

## 10 Top Tips to Survive Recession

- 1. Count every penny.** Now is the time to double-check expenditure, examine old practices and habits and consider streamlining. Are there still costs you can cut without comprising quality and service to your customers? Double check the overheads.
- 2. Monitor your cashflow.** Create a spreadsheet planning your future spend and income. It is imperative that you send out your invoices as soon as you complete a project, on time and that you get paid for the work you have done. Cash-flow problems can cause companies to get in serious debt, so get the money in!
- 3. Conduct credit checks.** It is prudent in any economic climate to carry out credit check on all customers and suppliers. In a recession, it is essential.
- 4. Credit Control.** Set up a rigorous credit control regime. Follow up overdue invoices and send out monthly statements. Don't allow longer credit periods than already agreed. Send out a 7 day warning letter on overdue accounts. This should produce some response. Don't be afraid to file in the Small Claim Courts.
- 5. Negotiate.** Don't be shy and barter. Don't accept the first price, even if you have been working with the same supplier for years. To strengthen your position, always be aware of competitors' costs and other suppliers' prices.
- 6. Involve your staff.** Your employees have a vested interest in seeing your business survive the recession and succeed. Ask for their input and be open-minded. They may come up with surprising and successful ideas.
- 7. Stay close to your bank.** Maintain regular contact with your bank manager. Keep him fully informed of your circumstances and do exactly what you say you will do.
- 8. Stay visible.** Marketing is a vital tool, not an expendable luxury. It has been proven in previous recessions that companies who kept marketing win market share from their competitors during and after the recession. Promote yourself at networking events. It doesn't always have to cost money just your time and effort.
- 9. Unique Selling Point.** Remember how you're different. Identify what sets you apart from your competitors and makes you the preferred option for clients. This is your Unique Selling Point (USP). You need to let potential clients know about them.
- 10. Keep your customers happy.** Don't take your existing customers for granted. They are your bread and butter. Be mindful they will also be experiencing the effects of recession, so make them feel special. Keep in touch. As soon as they have money to spend you will be the first to know.