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# RED FLAGS that indicate your funding is failing you

With the success of your business reliant on a healthy cash flow, making sure you have the most suitable funding product in place for your business's evolving needs is crucial. However, whilst having an external facility in place is good for your day-to-day business, the wrong facility could be doing more harm than good. With that in mind we highlight eight red flags that could indicate your current funding facility is holding your business back.

1

## YOUR FUNDER DOESN'T UNDERSTAND YOUR NEEDS

Do you have a dedicated contact who understands your business? If not, you could be missing out. Funders who understand their client's business cycles and challenges may be able to advance additional funds to cover specific activities and events or find a way to work with you through a slower trading patch.

2

## YOU FIND IT HARD TO TAKE ON NEW OPPORTUNITIES

Are you working hard to grow your business but find you're being restricted by a lack of funds to support your plans? When businesses are inundated with new orders, it can be hard to sustain the cash flow that's required to satisfy them on credit terms. This is where having a flexible funding facility in place is increasingly important.

3

## YOU'RE CURRENTLY NOT HAPPY

Whether it's an odd sense of loyalty, fear that nothing else is available or simply laziness, it can be tempting to put up with a service you're not happy with. But, with so many options available, there's really no reason to stick with a service that is unsatisfactory.

4

## THE COST OUTWEIGHS THE SERVICE

When it comes to funding, the cheapest option isn't necessarily the best. With that in mind you should ask yourself if the cost of the facility is proportionate to the service provided and the opportunities it enables you to access.

5

## THE SYSTEMS IN PLACE ARE INADEQUATE

If accessing your account is proving difficult you could be wasting valuable time that would be better spent elsewhere. Finding a funder with systems in place that are easier to use could give you valuable time back to concentrate on your business.

6

## NO ADDITIONAL SERVICES

Sometimes a business requires more than just a cash flow boost from their funder. In these instances it can be worth exploring funding facilities that incorporate additional services and benefits such as credit management and debtor protection.

7

## CASH FLOW IS HARD TO MANAGE

If you find that a lot of your time is spent trying to manage your cash flow, your funding facility may be part of the problem. Do the funding levels provide enough for your day-to-day activity? If not, is there another option that will allow you to access what's required?

8

## YOU HAVEN'T REVIEWED YOUR FACILITY

The funding market is constantly evolving and changing. So, if you haven't been keeping up to date with the latest changes, you could be missing out on new products and services that offer your business better potential for success.

If you've highlighted some red flags it could be beneficial to benchmark the funding options available to see if there is a better fit for your business. But, with so much to choose from, it can be hard to identify the most suitable facility, which is where talking to an independent finance broker could help. Recognising that every business is different, a good broker will get to know your business's funding needs and challenges in order to identify the right facility in terms of funding level, service and cost.