

Newsflash

FROM LINDA SWERLING

February 20, 2001 - I thought I would focus on how to meet the challenges of a slowing economy. Perhaps not surprisingly, companies that work at assessing and improving their businesses do well in up times as well as down times.

HOW SMART COMPANIES SURVIVE IN UNCERTAIN TIMES

Smart companies - who thrive in good times and survive in down times - understand how to take advantage of economic slow downs to refocus, improve, and refine all aspects of their businesses. They understand the how and why of business operations, accounting, sales, and marketing.

Smart companies:

- ◆ Analyze and fine-tune their products and services offerings.
- ◆ Look at every part of the business to see how they can improve sales and manage expenses better.
- ◆ Back off from spending on new technology and take time to optimize what they have.

In short, they work as hard when business is slow as they do when sales are booming.

PRODUCTS AND SERVICES

When a company runs well, all the individual departments integrate and interact with one another in a way that enhances the products and services offerings.

- ◆ Develop standard **marketing reports** drawn from the accounting system that track customers, products and services, and repeat business to understand what's working and see trends in enough time to react.

- ◆ Explore opportunities for **deeper market penetration** into current markets or expansion into new markets.
- ◆ Know your **ROI** - perform a profitability analysis on each service and product to identify things to cut and possibilities for product line expansion.
- ◆ Understand **costs of goods sold** (for products) and **cost of sales** (for services).
- ◆ Consider adding **virtual staff**, which can expand or contract with the business.
- ◆ Analyze possible expansion from local to **national** to **global** for increased revenues.

TECHNOLOGY

Technology should be the thread connecting every part of the business. Because technology changes so quickly, companies need to understand how to make such change an advantage.

- ◆ Ensure that the systems **share information** easily between and among all parts of the business.
- ◆ Assess and take advantage of the technology you already have.
- ◆ Understand the **full functionality of the applications** you use and train your staff.
- ◆ Use the **Internet** and your web site to its fullest potential.

As always, Level II Solutions provides business operations for emerging, established and family-owned companies and specialized consulting for M&As, turnarounds and global expansion. Until the next News Flash . . .

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