

Creating Financially Intelligent Organization

By Dr Anil Lamba

Lamcon's concept of creating **Financially Intelligent Organization**[™] (**FIO**[™])

It is an established fact the most business failures in the world are attributed to Financial Mismanagement.

This happens because of an erroneous belief that finance management is the sole prerogative of those in the finance department.

The truth is the each action of each individual has a financial implication. Their actions are either strengthening the organization's bottom line or weakening it.

It is only when every person consciously does those things that impacts the bottom line positively that best results will be obtained. Else profitability becomes a matter of chance.

Since **Good Finance Management** in any organization is the cumulative result of **financially intelligent actions** on the part of every individual, it is essential that each person is financially literate.

How does this work?

The process of creating **FiO**[™]s includes:

- Studying the organization structure and the role of each employee
- Providing relevant training in finance to **everybody** in the organization, at all levels
- Carrying out a diagnostic study of the accounting system / ERP software in place and suggesting changes, if required
- Determining the various MIS reports to be generated and recommending who should be the recipients of different reports.
- Training the recipients to read, interpret and take actions based on the information contained in those reports
- Hand-holding and providing consultation for a certain period of time to help bring about improvements

And then will then certify the organization as a **Financially Intelligent Organization**[™].

An integral part of **FiO**[™] is providing training to **everybody** in the organization, from top to bottom. This will be done through:

- Live face-to-face training programs of varying durations, depending on the employees' level and role, ranging from one-half day to three days or more.
- Permitting access to online training programs
- Creating a library of videos which can be viewed from time to time to refresh the concepts learnt
- Providing books and material to each employee to be used as ready reference

It is my hope and dream that, in the years to come, bankers and lenders will be willing to lend and potential shareholders will agree to invest only if the organization is certified as a Financially Intelligent Organization.

Do write to me if the concept appeals to you wish to get your organisation certified as in **FiO**[™] at anil@lamconschool.com.