

Bolster your bottom line

For new businesses in that critical early period, cashflow is a vital part of staying afloat to establish and grow the business. Established businesses also know the importance of cashflow to help you keep everything running while you grow the business. If you can't reach your targets for income, reining in your costs can help give you a little extra head room to manage cashflow while you're planning your next move.

Cost control can contribute to business success or failure but it can be hard to get a handle on it as your business costs can work on a number of levels. It can be a challenge to pinpoint hidden costs or where your established ways of doing things cost you more money than they should.

It's more than just keeping an eye on outgoings (though that's important). It's about looking at each aspect of your business and all your business systems (or the gaps where there should be business systems) to see if poor practice is driving costs up unnecessarily.

It can be helpful to break it down a little. You can look at it in terms of cost centres such as power or office supplies. Or you can look at what those costs do for your business. It can help to analyse costs in terms of cost of sale and overheads.

Every dollar you can pull back from your costs can go straight onto your bottom line. Talk to us if you'd like to review your costs and your systems to keep costs under control. Whether your sales are booming or busting, you want to make sure that while you're focused on revenue, your costs aren't ballooning and you're still delivering on your bottom line.