

The USPAAC Business Leadership Series (BLS) discussed the importance of cash flow in financial management on August 25, 2015.

Ranjini Poddar, Co-Founder & President of Artech Information Systems, and Christopher Galang, Diverse Segments Manager at Wells Fargo, joined the webinar to discuss challenges and opportunities for business owners in managing cash flows.

Since 1999, Ranjini Poddar has led Artech Information Systems. In this short period, the firm has grown from \$6 million to \$350 million. Her company provides workforce solutions to Fortune 500 companies and government partners focused primarily in the IT and engineering fields.

During the webinar, Ranjini told Artech's story and also provided advice on managing cash flows for small businesses and fast growing businesses. As she explained, cash flow plans are educated guesses/glimpses into the future. It's critical for a business to use projections to take cash positions, record inflows and project out where you will expend your cash flows. The most important expenditure being payroll.

If you encounter a problem, address it as early as possible. It's important to develop long term banking relationships and work with global banks that understand differences in regulations, language and cultures. If bankers can't help you, talk to your suppliers – they want to see you succeed. Every business has peaks and valleys, that's why it's important to do projections.

Christopher Galang from Wells Fargo talked to the participants about the work Wells Fargo has been doing over the past year to try and figure out what the concerns are from a banker's perspective as well as a business owner's perspective when it comes to cash flow. A common definition of managing business cash flow entails maximizing the efficiency of moving money in and out of a business, and creating safeguards to ensure that cash flow remains positive.

No matter what business you have, you can boil it down to four areas. Making payments, receiving payments, evaluating credit choices and planning proactively. If you are talking with your banker about these four things, then you have a strong plan in place to address any shortfalls that you may encounter managing business cash flow. Developing a business plan should be a top priority in working with bankers, and WellsFargoworks.com is a great resource to get started. They have a business plan center, business credit center, and articles and videos on cash flow.