

## What Others Are Saying . . .

“*Your Financial Flight Plan* contains essential nuggets of wisdom and components of how a business can run more smoothly and more profitably. Throughout the book, Renee has placed ways to check and make improvements in your business. This small volume is worth the read, even if you think you know everything there is to know about business.”

Casey Dawes, *Wise Women Shining*, [www.wisewomenshining.com](http://www.wisewomenshining.com)

“Renee Daggett offers essential financial management insights for small business owners who want their business to soar to new heights.”

Kevin W. McCarthy, Author of *The On-Purpose Business*,  
CEO of On Purpose Business Advisors, [www.on-purpose.com](http://www.on-purpose.com)

“If there’s a better analogy for running a business than flying a plane, I can’t think what it would be. The ideas Ms. Daggett presents come from knowledge gained from working with many businesses and their CEOs. The effectiveness of her methods has been proven over and over again.”

Alyson Hamilton, Intuit, Small Business Division, [www.intuit.com](http://www.intuit.com)

“This effort by Renee is long overdue. As a tax professional, the chapters on financial statements are important to the success of any business.”

Chuck Doubleday, Enrolled Agent, [www.doubledaytax.com](http://www.doubledaytax.com)

“*Your Financial Flight Plan* is a must read for business owners who find themselves pulled in a million directions. Renee has taken the time to make extremely important and sometimes confusing concepts clear through engaging exercises. This book provides the indispensable building blocks for a strong company!”

Charles N. Vezinaw, Managing Director of Merchant Support  
Network, Inc., [www.merchantsupport.com](http://www.merchantsupport.com)

“The idea of relating the running of a business to flying a plane is a stroke of genius. If these practices are followed, any business person will be successful.”

**Ken Edwards, Charter Officer of Mt. Diablo Pilots  
Association & Aircraft Sales Owner**

“It is a wonder that there is not more information like this book pointed in the direction of day-to-day management of small businesses. This book offers a simple yet concise explanation of the financial aspects of business, allowing the reader insight. Reading this book is a great start for all business owners seeking information on running a business in today’s marketplace.”

**Sandra Hunter-Ferris, Senior Vice President & SBA  
Department Manager of Pinnacle Bank,  
[www.pinnaclebankonline.com](http://www.pinnaclebankonline.com)**

“*Your Financial Flight Plan* is a must read for business owners who are serious about taking action and seeing results. Renee explains practical business basics using aviation analogies that are entertaining, creative and effective.”

**Kimberly Fulcher, CEO of MyLifeCompass and Author of  
*Remodel Your Reality*, [www.mylifecompass.com](http://www.mylifecompass.com)**

“*Your Financial Flight Plan* does an outstanding job of helping business owners understand the importance of money management and leadership. It is engaging and very practical...just what busy entrepreneurs need. Every CEO will profit from reading this excellent book!!”

**Howard Dayton, Cofounder of Crown Financial Ministries  
and Author of *Your Money Counts*, [www.crown.org](http://www.crown.org)**

“By reading this book, business owners will improve their understanding of how they can become more effective business managers. The business advice is sound and owners of medium and small businesses would benefit from reading it. The aviation analogies are accurate and made the book interesting to read.”

**Mark Sochan, President of the South County Airport  
Pilots Association, [www.southcountypilots.org](http://www.southcountypilots.org)**

“I am thrilled with how simple and easy you made it for the small (or large) business owner to get these critical concepts. The short, simple explanations of the topics and the flying analogies, followed by the action steps, make this the perfect “getting started” tool. How incredible it would be if every new business owner read this great book before starting their business. I intend to use it to help the small business owners I counsel every week. Great job!”

**Rick Siebert, Founder & President of Cornerstone Credit Counseling**

“Renee has written an excellent operating manual for business owners (and pilots) who want to execute their vision skillfully. With weaving experience and wisdom into the analogy of aviation makes this book both informative and thought provoking. Flying airplanes and running a business must be taken seriously if we want to arrive at the proper destination, and *Your Financial Flight Plan* gives us practical guidelines to enjoy the journey while arriving in style.”

**Sung Cho, Pilot for a Major U.S. airline and Co-Founder and Dad of Van Beek Kids, [www.vanbeekkids.com](http://www.vanbeekkids.com)**

“*Your Financial Flight Plan*” is neither fluff nor a silly analogy. Renee’s book is full of down to earth common sense knowledge for small business people. If you read this book, your chances of success will be much higher. Those who are thinking about going into business should read this book. And those who are in business should use the book as a reminder of sound business practices and to brush up on their everyday skills. No fluff, just good solid advice from someone who obviously has been around the “business block.”

**Brad Jones, President of BookSmart Enterprises, Inc., [www.mybooksmart.com](http://www.mybooksmart.com)**

“*Your Financial Flight Plan* is a great introduction to finances, corporate benefits and responsibilities, cash flow, business management and profitability for all small business owners.”

**Alexis Martin Neely, Personal Family Lawyer, Founder of the Family Wealth Planning Institute and Author of the bestselling *Wear Clean Underwear: A Fast, Fun, Friendly—and Essential—Guide to Legal Planning for Busy Parents*, [www.PersonalFamilyLawyer.com](http://www.PersonalFamilyLawyer.com)**

“Every business owner needs to follow through with Renee’s suggestions in the book because it is an invaluable resource for managing your small business.”

**Kristy Rogers, Executive Managing Director of  
eWomen Network San Jose,  
[www.ewomennetwork.com/chapter/sanjose](http://www.ewomennetwork.com/chapter/sanjose)**

“Renee has given a refreshing twist to a subject that has been covered at least thousands, if not tens of thousands of times. The successful use of the Airline Captain analogy to the CEO of a business gives the book a certain sizzle, and at the same time offers a “Flight Plan” that is at once both genuine and on target; an achievement where many similar efforts on this popular theme (“how to run a business”) seem too often to fall short.

**Richard Fitzgerald, Rear Admiral, USNR (Retired),  
Commercial Airline Pilot, (Retired)**

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## Chapter 1

# The CEO & the Captain

*There are old pilots and there are bold pilots,  
but there are no old, bold pilots.*

**M**any small business owners are “flying by the seat of their pants.” They wake up early, work hard to put food on the table and are exhausted at the end of the day, hoping they were productive enough to have two nickels to rub together in their pocket. Am I right?

What does it mean to “fly by the seat of your pants”? Most people know this saying to mean someone is deciding on a plan as they go along. It could also mean that a person is reacting to situation rather than being proactive and planning ahead. “Winging it” could be another way to say it. This saying actually emerged in the late 1930s in reports of a flight from New York to Ireland by Douglas “Wrong Way” Corrigan. Mr. Corrigan was a sound and accomplished pilot. He even worked on a special aircraft for Charles Lindbergh and was inspired by Lindbergh’s transatlantic flight in 1927. He requested permission from the government to make a non-stop flight to Ireland, but his application was denied. In 1938 Corrigan told authorities he was going to

fly to California, but he ended up in Dublin after a 29-hour flight. His airplane took off in the thick fog and airport officials said he had to first head east to avoid buildings before he could turn around and head west to California. Corrigan reported visibility so poor that he had to fly by his compass, and he swore he was headed west, although he was really headed east. Most people really believe that Mr. Corrigan wanted to bypass the officials and accomplish his dream of a transatlantic flight.

As a business owner, you are the CEO, the chief executive officer. The encyclopedia defines this role as the highest ranking officer or administrator in charge of the total management of the company. A CEO is usually the chairman of the board of directors, and typically the CEO has other officers beneath him.

Some of the responsibilities of a CEO are:

- ✓ To advise the board of directors
- ✓ To motivate employees in products, programs and operations
- ✓ To look to the future for change opportunities
- ✓ To formulate policies and planning
- ✓ To promote the organization's mission
- ✓ To manage human resources
- ✓ To recommend a yearly budget for board approval
- ✓ To manage financial resources

Most small business owners have many responsibilities. They are the President, Treasurer and Secretary of their own company, in addition to being the CEO. When you are in business, you need to take your business seriously so that you *act* like the CEO, whether you have 20 employees, 10 employees or none.

There is a saying in the aviation world: “There are old pilots and there are bold pilots, but there are no old, bold pilots.” What does this mean? It means that pilots who are overly bold and take chances, will not survive long enough to become old. Pilots need to be cautious. Flying is a serious activity, especially when there are passengers involved. Pilots need to pay attention to the aircraft and the conditions in the environment. So too must all business owners pay attention to their business and the conditions that surround it.

CEOs are similar to the Captain of an airplane in seven ways:

1. They must be decision makers.
2. They must show leadership.
3. They must be constant learners.
4. They must be constantly alert to reduce the possibility of errors.
5. They must follow policies and procedures.
6. They must be on the offense.
7. They must be good time managers.

Let's explore how they are similar in the following chapters.



## Challenge:

1. If you were to score how well your business is doing, overall, from 1 to 10, (1 = poorly, and 10 = extremely well), how would you rate it?
2. What is one thing you could do to improve that number?
3. Rank yourself against these seven qualities of a CEO, in order of your strongest (1) to your weakest (7):  

Good Decision Maker	_____
Strong Leader	_____
Constant Learner	_____
Problem Solver	_____
Policy Developer	_____
Strong Warrior	_____
Good Time Manager	_____
4. Right at this moment, are you flying by the seat of your pants?
5. Write out your purpose; that is, why you are in business.

## Chapter 2

# Authority Figure & Decision Maker

*Believe deep down in your heart  
that you're destined to do great things.*

—Joe Paterno

**T**he Captain has ultimate authority. He decides when it is safe to takeoff, and whether the course needs to be changed. It is his job to get passengers to their destination safely. With that goal in mind, he needs to make countless decisions during the flight.

The Captain knows there is a storm ahead. He decides to deviate from his preplanned course and go around the storm. In order to do so, he will need more fuel for the longer flight. If the Captain orders additional fuel for the aircraft, the dispatcher provides it. The Captain is not questioned.

If Air Traffic Control gives clearance for the pilot to takeoff, the Captain can refuse to do so if he does not feel comfortable with the conditions of the aircraft or the weather. He