

3 tips to help business owners avoid financial difficulties

Small business owners can face many challenges that impact their finances; especially in the construction industry.

It could be something small, like an unpaid invoice every now and then, or something bigger, like out-of-control business debt.

Big or small, these financial pressures can build up and become something you can't control. Chocolate Money director, Harry Pontikis outlines 3 tips to help business owners avoid or manage financial difficulties.

It's always a good idea to review your finances, even if your business is doing well.

1. Make time to check your finances

Many business owners are financially savvy, but sometimes it's difficult to know what to do or how to understand your finances, particularly when you're under stress.

Prioritising time to review your business's finances (and knowing how to do this) is a key first step for any business owner aiming to gain control of their financial wellbeing.

As well as reviewing your business's balance sheets, if you have any loans, guarantees or other financial arrangements in place for your business, it's important to review them. Assessing whether your business is profitable and viable is also essential before considering taking any remediation steps to help you through the challenging times.

Most profitable businesses go broke due to cashflow pressures rather than profitability issues, so not running out of money has got to be a key ingredient to success!

You can make a time for a catch up and chat with [Harry Pontikis](#) to be provided with some direction and support if you don't want to do it alone.

2. Act now

The most important thing you can do when dealing with financial problems which are here now or are coming in the future, is to address these now; not tomorrow as tomorrow never comes!

While financial problems are stressful, being proactive will give you more options about what to do next. Ignoring current or potential stresses works to heighten your anxiety, leading to negative outcomes including drug and substance abuse, relationship breakdowns or other outcomes from mental stresses and financial pressures.

4. Seek business advice from experts

Chocolate Money holds an Australian Credit License – 387277.

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NB: information in this article is general in nature and not to be considered specific advice or advice of any type.

Professional advice can be particularly useful in sorting out what to do next.

If your business has financial problems (or if you think it might), you should consider seeking professional advice from a trusted, qualified adviser, such as a Chocolate Money Credit Advisor who can help your debt and cashflow situation, or an accountant or even a lawyer depending on your situation.

3. Take care of yourself as well as your business

Sometimes, it's helpful to reflect on your business goals along with your personal aims and consider whether your business is manageable as it currently operates or whether it is right for you. Running your business in a different way or winding it up might be the best solution for your financial situation and speaking to an experienced Business Advisor like [Harry Pontikis](#), may provide you with the clarity you need to make any decisions.

It can be emotionally difficult to contemplate these options if your business has been a big part of your life and identity. Advice and information are available to help you look after your mental health while you are considering your options.

Studies show that mental health and financial problems are linked. Having financial problems can impact your mental health, which in turn can impact your financial decision-making. As well as seeking help for financial problems from a financial counsellor, it's often a good idea to get support with your mental health.

Find a list of support services here - <https://chocolatefinance.com.au/contact-us>