Many people set personal resolutions and goals for success at the beginning of a new year; businesses and organizations are no different. One of the best tools for managing a company’s expectations and planning for success is a budget. Tony Caleca, Managing Partner at Brown Smith Wallace, explains the five key ways a budget can help your organization be successful in 2014—and beyond.

1. **A budget helps you understand what you have.**
   It’s hard to look ahead and plan for the future if you don’t have a good understanding on your organization’s most recent fiscal year. Examine your organization’s revenue pipeline and understand your reoccurring and one-time expenses.

2. **Determine where you want to be.**
   Do you want to grow revenue? Is this the year you reduce expenses? Or are you trying to do both? Setting a goal motivates your organization to develop and maintain a budget with a clear plan in mind.

3. **Determine how you spread the budget.**
   Successful organizations spread out their budgets monthly and know when investments will be made or increased spending will hit the numbers. Understanding if your budget is affected by seasonality is also important.

4. **A budget can be a tool to communicate expectations to an organization.**
   High level review of a budget assists in communicating a clear mission to the rest of an organization.

5. **Don’t let the budget be stagnant.**
   The most successful organizations reforecast on a quarterly basis. For example, if the first three months were over budget, ask why – is it seasonality or a one-time hit? Continuously examine your organization’s budget and allow it to be a fluid document.
To discuss a budget for your organization, contact Tony Caleca at 314.983.1267 or tcaleca@bswllc.com.