

## BUSINESS SURVIVAL CHECKLIST

Small businesses' make up the overwhelming majority of those operating within the UK, and they play a fundamental role in our economy. The uncertainty the UK will face over the coming years is likely to see some of these businesses stumble, and possibly fail. However, failure is **not** inevitable, and there are a number of steps that business' can take in order to reduce their risk.

**NOT ALL THE SUGGESTED ACTION POINTS ARE RELEVANT TO ALL BUSINESSES BUT ACTIONING JUST SOME OF THESE POINTS WILL HAVE A POSITIVE EFFECT ON YOUR BUSINESS**

| No | Action Item   | Completed |
|----|---|-----------|
| 1  | Review your Budgets and set realistic and achievable targets  |           |
| 2  | Get rid of can't pay/won't pay customers.   |           |
| 3  | Review debtors list and chase up overdue invoices.  |           |
| 4  | Offer existing debtors extended payment terms and/or discounts.   |           |
| 5  | Make sure your terms of business contain explicit payment terms.  |           |
| 6  | Assign responsibility to one individual for invoicing and collections.  |           |
| 7  | Agree extended payment terms with all suppliers in advance.   |           |
| 8  | If appropriate, review banking facilities and discuss future needs.   |           |
| 9  | Put extra effort into making sure your relationships with your better customers are solid.  |           |
| 10 | Review and flow chart the main processes in your business (e.g. Sales processing, order fulfilment, shipping etc) and challenge the need for each step.   |           |
| 11 | Encourage team members to suggest ways to streamline and simplify processes (e.g. sit down and brainstorm about efficiencies and cost reduction).   |           |
| 12 | Use 'bottom up' budgeting where everyone in the office gives input on areas over which they have control - target a 10% cost saving.  |           |
| 13 | Review your staffing needs over the next 12 months and identify individuals who are surplus to business requirements. Speak to The Business Debt Advisor for advice on redundancies and how the costs can be funded by The Redundancy Fund* |           |
| 14 | Get your members of staff involved in a discussion of likely trading conditions and get their input on reducing costs and maintaining revenues.   |           |
| 15 | Review your list of products and services and <b>eliminate</b> those that are unprofitable or not core products/services.   |           |

