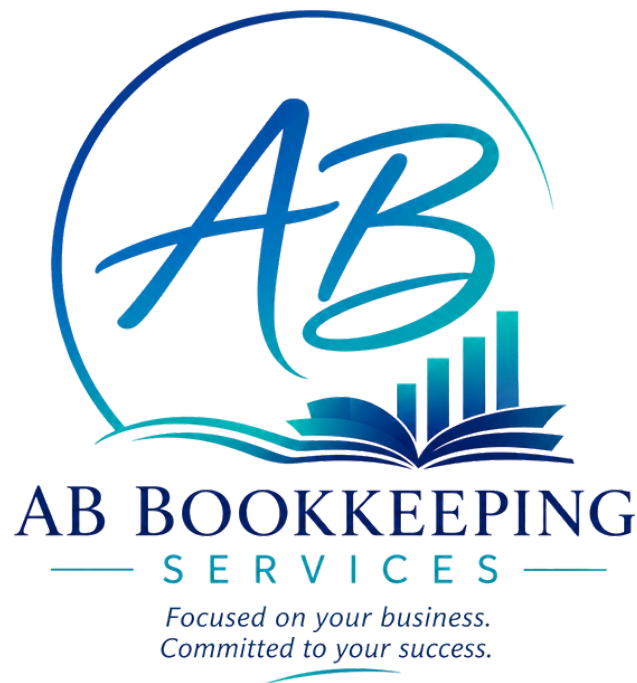


7 Strategies to Make Your Business More Profitable

Simple ways to improve your bottom
line and make more informed
financial decisions



By Ali Burge
Owner, AB Bookkeeping Services LLC

Introduction

Growing your business is exciting. More customers, more sales, and more revenue can all be signs that your business is moving in the right direction.

But more revenue doesn't always mean more profit.

You can have a busy business, strong sales, and money coming into your bank account - and still find yourself wondering:

“Where did all the money go?”

Profitability isn't just about how much money your business brings in. It's also about understanding what it costs to operate, where your money is going, and whether the decisions you're making are helping your business move forward.

The good news is that improving profitability doesn't always require major changes. Sometimes, it's the smaller adjustments that make a meaningful difference.

In this guide, we'll explore seven practical strategies to help you better understand your business finances, identify opportunities for improvement, and make more informed decisions.

1. Know Where Your Profit is Coming From
2. Make Sure Your Pricing Still Makes Sense
3. Find the Expenses That Are Eating Into Your Profit
4. Focus on the Work That Produces the Best Return
5. Get Paid Faster
6. Use Your Financial Reports to Make Decisions
7. Plan for Profit Before You Spend

You don't have to tackle everything at once. Start by understanding where your business stands today and identifying opportunities to make improvements.

Even small, thoughtful changes can help you begin moving your business toward stronger profitability.



MEET YOUR BOOKKEEPER

About Ali

Hi, I'm Ali Burge, owner of AB Bookkeeping Services LLC.

After more than 20 years working in accounting and finance, I've learned that numbers tell an important story about a business. What I enjoy most is helping business owners understand that story and use the information to make better decisions.



I hold a Bachelor's degree in Accounting and am a QuickBooks Online Certified ProAdvisor.

I started AB Bookkeeping Services to help business owners spend less time worrying about their books and more time running and growing their businesses. Through personalized bookkeeping support, I help clients maintain organized, tax-ready records, identify opportunities to reduce unnecessary expenses, and gain greater clarity about their finances.

For me, bookkeeping is about more than recording transactions. It's about providing meaningful financial information that helps business owners make informed decisions with greater confidence.

Based in Williamson, Georgia, I serve businesses locally and nationwide. My goal is to provide dependable support, clear communication, and attention to detail tailored to each business's needs.

When I'm not working with numbers, I enjoy spending time with my family, hand-knitting chunky blankets, and visiting the beach.



Know Where Your Profit Is Coming From

It's easy to look at your total sales and assume that the products or services generating the most revenue are also the most profitable.

But that's not always the case.

SERVICE A

\$5,000 Revenue

Lower costs
Less time/resources

SERVICE B

\$5,000 Revenue

Higher costs
More time/resources

Same revenue. Different profit.

That's why it's important to look beyond revenue.

Start by considering the costs directly associated with delivering each of your products or services. Depending on your business, these might include materials, supplies, subcontractor costs, merchant fees, shipping, or direct labor.

Then consider the amount of time and resources each one requires.

You may discover that a service generating less revenue actually provides a stronger return because it costs less to deliver. Or you may find that one of your highest-selling offerings isn't contributing as much profit as you thought.

Understanding these differences can help you make more informed decisions about where to focus your time, marketing, and resources.

TAKE ACTION

- How much revenue does it generate?
- What does it cost me to provide it?
- How much time does it require?
- Are there costs I'm overlooking?
- Is it contributing enough to my bottom line?

PROFIT TIP

Don't confuse your best seller with your most profitable seller.



Make Sure Your Pricing Still Makes Sense

Pricing isn't something you should set once and forget.

As the cost of doing business increases, the prices that worked a few years ago may no longer provide the same level of profit.

THEN

\$500

Lower operating costs
Higher profit margin

NOW

\$500

Higher operating costs
Lower profit margin

Same price. Lower profit.

That's what happens when your prices stay the same while your costs continue to rise.

Pricing shouldn't be based only on what you charged last year or what a competitor charges. Your pricing also needs to reflect what it actually costs you to provide the product or service, the time and resources involved, and the value you're delivering to the customer.

This doesn't mean you should automatically raise your prices every time one of your expenses increases.

It means you should know whether your current pricing still makes financial sense.

TAKE ACTION

- When did I last review this price?
- Have my costs increased since then?
- Am I spending more time delivering it than I used to?
- Are there expenses associated with it that I haven't considered?
- Does the price still provide a reasonable return for my business?

PROFIT TIP

Don't let yesterday's pricing determine tomorrow's profit.



Find the Expenses That Are Eating Into Your Profit

Small expenses can be easy to overlook, especially when they don't seem significant on their own.

But those monthly subscriptions, software fees, and other recurring charges can quietly eat into your profit.

MONTHLY EXPENSES

\$196

$\$19 + \$29 + \$49 + \$99$

ANNUAL COST

\$2,352

$\$196 \times 12 \text{ months}$

Small expenses add up quickly.

Individually, these expenses may not seem like much. But together, they add up to \$196 every month - or \$2,352 over the course of a year.

Now imagine that two of those subscriptions are barely being used.

That's money leaving your business every month without providing much value in return.

Reviewing recurring expenses doesn't mean cutting everything. It means understanding what you're paying for and whether each expense is helping your business.

Even small adjustments can make a difference over time.

TAKE ACTION

- What subscriptions or services am I paying for regularly?
- Are there any I'm no longer using?
- Am I paying for duplicate services?
- Have any fees or monthly charges increased?
- Is each expense worth what I'm paying for it?

PROFIT TIP

Small expenses deserve attention, too.



Focus on the Work That Produces the Best Return

Not all revenue is equally profitable.

Two customers may bring in the same amount of revenue, but the time, efforts, and resources required to serve them can be very different.

CUSTOMER A

\$2,000/month

10 hours of work
Predictable workload

CUSTOMER B

\$2,000/month

25 hours of work
Additional demands

Same revenue. Different return on your time.

Customer A requires about 10 hours of work each month, with a fairly predictable workload.

Customer B requires 25 hours, along with more communication, additional requests, and unexpected demands.

Both customers generate \$2,000 in monthly revenue, but Customer B requires significantly more time and resources.

This doesn't necessarily mean Customer B is a bad customer. It means you need to understand what each customer or service actually contributes to your business.

Looking at the return on your time can help you make better decisions about pricing, workload, and where to focus your resources.

TAKE ACTION

- Which customers or services generate the most revenue?
- How much time does each require?
- What additional costs or resources are involved?
- Am I being compensated for extra work?
- Where am I getting the best return on my time?

PROFIT TIP

Don't measure the value of your work by revenue alone.



STRATEGY 5

Get Paid Faster

Completing a job doesn't necessarily mean the money is in your bank account.

When invoicing is delayed or customers take longer to pay, your business may have to cover expenses while waiting for that money to arrive.

DAY 1

\$3,000

Project completed
Invoice not yet sent

DAY 52

\$3,000

Payment received
Nearly 2 months later

Work completed. Cash received 51 days later.

Imagine completing a \$3,000 project on Day 1.

You don't send the invoice until Day 15. With 30-day payment terms, payment isn't due until Day 45. If the customer pays a week late, you won't receive the money until Day 52.

That's nearly two months between completing the work and receiving payment.

Getting paid faster doesn't change the profit you earned on the sale, but it can improve your cash flow - the timing of money coming into and going out of your business.

Healthy cash flow makes it easier to meet your obligations, plan ahead, and keep your business running smoothly.

TAKE ACTION

- Am I sending invoices promptly after completing work?
- Are my payment terms clearly communicated?
- Do I know which customer invoices are overdue?
- Am I following up consistently on unpaid invoices?
- Could I make it easier for customers to pay?

PROFIT TIP

Don't let completed work sit unbilled.



Use Your Financial Reports to Make Decisions

Imagine trying to drive a car while looking only in the rearview mirror.

You might know where you've been, but you wouldn't have a clear picture of what's ahead.

Running a business without regularly reviewing your financial reports can feel much the same way.

PROFIT & LOSS STATEMENT

Shows your revenue, expenses, and profit or loss over a period of time.

BALANCE SHEET

Shows what your business owns, what it owes, and the owner's equity at a specific point in time.

ACCOUNTS RECEIVABLE AGING

Shows who owes your business money and how long those balances have been outstanding.

Your financial reports help you understand what's happening in your business - not just what happened in the past.

Reviewing them regularly can help you spot changes in profitability, identify financial concerns, and make more informed decisions.

The real value comes from looking at your reports, noticing changes, and asking why.

PROFIT TIP

Don't just run your financial reports - read them.

TAKE ACTION

- Am I reviewing my financial reports monthly?
- How does this month's profit compare to previous months?
- Are any expenses increasing unexpectedly?
- What trends or changes stand out?
- What should I investigate further?

Plan for Profit Before You Spend

A healthy bank balance can make a business purchase seem affordable.

But before making a significant financial commitment, it's important to consider what expenses and obligations are coming up.

Planning ahead can help you avoid putting unnecessary pressure on your cash flow.

BANK BALANCE

\$30,000

Cash currently available

PROPOSED PURCHASE

\$10,000

New equipment

Available cash doesn't always mean affordable.

Imagine your business has \$30,000 in the bank, and you're considering purchasing \$10,000 in equipment.

Before making that purchase, think about the obligations coming up - payroll, taxes, rent, insurance, loan payments, credit card balances, and vendor bills.

Having the cash to buy something doesn't automatically mean the business can afford it.

The same thinking applies to hiring employees, adding software, expanding into a larger space, or purchasing inventory.

Planning ahead helps you make spending decisions based on your business's financial needs rather than your bank balance alone.

TAKE ACTION

- What is the total cost, including ongoing expenses?
- What financial obligations are coming up?
- How much cash will remain after this purchase?
- What benefit or return do I expect?
- What happens if revenue is lower than expected?

PROFIT TIP

Having the cash doesn't always mean you can afford to spend it.



WHAT'S NEXT?

Your 7-Day Profitability Checkup

You've learned seven strategies that can help you make more informed financial decisions and improve your business's profitability.

Now it's time to put them into action.

Over the next seven days, take a few minutes each day to look at one area of your business. You don't have to change everything at once. The goal is to identify opportunities and start making thoughtful improvements.

DAY 1 - LOOK BEYOND REVENUE

Review your sales and consider which products or services are contributing the most to your profit.

☐

Identify which product or service generates the most profit.

DAY 2 - REVIEW PRICING

Look at the prices you charge and consider whether they still reflect your costs, time, and the value you provide.

☐

Identify one price that may need adjusting.

DAY 3 - REVIEW EXPENSES

Look for recurring expenses, unused subscriptions, or services that may no longer provide value.

☐

Identify one expense you could reduce or eliminate.

DAY 4 - LOOK AT WHERE YOUR TIME GOES

Consider which customers or services require the most time and resources compared to the revenue they generate.

☐

Identify one area where your time could be used more profitably.



WHAT'S NEXT?

Your 7-Day Profitability Checkup (Continued)

DAY 5 - CHECK WHO OWES YOU MONEY

Review your outstanding customer invoices and look for payments that may be overdue.

☐

Identify one overdue invoice that needs follow-up.

DAY 6 - READ YOUR FINANCIAL REPORTS

Review your Profit & Loss Statement and look for changes in revenue, expenses, or profitability.

☐

Identify one trend or unexpected change worth investigating.

DAY 7 - LOOK AHEAD

Consider upcoming expenses, planned purchases, and financial obligations before making spending decisions.

☐

Identify one upcoming expense or decision that needs planning.

What Did You Discover?

After completing your 7-Day Profitability Checkup, take a moment to reflect.

What's one thing you learned about your business?

What's one change you can make moving forward?

Better financial decisions start with knowing your numbers.



Getting the Most Out of Your Consultation

Your consultation is an opportunity for me to learn more about your business, discuss what's working well, and identify the areas where you may need additional bookkeeping support.

You don't need to have everything figured out before we talk. Understanding where you are today helps me determine how AB Bookkeeping Services may be able to help.

Before Our Call

You don't need to prepare anything formal, but it may help to think about a few questions before we connect.

- What bookkeeping system are you currently using, if any?
- How are you tracking your income and expenses?
- How often are your books updated?
- Are your bank and credit card accounts reconciled regularly?
- How are you managing customer invoices and outstanding payments?
- What's your biggest bookkeeping challenge?
- What would you like to improve or better understand about your business finances?

During Our Call

We'll talk about your current bookkeeping process, any challenges you're experiencing, and what you'd like to accomplish.

I'll explain how AB Bookkeeping Services may be able to support your business and answer any questions you have.

There's no obligation to move forward. The goal is simply to determine whether we're a good fit.

ONE QUESTION TO CONSIDER

"If bookkeeping were no longer something I had to worry about, what would that free me up to focus on in my business?"

Your answer helps me understand what matters most to you.



Ready for a Clearer Picture of Your Business Finances?

AB Bookkeeping Services provides personalized bookkeeping and financial support to help business owners maintain organized, accurate financial records and gain greater clarity around their finances.

Whether you're already using QuickBooks Online, working with another system, or aren't sure where to start, we can talk about where your business is today and the bookkeeping support you need moving forward.

Let's Talk About Your Business

If you're ready to gain a clearer understanding of your finances and explore how professional bookkeeping support could help, I'd welcome an opportunity to talk.

Schedule a free 30-minute consultation to discuss your business, ask questions, and explore how AB Bookkeeping Services may be able to help.

Schedule Your Consultation

Ali Burge

Owner, AB Bookkeeping Services LLC
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Focused on your numbers. Committed to your success.

