



## Fractional CFO Services | Part 1

Features:

Strategic Planning and Initiatives  
Financial Budgeting and Projections





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## Business Consulting Overview

Froehling Anderson can help identify areas of your business that affect profitability and growth and provide you with solutions that are practical and technically sound. As your business consultant, we'll join your company's management team to facilitate long-term objectives and specific strategies that lead to the growth and success for your business.

We are dedicated to sharing knowledge, collaborating solutions and nurturing your success. Our Fractional CFO Services provide you with the knowledge needed to make informed decisions to support the growth and profitability of your business.





## **Fractional CFO Services**

Throughout this eBook series from Froehling Anderson, we will be featuring specific, targeted information about each of our Fractional CFO Services. This product line comes as we expand our business consulting offerings based on client feedback on how we can help make their business more successful.

### **What We Offer:**

- Direction and Report
- Monitor Banking
- Cash Flow
- Performance and Reporting Package
- Budgeting
- Strategic Goals and Performance
- Pricing Models
- Additional Analysis



## Strategic Planning Overview

**Strategic Planning identifies goals in a 1-year, 5-year, and 10-year frame and lays out realistic steps needed to achieve the goals.**

Strategic planning is a service offered by Froehling Anderson which helps control the outcome of long-term goals by regularly evaluating progress towards them. When businesses are able to evaluate and celebrate their progress towards distinct, pre-planned goals, it increases productivity, employee motivation, and the potential for success. All of these items are critical for the health of small and medium-sized businesses.

Often, businesses look at the process of strategic planning as an expensive service, despite its intrinsic benefits. This roadmap defines where you want your business to be and how you plan to get there.

**Our Strategic Initiatives break down the strategic planning process into short-term, achievable goals.**

While it is true that a full strategic plan can be an investment, Froehling Anderson has made the process more affordable by introducing a service called **strategic initiatives**. These allow businesses to set short term goals, while experiencing the benefits of a full strategic plan. Beginning with strategic initiatives will prove less time consuming, less costly, and less likely to suffer from a failure to implement.

Further, we hope that once you see success with a strategic initiative, you will consider implementing a full strategic plan.

**Strategic planning has proven valuable for business owners seeking a more successful business.**



## **Strategic Planning Process**

The full strategic planning process generally proceeds as such:

### **Company Principles and Background**

The initial steps require companies to think about where they have been, their core values, their mission statement, the organizational structures, and evolutions that have taken place since the inception of the business.

### **Product and Service Development**

What are your major products and services? Once we've summarized that, we are able to think about what is most profitable and the customers you hope to target.

### **SWOT Analysis**

During this stage, we analyze your strengths, weaknesses, opportunities, and threats in order to determine how they will affect your future.

### **Vision**

When crafting your business' vision, we have to consider what you want to be known for, as well as thinking further about your demographics. At this point, we begin to think long-term about where you want to be in 1 year, 3 years, 5 years, and 10 years in order to move to the next step.

### **Measurable Goals**

Using your vision from the previous step, we work together to craft a set of goals for each benchmark time span. Once the goals are established, a person in charge will be named, deadlines will be set, and key performance indicators will be determined.

### **Summary**

Your summary will include the executive summary, an analysis, your goals and plans, a budget, and any necessary appendices.

**Strategic initiatives focus on the 1-year vision,  
setting measurable goals for that timeframe.**



## Financial Budgeting

**Financial Budgeting creates a financial model to quantify expected revenue and costs for a given period of time based upon a set of assumptions.**

Froehling Anderson also offers services in financial budgeting and projections. These realistic outlooks on your financial future can be used as a guide to maximize profitability and play a role in the creation of your strategic plan.

These budgets function in many ways. Here are some examples, including **planning, controlling costs, motivating employees, measuring performance and goals, understanding relationships between actions and costs, anticipating problems, and creating what-if scenarios.**

We can provide you with several options for budgeting, including:

- **SALY(Same As Last Year) budgeting**, which uses last year's budget as a model for the upcoming year.
- **Zero-based budgeting** focuses on cost control by justifying each cost.
- **Rolling budgeting**, which is continuously moving with a 12-month view to give a forward-looking perspective.
- **Budgeting by department** is a great tool to create a collaborative work environment and achieve staff buy-in.



## Financial Projections

A financial projections statement is a financial statement with a CPA report attached that may go deeper than a budget, and it must include a list of assumptions. These projections are useful for presentations with investors and banks which can be helpful to obtain financing. Multiple years' worth of projections is often created, making this an excellent tool for long-term planning. As with any investment, there are pros and cons to financial projections:

### Pros:

- Financial projections can be sent to third parties
- Can help you predict the outcomes of "What if" scenarios over multiple years
- Used to project cash flow and working capital needs
- Lend a favorable impression on the bank or investors
- Projections allow for hypotheticals and the results of multiple hypotheticals

### Cons:

- There is no guarantee that the results of the assumptions will be achieved
- Financial projections are more intensive and more expansive than pro forma financial statements or budgets

**Creating a set of financial projections may seem like an investment in the short-term, but can vastly improve financial health further down the road.**





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## CPAs with Solutions

Froehling Anderson provides business consulting, tax, audit, and accounting services with the same personal delivery of high standards and quality that have sustained us for 78 years.

We have a simple philosophy about the way we approach the accounting business: “Put the people before the numbers.” Before we can help you plan for a better financial future, we must have a thorough understanding of where you have been and where you are now.

Froehling Anderson is committed to client service and building long-lasting relationships with our clients. To ensure we continue to provide the best client service and services that address our clients’ needs, we attend internal and external training, seek feedback in a variety of formats from our clients and obtain guidance from industry leaders.



**Contact us for a consultation.**

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