



“Business Cost Saving Tips for an Emergency”

André Larabie

During a business turnaround, or at any other time that you may need to cut your business expenses to make it through some type of emergency period, some basic cost reduction techniques can be used to free up critical cash necessary to sustain the business until it has passed the danger period.

Although a comprehensive cost reduction process can be implemented when there is more time and the company is out of danger, right now the focus should be on quick, effective, and proven measures to reduce costs and free up cash for the business.

During the identification period, you identified unnecessary costs and processes that when eliminated will reduce expenses and free up capital. These cost reduction items were more specific to the unique features of your business.

Various generic, non-specific measures can also be taken. These are things that will work in many business environments to reduce expenses or generate cash to help the company through the difficult times.

This section will list some of these measures. Some may be applicable to your business while others may not be.

Telecommunications Overhaul – This involves streamlining your telecommunications expenses.

Terminate Lines of Credit – Reduces unnecessary and costly lines of credit.

Company Automobiles – Have employees drive their own vehicles.

Insurance Restructuring – Investigate and restructure insurance costs.

Negotiate Supplier Contracts – Renegotiate vendor agreements.



ANDRELARABIE.COM

ARTICLES

Renegotiate Lease Agreements – Renegotiate agreements to save money on leases.

Terminate Unnecessary Technology Upgrades – Push out or terminate plans for software/hardware upgrades.

Utilize Outsourcing – find low-cost services to replace high-cost, in-house employees or consultants.

Cut Travel – cut travel expenses.

Cut Added-Value Customer Services – reduce or remove those extra things you do for customers.