

Bring the family on board

You don't have to be big to be professional

SMALL businesses usually shun the corporate way of doing things but, according to specialist consultancy Quill Group, more of them are changing their ways.

Quill Group director Kevin Nicol said a new trend was emerging in Australia for private-sector enterprises to include a family board to assist their business.

He said adept governance was crucial to enterprises at all levels, although demand was increasing for accounting and financial planning services from businesses with 10 to 200 employees.

Quill has capitalised on the trend of smaller enterprises to take on corporate habits by creating a board meeting process to assist some of its larger clients.

The monthly meetings include a concise snapshot of the business, where financial statements are reviewed and where key performance indexes are tracked.

Clients also are trained on business acumen and strategies for their businesses are mapped out.

"At the end of the first meeting new clients often comment that they have learned more from that one two-hour board meeting than they have in 20 years of running their business," said Mr Nicol.

"I find that most entrepreneurs are fantastic at what they do but they have a lot of self doubt in their own business acumen skills because they haven't had the extensive education in business and finance.

"They're usually incredibly well-trained at the school of hard knocks but generally don't know the difference between profit and cash flow, or the difference between their profit-and-loss statement and



balance sheet. This isn't their fault, it's just that some accountants and financial advisers tend to be poor communicators and don't always educate their clients."

Mr Nicol, a seasoned entrepreneur who consults to public company boards, has had interests in earthmoving, construction, manufacturing and property development companies.

"We see a lot of smaller firms

pull their accountant from pillar to post', with distractions usually handled by a financial controller in larger enterprises.

"Larger clients have internal accounting staff to assist with a lot of the mundane tasks, and are looking for a higher level of interaction and support from their accountant and financial adviser because of the serious business issues they face.

"We often find when businesses

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— KEVIN NICOL

get to 20 or so employees, the business owner becomes concerned that they've outgrown their current accountant."

Mr Nicol founded the Quill Group after a move to the Gold Coast from Brisbane 11 years ago.