

Financial Management

Learn budgeting, cash flow management, and pricing strategies for profitability.

1. Budgeting Basics

Creating a budget helps track income and expenses.

- List all sources of income and categorize expenses.
- Use the 50/30/20 rule: 50% needs, 30% wants, 20% savings.
- Adjust spending to ensure profitability.

2. Cash Flow Management

Ensure your business always has enough cash.

- Track when money comes in and goes out.
- Maintain an emergency fund for unexpected costs.
- Use financial tools or software to monitor cash flow.

3. Pricing Strategies

Set the right prices for profitability.

- **Cost-Based Pricing:** Add a margin to your total costs.
- **Value-Based Pricing:** Charge based on customer perceived value.
- **Competitive Pricing:** Set prices based on market rates.

4. Profitability & Growth

Ensure your business remains financially healthy.

- Track key financial metrics like profit margins.
- Reduce unnecessary expenses to increase profit.
- Reinvest profits to expand and scale the business.

5. Financial Planning Tools

Use tools to simplify financial management.

- **Budgeting Apps:** EveryDollar, YNAB, and GoodBudget.
- **Accounting Software:** QuickBooks, Wave, and FreshBooks.
- **Cash Flow Forecasting:** Use spreadsheets or financial software.