

Disclaimer: The information contained herein is general in nature and for informative purposes only. It is based on the author's personal experience. The author assumes no responsibility whatsoever, under any circumstances, for any actions taken as a result of the information contained herein.

Copyright © 2018. BAAB Writing and Marketing Services LLC. All Rights Reserved. No part of this document may be reproduced or shared without express, written consent from the author.

Contents

INVOICE FOR INCOME	2
WHAT IS CASH FLOW?	3
FIVE WAYS TO BOOST CASH FLOW	4
REVENUE/EXPENSE TRACKER	6
WEEK #6 ASSIGNMENT + WRAP UP	7

INVOICE FOR INCOME

***“Cash (flow) is the peanut butter to your business jam.”
– Apryl Beverly***

Starving, desperate writers do all sorts of insane things like accept projects they shouldn't, negotiate rates like the guy at the car lot and spend too much time working on low-paying assignments.

So how can you avoid the feast-and-famine cycle when your cash ain't flowing enough to keep you afloat?

Three ways:

1. Gain a better understanding of “cash flow.”
2. Market your magic on a regular basis so you stay top of mind for prospects and existing clients
3. “Upsell” existing clients to keep them under your whimsical word spell.

Today, we're dropping a little Cash Flow 101 so you never again feel broke and desperate.

WHAT IS CASH FLOW?

Before we can dive any deeper into this lesson, you gotta know what cash flow means:

Cash flow is the movement of money in your business. Ideally, you want cash flowing in FASTER than it flows out. That way, you'll always have cash on hand to account for "slow times," project starts and wrap ups or when your computer breaks and you need a new one to make more money.

How are you tracking your monthly revenue and expenses?

Tracking your revenue and expenses on a monthly basis will help you forecast and have a better understanding on when to reign in those expenses.

I spend on a monthly basis. I do NOT, however, spend all 'willy nilly' like I have an endless cash flow.

Now, it's easy to run out and buy two Apple computers, office supplies and a fur coat (business expenses, of course LOL) if you book a \$15,000 project.

But you still gotta stick to the budget. And to stick to a budget, you gotta know what the budget is.

When I first started, I used a simple spreadsheet to track expenses. Now, I have a bookkeeper who balanced my books via QuickBooks.

Whatever you can do right now – hire a bookkeeper or enter your data into a spreadsheet, do SOMETHING. Don't skip this because you're too busy or you'll find yourself too busy to have a profitable business.

FIVE WAYS TO BOOST CASH FLOW

Let's talk about some ways to improve your overall business cash flow.

GET PAID FASTER

We briefly discussed this in previous lessons. The key to getting paid faster is telling the client when you require payment, not the other way around.

If you want your money within 15 days, but your client bills everyone Net 30, don't be afraid to tell them how you prefer to be paid. If they can't shift on the Net 30, ask them to make an upfront payment so they're essentially paying you 30 days upfront versus 30 days in the hole.

Also, be sure to require a deposit of at least 50% so you can have cash on hand in case you need to hire writers or invest in additional software to complete the project.

BILL IMMEDIATELY

Nowhere in the CEO handbook does it say writers have to wait until after receiving client approval to send the final invoice. Nope.

I invoice when I send the draft in protected PDF format. Once the client pays the final invoice, I send over an editable document for revisions.

TRACK CASH FLOW TRENDS

Do you know your peak season? Do you know your "slow" periods? As a CEO, it's critical that you have a strong handle on when you're hot (and when you're not).

For example, I'm usually booked about 2-3 months in advance because I "frontload." This simply means, I go hard with prospecting in January and get my retainer/long-term clients secured. In between those clients, I host events, conduct courses and serve the folks in my membership group.

I started doing this when I noticed a dip in sales every year during second quarter. So now, I make sure I have enough clients booked in January to carry me through the entire first half of the year.

COLLECT ON PAST DUE PAYMENTS

I don't wait until a client is 30 days past due to send a payment reminder. I send the past-due notice immediately with this nice note:

Subject Line: RE: Invoice [Number] Due [Date]

Dear [Cheapo-Client],

I hope you're having a fantastic day!

Checking in to let you know I haven't received the payment of [insert amount due] for invoice [insert invoice #]. As mentioned on the invoice, payment is due [insert number of days, i.e. 10 days] after receipt of invoice, or a late fee will apply.

I know it's easy to miss these things, especially with how overcrowded our inboxes are nowadays. Please send me a note today letting me know you have processed the payment.

If you have any questions, I'm always an email or call away.

Thank you for your support!

Talk soon,

MANAGE MONEY LIKE A CEO

A CEO understands the importance of cash flow, which is why we never pay bills early. We pay them on time ... not early.

Why?

Because we have a specific budget to adhere to and paying a bill early can throw off the entire profitable outlook.

Yes, I know it's "baller" style to pay bills early. But it's CEO style to pay them when they're due.

REVENUE/EXPENSE TRACKER

Check out the sample budget tracker inside the Six-Figure Vault:

<https://drive.google.com/open?id=1FAlycOVGFapZgh14hKBgIAT8iGfQfX0G>

If you prefer a more automated experience, you may want to check out [FreshBooks](#). It's less costly than QuickBooks and works well for those who handle mostly project work.

WEEK #6 ASSIGNMENT + WRAP UP

Your assignment for this week is to use the pitch strategy and marketing tactics to reach out to at least 3 prospects each week for the duration of our time together.

Share your prospecting wins and questions inside the group.

And WEEK #6 is in the history books! Be sure to claim your spot on the Block (<https://www.facebook.com/groups/writersblockmentorship/>) so you can ask questions and get feedback on tasks.

I ask that you share all questions on the Block so your fellow word sistas can gain the additional knowledge as well.

ONE-ON-ONE FEEDBACK

To qualify for the weekly assignment feedback, you must complete your assignments by 12 p.m. EDT each Friday and share inside the Facebook community.

While you are welcome to work at your own pace, we will not be able to review any “catch-up assignments.”

General questions are welcome throughout the mentorship. Be sure to hashtag your questions with #Question on the appropriate weekly thread so my team can easily find them.