



# Mistakes to

How to keep from Falling Apart

# AVOID!

- #1 **Don't go it ALONE** - Make sure everyone is on board!
- #2 **Too much Too Soon** - Start with a small percentage! Don't fall into the trap of taking too much profit up front and stealing it to pay your operating expenses!
- #3 **Grow First (Profit Later)** - Profit and Growth go hand in hand. The healthiest companies figure out how to consistently be profitable and then do everything to grow! You can have BOTH!
- #4 **Cutting the Wrong Costs** - Money is made by efficiency - invest in it. If a purchase will bring up your bottom line and create significant efficiency, find ways to cut costs elsewhere! Don't sacrifice efficiency for what you think are savings.
- #5 **"Plowing Back" and "Reinvesting"** - Don't steal from your profit account to pay expenses!
- #6 **Raiding the Tax Account** - As your profitability grows, your taxes will too. In fact, paying more taxes is an indicator that your business health is improving. So don't steal from your TAX account, thinking you won't need that money for taxes. You will.
- #7 **Adding Complexity** - Don't steal from your profit account to pay expenses!
- #8 **Skipping the Bank Accounts** - Profit First should be a path of natural behavior, enabling you to manage profitability and cash flow decisions in real time. Setting up your accounts means you can't avoid it.

