



**nortons** ▶▶

recession  
**survival tips**

At **nortons** we are very conscious of just how hard it is to manage a business through these difficult times.

We would like you to know that we are here to help on both a strategic and practical level.

We have listed a few “survival tips” for your consideration. Please feel free to call us if you would like to discuss any of the following.

## Cutting Costs

- 1** Use the recession as an “excuse” to reduce all known inefficiencies. Review how underperforming divisions or subsidiaries operate.
- 2** Look carefully at all overhead costs. For example:
  - Property Leases (review termination costs)
  - Rates
- 3** Review standing orders and direct debits.
- 4** Is early stage credit control effective?
- 5** Negotiate with suppliers to reduce costs – be clear about objectives and know the alternatives.
- 6** Reduce Human Capital Costs
  - Reduction in force
  - Reduction of salaries/working hours
  - Review benefits packages
  - Review temporary staff
  - Introduce flexible working
  - Maintain an up-to-date HR Strategy
- 7** Avoid the temptation to cut all strategic spending. Concentrate any spending on those areas where you will get a good return.
- 8** Consider tax planning in advance of year end to reduce potential liabilities

Please feel free to call us  
if there is anything you  
would like to discuss

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## Maintaining Sales and Margins

- 1** Revise the business plan and have a clear idea of where the business is heading
- 2** Improve the sales process
  - Monitor performance closely
  - Forecast carefully
  - Manage the pipeline. How efficient is the conversion of leads to sales?
  - Is the database up-to-date?
- 3** Review product profitability
  - Rank products in terms of profit & cash
  - Mothball weak products and focus on the strong
- 4** Know your customers
  - Who are the best customers? By revenue?  
By repeat business? By margin?
  - Maintain regular contact – make them feel loved!
  - Up & cross sell
- 5** Evaluate methods of attracting new customers
  - Create new channels
  - Expand into new markets
  - Investigate new sales channels (web, direct mail, partnering)
- 6** Invest in the team
  - Maintain morale and encourage a “can do” attitude
  - Manage change promptly and efficiently
  - Staff training