

# STRATEGIC FINANCIAL PLANNING

## for Small and Mid-Sized Businesses



Your business plan is your North Star, strategically aligning every single decision with your company's goals. And just like your mission statement, your financial plan should be packed with intention, insight, and expert guidance.

### FINANCIAL PLANNING: THE BASICS

Your financial plan should have all details about your business's finances, from P&Ls to KPIs.

#### C O R E C O M P O N E N T S :

Current standing

Financial strategies

Financial goals

Company projections

An effective financial plan allows you to make sound business decisions with confidence. You should be able to use this plan to adjust the allocation of resources, set prices, optimize operations, and more.

### FINANCIAL PLANNING: GATHER DATA

To prepare for your plan, you'll need to break down each factor of your company's finances.

#### START BY INCLUDING THE FOLLOWING ITEMS:

- Income statement (P&L)
- Balance sheet
- Cash flow projection
- Personnel plan
- Business ratios
- Sales forecast
- Income projections
- Assets
- Liabilities
- Break-even analysis

### FINANCIAL PLANNING: GET STRATEGIC

Once you have the building blocks, you'll need to piece them together to see the big picture of your business's finances.

#### FOLLOW THESE STEPS TO GET STARTED:

1

##### Make a plan.

Think about your company's wants and needs, such as hiring more personnel or moving into a new office. Then, consider how this will impact your cash flow and which resources you'll need to bring those wants and needs to life.

2

##### Create projections.

How might expenses and sales impact your business? Estimate the costs it will take to reach your business goals, then plug in different numbers to discover best- and worst-case scenario calculations.

3

##### Keep an eye on your goals.

Ensure your business is on track by monitoring your goals, results in cash flow statements, income projections, business ratios, and more. This will also allow you to course correct if needed.

### FINANCIAL PLANNING: BRACE FOR CHANGE

The business landscape is always evolving, and your financial plan should follow suit to stay ahead of possible shifts.

#### TO PREPARE FOR CHANGE, INCORPORATE THE FOLLOWING:

##### Contingencies:

To stay ahead of shifts in the business landscape, consider keeping cash reserves or a line of credit in case you need to utilize those funds during slow periods.

##### Scenario testing:

Prepare for any outcome with "plug-and-play" financial planning templates to see how different factors like manufacturing costs could impact flowthrough results.

##### Detailed analysis:

On top of financial planning templates, enable detailed analytics like supplemental data visualizations and trend analyses.

##### Market watch:

Stay on top of market behavior to see how industry updates could impact your forecast models and predictions.

#### And when you decide it's time to call in the experts, BELAY can help!

With a BELAY CFO, you'll get a clear understanding of your unique financial situation, goals, and challenges so you can trust that your finances are trained on success.

[Schedule a call](#) for a free consultation, and see how a fractional, U.S.-based CFO can help prepare your business for a profitable future—today.