

## *Financial training For non financial staff*



*The financial training specialists*

### **Business growing? (profit)**

A client of mine has just made some redundancies. They did really well last year and the first half of this year, and took on more staff over those 18 months.

But here's the rub. They're a training company, and they didn't take on more trainers (production staff); they took on more admin staff. So as the business grew, its infrastructure also grew.

As we all know, business fluctuates. As volumes dipped again they could no longer afford the heavier infrastructure. So even though bookings for next year are good, they're having to cut costs.

It's said that growing a business isn't hard, nor is making your business profitable. But growing your business profitably: that's hard!

So how could my client have grown their business without growing the infrastructure?

It pays to look hard at all the things we do within our business. Which things wouldn't we miss? Stopping doing those things frees up spare capacity, rather than having to recruit. How often have you sat in a meeting, thinking "This meeting's pointless"? There you are!

Or we can look at how we do things. Can we achieve the same objective in a different way?

We can look at our supply chain. Can our suppliers work with us to make things easier? We can share the savings. Can we do the same thing with our customers?

But we want to be wary of growing our costs whilst our business is growing. Trying to shrink them later is much harder!