

## *Financial training For non financial staff*



*The financial training specialists*

### **Office admin (budgeting)**

The slower pace of training in December has meant that I have had time to do some of the office tasks that I never normally get around to.

Having read the summary of Alistair Darling's Pre Budget Report (14% cuts in public sector budgets, gulp), it set me thinking about how budgets get reduced. I was cutting some documents up at the time, and the name of my guillotine caught my eye – "personal trimmer".

That's how budgets often get reduced – by using the personnel trimmer. Someone says "We need to cut expenditure by £17m, let's reduce headcount by 572."

That's fine as a guide, but we can't just cut jobs, we must cut tasks. Imagine going for an operation and being told "Due to the cuts there is no anaesthetist."

If you are facing headcount cuts, analyse the tasks being carried out. In some cases inefficiency contributes to too many people, but often it is redundant tasks being done. Look at the tasks your department carries out, and ask "If we didn't do this, would the organisation miss it?" Neil Russell-Jones in the "Business Planning pocketbook" ([www.pocketbook.co.uk](http://www.pocketbook.co.uk)) ranks the priority of tasks from *Imperative* through *First to be dropped if funding falls* to *Stop this now!*

We can be ahead of the budget game if we already know the relative importance of what we deliver. I have long believed that every finance department produces at least one report that on-one uses, but that costs money to produce. "Stop this now!"