

What's Keeping You Awake at Night?

In order to keep your business successful in the current climate we have prepared a 'Tough Times Business Checklist' which we hope you will find useful and look forward to discussing with you.

Action Points	Completed	RHK to assist
Review your budgets and set realistic and achievable targets now for 2009 and beyond.		
Have you a formal business plan? If not, why not? Look forward for 12, 24 and 36 months and review banking requirements and agree future needs.		
Establish your key performance indicators (KPI's) and measure them on a regular basis eg: <ul style="list-style-type: none"> - Gross Margin - Sales - Labour Costs v Sales - Stock Turnover - Days in Working Capital - Wastage and Shrinkage - Break-even Point 		
Review your list of products / services - concentrate on those which make you more profitable.		
Review efficiency of business processes and consider alternatives eg: outsourcing		
Review your staffing requirements over the next 12 months and make underperforming or unnecessary individuals redundant now.		
Pull your whole team together and explain the business strategy and get their 'buy-in'.		
Encourage your staff to suggest ways to streamline and simplify processes (eg: sit down and 'brainstorm' about efficiencies and cost reduction).		
Use 'bottom up' budgeting where everyone in the office gives input on areas over which they have control – target staff with a 10% cost saving.		
What about training, or re-training your staff? Use any quiet period to invest in your staff, so they are better equipped to take on new or different work. (Grants may be available).		
Put extra effort into making sure your relationships with your better customers are solid.		
Negotiate extended payment terms with all suppliers in advance or early settlement discounts.		
Ensure your terms of business contain explicit payment terms eg: Payment due on invoice / 14 days / 30 days		
Review list of debtors / people who owe you money and chase up all due invoices.		
Assign responsibility to one individual for invoicing collections.		
Liaise with existing customers regularly and if necessary negotiate extended payment terms and / or discounts to get money flowing. Try and get customers on Direct Debit.		
Get rid of can't pay / won't pay customers – they are actually costing you money!!!		

Please complete this checklist and discuss with us how to implement the most suitable options to help your business survive in these tough times.