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Boost Your Career By Solving This Problem For Your CEO

Movie marathons, holiday parties and star gazing by a campfire are worthy pursuits for staying up late and waking up tired. Worrying about work doesn't qualify as a good reason for sleepless nights.

If your CEO is awake at night worrying about work, there is a good chance it's due to one of the reasons in the following paragraphs. Recognizing and resolving them can give a big boost to your career.

Flying Blind

- Not knowing where you are makes finding the path to your destination very difficult. Imagine a pilot flying a plane with limited instruments or without any at all. They could negotiate a safe landing, but only under ideal conditions, including daylight and good weather.
- Running a business without all of the necessary instruments will leave you flying blind. You could get by, but when and how well you'll be able to do things will be limited.
- Timely and accurate financial reporting, dashboards and tools, such as forecasts and solid business plans, are a significant part of managing operations. With these instruments in place, you will be well equipped to fly your business under any condition.

Running out of cash

- This is a particular concern for newer companies and start-ups: How will we make payroll? When can we pay our suppliers? Even a profitable company can go bankrupt because it's run out of cash. Having more short-term liabilities than liquid assets will create a cash crunch. This could force you to sell some of your valuable assets at distressed prices.
- Remarkably, growing companies are also susceptible to going out of business. They require more inventory to fuel their increased sales, but the time between paying for more inventory and collecting on sales creates a need to find more cash. If you don't have the resources to cover this increase the result can be slower growth or, worse, liquidation.
- A good CFO will ensure a business is capitalized properly. This includes making certain that there are enough short-term assets to cover short-term liabilities and that there is adequate liquidity in place to run the business. This could include establishing lines of credit, refinancing the business or selling low return assets.

Worrying about "the big surprise"

- A poorly controlled company is the perfect prescription for insomnia. Difficulty closing the books, untimely reporting and frequent errors are all indicators of a lack of financial control. With overall operations, it might mean missed deadlines, bending internal rules to get things done or making simple tasks complex.

- Without the proper framework for decision-making processes, costs can quickly add up. In a real life example, a company missed the opportunity to renew its low-rate lease because it overlooked putting the renewal deadline in its calendar. Missing the option extension date, and having to obtain a new lease, cost the company more than $1 million.
- Too many controls can also cause problems. When over-control exists, employees find they are working around the rules to get things done. This creates a culture of rule bending where employees are unsure how they are expected to behave at work. Finding a good balance of controls will give your business framework and flexibility without the unwanted surprises.
- Life has enough worries and keeping your company afloat shouldn’t be one of them. Following best business practices will put you on the road to success and to sleep in peace; unless you have a good reason to stay up.