

Your Business is Growing. But Why Are Your Finances Still a Black Box?



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You're bringing in more revenue. You've hired. You've expanded. But every time you ask for a margin report or runway forecast, the answers are vague. Everybody seems to have their own version of those numbers.

Sound familiar?

I work as a Fractional CFO with growing businesses across the world, typically between \$2 million and \$25 million in revenue. Here's what I've seen again and again: *The business scales. But finance stays stuck.*

The books are late. The metrics are unclear. Budgets are more

of a guess than a plan. And somehow, even with all the success, the founder feels anxious about cash every month.

Here are 7 things every growing business must fix, before your finance function becomes the bottleneck to everything else.

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1. Accounting is not a checkbox. It is the foundation

One of the first things I often ask is, *"How long after month-end do you close your books?"*

If the answer is over 15 days, we're already late.

At scale, you can't afford delays. You need accurate, complete and timely financials – every month. And that too, on time! That means:

- Revenue and costs are recorded in the right periods
- Clear chart of accounts
- Proper treatment of accruals, taxes and adjustments

If your numbers aren't current, you're running your business in the dark. That's not a system. That's survival mode.

2. Revenue means nothing if you're not collecting it

I've seen companies with strong sales pipelines that still struggle to make payroll on time. Why? Poor collections. Invoices go out late. Follow-ups are inconsistent. Credit terms are unclear. And receivables balloon quietly in the background. And the worst thing is that finance and operations are disconnected. You keep serving the customer, despite

knowing that they've not paid for 180 days.

If you're not turning revenue into cash, you're not scaling – you're just accumulating receivables. Every growing business needs:

- Defined billing and collection cycles
- Weekly cash collection tracking
- Account-level credit limits and aging reports

The moment finance is treated like an afterthought to sales, cash gets squeezed. Scale only magnifies that pain. And one day, you will wake up thinking, “Why don't I have enough money in the bank?”

3. Your budget can't just be a rough estimate

Budgeting isn't just about controlling spend – it's about giving the business a plan.

I help founders move beyond ballpark targets by installing three key tools:

- A **13-week cash flow forecast** that updates weekly
- A **12-month budget** with functional accountability
- A **3-year directional forecast** tied to milestones

The businesses that feel in control aren't always the ones with the most cash.

They're the ones with the clearest view of how it's being used – and why.

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4. Not all revenue is equal – focus on what earns, not just what sells

It's amazing how many founders grow topline revenue while quietly subsidizing low-margin customers.

I've worked with service businesses where 60% of revenue came from clients who, once delivery costs were factored in, barely broke even.

At scale, gross margin discipline matters more than volume. You should know:

- Which products or services have the highest contribution
- Which customers or segments consistently drive profit
- Where discounting is eating into your margins

As I often say, "You don't scale by selling more. You scale by selling more of what actually works."

5. Overheads aren't strategy. They're investments with ROI

As companies grow, overheads tend to expand without much scrutiny. You hire faster. Upgrade tools. Expand office space. Add layers. Social media has made it worse because you want to be seen as the next Google!

But more headcount, more software, and more structure don't always mean more output.

In my CFO role, I often ask:

- Is this a "must have" or a "nice to have"?
- Can we tie this cost to an outcome: efficiency, revenue or scalability?
- Are we layering cost without accountability?

Growth without discipline leads to burn without returns.

Related: Understanding Cash Flow in Your Business

6. If you can't measure it, you can't fix it

When I onboard a new client, I rarely look at the P&L first. I look at the **reporting structure**.

Are you:

- Reviewing burn rate monthly?
- Tracking actuals vs. budget?
- Watching margin compression over time?
- Measuring CAC, LTV and churn (if applicable)?

Most financial reporting is either too late, too basic or too bloated.

What you need is reporting that helps you act. Not just admire the problem. Good reporting turns finance into a decision-making engine. Bad reporting just tells you what already went wrong.

7. Finance isn't back office. It is the foundation for decision-making.

Founders often tell me they'll "get to the finance stuff later."

But here's the reality: finance always catches up with you. In diligence. In investor meetings. In cash crunches. In expansion stumbles.

The founders who stay ahead are the ones who:

- Hire finance professionals not just to record, but to

plan

- Build internal monthly rhythms
- Tie finance into strategy(not just compliance!)
- Demand ROI from every dollar they deploy

These businesses don't grow with anxiety. They grow with clarity.

And when the next big decision comes – fundraising, a major hire, a new market – they already know what's possible, what it costs and what it returns.

Final thought

Your revenue may be growing. But if your finance function isn't evolving alongside it, you're not scaling – you're guessing.

That guesswork becomes expensive: poor pricing, delayed collections, bloated teams or missed decisions.

But it's also preventable. You don't need a finance department to start. You need financial visibility, financial rhythm and financial discipline. Because the moment you stop guessing and start seeing, everything changes.

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