

Ten things business owners can do to boost their business in 2012

Tips from RSM Bird Cameron to improve profits, cash flow and reduce stress levels

January 31, 2012 RSM Bird Cameron, one of the largest mid-tier accounting firms in Australia, suggests ten things business owners can do to improve profits, cash flow and reduce stress levels throughout 2012.

Andrew Graham, national head of business solutions, said, There is no doubt that businesses in Australia are facing a difficult economic climate in 2012, which could lead to a potential rise in insolvencies over the coming 12-18 months.

Some businesses have already started the new year with cash flow difficulties as the cash cycle has tightened considerably through December and January. Now is the time for business owners to consider opportunities to restructure their business in light of what's not working for them.

Business owners need to remember that it is never too early to seek help and ask advice from accountants, business advisors or other specialists if they are worried about their business or managing cash flow.

These tips can help businesses remain in the best possible shape for the year ahead:

1. Review the products and services you sell and tailor the mix to appeal to changing customer needs for 2012. Start considering and planning for other times in the year when customer needs change, for example Easter and change in seasons.
2. Review pricing structures to ensure competitiveness and profitability. Put formal procedures in place to monitor and proactively respond to competitor pricing changes.
3. Review stock levels to make sure you can satisfy customer demand for profitable product and service lines, and identify slow moving stock that can be liquidated as bargain buys.
4. Review sales, marketing and promotion plans and make sure they are optimised to help achieve the best results throughout 2012. Ensure all staff are aware of the targets for each week and be proactive in addressing shortfalls.
5. Review staffing plans and confirm acceptance of the rosters by all staff. For non-retail businesses, aim to schedule annual leave plans for the year as early as possible to ensure the business continues to operate effectively all year round.
6. Review fraud and theft protection systems and ensure all staff are reminded of their responsibility to be vigilant at all times.
7. Review debtor lists frequently and regularly and actively chase all overdue accounts.
8. Review the use of finance products for effectiveness. Overdrafts, premium funding, lease facilities and cash flow funding products can all be excellent tools to help match a business's cash flow with planned outlays.
9. Complete a GST health check. Small businesses are in danger of losing time and money because of unreliable or outdated business systems causing them to incorrectly report GST.
10. Remember that you deserve to enjoy a break as well and it is vital that you are able to operate well. Plan some time off during slower periods throughout the year so that you are well rested and enthusiastic in the busier periods. Take care of your health and enjoy downtime with family and friends during the year.

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About RSM Bird Cameron RSM Bird Cameron is the largest mid-tier accounting firm in Australia with national ownership and profit sharing and offers a full range of specialist advisory services, including business consulting and advisory, assurance and advisory, taxation consulting, corporate consulting and turnaround and insolvency. RSM Bird Cameron is a core member firm of RSM International, the sixth largest network of independent accounting and consulting firms in the world.