**Cash Flow Conversations**

For many accounting technicians, getting business owners to engage in conversations about cash flow remains a hard sell. If they are already concerned about cash flow, then asking them to pay more for services may be a challenge.

What if you didn’t try to sell it? What if you offer some basic cash flow advice for free as a way of introducing the importance of understanding cash flow?

Providing cash flow advice doesn't have to take up a lot of your time – but it may be something you can give to your clients to increase your value to them.

**Identifying Cash Flow Opportunities**

Cash flow advice is not just about money in and out in a given period. The cash flow report from accounting software uses this data, but you need to provide the business owner with a bigger picture to help them understand cash flow tracking and management.

It’s about understanding the business well enough to advise on estimated income, liabilities and expenses over a given period and the factors that impact the flow of cash in and out of the business. It's also often about educating the business owner that profit and cash flow are separate things!

Regular conversations are essential – cash flow forecasting is a dynamic process of assessing the whole picture of the business’s accounts, not just a one-off report.

To start cash flow conversations, look at inventory turnover, accounts receivable days and automated reminders, loan arrangements, regular direct debit expenses (timing and amounts), staff costs, supplier payment terms and cost of goods.

For more ideas about conversation starters, listen to the [AAT Tech Talks](https://www.aat.org.au/AAT/Member_Resources/Tech_Talk_Webinars/AAT/Member_Resources/Tech_Talks.aspx?hkey=ca4fbc21-bd92-434e-93ab-dd75ff74439c) that look at different cash flow tools: ATO cash flow coaching kit, Float, Zivora, Aider, Marmalade and Futurli. Each talk has information on how to approach business owners about cash flow conversations.

**Accounting Technician Next Steps**

* List the clients you think would benefit from cash flow advice.
* Assess which reports are available from your accounting software and are appropriate for each client.
* Email the report to your client monthly with other management reports, and include some fundamental analysis or commentary on the report. Let them know you can discuss it in further detail if they wish.
* You may need to send the cash flow report several months in a row before clients take you up on the offer – or you may find that some respond straight away with interest. Sometimes business owners need to be reminded of all you can do for them!
* You may want to offer the first cash flow consult for free and then charge for future cash flow advisory reports if they find it valuable.

When you next increase fees or renegotiate an annual agreement, you can work the time and expertise involved in cash flow advice to your revised fees and engagements.

Starting with cash flow conversations this way means you initially provide the information for free as a helpful service to customers – knowing that you will recoup fees later once the clients understand the value of cash flow conversations to their business decisions.