



November/December 2024

THE BUSINESS NEWSLETTER FROM AUSWILD & CO
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Five Tips to Ensure Your Business Survives the Festive Season

The festive season is traditionally a time where we, in Australia, let our hair down, relax and enjoy the summer, overindulge on an endless round of Christmas parties and feasts and enjoy a few days off away from the pressures of our businesses and work lives.

Whilst this all sounds great in theory, the festive season remains a huge challenge for many business owners – whether it is getting paid for work done or goods supplied, access to already hard to come by team members, availability of suppliers or the need to have work completed for clients before the end of the year.

Here then are five tips to help your business survive this festive season:

1. Have a cash flow plan

For some, the start of the festive season also means the start of the two (or even possibly three) quietest months of the financial year, which puts an enormous strain on business cash flows. Your invoices may not get paid, but you still have to pay salaries and wages and other fixed expenses such as rent.

Have your financial controller/accountant prepare a detailed cash flow statement to see if your business is going to be struggling over the next couple of months. Have a cash flow plan to help you through this period; and, putting aside a little extra in the kitty is always a strategically sound move to ensure your costs are covered.

2. Manage expectations

This is a sound general business principle and is especially relevant around the festive period. Quite often there is an artificial demand for work to be finalised before Christmas. Mentally, most people like to clear outstanding matters off their checklist before they check out for the festive season. This can sometimes create unnecessary pressure for you and your business to finalise works in what is usually a truncated trading period.

Communication is the key with your clients. Make sure your clients' expectations are framed accurately and you don't overcommit and burden yourself or your team during the festive season wind down. You will find most clients will understand if their matters cannot be finalised before the business shuts down – providing this is communicated to them early and hasn't already been promised.

3. It is a season for giving

The festive season is the ideal time to engage with your valued business partners and show appreciation to those who have supported you and your business during the year – whether it is your hardworking team, valued suppliers or loyal customers. Showing your appreciation through a meal, a card, a phone call, a simple email or even a text message at this time of year goes a long way to ensuring the new year starts on the right foot. It may also inadvertently present future profit and growth opportunities.

And whilst you are at it, consider giving something or a little bit extra to your favourite charities, especially those that support the less fortunate in our society.

4. Plan before you leave

Many business owners find the festive period to be the only time during the year they can truly get away from their business for a few days. So, you know you are going – but do your team or your customers/clients know?

Make sure all your regular contacts know your holiday schedule ahead of time. This will let them plan projects accordingly. Contact high priority clients or customers ahead of time to let them know you'll be out and ask if there's anything they need before you leave. It's a great excuse to reach out to them; it demonstrates that you're thinking of them; it gives them enough warning so that you can help them with any issues well before you leave; and it will give you peace of mind.

Let your team and colleagues know well in advance of your holiday plans. Identify a holiday stand-in – work out which colleague can cover for you while you are away. Make sure they know they'll be covering for you and are comfortable with the various situations they may have to deal with. Before you go, arrange a handover meeting with your colleague that covers the status of important projects, upcoming work, and possible crises/problems that you usually deal with.

5. It is the festive season

One of the best things about the festive season is the opportunity to switch off and spend time with family and friends. But running a small business is a 24/7 commitment, with most operators struggling to find time for a break. Nevertheless, it is important to find a way to do it – whether it's through ultimate relaxation, balanced socialising, healthy exercise or a combination of these things, being able to escape from the work stresses for a few days will do wonders for both your physical and mental health. In fact, it is critically important for your business to be led by someone with a healthy mind and healthy body.

You may find that some of your best ideas and strategic plans could be developed whilst you are sitting on a beach sipping a cold beer and reading a book or just gazing out to the horizon!

The festive season is an uplifting and positive time for many people around the country. With the right balance of planning, budgeting, rest and relaxation you can ensure this period creates a stress-free environment for your business and workplace. It will put you in a position to move into the New Year with positive energy, momentum and cashflow!!

OFFICE CLOSURE:

Our office will be closed from Friday 20 December and will re-open for business on Monday 6 January 2025.