

## *Financial training For non financial staff*



*The financial training specialists*

### **Resilience 1 (Profit)**

Covid has caused huge difficulties for many businesses. And if (as seems likely) recession follows, that will cause many more difficulties. Yet some businesses seem more resilient than others.

So what makes a business resilient?

I think it's a combination of three things, which I'll examine in three separate blogs. But we all have an impact on these three factors.

The first factor is profitability. Or making sure that our costs are less than our income.

Cost management is clearly an issue here. We are all part of this: making sure that we do things in the most efficient way; and making sure we focus on doing the things that need doing, rather than things that we wouldn't miss if they didn't happen.

But it's also about managing sales. This could be about making sure we invoice everything we can invoice, and not doing work that's outside the scope of the contract, and which can't be invoiced. So our teams need to understand the small print of what's within the contract, and what isn't.

And it's about managing prices. We need to make sure we're charging the right price for what we're selling. That's the detail of putting the right things onto the invoice (don't we love it when we buy a large coffee, but we're only charged for a small one!). It's also about setting the right prices, and about our sales people negotiating good prices with customers.

Which of these elements do you have an influence over?