

# Finance - cost centre to profit centre



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In a world turned upside down by covid-19, businesses need to ensure that every part of their organization adds value to ensure sustainability. Finance has traditional been seen as a back office function and cost centre. But this view is only valid when your finance support consists of an outsourced accountancy practice and an internally resourced transaction finance team (i.e. ledger clerks, controller), which is the case in many SMEs.

So how do you turn that fixed cost overhead into a profit centre? By engaging a Finance Business Partner (FBP), that complements your existing finance resources, by primarily focusing on improving business performance and creating value.

FBP creates value for your business by utilising a growth mindset in place of the fixed mindset of the traditional accountant:

 Finance Business Partner	Traditional Accountant 
Business Partner	• Gatekeeper
Commercial focused	• Transaction focused
Forward looking	• Backward looking
Proactive	• Reactive
Growth evaluation	• Cost review
Outward looking	• Inward looking
Decision support	• Controllorship
Insight driven	• Information driven
Performance improvement	• Budget monitor
Strategic and operational review	• Tactical review
Independent advisor	• Dependable record keeper
Opportunity & risk assessment	• Variance analysis & commentary
Financial leadership	• Book keeper
Scalable fees	• Fixed costs
<b>Profit centre (value creation)</b>	• <b>Cost centre</b>

The mindset is one of strategic and commercial thinking, insight and growth driven, providing actionable and proactive decision making to deliver the business owners desired outcomes. FBP work with the senior leadership across the company to drive impactful decision making that aligns not just to their particular partners goals (e.g. Sale Director), but to the wider company vision.

Your FBP is your trusted business advisor, that engages collaboratively, questioning the status quo and unearthing those hidden gems within your company that can not only help it survive but also grow.

Typical applications where you FBP can create value, which flow to your profit line:

- Cashflow optimisation
- Profit optimisation
- Customer and Product margin analysis
- Pricing
- Supplier reviews and contract management
- Contract negotiation on trading terms
- Investment analysis
- Risk assessment and scenario planning
- Business planning

So, start 2021 with a positive and proactive decision to engage your own on-demand Finance Business Partner, and use today's economic challenges as an opportunity to strengthen your company's performance, create hidden value and improve your bottom line.

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& founder of Optimum-Value.

*Start your journey today by contacting  
Optimum-Value and learn how our on-demand  
Finance Business Partners can support you  
in achieving your desired outcomes.*