



6 Tips to Achieve Budget Success

Get every advantage you can for your business. You're better able to track spending, gather data about your business and raise capital when you create a formal budget.



“ Half of all small businesses fail within the first 5 years. ”



CALCULATE REVENUE

Understand where your money is coming from. This will let you know how much you have to spend. It will also provide insights into the value of your various products.



FIGURE OUT FIXED EXPENSES

This category includes costs that remain the same, whatever your output. Think of expenses like rent, insurance, and certain unavoidable salaries.



COMPUTE VARIABLE EXPENSES

These outlays apply directly to production. As you increase output, these costs rise proportionally. As you cut back on your operations, these expenses fall. Raw materials and some wages count in this category.



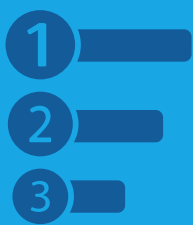
CREATE A P/L STATEMENT

Now that you've determined your top-line figure and your expenses, you can quantify your profit or loss. This figure will let you know how much money you have to spend on supplemental projects.



SET LONG TERM GOALS

Know where you want to go. Weigh investments that would maximize your growth. Consider initiatives such as productivity improvements, new products, or expanded marketing.



PRIORITIZE PROJECTS

You've quantified your resources and set your goals. At this point, you need to make specific funding decisions. Your budget should divvy up your resources among the projects demanding attention.



B R Y L L Y A N T