

The Promise to Pay - A Cautionary Tale



“WE COULDN'T SPEND A PROMISE TO PAY”

THE PROMISE TO PAY - A CAUTIONARY TALE

We toasted the sale as our largest to date.

It was assembled and shipped, we even prepaid the freight.

We had burned through our cash to reach that day,

But we weren't worried because they promised to pay.

We imagined ourselves smoking fat cigars,

And paying off debt and buying new cars,

But our dreams lost their luster and faded toward grey,

Because we couldn't spend a promise to pay.

We were alarmed as the interest began to accrue,

And by calls that came in as our bills went past due.

We said not to worry, that we'd find a way,

For after all, they had promised to pay.

At first they politely accepted our call,

But before long we couldn't reach them at all.

Phone or stop by or try what we may,

We couldn't get through to remind them to pay.

Weeks had gone by, then a month, then two,
When our bank began slowly to tighten the screw.
We assured them the funds would arrive any day,
For surely they'd make good on their promise to pay.

By the end we had scrambled and sold what we could,
But it wasn't enough to do much good.
When they came for our dreams and took them away,
It didn't seem fair. We had promised to pay.

THE CYCLE OF BUSINESS

The poem, of course, is about accounts receivable, the bane of many small businesses.

Maybe you can see some humor in it, or maybe it hits a little too close to home for that. The point is that business is not about making sales or even profit. It is about managing the entire **cycle of business** from the owner's initial investment through to more cash returned to the owner's pockets.

We cannot thrive in business until we can understand and manage the entire cycle.

If you'd like to learn more about making good decisions and managing the cycle of business, please don't hesitate to mail me at Martin@annealbc.com or visit www.annealbc.com



Martin Holland

Martin Holland is the son of a successful entrepreneur. He grew up hearing about margins and markets, R&D and sales, risk and return on investment. He learned to love the language and rigors of business and grew to believe that business is both the most human of all endeavors and the highest calling. After selling a company in 2011, Martin became a coach in order to help other owners build profitable businesses that do not require their day-to-day involvement.

A native of Norman, Martin earned a B.A. degree from Hastings College in Hastings, Nebraska and a Masters in Business Administration degree from the University of Oklahoma. Over the past 7 years he has written business plans that have raised over \$52.4 million in bank and investor financing. He has helped 157 (and counting) business owners reduce stress and increase performance through clarity of purpose, better marriages, more money, and more free time away from the business.