TOP 10 MISTAKES

stopping you from building a thriving tech business

and the strategies to overcome them...

sko Accountants

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About Us

Hello, I'm the co-founder of SKO Accountants, specialists in providing compliance and advisory services to growing tech businesses.

Having worked with many of London's fastest growing tech businesses, I've seen first hand the disconnect between the founders' expectations of an accountant and the offering from the current stock of accountancy practices. So, along with Sara (my business partner and wife), we have built an accountancy practice which allows tech startups to work with accountants who truly understand them and can speak their language.

We've seen plenty of accountants working with tech companies who don't understand the complexities and unique features of running a tech businesses' finance function. Their management accounts don't add any real value and the relationship is only there because of investor's requirements or - even worse - a lack of a better alternative. We want to turn this around and make your finance function the core for any decision making.

Background

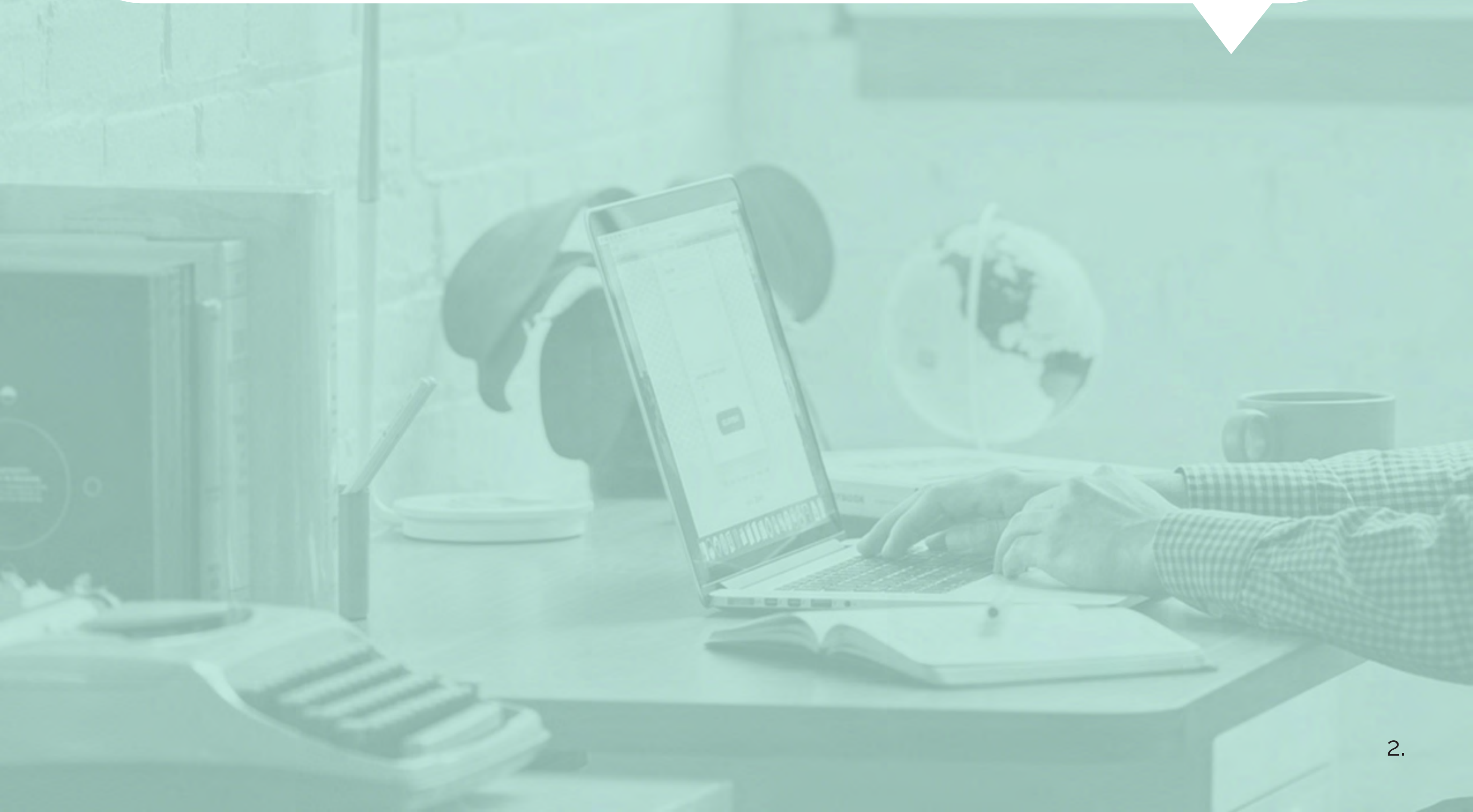
I qualified as a chartered accountant at BDO, working in the BDO drive department which acted as an outsourced finance function for growing tech companies. I have since worked for several tech startups helping to build their processes, scale their business and secure investor funding.

Sara qualified as a chartered accountant as an auditor at PwC, and went on to a senior role in Tesco's group reporting team.

Together, we have a unique blend of both startup and corporate experience and we believe that we can help tech businesses grow sustainably and put in place processes that will make them attractive to investors.

Introduction

We've prepared this report for tech businesses at any stage in their growth journey - from those who have just received their first seed funding, all the way through to companies that have already been through multiple rounds of funding. Through our experience working with tech businesses and the detailed conversations we have had with their management teams we have pinned down the top 10 mistakes stopping them from building the thriving tech business they've been working to achieve. What's more, we've added some tips to help you ensure that your finance function is in the right state to achieve the ambitions of your growing business.



The reality for most tech businesses

Success in tech isn't easy - but you already know that. You've heard the statistic that even tech businesses that grow 20% YoY have a 92% chance of failure within three years. In fact, tech businesses that have a YoY growth rate of 60% - enviable figures in any industry - still have about a 50% chance of failure.

There's a lot to juggle. Exponentially increasing revenue, keeping churn rates below your growth rate, holding onto (and developing) your best talent, creating an amazing culture and still ensuring that the finances are ticking along - drop just one of these balls and you know you're in trouble.

As if that wasn't enough, we've found that most tech business owners are paying significant fees for accountants who they do not feel relieve any of these burdens or add any value to their business.

In this report, we'll explore the main problems encountered by tech businesses and recommend solutions on how to overcome them.

Top 10 mistakes stopping you from building a thriving tech business

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Founders who take a step back and bring seasoned professionals in

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Assuming your financial model is bullet-proof

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MISTAKE #1

Founders who take a step back and bring seasoned professionals in.

You've just secured Series A funding and there are a lot of challenges ahead, some of which you've never faced before. The experts tell you to hire tried and tested senior management staff, 'who have already been there and done it'. Great, you think - bring on the CVs!

So, you hire a VP of sales - they've got all the right qualifications, they've worked for names like Box and Hubspot, and they seem pretty confident when they tell you what your business needs to do next. Everything's going very smoothly - until your numbers plateau.

What happened? The problem here occurs when founders don't have their fingers on the pulse. We have seen some very successful growing tech companies struggle to grow after Series A funding. They hire an experienced VP of sales and trust them to grow the company to the next level, without asking some key questions.

Does the new VP of sales have the same passion that you have? After several exits, are they still hungry for their next? Do they understand your journey so far, and are they willing to work with your current talent to achieve your goals, or do they have a 'been there, done that' attitude?

Too often we're blinded by the CV and don't take these other qualities into consideration.

The same is true for hiring VPs for other departments. Any VP you hire probably had success in their last role, and they may want to copy and paste this model for your company. This can work, but it can also cause friction - after all, you didn't get where you are by copying other business models, and only you can understand your company's individual needs.

There are so many other elements to take into consideration, such as culture fit - not to mention that these roles often attract large remuneration packages, meaning you cannot and will not want to end the employment relationship until they have had a real chance to prove themselves.

Solution

Don't become starstruck by big names on CVs. Interview carefully and look for passion and motivation, as well as someone who is flexible and willing to learn and grow with your company.

Don't be persuaded by VCs that need you to take a backseat, because nobody understands your businesses' processes better than you do. That being said, you should avoid falling into the trap of micromanaging, and instead try to back-file (fill in gaps) where possible.

And remember - hiring doesn't end when the candidate signs the contract. A well thought out onboarding process is key for integrating your new hire into the culture, and making sure they understand the journey your business has already been on will increase their success rate.

MISTAKE #2

Assuming your financial model is bullet-proof.

We've seen it time and time again; founders come with their 'bullet-proof' financial models, only to watch in horror as they are ripped to pieces by VCs in thirty seconds flat. It's not just inflated revenue and underestimated costs -- we're talking about completely missing some of the basic costs.

These are just some of the costs that are commonly forgotten:

Taxes and other deductions

Once a company is making £85,000 per annum or is expecting to pass £85,000 in revenue in the next 12 months it has to register for VAT. A lot of companies fail to add this liability on top of their usual costs when producing cash flow forecasts.

Even when VAT is accounted for, the calculation is usually incorrect. The VAT liability is often calculated as the sum of the output VAT (calculated by multiplying the revenue by 20%) less the input VAT (incorrectly calculated by multiplying the expenses by 20%). The input VAT calculation is incorrect for a few reasons:

- the biggest cost for tech businesses is usually salary payments, which attracts no VAT
- the forecasted expense costs are usually inclusive of VAT, so it should be 16.67% and not 20%
- a lot of the big-ticket software purchases are from non-UK providers which again do not usually attract VAT.

This means that in reality, the net VAT liability is often much higher than anticipated, resulting in unexpectedly large VAT payments and a shortened runway.

Statutory pensions contributions, apprenticeship levy and corporation tax are some of the other taxes that can be easily overlooked. Individually they might not be very high, but if they are ignored for too long, they will start to have a big impact on your cash position.

Recruitment fees

What about those pesky recruitment fees, remember those? The reality is that engineers are hard to find; they don't lurk around LinkedIn waiting for your inhouse recruiters to find them. There's a real art to finding good engineers quickly when you're looking to scale, and inevitably you'll need to start hiring from recruiters who can charge anywhere between 10-25% of the employees' annual salary.

R&D Tax Relief/Refund

Hey, it's not all gloom and doom! Some tech founders also forget the R&D credit in their model, which is a significant amount of income that needs to be incorporated. You'll need an estimated calculation of your expected R&D credit, which isn't the most straightforward calculation.

MISTAKE #3

Assuming profit = cash

So, you've got an MVP, the sales are trickling in and in order to get the contracts signed, your sales team begins discussing terms. You start hiring more staff in anticipation for this new found income and then BANG... you hit a wall. Your costs are increasing and so is your revenue, but you've got no money to pay these costs. What's going on?!

Revenue is Vanity, Profit is Sanity but Cash is King, they say.

Whilst revenue is of course hugely important in the tech world (at least for VCs), the bottom line is - if you have enough cash you can do without revenue or profit for a period of time. But without enough cash to take care of your costs, revenue and profit alone won't keep your company afloat.

One of the reasons this issue arises is the time it actually takes to get the money from customers. It's common for growing tech businesses, to offer longer payment terms in order to entice customers - this is not a good strategy. After a while it will catch up with you.

You should also bear in mind that US software vendors usually don't offer any terms, so you may find you will have to pay your larger suppliers pretty quickly. This means payments are due before your customers have paid you, adding an extra strain on your bank balance. You need to be able to manage your future cash position well in advance, and cash flow forecasting plays a very crucial role in this.

Solution

- Produce a cash flow forecast which is updated monthly once the management accounts are completed.
- If there are times when you know cash will be particularly low, find funding to plug that shortfall.
- Don't offer terms, and if you do, make sure they are no longer than 30 days.
- If you offer terms, ensure your finance team is actively credit chasing and using debt chasing software to automate credit control.
- Make quick decisions on late paying customers; the sooner you react, the less likely it is that a struggling customer will go into administration while owing you several invoices.

MISTAKE #4

Getting your pricing wrong and not increasing it soon enough

When you're in a highly competitive market it's always tempting to price your product based on what your competitors charge, and in the early stages of your business this may be the only way to get your first customers through the door.

However, this often leaves tech businesses stuck with low pricing which they're hesitant to increase for fear they'll lose customers. At this point you're faced with two choices: do you keep your prices low to attract more customers, or charge a premium price and risk scaring customers away? The answer is rarely straightforward.

These issues start to become a problem when you are short on cash and your margin is too low to finance your growth. Yes, in the good ol' days when VCs were throwing money at any startup claiming to be the next 'Amazon', you could simply finance your growth with VC money. Unfortunately, funding is much harder to come by right now, and statistically the most common reason businesses fail is due to running out of cash.

Pricing is the most frequently overlooked way to drive growth; articles, e-books and blog posts are littered with ways to increase sales or retain customers , but there's very little information out there about using a pricing strategy to stimulate growth.

Solution

Base your pricing on the value you provide your clients rather than trying to match your competitors. If this isn't possible from the onset, you should seek to increase your prices when you sense the time is right. Some clues that it's time to raise your prices are:

- The sales team isn't getting heavy pushback on your prices from prospects
- You're creating a high ROI
- You haven't increased pricing for over a year
- Your churn rate is exceptionally low.

When you run customer surveys, make sure you ask about the value your clients feel they are getting from your product, and even ask what they might like to see in the future, as a tool for understanding ways in which you can increase your prices.

Price setting should be an ongoing task, and one that involves several departments. Hold quarterly pricing meetings to analyse data and findings.

Finally, don't allow potential churns to stop you from increasing your prices. There will inevitably be some customers who will churn when they can no longer afford you, but if you've done your homework you should be able to roughly estimate how many these will be. Assess whether the revenue gained from the price increase along with revenue to be gained from new customers outweighs the lost revenue due to churn and make a decision accordingly.

Don't forget! If your product is the best on the market, then those customers that leave you because of the cost are likely to come back once they realise what they are missing.

MISTAKE #5

Not addressing marketing early enough

Should you concentrate on building a selling machine, or build up a demand generation machine? In a tech businesses' lifecycle, once the funding comes in, businesses usually seek to hire a VP of sales to boost their growth, while a VP of marketing is a position filled much later.

It makes sense on paper; spending money on sales almost always generates revenue. You've got more people on the ground cold calling, speaking to prospects, giving demos and actively trying to close deals (usually motivated by their bonus package) and by hiring a VP of sales you have someone there who can guide your team, motivate them and generate even more sales.

But without a decent demand generation function, the sales team will face a constant uphill battle with prospects who don't know them, meaning most attempts will fall on deaf ears. Additionally, Sales will likely need to rely on offering heavy discounts to persuade prospects to change providers.

We suggest a much more balanced approach. Put as much thought and time into hiring a VP of marketing as you do to your VP of sales. The VP of marketing is one area where you can't go cheap; you need to hire the best and give them the tools and the team to really market your business in the best way possible. Whilst of course you need a sizable sales team to deal with the current funnel, alongside this you should be steadily building up a robust marketing department. Marketing creates a buzz about your software which means prospects will want to reach out to you without your sales team needing to try every trick in the book to get their attention. Any decent VP of marketing will create at least enough demand to cover their remuneration package.

Whatever you do, don't ignore your best marketers - your brand advocates. You've worked so hard to please your customers and they love you for it. You've built up an amazing pool of contacts who are probably already promoting your product within their own spheres - but that shouldn't be where their influence ends. You can get their good word out there by asking for referrals, testimonials and Google reviews. Many customers are happy to speak in short videos promoting your company and how you have helped them. These customers are your brand advocates and one of the best assets you can have, so utilise them from the beginning.

MISTAKE #6

Complicated implementation and no add on features

tech companies usually all start out using Xero as their accountancy software and keep using it even when switching to NetSuite would add more value to their growing business. This is not because they are unaware of the benefits, but because it takes so much time, money and effort to switch to NetSuite. You need implementation specialists, you need to migrate your data, retrain your staff - the list goes on.

The implementation process for your own product is just as important to your customers.

Eliminate implementation fear by scaling back your most complex features and selling them as extras, which as a bonus, will also help with upselling. Your initial offering should help your customers and prospects solve their main issue and add value very easily and quickly.

Once you get your clients on board, you can then really wow them with all your banging features and turn them from a customer to an advocate.

Remember! "the probability of selling to a new prospect is 5-20%. The probability of selling to an existing customer is 60-70%"[1].

Don't fall into the trap of offering too many complimentary additional features as part of your core product. Think about it, you have an all-in-one product and you have some amazing features that a big proportion of your customers have never used. Why? Because these extra features have always been free!

Five issues with offering too many complementary features:

1. No scope for upselling.
2. Features not utilised and therefore not appreciated.
3. Customers feel demotivated as they are not making the most of the platform, which can lead to a feeling of wasted investment, even if your platform is solving their initial problem.
4. Customers feel you are offering more than they really need, so they start looking for a cheaper alternative.
5. Prospects feeling your system is too complex, overwhelming them with 'implementation fear'.

How to overcome these issues:

- Give your customer success team a break - they can't upsell without any new features to sell. Instead, provide an amazing - but streamlined - product, and let your customer success team promote and sell the bells and whistles.
- Give your sales team scope to offer one or two of the most relevant add-ons as a deal sweetener.
- Offer your existing clients a taste of your additional features. Help them implement one of the features and offer a limited free trial to demonstrate the real value of your add-on features.
- Set a price for your core product so customers only pay for what they require instead of your whole platform.
- The initial product should be clean and easy to implement so that additional features don't scare the customer away.

By offering additional features, your customers are investing in your product. The more services they use from you, the harder it is for them to leave you. We couldn't imagine leaving our GSuite package because we use Google Sheets, Docs and Drive. Even though we don't love them as an ESP, it's good enough, so we continue using GSuite.

Make it hard to let go. Make it about emotions and not about logic so that when a competitor approaches them, there's no question of leaving.

[1] Marketing Metrics: The Definitive Guide to Measuring Marketing Performance. Paul W. Farris et al.

MISTAKE #7

Free offerings

Sometimes, 'free' doesn't have any value. If a customer isn't invested in your product, they won't use it, even if it will benefit them in the long run. They know there isn't a yearly subscription that will expire, so they keep delaying the use of the product.

A client we worked with offered an employee benefit platform. Their initial model allowed employers to sign up for free, and revenue was only generated once an employee spent money on the platform. In theory this was a great idea as a high number of employers signed up.

However, it backfired for two main reasons: the employers dragged their feet on implementation, and even after implementation the product wasn't being promoted to the employees.

The founders were stuck. They knew that something had to change in the model to give the employers a sense of urgency. The solution was to charge the employers a platform fee.

What was the result?

The employers who paid a platform fee:

1. Were more responsive during implementation in comparison to the employers who received the platform for free. They had paid a yearly fee and therefore wanted the product rolled out to their employees as quickly as possible.
2. They heavily promoted the new 'employee benefit' for two reasons:
   a. they wanted to highlight to their employees that the company was investing in their employees, and;
   b. as it was being paid for, they wanted it to be utilised by the employees.

Six months later, the employer sign-ups had decreased but the business' revenue had skyrocketed.

You need to ensure your product has value in the eyes of the customer, if your platform isn't being utilised, then it means your customers don't see the true value of it.

MISTAKE #8

Using the wrong metrics or none at all

The more you analyse, the better you understand your business. It is really important to get into the nitty gritty with your numbers and translate them in a meaningful way. While there are so many different types of metrics, the following list is a good place to start for tech businesses:

Monthly recurring revenue (MRR): Calculate your monthly recurring revenue by dividing the contract value by the contract length less any one-off fees. If your contracts run for a minimum of 12 months you can simply multiply the MRR by 12 to get your ARR.

Annual dollar retention rate (DRR): Take your starting MRR + (annual upsells - annual downsells - annual churns) / starting MRR - here you're looking for anything above 100% which indicates that compared to the previous year you have at least retained the same amount of MRR from your existing customers

Cash: You need to compute an ongoing cash flow forecast to identify periods where expected cash is low or extra funding is required

Customer acquisition costs (CAC): Used to calculate how much you spend on average to gain a new customer. Add up all the marketing & sales costs in a period and divide by the number of new customers in that period. The period depends on your business (three months is starting point). You may lag the new customer period by a month or so depending on your sales cycle.

Customer lifetime value (CLV): Helps to understand the average gross revenue you receive from your customers: ARPA x Gross Margin / Churn Rate (divide by 12 if ARPA is based on MRR)

CLV to CAC Ratio (CLV:CAC): Your desired ratio will depend on the business and sector, however, in tech it is generally a good sign if your is CLV is 3/4 times your CAC. Any lower than 3 times is an indication that you're spending too much on sales & marketing and any higher than 5 could be a sign that you are not spending enough on sales & marketing and thus 'leaving money on the table'. There could also issues relating to your pricing or churn rate.

MISTAKE #9

No cost control

This happens in every kind of industry and client: most businesses overpay for tools, equipment and services. From expensive software subscriptions to laptops, desks, chairs, telephone lines, utilities, building work and others, tech businesses usually end up paying more than they should.

Costs accumulate very quickly in tech companies, so it's important to embed a culture of mindful spending from the outset. Too many tech businesses fail to negotiate on deals, spend lavishly on unnecessary softwares, don't claim a rightful refund on their recruitment fees as they fear they will get a bad name amongst recruiters, forget to look for more than one quote when looking for a supplier… the list goes on and on.

Solution

It really helps to look at the big picture. Even an average 10% saving on costs in a year could total a six-figure sum over a few years. What could you have done with that money? Hired the best VP of sales in the market, brought in more quality sales people, or even kept it aside to lengthen your runway?

Luckily, it's easy to quickly get control of your costs by implementing one of our two methods:

1. The quick, free and easy method:

Outline a procurement/expense/purchasing policy:

1. All purchases above £x require quotes from at least 3 suppliers.
2. If multiple departments use the same supplier, pool them all into one account and request (demand) a discount.
3. Before making a purchase, request that each purchaser Googles:
   a. Supplier Name' discount code/coupon code
   b. 'Supplier Name' discount
   c. 'Item' discount
   d. "Item' cashback
4. Bigger software subscriptions should always be planned well in advance, and at least two counter offers should be sent in all negotiations.

2. The full procurement team method:

1. For small purchases, follow steps 1-3 of the quick, free and easy method.
2. Set up a 2-3 member procurement team (usually from the finance team).
3. Train your procurement team on purchasing and negotiation.
4. It is the role of the procurement team to reach out to all existing suppliers and renegotiate costs.
5. Make a note of all contract end dates as it's always easier to renegotiate a contract when it's coming to an end.
6. Plan purchases beforehand to give the procurement team time to find better deals and identify all the relevant suppliers.
7. Look for alternatives to the expensive items you usually buy, such as office equipment.
8. Base your purchasing on the return on investment and not on the remaining budget. Return on investment doesn't just have to be in terms of cash, for example if it makes the team significantly happier then that's fine, but if there is no credible benefit, scrap the purchase. No vanity purchases required!

MISTAKE #10

Creating high-tech, modern tech companies with archaic finance functions

Your finance function needs to be reflective of your company's culture. It needs to be fast paced, adaptable and modern. Here are four common mistakes that widen the gap between a tech company and its finance function and how you can overcome them:

Common mistake 1: Taking too long over your budget

Are you spending days, weeks, or even months creating a budget, only to have it fall out of date as soon as it's completed?

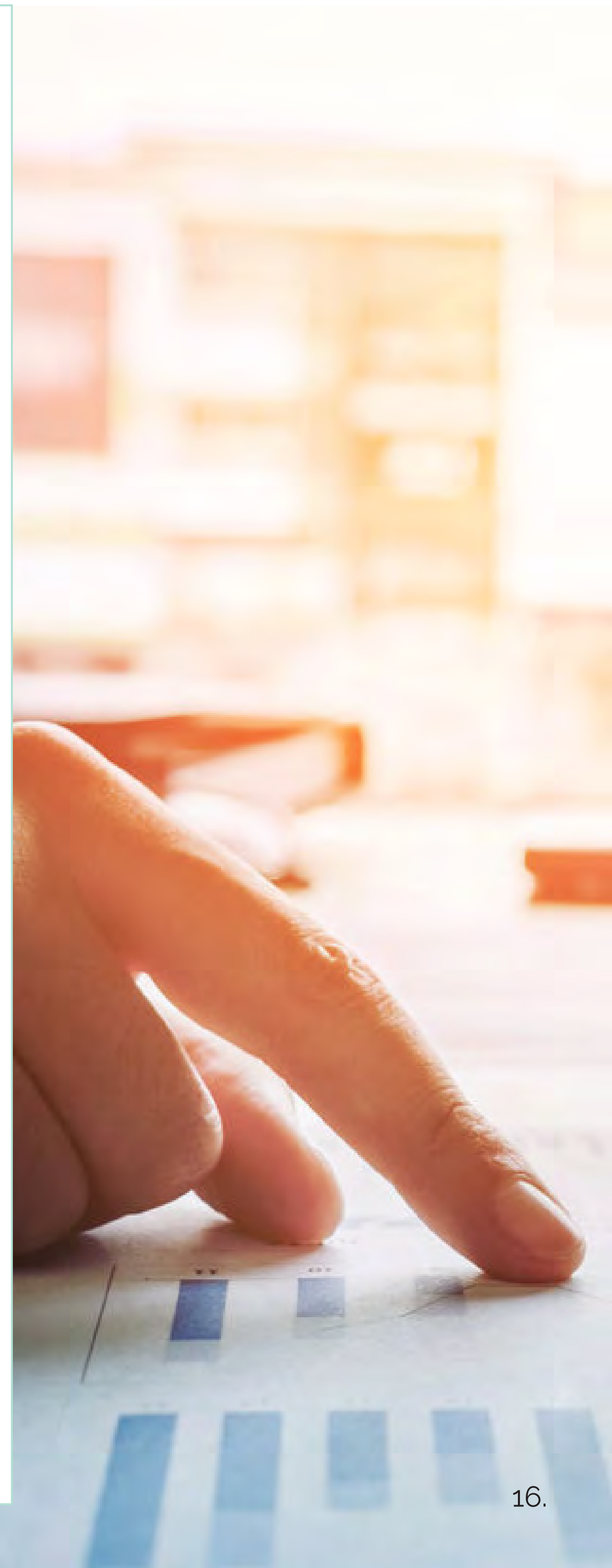
This is a very old school way of managing budgets and has minimal effect in the current business climate. Instead of tackling an enormous task during the latter half or beginning of the year, it makes more sense to quickly pull together a high-level budget which looks at all big ticket expected items. Going forward, dedicate half a day each month to re-think the budget and keep it up to date and relevant. This way, the time spent on the budget is apportioned throughout the year, allowing you to take into account any major changes month on month.

Common mistake 2: Giving your budget holders too much (or too little)

If business owners aren't tying their budget holders' hands, they're often going too far the other way by giving them unnecessary amounts of money to spend (waste), simply because it was agreed in the budget.

Instead, you need to adopt a ROI mentality with all budget holders. What does that mean? All spend over a specific amount (relative to the size of your company) should be evaluated based on the gain for the company, not the budget. Return on investment can be tangible, for example costs that will help the bottom line, or intangible, like improving the brand design to make marketing, sales and recruitment easier.

Where will you find the time to produce these detailed ROI calculations? See mistake number 3!



Common mistake 3: Not automating your finance function

Accounting software has changed dramatically in the last 5 - 10 years, and the industry has moved on from paper based manual processes to fully automated, often online processes.

Make the most out of these technological advances to save your company both time and money. By using a cloud-based accounting software and the relevant add-ons (don't be scared to spend a bit on add-ons - it will be worth it), you're taking the unnecessary junk out of your management accounts and freeing up the finance team's time.

This means more time to create ROI calculations, analyse your performance month on month, calculate live metrics and KPI's and give these to budget holders. They can also speak to budget holders about their performance instead of producing one of those dreadful reports which nobody but the finance team can decipher.

Common mistake 4: Not conducting scenario planning and cash flow forecasts.

Smart businesses plan for different eventualities. What if sales take a sudden dip or if they skyrocket? Have you got the resources and strategies in place to get your business through that?

There are so many events a business can face, but without any scenario planning and cash flow forecasting, you just won't be prepared. We advise that tech companies sit down and analyse the impact of different scenarios which may befall their business. Once the different impacts have been identified, these need to be modelled on a cash flow forecast so that you know exactly when you will have cash problems and can prepare well in advance.

How a good finance function should operate

If you are new to the world of tech business, and your company is in the early stages of its journey, you are probably handling the bookkeeping yourself, or have delegated it to a general admin person. For young companies, compliance work such as tax returns, payroll and annual accounts are commonly outsourced to an external accountant (who you probably only speak to at year end).

Finance is the backbone of your company, therefore all financial data you capture and record needs to be correct and completed by a professional accountant from the very beginning. It impacts so many decisions you make, from funding strategy to hiring decisions - everything that shapes the future of your business.

Compliance is compulsory and has to be done. Where a good accountant really adds value is in their ability to analyse your numbers and translate the findings in a way that helps management make meaningful decisions.

However, not all businesses get the value they deserve from their accountant. Our research has revealed the top 5 complaints tech business owners have with their current accountants:

They're inflexible - Having worked in tech we know that it's a constantly changing environment; a decision made yesterday could well be at the bottom of the wastepaper basket today. Unfortunately, most accountants are programmed to want (and expect) consistency. They want payroll information, banks reconciled/or information sent, and a response to their email all on a set date, and they won't budge on it.

They don't live in the real world - Just as frustrating as their inflexibility, some accountants live in their own little bubble and expect you to drop everything in order to provide them with exactly what they need. Who cares if you need to complete due diligence for a life-saving funding round, or whether you need to have a crisis meeting with your biggest customer? What really matters is your £3.50 coffee receipt!

They charge by the hour - You want more insight into your numbers, so you arrange a meeting with your accountant. However, they're charging by the hour, so you want to avoid small talk or any other niceties in case you run over and it starts to cost you. Instead of wanting to spend more time with your accountant to really understand your numbers, you want them out of the door as quickly as possible. This is no way to build a good relationship, and creates a very uncomfortable environment.

They only want to meet when we have had some cash through the door - You know how it goes - you've just completed your first round of
funding and suddenly find yourself extremely popular. Every sales person, lawyer and consultant promise they can help you (for a slice of your funding, of course) and even your accountant who never responded to your email from last week is very enthusiastic about meeting you. You can't help but ask yourself why your accountant wasn't there, by your side, guiding you through the funding round and helping with the due diligence.

They don't provide any meaningful information - As a growing tech business your relationship with your accountant shouldn't just be centered around keeping HMRC happy. The monthly/quarterly management accounts they produce shouldn't just be a tick box exercise or, for you, just a way to keep your investors quiet. You're paying for these management accounts and they should, at the very least, provide you with meaningful, actionable information.

Getting the most out of your management accounts

You need your accountants to really understand your business and add value. One of the best ways to provide meaningful information to management is to produce monthly or quarterly management accounts - but a lot of businesses don't do this until they expand considerably and even when they do, they very rarely use the findings to make meaningful decisions.

Here are six tips to help you make the most of the management accounts produced for your business:

1. Management accounts should be completed no later than 7 days after month end. You want the information you are looking at to be fresh and up to date.
2. If the information isn't aiding your decision making then change the layout.
3. Remove elements which take a lot of time and don't add any value; these can be sorted out at year end. The priority should be a quick turnaround with the most accurate information.
4. Don't let your finance team get away with an excel spreadsheet with just a P&L and Balance sheet. There should be KPIs, graphs and recommendations.
5. Don't spend ages comparing budget to actual, brief comments will do.
6. Flex your budget according to your management accounts, this should take 30 minutes at most in board/ SMT meetings.

Action plan

There's no time like the present, and the real work starts now! Here are the key steps you can take immediately to help you fuel your rocket ship:

- Never take a step back in your company. It is your passion and your desire that has built it up from an idea, so don't leave it up to anyone else. It's OK if you want to get an experienced person in, but you should always be hands on.
- Understand your numbers! You need to know every financial detail about your company so that you give confidence to investors and make the right decisions.
- Invest some meaningful time and thought into your pricing strategy right from the beginning.
- You need to have a good marketing strategy early on. How you choose to present your product out there will make all the difference to your prospects.
- It's really important to define the metrics you will be using in your business. Track these monthly and compare against your budget and the market average.
- High costs drag tech companies into loss making. Make sure you are cost conscious from the get go - it will accumulate to your benefit over the years.
- Be prepared for the unknown. Scenario planning will help you prepare for unexpected eventualities in your business and the economy.

Take the shortcut...

With our big accountancy firm backgrounds and specialist experience with tech clients, we have the right knowledge and experience to help you build the business you desire. At SKO, we understand tech and specialise in providing accountancy and advisory services to tech businesses to help create strong financial foundations from the onset.

What we offer:

- We'll help you create and track your KPIs on an ongoing basis so that you can make informed strategic decisions.
- We'll analyse your costs and advise on areas you could be more efficient in.
- We'll perform scenario planning so that your business is ready for all potential eventualities.
- We'll take care of all your financial compliance work (annual accounts, payroll, VAT returns etc.) so that you have peace of mind.
- We'll guide you through implementing effective and efficient systems and processes so that your finance function is not only fit for purpose - but cost effective too.

It doesn't matter where you are in your journey, we'll have a bespoke package that will meet your requirements.

Click here to book your strategy call!

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