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■ HOW-TO HANDBOOK

Navigate business with real-time intelligence

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Any good navigator with a designated destination uses a current chart or map. To do otherwise could be misleading and self-defeating. The same applies for the small business entrepreneur.

Running a business based solely on historical reports provided quarterly or annually is like steering a boat in a fog. Granted, you may have a sense about the direction you're traveling, but reaching your destination is slow and uncertain at best!

Charting your course with real-time intelligence is what I recommend, and these are the navigation tools to do it.

Navigation Tool #1: Automation

Accounting and reporting can be easily automated. QuickBooks is the most innovative and cost-effective software available to small businesses.

It can automate virtually every accounting function from sales to payroll, but this is just the beginning.

Navigation Tool #2: Integration

QuickBooks can integrate with a customer database like ACT! or Outlook. QuickBooks produces its own invoices but can integrate verbal information on customers in Word and numerical information into Excel.

QuickBooks also has released a point-of-sale product that can turn a computer into a cash register. It scans bar codes to manage inventory and credit cards to collect payment.

It integrates directly with the QuickBooks general ledger, which in

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turn can integrate with a variety of software products that enhance productivity.

Within QuickBooks the proper integration of sales, payroll, payables and banking provide a rich variety of financial reports as current as the present moment.

These reports answer all-important questions such as "am I on track" and "what should I do now."

Further integration links bank accounts and tax software minimizing keystrokes and increasing accountability. But all this integration can miss the mark without the next important tool.

Navigation Tool #3: Extrication

Webster defines extrication as "to free." In this sense it is freeing the information from this rich database called QuickBooks. To take advantage of all this real-time information you've got to be able to access it and make sense of it.

Every financial report prepared in QuickBooks is "drill down" ready. This

means you can click on any line to look at the transactions that make up that balance.

Continue to click on a transaction and you'll get to the root document that produced the line item. If something is incorrect, it can be corrected on the spot.

As you back away from the transaction by hitting escape, each report self-corrects accordingly. The report is then exportable to Excel (more integration) for further slicing, dicing and projecting.

In addition, each report can be sorted in a variety of ways (a sales report can be viewed by customer or product or both; a payroll report can be sorted by date or by employee). The combinations are endless and every one makes navigating that much easier.

Navigation Tool #4: Contemplation

Stop a moment and see why mastering this data is so important to a small business!

Assessment of current and future operations is the guts of business planning. Knowing precisely where you are minimizes errors in navigation. It reduces risk!

Navigation Tool #5: Innovation

Innovation gives small business a competitive edge over its larger counterpart. Software grows, changes and feeds on itself continuously. Each change offers potential for additional service and improved product delivery.

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Small business owners have the luxury of greater flexibility and adaptability. Everyone knows it's easier to steer a motorboat than an aircraft carrier!

To maximize this ability, it is imperative to have a map of the landscape. Real-time accounting provides the information that small businesses need to take advantage of strategic opportunities.

Navigation Tool #6: Education

Most small business owners are highly knowledgeable about their businesses, but some turn over their accounting functions to third parties. Don't do this in lieu of educating yourself!

It is important to learn the QuickBooks basics so you can gauge the vital statistics of your company. The best decision-maker is always the one with the most at stake – that's YOU.

One more tip: Education and practice go hand in hand. Practice is the greatest teacher, but having a guide to get you started saves time and effort, prevents frustration and quickens the outcome.

■ For more information

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