

## Twelve business survival tips for the festive season

**Increased competition, frazzled staff, suppliers taking time out, cashflow headaches and unforeseen outgoings — these are just a few reasons why some businesses, particularly small-to-medium-size enterprises can get into strife over the hectic Christmas season.**

As clients close their doors for the holiday period, staff go on leave, overdue invoices don't get chased, staff bonuses or end-of-calendar-year expenses test budgets, it's little wonder that stress levels increase. We look at 12 ways to help a business survive the festive season.

### 1. Make a list of who's been naughty and nice

Make a note of your clients who are up-to-date with payments, and then another that lists those who have been sitting on outstanding invoices. The first step is to deal with late payers so you get that cash in your bank account. If reminders have been ignored or you perceive a problem, pick up the phone and politely yet firmly request payment. (Here are some tips for [customers that won't pay their bills](#).)

### 2. Pay it forward

Now for those on your 'nice' list. Rewarding loyal customers with a small discount or rebate on their final invoice for 2016 (or first for 2017) is a great way to acknowledge their support over the past year and show your gratitude in a tangible way. Just remember to do the necessary calculations so you have a clear idea of exactly how much your business can afford to waver.

### 3. The early bird gets the worm

Who says you have to wait till the end of the month to send a bill? Invoicing clients as you've completed the work will not only mean you'll get paid sooner (hopefully), but the job will be fresh in everybody's mind, which is especially important if you're required to submit a detailed report at the same time. Ensure your payment terms are clearly stated on every invoice and while 30 days is a pretty common payment period, you don't need permission to set your own terms at 14 days. Also don't be afraid to be upfront. Other business owners will understand that at this time of year you may need to make special arrangements. Which is why asking for full or part payment upfront rather than having to chase it in the new year is often the best Christmas gift you can ask for!

### 4. Purge and prune

Avoid paying interest on stale inventory or hoarding last season's stock by selling it at a discounted price to get it out the door. Even if you move it at cost or for a significant loss, liquidating is a lot better than keeping the money tied up. As Elsa sang so eloquently in Disney's Frozen film: "Let it go." (If you have a young daughter, you'll know what we're referring to!)

## 5. Follow the path of least resistance

If most of your clients are shutting shop for a week or two, it might be more financially viable for you to follow suit and do the same. After all, there's no point incurring the costs required to keep your business operating if you only have a few tyre kickers over the Christmas period. Maintaining a skeleton staff or shutting down completely for a week or so can help reduce running costs, as well as keep staff annual leave entitlements under control. After all, you're only ever a phone call or email away.

## 6. Tighten your belt

There's been plenty of recent research showing that consumers are watching their pennies this year. The annual Christmas Spending Survey conducted by [Homeloans.com.au](http://Homeloans.com.au) revealed that almost a third of respondents want to reduce their debt in 2017, another third want to save more money, while a quarter want to manage their money better by controlling how much they spend. If your goal is to reduce your business debt next year, then start by checking interest rates and renegotiating the terms on older debt.

## 7. Tax doesn't take a break

Benjamin Franklin's savvy assertion "that nothing is certain, except death and taxes" certainly rings true during a hectic holiday season peppered with public and staff holidays. While most of us are winding down and getting ready to clock off for a few days, regular payments like GST and superannuation can be easily forgotten. Highlight the due dates in your calendar (schedule reminders on your phone if you have to), set aside adequate funds in a separate account, and don't be tempted to use this money to compensate for a fall in cashflow.

## 8. Keep some cash "in case"

Don't expect Santa to put some cash in your stocking, but perhaps consider (maybe for future Christmas periods) putting some cash reserves in a separate account. It could be the Kris Kringle gift you give yourself that saves your sanity.

## 9. Recharge the batteries

Burning out isn't going to help your business, nor are the employees who are running on empty. Scheduling a bit of downtime in your final week of work (or for those who are working over the holiday period) can do wonders for staff and it doesn't have to cost much or take up a lot of time. Why not let phones go through to Messagebank and head to the local park for a picnic or quick game of cricket? If leaving the office unattended isn't possible, why don't you treat everyone to an in-house massage?

## 10. Schedule your social media

Just because you're taking a break from work doesn't mean your online presence has to suffer. It takes a lot of effort to maintain social media momentum, and creating an online

community requires keeping the communication lines open. Instead of jumping on Facebook every day, simply schedule posts to appear whenever you want them to. This handy feature also gives you the opportunity to edit content or re-schedule the time and day if you need to. If you manage multiple networks and channels and you don't use [Hootsuite](#), then you really need to check it out because trust us, it will change your life! (Here are a few other [social media management tools](#).)

## 11. Make a resolution to not make a resolution

We've all been there and, despite our best intentions, we seem to set ourselves up for failure every year. Resolutions are often about what we *think* we should be doing — exercise more, drink less, reduce stress, learn a language — as opposed to what we actually *want* to do. Yes, it's great to start the new year with a clean slate and a few inspirational goals but not when we don't back it up with a clear action plan. It might be a better idea to ditch the broad, unquantifiable goals and instead set a couple of short-term, bite-size targets that you know you actually believe you can make happen. Once you've successfully achieved them, or made significant behavioural changes to get there, set yourself two new ones.

## 12. Final checklist

Before you close the door and head off on your break:

- Have a contingency plan in place in case of events such as power outages or IT failures.
- Communicate your Christmas/New Year hours to clients (don't forget to turn on out-of-office email responses and change Messagebank messages!)
- Make sure your office security is in place. Homes aren't the only places thieves target over the Christmas period
- Back up or upgrade your IT
- Close and lock the door — and enjoy your break!