.



## *Real Life Point-of-View*

### \$100,000 Gone Missing: How The Small Business Advisor Helps a Client Identify the Source of Fraud

Here's a recap of a financial incident involving my client in trade services for real estate, underscoring the critical importance of regular financial reviews. Upon learning that a main business account had been compromised, this frantic business owner contacted me.

The unsettling discovery was made after the bank sent an overdraft notification, a highly unusual occurrence for this typically robust account. Upon thorough examination, it became evident that this unauthorized activity had persisted undetected for nearly a month, during which the perpetrator had illicitly withdrawn close to \$100,000.

Our meticulous review of the account transactions revealed a crucial clue: a missed payment to one of their regular vendors. This anomaly was the key that unlocked the case. The payment had been sent to the appropriate vendor for the correct amount. But upon reviewing the check image that went through the bank, we found that it had been altered and made out to someone else.

With the vendor's cooperation and the diligent efforts of the bank's fraud team, we traced the breach's origin. This collaborative effort not only facilitated the identification of the offender but also led to successful legal action.

This incident reinforces the importance of regular account management and monitoring and further highlighted how prompt, strategic responses can mitigate potential damages and resolve such critical issues.

## Chapter 4

# *Mastering Cash Flow Management*

**Cash flow is the lifeblood of any business, particularly for woman-owned small businesses where resources can often be more limited. This chapter will explain why mastering cash flow is crucial, how to do it effectively, and the strategies you need to keep your business financially healthy.**

### **Why Cash Flow is Crucial and How to Calculate It Effectively**

Cash flow is the movement of money in and out of your business. Positive cash flow indicates that more money is coming in than going out, allowing you to pay bills, invest in growth, and save for future expenses. Negative cash flow, on the other hand, can signal potential trouble, from late bill payments to an inability to fund everyday operations.

### **Key Calculations for Managing Cash Flow**

#### *Operating Cash Flow*

This measures the cash generated from your core business activities. This top-line revenue is where you start planning how to manage strategically each month.

#### *Free Cash Flow*

The cash left over after paying for operating expenses and capital expenditures (like buying new equipment or office space). This is what usually happens without a strategic plan for your cash without a plan.

Regularly calculating cash flow with a strategic plan will help you stay on top of your financial situation and make informed decisions.



# The Difference Between Cash Flow and Profit, and Why Both Matter

Many business owners confuse cash flow with profit, but they are distinctly different ways to measure success and sustainability.

Traditionally, profit is what is left over after all expenses are paid. Traditionally, it is a long-term indicator of success.

Also, traditionally, Cash Flow reflects the actual cash available to your business at any moment. It is the money you use to pay vendors, employees, and overheads.

A strategic plan can dramatically change your business's profit and cash flow. While a business can be profitable on paper, it can still struggle if cash flow is not managed properly.

Cash flow is about liquidity—having the resources to keep the business running smoothly day-to-day—while traditionally, profit is about the bottom line. Strategic planning works to bring profit to the top and into your pocket.

## *Key Takeaway*

Always ensure your cash flow supports your profitability goals. Focusing solely on profit can lead to cash shortages, while over-focusing on cash flow can cause you to miss long-term growth opportunities.

Extremely specific processes can be put in place to ensure profit for the business owner and the company.



## Step-by-Step Guide on Creating a Cash Flow Forecast That Fits Your Unique Business Cycle

Creating a cash flow forecast allows you to anticipate potential cash shortages and a growth plan. Follow this step-by-step guide.

**Identify Your Income Sources:** List all expected revenue streams for the upcoming period (monthly, quarterly, or annually). Include service fees, product sales, retainers, and any other miscellaneous income.

**Estimate Fixed and Variable Expenses:** Categorize your expenses into fixed costs (rent, salaries, insurance) and variable costs (marketing, utilities, supplies). This makes it easier to predict your baseline outflows.

**Analyze Payment Cycles:** Understand when you get paid and when your bills are due. If your clients have 30-day payment terms, but you need to pay vendors weekly, you may experience gaps that need to be managed differently.

**Create a Spreadsheet or Use Accounting Software:** Input your anticipated income and expenses into a cash flow template, projecting out for at least the next 6-12 months.

**Review and Adjust Regularly:** At the end of each month, compare your forecast to actual results. Adjust the projections for the following months based on new data or changing circumstances.

### *Cash Flow Tip*

Implement a buffer—aim to maintain at least 2-3 months of operating expenses in reserve. This can help you weather unexpected events or economic downturns.



## Practical Tips on Avoiding These Common Cash Flow Pitfalls

- **Late Payments:** Encourage early payments by offering small discounts for prompt payment. Use automated invoicing systems to send reminders, and do not hesitate to follow up on overdue invoices.
- **Overestimating Revenue:** Be conservative with your revenue projections. Use past data to make accurate estimates and always have a contingency plan if sales fall short.
- **Seasonal Slowdowns:** If your business has peak and slow periods, create a cash flow forecast that accounts for these fluctuations. Consider setting aside extra cash during the high season to cover leaner months.
- **Unplanned Expenses:** Regularly review and categorize your expenses to identify areas where you can cut back. Implement an emergency fund for unexpected costs, like equipment repairs or urgent hiring needs.

### Key Takeaways

- Cash flow is about maintaining liquidity for daily operations, while profit is a long-term success metric.
- A solid cash flow forecast is critical in anticipating challenges and planning for growth.
- Practical steps like timely payment incentives, conservative forecasting, and creating cash reserves can help avoid common cash flow pitfalls.



## Chapter 5

# *Avoiding Common Financial Pitfalls*

**Here are five financial mistakes small business commonly make and how to avoid them.**

### **#1 Running Out of Cash**

Running out of cash can lead to operational disruptions, dependency on expensive credit, and missed opportunities. Having a financial safety net includes emergency funds and business insurance. Here is how to avoid running out of cash:

- Set up a separate account designated explicitly as Cash Reserve or “Rainy Day Fund.”
- Build a reserve by saving a percentage of monthly revenue, automating the process, and gradually increasing the amount saved.
- Calculate your emergency fund by multiplying your monthly expenses by 3–6 months.
- Secure key insurance types:
  - General liability: This covers injuries or damages.
  - Property insurance: Protects physical assets.
  - Business interruption: This covers lost income during disruptions.
  - Cyber Insurance: This covers breaches in your IT system/data files.

### **#2 Ignoring Financial Statements**

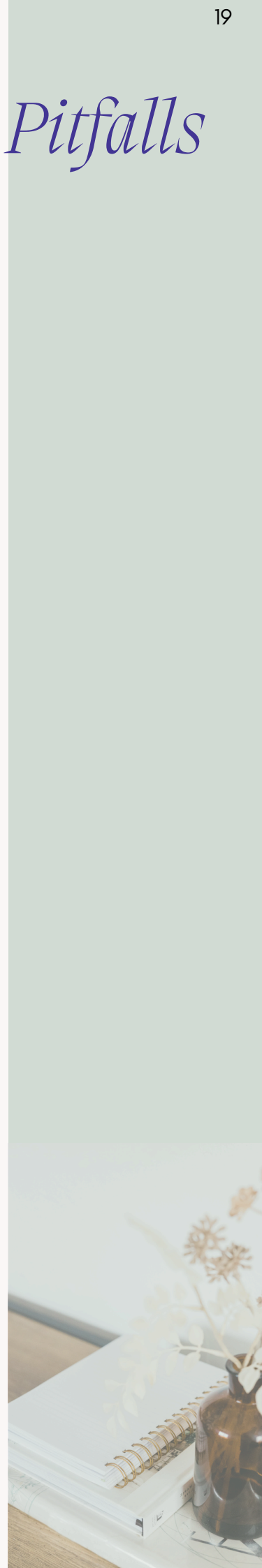
Regular financial reviews help identify potential issues like declining profit margins or rising expenses before they negatively impact your cash flow. Here’s how to make a habit of reviewing your financial statements:

- Schedule monthly reviews with your bookkeeper and advisor by setting a recurring date to examine financial statements.
- Use a checklist for cash flow trends, profitability, and expense anomalies by review these three key financial statements:

Profit & Loss (P&L): Shows income, expenses, and net profit.

Balance Sheet: Details assets, liabilities, and equity.

Cash Flow Statement: Tracks cash inflows and outflows to indicate liquidity.





### #3 Mixing Personal and Business Finances

Blended finances complicate taxes, make tracking profitability difficult, and risk legal exposure. Here's how to keep your personal and business finances separate to ensure accurate tracking, simplify taxes, and enhance business credibility.

- Have a separate account and tracking for your personal finances.
- Open separate business bank accounts and credit cards to streamline accounting and ensure clear boundaries.
- Choose a business entity (LLC, S-Corp) that aligns with your needs for liability protection and financial separation.
- Use accounting software to track income and expenses.
- Maintain detailed records for tax compliance.

### #4 Not Budgeting for Taxes

Businesses face unmanageable year-end tax liabilities without tax planning. Here's how to avoid going into debit or forgoing other strategic goals to pay your year-end taxes:

- Plan the taxes owed with your CPA during the last quarter of each year. Use this amount to prepare your allocations in a Tax Savings account.
- Calculate estimated taxes quarterly and automate transfers into a dedicated tax savings account.

### #5 Lack of Profit Planning

Prioritizing revenue over profit can lead to cash flow issues and financial instability. Here's how to plan for your consistent profitability:

- Work with your Profit First guide to determine your income as the business owner.
- Use the Profit First methodology to ensure profit is built into your business model.





## Chapter 6

# *Implementing the Profit First Methodology with The Small Business Advisor*

**Introducing the core concept of Profit First as a strategy to transform the financial health of your business.**

By setting aside profit first and working within the remaining funds for expenses, women business owners can create a sustainable, profit-focused model that brings stability and clarity to their operations.

When you partner with The Small Business Advisor (SBA), a Certified Profit First Advisor and Cash Flow Strategist, you experience the specialized expertise to make this approach work for your unique business situation. Our role is not just about implementing a system—it is about tailoring strategies that turn profit into a consistent and predictable result for your business.



# Introducing the Profit First Methodology

## A Cash Management Strategy for Consistent Profitability

**The Profit First methodology flips the traditional accounting formula which is “Sales – Expenses = Profit.”**  
***With Profit First, it is “Sales – Profit = Expenses.”***

This approach guarantees profit as a part of your budgeting process, not as an afterthought. Here is how to use this powerful approach:

**Separate Bank Accounts:** This creates a visual separation of your money.

**Allocate Income:** Every time you receive money, distribute it among the accounts according to pre-determined percentages. For example, 10% goes to Profit, 15% to Taxes, and the rest to Expenses.

**Prioritize Profit:** By allocating profit first, you ensure it is consistently factored into your financial decisions. This prevents the frequent problem of profit disappearing due to rising expenses.

**Trim Costs:** If your expenses exceed the available funds, they signal to cut back. Look for inefficiencies, negotiate better terms with vendors, or streamline processes.

**Schedule a Rhythm:** Set a recurring schedule—weekly, bi-weekly, or monthly—to review and adjust your allocations. This will keep you in control of your cash flow without surprises.

Many woman owned businesses have used Profit First\* to stabilize cash flow and fund business growth. The system’s clarity provides a straightforward roadmap to managing income and expenses, reducing stress, and creating financial sustainability.

# *Real Life Point-of-View*

## From Crisis to Stability: How The Small Business Advisor Used Profit First to Be Empowered

Running The Small Business Advisor has been filled with challenges, tough decisions, and financial transformation. One of the toughest moments in the business came when we took on a large client with a complex business model and three divisions. At first, it seemed like an excellent opportunity—steady revenue and a high-value client. But as time passed, it became clear that this client was no longer worth the effort and time.

We worked closely with the business owner and their bookkeeper for a year to bring structure and financial clarity to their operation. The business owner continued to do things that were detrimental to the business. The bookkeeper decided she would only do what she felt was needed, not the program we agreed on. The frustration and stress mounted.

The money was great, but at what cost? Finally, I made one of the hardest decisions of my career—I fired the client. Letting go of guaranteed revenue was terrifying, but I knew it was necessary. That is when Profit First saved the day.

Because I had set up a “Rainy Day Fund” as my financial safety net, I had the financial cushion to keep my business running and not feel desperate or panicky. We were able to focus on bringing in new, better-aligned clients who valued collaboration and respected our expertise.

Today, The Small Business Advisor is not just surviving but thriving. We have expanded our services and grown our client base, and now we collaborate closely with women-owned businesses to help them achieve financial empowerment, long-term success, and sustainability.

This experience taught me an invaluable lesson: Profit First is not just about numbers but about giving yourself the freedom to make business decisions without fear. If you are struggling with cash flow or feeling stuck in a difficult financial situation, I am here to help. With the right strategy and support, financial peace of mind is possible. – Karen

## Chapter 7

# *The Impact of a Certified Cash Flow Strategist on Your Business*

A Certified Cash Flow Strategist (CCFS) specializes in guiding small business owners to optimize their cash flow. Unlike traditional financial roles, which often focus on historical data and compliance, The Small Business Advisor as a CCFS looks forward, helping you predict and manage future cash needs and opportunities.

A CCFS becomes a partner in your financial journey, holding you accountable to your goals. This relationship builds trust and offers reassurance that your finances are always under professional guidance.

With a CCFS's guidance, business owners develop resilience and confidence. The knowledge gained equips you to manage financial challenges head-on and make decisions that drive success.

### **Goes Beyond Bookkeeping**

While bookkeepers ensure accurate financial records, a CCFS takes an active role in your financial health, using cash flow as a tool for business growth. This professional helps you anticipate cash shortages and maximize surplus funds, making them essential to your growth strategy.

### **Serves as an Asset in Business Strategy**

A CCFS does not just track money; this type of expert helps you develop strategies that align cash flow with your business goals. By taking an initiative-taking approach, they can advise on when to make investments, how to manage expenses, and when to hold back to ensure steady financial health.

**Your journey from cash flow crisis to confidence begins with the proper guidance.**

**Partner with us as a CCFS and take the first step toward financial freedom and peace of mind.**



## The Unique Value of a Certified Cash Flow Strategist

### Cash Flow Health Focus

Many businesses focus only on profit margins, but cash flow tells the real story of financial health. A CCFS provides a structured approach to cash flow that ensures you can cover expenses, grow plans, and avoid debt reliance. They help answer questions like, "Do I have enough cash to cover unexpected costs?" and "How can I allocate funds for reinvestment?"

### The Strategic Advantage

A CCFS helps business owners develop a practical cash management plan, forecasting and adjusting cash flow to match seasonal and operational cycles. They enable you to avoid cash flow crunches by implementing effective cash flow monitoring and optimizing how funds are allocated.

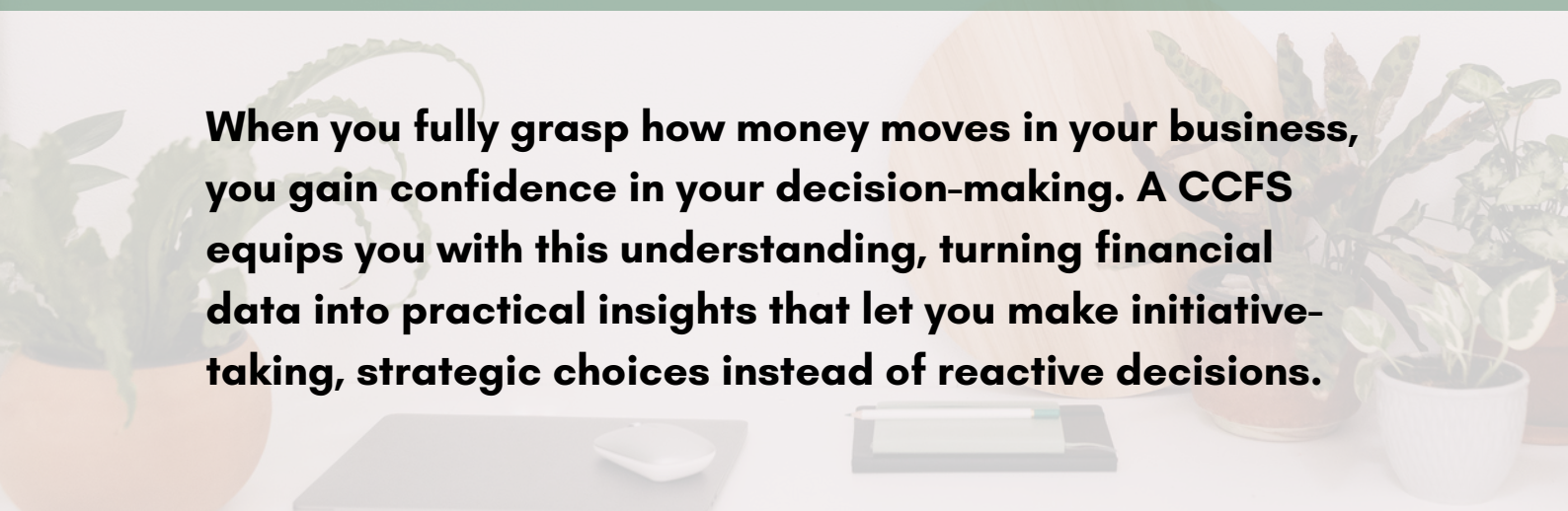
## Beyond Numbers - Get Actionable Insights

Rather than just presenting data, a CCFS translates numbers into practical steps that strengthen your business. For instance, they may identify a monthly revenue pattern you can use to plan future expenses or suggest creating a "cash buffer" to manage slow periods.

### Enhance Your Financial Literacy and Empowering Decision-Making

Financial terms can be overwhelming, but a CCFS simplifies them, making cash flow concepts accessible. For example, they will explain the difference between cash flow and profit and help you understand cash flow cycles, gaps, and reserves.

A CCFS teaches you how cash flow directly impacts every business area. They break down cash flow statements and other essential reports, giving you tools to make informed decisions. This knowledge helps you forecast accurately and plan for different financial scenarios.



**When you fully grasp how money moves in your business, you gain confidence in your decision-making. A CCFS equips you with this understanding, turning financial data into practical insights that let you make initiative-taking, strategic choices instead of reactive decisions.**

## Boosting Profitability Through Structured Cash Flow Management

One key role of a CCFS is to find hidden opportunities to increase profitability. They can suggest changes to your pricing model, negotiate better payment terms with vendors, or streamline cash flow to reduce waste and maximize earnings.

### *Implementing Profit-First\* Practices*

A CCFS helps you prioritize profitability from day one by adopting the Profit First methodology. This approach shifts the focus from "expenses first" to "profit first," ensuring your business maintains a healthy margin regardless of revenue fluctuations.

A CCFS can share case studies of businesses like yours that achieved significant profitability improvements through structured cash management. For instance, a company might have increased its profit margin by 30% simply by adjusting payment schedules and setting aside a consistent profit reserve.

## Long-Term Financial Stability, Growth, and Sustainability

Cash flow strategy is not just about growth but also security. A CCFS helps you set up cash reserves and emergency funds that protect your business during downturns or slow periods. These reserves ensure you can meet payroll, cover operating expenses, and weather financial storms.

As your business grows, so does its complexity. A CCFS creates a cash flow framework that adapts to your business, scaling alongside revenue, operational expenses, and investments. They help you set realistic targets and assess when your cash flow is strong enough to support expansion.

Whether you are considering hiring new employees, launching a new product line, or investing in equipment, a CCFS ensures that your cash flow supports these goals. They create a roadmap that aligns cash flow strategy with your vision for growth, helping you scale sustainably.

**A CCFS becomes a trusted partner in your business journey. By working with a CCFS, business owners experience:**

- **Financial Clarity:** A clear understanding of cash flow patterns and how to manage them effectively.
- **Peace of Mind:** Relief from the constant worry of financial instability.
- **Empowered Decision-Making:** Confidence to make informed choices prioritizing profitability and growth.

## Chapter 8

# *Empowering Women Business Owners to Thrive with Tailored Financial Expertise*

At The Small Business Advisor, we understand the unique challenges of women-owned small businesses. We do not just manage your numbers; we guide you through proven financial strategies, such as the Profit First\* methodology, to maximize profitability and ensure economic stability.

We know every business is unique, so our services are never one-size-fits-all. We take the time to understand your goals, pain points, and the specific challenges you face as a woman business owner, offering customized solutions.

As a woman-focused firm, we are not just your advisors but your partners. Our empathetic and understanding approach ensures a supportive experience where your concerns are heard – and solutions are designed to work for you.

Our virtual monetary management is tailored for your convenience. We use intuitive and user-friendly technology, allowing you to access expert guidance and detailed financial insights anytime and anywhere.

We go beyond numbers to empower you with the knowledge to make informed financial decisions. Our recommended sources—like e-books, workshops, and webinars—are available to boost your financial literacy and confidence.

With over 30 years of experience, we are dedicated to helping you transform your financial strategy through customized bookkeeping, cash flow management, and profitability guidance.

We specialize in creating practical, step-by-step financial solutions that fit your needs, allowing you to focus on what you do best to grow your business.

## Get Expert Support for Your Profit Goals

With over 30 years of experience, Karen and her team understand small business cash flow's unique challenges and nuances. They provide tailored advice that aligns with each client's goals, whether stability, growth, or reinvestment.

**Here are just three of many benefits of working with Karen and her team...**

### ✓ **Accountability for Consistent Profit**

Regular check-ins and accountability are essential to staying on track with a profit-first approach. The Small Business Advisor offers a direct partnership that ensures business owners remain aligned with their profit goals, providing ongoing insights and adjustments to meet financial targets consistently.

### ✓ **Tailored Cash Flow Strategy**

SBA uses its experience and Profit First expertise to design a cash flow strategy customized to each business's needs. From setting up profit allocations to advising on cash flow planning, SBA helps clients develop a streamlined, practical approach to cash flow management designed for long-term success.

### ✓ **Get Actual Results through Strategic Planning**

By working closely with a certified cash flow strategist, business owners can benefit from strategic planning that goes beyond typical bookkeeping. SBA's initiative-taking approach focuses on continuous profitability, cash flow stability, and financial resilience.

Reach out to The Small Business Advisor today one or both of these reasons!

### **Become Empowered as Woman Business Owner**

Now is the time to take control of cash flow and make profit a guaranteed outcome rather than a hopeful one. The Small Business Advisor provides the tools and expertise to make the Profit First methodology work seamlessly within any small business.

### **Let's Talk About Your Path to Personalized Profit**

Please schedule a no-obligation consultation with The Small Business Advisor to discuss your goals and see how a tailored, profit-focused strategy can change your financial outlook. Book a one-to-one now at <https://calendly.com/sba-karen>.



# *Real Life Point-of-View*

## The Evolution of The Small Business Advisor: From Bookkeeping to Financial Coaching

The Small Business Advisor started as a traditional bookkeeping firm focused on tracking numbers, reconciling accounts, and ensuring accurate financial records. For years, we operated by the book—literally. But as we worked with business owners, one thing became clear: bookkeeping alone was insufficient.

Our first significant transformation came when we implemented the Pure Bookkeeping System and Pure Workflow into our business. This structured approach allowed us to improve our efficiency, create consistency in our processes, and deliver even better results for our clients. But we knew there was still more we could do to provide accurate and empowering financial guidance.

That is when we found Lisa Campbell and her Advanced 2 Advisory program, which completely changed how we approached bookkeeping and client relationships. Through this program, we gained the expertise to go beyond bookkeeping and into actual financial coaching, helping business owners understand and use their financial data to grow and sustain their businesses.

Lisa then introduced us to Profit First and Mike Michalowicz, which became the final piece of the puzzle. With Profit First, we shifted from managing numbers to teaching business owners how to control their cash flow, ensure profitability, and make smarter financial decisions.

Today, The Small Business Advisor is no longer just a bookkeeping firm—we are a financial coaching and advisory firm that provides bookkeeping, cash flow training, and Profit First coaching. We help our clients track their money and use it to build profitable, sustainable businesses.

# Acknowledgements

I sincerely thank everyone at Home Base Profit First Professionals—Mike Michalowicz, Angie Burns, my guide, Erin Monger, Liz Szporn, Ron Saharyan, Billie Anne Grigg, and the support team. Your dedication and expertise have been invaluable on this journey.

Thank you, Jeff Lovejoy, ActionCOACH, whose unwavering guidance and support have been instrumental over the years. Your patience and encouragement through my many continuing education endeavors have meant more than words can express.

Sharing a special thanks to Lisa Campbell at Advance 2 Advisory, whose vision set this journey in motion, and to Michael Palmer and Debbie Roberts at Pure Bookkeeping, whose contributions have played a vital role in shaping my path.

Thank you, Theresa Harris, for your support and expertise in editing and creating the design that made this eBook possible—all while keeping you, our readers, top of mind.

And, thank you to Heidi Mummau for reaching out when I needed you most to fill the void in my business. The mentorship, support, and belief in me have made all the difference, and I am genuinely grateful.

*Karen*



**Karen Bershad & Mike Michalowicz**

 770-356-1234

 [www.smallbusinessadvisor.biz](http://www.smallbusinessadvisor.biz)

 [info@smallbusinessadvisor.biz](mailto:info@smallbusinessadvisor.biz)

# Resources

Here are some of the books, websites, and other resources I've use on my journey. I have many more in my library that I'm happy to share. And, of course, there are endless other resources to support your continuous learning. I hope you find inspiration and ideas from these and other resources to empower you as a woman business owner.

*Never stop learning. Karen*

## Books

Profit First by Mike Michalowicz

The E-Myth Revisited by Michael Gerber

Never Lose a Customer by Joey Coleman

LINGO: Discover Your Ideal Customer's Secret Language and Make Your Business Irresistible by Jeffery Fisher

## Websites

Small Business Administration (SBA)

National Association of Women Business Owners (NAWBO)

## Online Courses

Udemy

Coursera

LinkedIn Learning - Search for financial literacy and business management courses.

## Podcasts

Being Boss

BizChix

She Did It Her Way

The Goal Digger



# *Become an Empowered Business Owner*

At The Small Business Advisor (SBA), we understand the challenges small business owners face when managing their finances. Whether you want to streamline your cash flow, implement effective financial strategies, or improve your overall economic stability, we provide tailored support to help you take control of your business's financial health. Even if you do not need bookkeeping services, we can provide a solid foundation to manage your finances more effectively.

Here are the steps we take to help you create a system for managing your finances to become an empowered business owner.

## **STEP 1 - Conduct a Cash Flow Assessment**

We begin by conducting a comprehensive analysis of your income and expenses. This assessment gives us a clear picture of your financial health and helps identify areas for improvement. By understanding where your money is coming from and where it is going, we can develop a targeted approach to managing your cash flow.

## **STEP 2 - Use the Profit First Methodology**

Our goal is to help you prioritize profit. Using the Profit First methodology, we will guide you in setting up designated bank accounts for the following:

- **Profit:** Ensures you consistently set aside money for your business's growth and future.
- **Taxes:** Helps you prepare for tax obligations and avoid surprises.
- **Operating Expenses:** Ensures you have the resources to cover day-to-day costs.
- **Owner's Compensation:** This guarantees you pay yourself fairly for your hard work.

This system ensures that you manage your money in a way that supports the long-term profitability of your business.



### **STEP 3 - Create a Cash Flow Forecast**

We'll help you create a monthly cash flow forecast to avoid financial surprises. This plan lets you predict and prepare for any financial peaks and valleys, ensuring you always have the necessary funds to cover your obligations, even during slower months. By having a clear economic plan in place, you can make better-informed decisions for your business.

### **STEP 4 - Improve Payment Systems**

We understand that getting paid promptly is critical to your cash flow. That is why we collaborate with you to implement improved payment systems. Some of the steps we may take include the following:

- **Budgeted Monthly Payments:** Create an annual budget for the client to sign up for and collect the monthly payment on the 1st of each month.
- **Automated Invoicing Software:** Setting up a system to automate your invoicing so you can focus on running your business while ensuring that payments are processed efficiently and on time.

### **STEP 5 - Review Expenses**

One of the quickest ways to improve your financial situation is to reduce unnecessary expenses. We'll thoroughly review your business expenses to identify where you can cut costs. You can reduce financial strain by eliminating non-essential expenses and freeing up funds to invest in your business or pay off debts.

We are not just focused on bookkeeping—we're dedicated to helping you build a solid financial foundation to empower you as a woman business owner. Whether you need help with cash flow management, improving payment systems, or implementing a Profit First strategy, we provide the guidance and tools to manage your finances confidently.

Are you ready to learn how we can help you become an empowered business owner?

*SCHEDULE A 30-MINUTE CALL.*