

Budgeting Gives You Control

Maximize your most profitable times with a little planning



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The election is over and winter is settling in across the United States. It seems like now is a great time to cocoon ourselves in and wait for spring. For many, a sigh of relief can be felt and a bit of silence after what has been such a long process toward the election of the new president.

For the economy and our businesses, it doesn't matter who was elected president. What does matter is the fact that the popular vote was the highest since 1964 for Democrats and this was the highest percentage difference since 1988 (53 percent to 46 percent). This was also the largest win by popular vote in the history of the United States.

So what does that mean to you?

People feel like they have taken control of what seems to be the uncontrollable. It seems as though the unreachable has been accomplished. For our businesses, we should see a settling and people should start getting back to normal because the majority of people will have hope.

The restaurant business has been hit hard by all of this volatility but as gas prices ease, people will have more money to start enjoying dining out again. Now all

you need to do is be prepared for them.

Take this time to consider what your best customer looks like. It's not just any person coming in and buying a meal. The definition of "best" depends on what your business objectives are. Considering what those objectives are will also put you in the best position to start budgeting for 2009.

When considering your best customer, is it someone who comes in once a week, or every day for lunch? Figure out a dollar amount around those two scenarios. What is best for your long term objectives? What would your best customer purchase from your menu?

Again, consider this for the once-a-week customer and the every-day-at-lunch customer. Once you've completed this, you will know how to approach your marketing, your staffing and your purchasing. If you know that you would like to focus on getting people in every day for lunch, you can work with your marketing people to draw people in that way. The same goes for the weekly dinner customers.

At the same time, you'll staff and train those people to make sure that customers are experiencing the best of everything during those crucial times. We all hope that our staff is putting their best foot

forward at all times, but this may be a time for you to be more involved in that oversight.

Remember, this is because you have discovered that your best customers are coming in during these times. Finally, knowing that lunch rush is a much better money maker for you means that you purchase things differently than you would for dinner. Perhaps your restaurant also serves alcohol but lunch is a bigger money maker for you. You'll keep less alcohol on hand because most lunch customers will not order alcohol.

December is a great month for budgeting for the next year. It is a time to take stock in what has worked in the past year and what hasn't. It's also the BEST time to contact your CPA and get them a copy of your books so they can give you any last minute advice before it's too late to do anything about it.

One tip — I do not recommend waiting until Dec. 29 to do it though. The odds are good that the CPA wants to enjoy the holidays as much as you do, so try to give them a couple of weeks to look things over.

So as 2008 comes to a close, let's all breathe a collective sigh of relief and get ready for 2009. With a little budgeting, you too can take control of what appears to be the uncontrollable.

Happy Holidays!



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