

Sometimes the projections for revenue and profit in your business plan aren't realised in the real world. If you feel like you need to engage in a little belt tightening, here are some suggestions for how to get your business's cashflow back into balance.

Invest in Accounting Software

This is a little counter-intuitive as it requires you to spend more money to automate your invoicing. However, the return on investment when it comes to online accounting software (<http://www.intuit.com.au/>) can be transformative. You'll save lots of time on bookkeeping – time you can devote to turning around your business. If you use an accountant, their workload and fee will likely be reduced.

Most importantly, you're much more likely to get invoices to customers promptly and be made aware of any that aren't getting paid in the agreed time. Even better, cloud accounting means that if fire, flood, theft or hacking affects your work computers, you'll still get ready access to one of your business's most important resources – that being a record of who owes what, and when.

Downsize, Literally

Rent is probably one of your largest business expenses so it's an obvious place to start looking for savings. Of course, some landlords are completely inflexible but most would prefer to have a tenant paying some rent than empty premises generating no revenue at all.

There are two ways of getting a rent cut. Firstly, explain to your landlord you're not hitting the figures you planned to and ask if they will consider temporarily cutting the rent. Alternatively, offer to reduce the footprint of

your business (for example, by squeezing into half an office floor rather than a full one) in return for a commensurate decrease in rent.

In this digital age, do you need standard premises at all? Some chefs, for example, have been shutting down their restaurants and moving to smaller and cheaper commercial kitchen facilities. There, they make dishes purely for home delivery. You can also run your business out of one of the booming (but inexpensive) co-working spaces.

Take the Time to Negotiate Better Deals

If business is slow, get on the phone to arrange more favourable deals. The electricity company will almost certainly offer you a discount if you tell them you're thinking of moving elsewhere. Your suppliers may also offer lower prices and longer payment terms if you promise to remember their benevolence when business picks up again.

Pivot

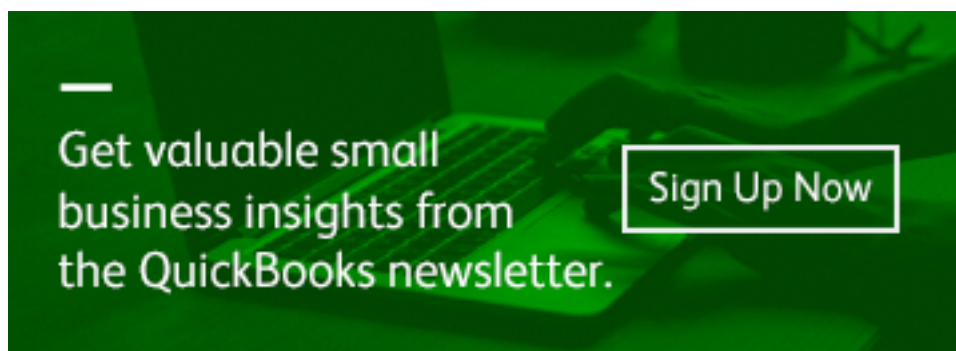
Around a century ago, a Japanese businessman called Michio Suzuki (<https://en.wikipedia.org/wiki/Suzuki>) invented and sold industrial weaving looms (that involved substantial production costs). He wasn't doing badly but there was a limited demand for what he was selling. Given the size of the market, Suzuki decided to instead use the staff and equipment he had at his disposal to start making cheap motorcycles and small cars. It was a visionary decision that eventually established the Suzuki brand as a corporate icon.

Rather than panicking when your business experiences a lull, it's worth taking the time to think about recalibrating your strategy. Prosperous businesses sometimes have to pivot at least once before finding a

tremendously successful niche offering something different to what they originally sold.

Embrace Freemium Options

The rise of the freemium offering has been a godsend to cash flow-challenged small businesses. There are now all kinds of freemium business software and web services, ranging from Dropbox to MailChimp to SurveyMonkey that won't – in their more basic versions, anyway – cost your business a cent. You can use these services to either stop paying so much for things such as cloud storage or to better engage with your customers and work out how to best lure them into patronising your business more.



(<http://www.intuit.com.au/r/expert-advice-straight-to-your-inbox-2/>)

Take Advantage of Free or Cheap Social Media Marketing

Facebook posts, tweets, Pinterest boards, Instagram snaps, YouTube videos and LinkedIn updates can certainly cost a lot, especially if you outsource your social media management. On the other hand, if you're prepared to invest a little of your own time (or a digitally-savvy staff member's) in understanding these platforms and producing entertaining

and informative content for them, you can quite simply reach an audience of millions for a tiny fraction of the cost of a traditional TV, radio or print advertising campaign.

As the old Chinese saying states, a challenging situation can either be viewed as a threat or an opportunity. Finding yourself in a cash-strapped position is often the prompt businesspeople need to focus their attention, rethink their approach and lay the groundwork for a far more profitable future.

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