Practical, **Cost-Cutting** Tips and Strategies

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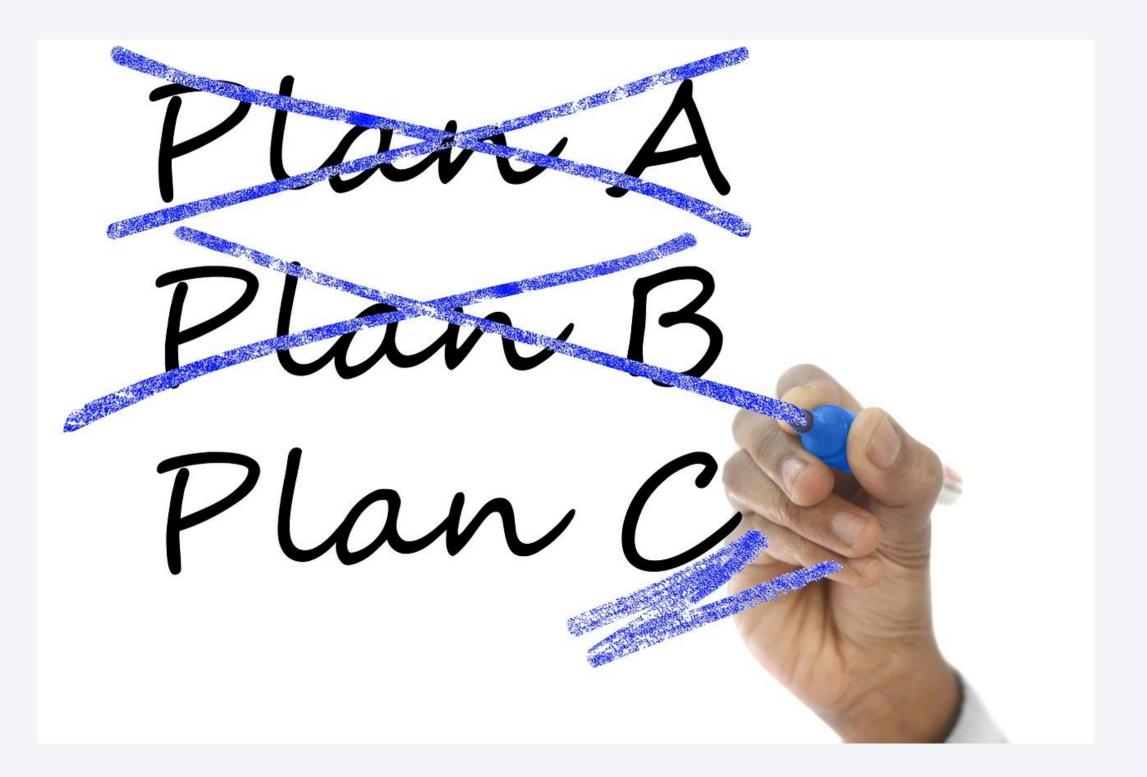


Uncertain times =

- Economy contracts Recession
- Reduction in spending
- Insecurity







Areas for consideration



Increase Revenue

2.

Manage Expenses

3. Financial Strategy

4. Workforce Strategy

Increase Revenue

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

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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
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- **Review/renegotiate supplier agreements** •
- Consider outsourcing
- Credit Cards
- Tax Planning

Renegotiate fixed outflows such as lease and loan terms

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 ullet
- Leave certain markets and concentrate on profitable core activities.
- Make use of long-term tactics such as restructuring ullet
- 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.



