

## Changing Times Checklist

### Management

- Review all budgets and reset targets more realistically for the next 12 months and update monthly.
- Review products and services currently offered and **drop** those that are unprofitable or not core to the future game plan.
- Redefine key performance indicators and decide which to measure daily or weekly such as:
  - Sales leads generated and number converted
  - Orders supplied/fulfilled
  - Cash balance
  - Stock turnover
  - Debtor days
  - Gross profit
  - Net profit
- Review efficiency of current activities and consider alternatives such as outsourcing locally or overseas.
- Pull everyone together and explain the game-plan and get their further ideas and buy-in and get them thinking about opportunities old and especially new that we should be alert to.

### Customers

- Get rid of any remaining can't pay / won't pay customers.
- Put extra effort into making sure your relationships with your better customers are solid.

### Cash

- Review debtors list and chase up overdue invoices.
- Consider offering existing debtors extended payment terms and / or settlement discounts.
- Make sure your terms of business contain explicit payment terms.
- Clarify individual responsibility for invoicing and collections.
- If appropriate, review banking facilities and discuss future needs.

### Costs

- Agree extended payment terms with all suppliers in advance (if appropriate).
- Review and flow chart each of the main processes business and challenge the need for each step.
- Encourage team members to suggest ways to streamline and simplify processes (e.g. 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 partial or full control - target a 10% cost saving.
- Review your staffing needs over the next 12 months imaginatively against various external scenarios; get all staff to be alert to potentially significant small happenings or trends

## Opportunities

- strike when your opponent is weak.
- review how much of current business has been responsive or reactive and what new skills and processes we need to be genuinely and persistently proactive.
- new ways of working being adopted by others - how can we help?
- new markets - unmet needs where shortages have never really been satisfied, old needs that are beginning to matter again
- new ways of thinking - look at unused or surplus resources of all kinds as starting points for generating ideas for new possibilities
- draw a picture of the world of a key kind of current customer and then of one of their key customers to show the 360 degrees of their world and then what is likely to be changing there
- change yourself
- find better ways of showing quickly that you have listened very carefully and really do understand the world of the potential client
- new ways of working - for ourselves
- outsource non-core activities
- opportunities arising from people acquiring their freeholds and thus no longer being tenants
- identify and take on non-core activities for others as a definite new line of business for ourselves
- use the climate of change to acquire new clients who may be more receptive currently through their challenging of every aspect of the way they do things
- understand and manage the cost of change and get used to the idea of it becoming continuous though the pace may fluctuate
- recruit newly mobile / available high quality candidates
- select better clients from faltering or vanishing competitors
- examine cross-selling opportunities watching out for downside aspect too
- seek crumbs from table of larger competitors
- go back to past enquirers and lost clients systematically
- track people leaving existing clients and other organisations known well
- scope for acquiring new customers as current climate exposes poor service by existing provider
- larger competitors can become vulnerable, worried, careless so there are opportunities to harvest what they lose
- scope arising from selective increases in public spending - are we looking in the right places?

- scope from government attempts to get consumers spending again - are we getting / keeping close to the right kind of organisations?
- opportunities because people are seeking to become more self-reliant and less vulnerable to the difficulties of others
- scope for increasing market share as competition drops away
- take advantage of very cheap stock or supplies and use these to gain access to a new market which might have otherwise been impossible to enter
- get all staff and other allies to keep updating list of different kinds of recession proof activities
- opportunities arising from changes in legal and other formal requirements e.g relating to energy, health and safety, governance, risk-management
- offer services to big organisations that are less agile than ourselves whom we might never have envisaged as customers
- approach ailing businesses while there is still something left on which you might be able to work together before it is too late

*21st October 2008*