

HIDDEN FINANCIAL PROBLEMS

Six Real Business Turnarounds

Real examples of how ongoing strategic financial leadership helped growing businesses build a strategic advantage through better business decisions that improved profitability, strengthened cash flow, and increased business value.

THE HIDDEN PATTERN

How do you build a more profitable business?



The answer is turning your financial information into a strategic advantage.



The breakthrough for each of these businesses came from uncovering the insight behind the numbers, enabling leadership to make better business decisions.



Everything starts with the right financial process.



Turning financial information into
meaningful insight
so you can confidently
decide what to do next.



FINANCIAL
INFORMATION



MEANINGFUL
INSIGHT



BETTER
DECISIONS



STRATEGIC
ADVANTAGE

How a scheduling change quietly cost this business \$1M per year.



Business Challenge

Despite maintaining strong sales, the company had been operating at a loss for several months. Leadership couldn't identify what was driving the decline in profitability.



Better Business Decision

Working together, leadership discontinued the informal scheduling practice and required approval for all overtime, bringing labor costs back under control.



Key Takeaway

Operational decisions don't just shape culture they shape financial performance.



Financial Insight

Through our financial analysis, we identified that an informal shift to four 10-hour workdays had gradually become accepted practice, significantly increasing overtime costs and quietly eroding margins by approximately **\$1 million per year**.



Business Outcome

The company restored profitability, improving annual earnings by approximately **\$1 million** while giving leadership ongoing visibility into labor costs through recurring financial reviews.

Why twelve months of losses had nothing to do with revenue.



A Major customer opportunity wasn't as profitable as it appeared.



Business Challenge

Leadership was preparing to pursue a **\$1 million customer opportunity** but lacked confidence that the engagement would generate the profitability needed to justify the investment.



Better Business Decision

Working together, leadership revised the pricing model to reflect the true economics of the opportunity while renegotiating vendor and customer payment terms to strengthen working capital.



Key Takeaway

The best business decisions begin with understanding the true economics behind them.



Financial Insight

Through our financial analysis, we identified that overhead costs were not being fully allocated, significantly understating the true cost of the opportunity. We also found that payment terms with both suppliers and customers were unnecessarily tying up working capital.



Business Outcome

The customer accepted the revised pricing, doubling the expected gross profit while improving cash flow and giving leadership a more disciplined framework for evaluating future opportunities.

Why one product line was quietly dragging down the entire business.



Business Challenge

Despite strong sales, profitability continued to decline. Leadership knew margins were deteriorating but couldn't identify where the business was losing money.



Better Business Decision

Working together, leadership strengthened inventory controls, improved purchasing oversight, and established recurring margin reporting by product line to monitor ongoing performance



Key Takeaway

The most valuable financial insights come from understanding what's driving the numbers.



Financial Insight

Through our margin analysis, we broke profitability down by product line and discovered that food margins were significantly underperforming. That insight led to a deeper investigation, uncovering employee theft, excessive purchasing, and inventory waste that had quietly driven food costs far above expectations.



Business Outcome

Food costs returned to expected levels, gross profit margins improved by **25%**, and leadership gained ongoing visibility into margin performance across each product line.

Preparing for a supply chain disruption almost created a cash crisis.



Business Challenge

Global supply chain disruptions created uncertainty around future inventory availability. Leadership wanted to increase inventory levels to protect operations but wasn't confident the business could fund the additional working capital without creating a cash flow problem.



Better Business Decision

Working together, leadership prioritized capital expenditures, negotiated improved vendor payment terms, and secured additional financing before the projected cash shortfall occurred.



Key Takeaway

Visibility into future cash flow creates options before cash becomes a crisis.



Financial Insight

Through our cash flow forecasting, we identified that the planned inventory purchases would create a future cash shortfall before customer collections could replenish liquidity. The analysis gave leadership early visibility into both the timing and magnitude of the funding gap while there was still time to respond.



Business Outcome

The company successfully increased inventory to protect operations, avoided a projected cash shortfall, and established an ongoing cash flow forecasting process to support future growth decisions.

Why a profitable construction company couldn't pay its vendors.



Business Challenge

Despite reporting healthy profits, accounts payable continued to grow as vendors demanded payment and cash became critically constrained. Leadership was under intense pressure and couldn't understand why a profitable business was unable to meet its obligations.



Better Business Decision

Working together, leadership sold the recently acquired land, restored liquidity, and redirected available cash toward active projects while prioritizing outstanding vendor obligations.



Key Takeaway

Profit measures performance. Cash flow determines whether a business can meet its obligations.



Financial Insight

Through our cash flow forecasting, we identified that the company's liquidity was projected to rapidly deteriorate. That insight prompted a deeper review, revealing that leadership had used what they believed was excess cash to purchase land for future developments when that cash had already been committed to funding active construction projects.



Business Outcome

The company restored liquidity, avoided serious legal consequences with vendors, and established ongoing cash flow forecasting to distinguish project funding from cash available for future investments.

Different businesses. One strategic advantage.

Every breakthrough started in the same place:
Turning financial information into meaningful
insight that led to better business decisions.



Better insight



Better decisions



Strategic advantage



IRON BRIDGE
FINANCIAL PARTNERS

What hidden financial problems exist in your business?

Let's uncover the financial insights that can help you make better business decisions.

Schedule a conversation

Daniel Beck
Founder & Fractional CFO

