

REALITY CHECK: AVERTING DISASTER

Have you committed only to what you can afford? Are you avoiding over-financing the business?

Are you monitoring profits against those commitments?

Are you keeping costs to a bare minimum if growing organically?

Are you reinvesting profits effectively? For example, when experiencing a run rate of business or a seasonal upsurge are you focusing on keeping costs down and absorbing the profits so you can reinvest without over-stretching the business in less profitable periods? Or are you incurring new staff or premises costs and scaling growth because you have guaranteed income secured (via a contract)?

Have you focused on building relationships with bankers and suppliers?

Have you reviewed each financing option available to find out which is the most relevant and cost-effective to use?

Have you reviewed the cost of bank borrowing and the leverage you have (your debts and your ability to repay them?)

Are you aware what is coming in and going out of the business in terms of cash on a daily basis?
Have you effective forecasting tools in place?

Are you focusing on lead generation and closing sales?

Have you increased your prices, reduced costs and increased sales targets?