

# Godalming Business Club

## 'Getting Fitter in Uncertain Times'

17 February 2012



### Management

Getting ever fitter in these continually uncertain times. The not always obvious basics that can sometimes get overlooked in the excitement of the day to day whirl of new opportunities.

### Current Customers

### Cash

### Costs

### Management

- Review all budgets & reset plans / targets realistically for the next 12 - 15 months & update promptly every month.
- Review current offerings dropping those that are unprofitable if not core to the future game plan.
- Review the dials on the dashboard and decide how often to look closely at each:
  - Sales leads generated and sales leads converted.
  - Orders fulfilled.
  - Cash balance.
  - Stock turnover.
  - Debtor days.
  - Gross profit.
  - Net profit.
- Review efficiency of current activities and consider alternatives such as outsourcing or doing such work for others to achieve better performance.
- Involve everyone in the game-plan & tap their further ideas regularly about opportunities old & new.
- Encourage all staff to be alert to potentially significant small happenings or trends in the wider external scene.

### Current Customers

- Get rid of any remaining can't pay / won't pay customers spotting early others who might go the same way soon.
- Put extra effort into making sure relationships with all new customers are developing well.
- Ensure that relationships with all good 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 precise payment terms quite explicitly.
- Clarify individual responsibility for invoicing and collections.
- Review banking facilities and project future needs.

## Costs

- Consider seeking extended payment terms with all suppliers.
- Review & flow chart each of the main business processes and challenge the need for each step. Identify ways to streamline and simplify processes - regular brainstorming involving non-experts.
- Use 'bottom-up' budgeting where everyone gives input on areas over which they have partial or full control - target a specific cost saving level to which all are willing to commit.
- Review staffing priorities over the next 12 months radically & imaginatively against diverse external scenarios.

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