# CASH FLOW EMBEDDING ACTION PLAN

## **EMBEDDING STEPS**

There are several steps to consider in turning a short-term improvement into a sustainable change.

You should consider how often you want to review your approach (and returning to this topic will be a useful way to do this). You can also consider where you can become better over time, and what longer term actions you need to take.

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| **CASH FLOW EMBEDDING IDEAS** | |
| **Follow cash cycles** | Cash can be tricky to track over time, as it can fluctuate from one day to the next, but you can use your cash cycle calculator from the *Analyse*stage to give you a clearer picture, especially if you re-run the calculations once per month, or once per quarter. Set yourself a target to gradually improve your cash cycle. |
| **Compound any improvements** | You should take the short-term improvements you tried in the previous section and, for those which worked best, make them a regular part of your management practice. Chasing overdue debt, little and often, is impactful but not overwhelming and continually looking for opportunities to negotiate better terms for your cash cycle will provide benefits which compound over time. |
| **Proactive credit control** | Be more proactive in managing debtors before they have the chance to become overdue. Checking a few days before that everything is in order at your customer’s end – for example, that the invoice hasn’t been lost, or a purchase order number is correct - can catch problems early. You may need to consider some credit control resource for the first time (even if it’s only a few hours per month), or whether you need to increase the amount of resource you have. |

## **INSTRUCTIONS**

Use this documentto build an **Embedding Action Plan** for **Cash Flow**.

Additionally, you can use this as a template to take notes on what you’ve learned or record your thoughts about how the topic impacts your business.

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| **Date: \_\_\_\_\_\_\_\_\_\_\_\_\_** | **Topic:** |
| **How often will you review this topic / your approach?** |  |
| **Where will you get new information from?** |  |
| **What other support do you need to access?** |  |
| **Other notes and ideas:** |  |

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| Action Reference | Action | Who is responsible for implementing the action? | What is the planned deadline for the action? | How will you measure the success of this action? |
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