

# Analyze Your Profits to Spur Innovation

By Jason Schilling

Every day we watch industries being disrupted by new ideas and technologies. Consider how companies have changed transportation (Uber), vacations (Airbnb), home organization (Alexa), and so much more.

The accounting, HR, and operations of a business are not immune to this disruption. Software now allows the newest, smallest business to compete in – and perhaps disrupt – their industry by embracing technology and leveraging its ability to increase profitability. These businesses are more likely to invest in this software due to reduced budgets, nimble procedures, and less staff.

Staffing, equipment, and cash flow are common in every business. If not scrutinized, the processes and financial impacts of these areas can choke the bottom line and waste hard-earned profits. Often, the missing piece to innovate is the oversight to analyze the relevant data (of which there is often an overwhelming amount) and make connections. If there is no controller or CFO on staff, an experienced external professional can help pull this information together.

When working with your professional advisors, ask them to:

- Address how your Accounting, HR, and Operations systems, software, and major procedures impact the business debts, cash flow, and spending.
- Reveal ideas to improve your financial “score”; shorten lead times; maximize output while minimizing costs; and recognize appropriate staffing levels.



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- Look at financial processes and key procedures with the goal of automating whenever possible to eliminate bottlenecks and streamline data flow.

The results can help an owner make changes – tweak a process, change roles, or create new reporting methods – to track the things that matter most. The best processes transform employees from task masters to generators of great ideas. Thus, they become your innovators.

After these exercises, owners make decisions differently. Business initiatives are now analyzed against defined benchmarks, creating accountability and an ability to adapt and create change.

Any company can innovate in its unique market space. The only requirements are ambition and the ability to resist complacency, along with the wisdom to enlist the services of an experienced and impartial advisor.

## COMPANY PROFILE

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## AUTHOR BIO

Jason Schilling, CPA, is a Manager at CK&Co. For nearly 10 years, he has enjoyed advising clients to solve complex accounting and audit needs. Jason helps clients dig into the numbers and identify trends or opportunities. He enjoys working with clients that want to learn as well as teach us about their business to help facilitate a successful relationship. Clients appreciate his ability to simplify a complex idea, think strategically, and carry an optimistic attitude.

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