



Practical, Cost-Cutting Tips and Strategies

Angela Lee Loy





Uncertain times =

- **Economy contracts**
- **Recession**
- **Reduction in spending**
- **Insecurity**

A close-up photograph of a hand in a dark suit jacket and white shirt, pointing forward with the index finger. The background is blurred. The text 'Plan B' is overlaid in a white, cursive font across the hand and the background.

Plan B



~~Plan A~~

~~Plan B~~

Plan C

Areas for consideration

1. Increase Revenue

3. Financial Strategy

2. Manage Expenses

4. Workforce Strategy

Increase Revenue

- **Continue Marketing & Advertising activity.**
- **Rationalize product and service portfolios.**
- **Focus on delivering superior customer service/communication.**
- **Stick by your pricing. Compete on service/quality.**

Revenue



Manage Expenses

- Identify areas for cost-cutting, for example:
 - Discretionary spending
 - Employee benefits
- Negotiate for services
- Consortium buying of raw materials
- Look for joint venture opportunities to share underutilized resources



Manage Expenses cont'd

- **Reduce rent – relocate business**
- **Renegotiate fixed outflows such as lease and loan terms**
- **Review/renegotiate supplier agreements**
- **Consider outsourcing**
- **Credit Cards**
- **Tax Planning**

Financial Strategy

- **Shop around for bank facilities; spread risk**
- **Trade/exchange services**
- **Reduce/defer capital investment**
- **Explore mergers & acquisitions**
- **Increase hedging as markets fall**
- **Maintain liquidity – prep cash-flow forecasts**
- **Extend accounts payables**
- **Improve accounts receivables**



Financial Strategy cont'd

- **Watch your competition for opportunities**
- **Leave certain markets and concentrate on profitable core activities.**
- **Make use of long-term tactics such as restructuring**
- **Revisit business plan and realign strategies**
- **Seek support through professional networks/advisors**
- **Prepare strategies for recovery**

Workforce Strategy

- Hire top talent as they become available
- Know your talent – identify the core and strategies to keep them.
- Look after your staff & involve them in identifying ways to streamline and improve performance.
- Increase staff productivity and morale
- Consider a “total reward perspective”



Focus on your core,
let us do the rest.

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