

PROFIT MATTERS

Helping you realise your full profit potential



INSIDE:

- The benefits of hiring freelancers
- Avoiding project failures
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- And more.

Managing your staff under COVID-19 circumstances

COVID-19 (coronavirus) has recently been declared a global pandemic by the World Health Organisation. If you're not being cautious, you could be putting your business at risk.

With the spread of COVID-19 growing, businesses are becoming increasingly concerned about what this means for the workplace. However, the pandemic doesn't mean that you have to suspend normal business practices entirely. There are a range of measures you can take to put your staff at ease and keep your business safe.

Take extra hygiene precautions:

Good hygiene practices are one of the best ways you can prevent the spread of germs in the workplace and keep your staff safe. These can include:

- Providing hand sanitiser and encouraging staff to use it, especially after interacting with public facilities (e.g. public transport or bathrooms).
- Using anti-bacterial cleaning supplies for workplace equipment. This could include keyboards, cash registers and door handles.
- Promote frequent and methodical handwashing. Many bathrooms have even put up posters on how to wash your hands properly.
- Encourage staff to sneeze or cough into their elbow rather than their hand.
- Discourage staff from touching their face after coming in contact with surfaces.
- Practise social distancing (e.g. no handshaking, remaining 1-2 meters apart from others).

Don't ignore sick employees:

If someone in the workplace has symptoms of illness, such as a persistent dry cough, runny nose, or fever,

advise them to inform you immediately and stay at home. Under new government precautions, individuals who are suspected of being infected with the coronavirus must self-isolate for 14 days to prevent further community spread. It is also a good idea to encourage employees to inform you if they have a sick family member at home who could have COVID-19, or if they have come into contact with someone who could have COVID-19.

Informing your workers that some staff or clients may be at a higher risk of being severely affected by COVID-19 (such as older adults, pregnant women or people with existing medical conditions) can also promote extra safety precautions around those people. Encouraging staff who are more vulnerable to the disease to inform you about their circumstances can also allow you to consider additional precautions applicable. In saying this, employers should also remember that the personal health information about employees should be kept confidential.

Consider alternative work arrangements:

If you have a reasonable basis to believe that your employee could have COVID-19, or you wish to take maximum workplace precautions, then you can consider employing alternative work arrangements such as working from home. This would be especially relevant for employees who have just come back from travelling and are required to undergo a 14 day quarantine period.

Having flexible working hours and dividing employees into separated on-shift groups can also help minimise risks of contagion, as it would mean having less people in a confined space at any one time. Preparing and implementing such structural workplace changes will be helpful not only for the current coronavirus situation, but also for future emergencies.



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How to start and grow your own business blog

A website is no longer the only way to get your business more online visibility.

Business blogs are now emerging as new and effective marketing channels in addition to main websites, but

Training a new employee

Hiring a new employee can interrupt the daily workplace routine while they need a little extra attention and help and learn how things work.

Here are some ways you can make the training period more successful...

Onboard before the start date

New employees often worry about things like what they should wear or where they should go and are reluctant to already be asking trivial questions. To ease them into the workplace, you can send an email prior to their start date that outlines details such as the start time and location, parking details, dress code, parking details and anything they need to bring.

Offer mentors

Enlisting the help of senior employees to help train and mentor new employees can be a great way to efficiently train them. This can also help senior members of the team continue to feel valued and can promote friendly relations and coworker connections.

Provide regular feedback

Constructive feedback can go a long way for new employees as you can correct any mistakes before they turn into habits. When giving feedback, you can avoid demotivating the new employee by providing both positive and negative feedback and focusing on their behaviour and not them.

Train for culture as well as practice

Ensuring that the new employee has the right practical information is obviously important, however, if your company has a certain culture it wants to uphold, you can also train them for this. For example, if your business focuses on being an eco-friendly office, demonstrate how that is done and what eco-friendly procedures are taken in the workday.

rarely are they fully utilised as a connected business channel. Here are a few key steps to consider when building a successful business blog.

Plan your content for your audience:

Before launching your blog, it is best to decide the type of content you want to create and who your target audience is. Whether your target audience is existing or potential clients, it is wise to plan out some categories of content you want to produce and a uniform writing style to apply across all your blog posts.

As blogs are used for interactive and social purposes, writing in an informative yet conversational tone is often preferred. Make sure your content is always relevant to your intended audience and that your readers will be engaged with and learn new things about both your industry and your business through your blog posts.

Blog frequently and consistently:

If you are just starting a new blog, it is important to attract as much traffic as you can to optimise your business' online presence and thus, it is best to blog frequently. Publishing blog posts frequently and consistently will increase your chances of attracting

new clients through search engine activity.

However, it is also important to have a sustainable blogging schedule and workload as consistent high-quality uploads to your blog is key to establishing your online presence and maintaining your readers' expectations in you to produce valuable content.

Open your blog to interaction/shareability:

Similar to using social media, one of the main purposes of having a blog is to improve communication between you and your clients. By minimising the gap between you and your customers, your business can perform market research more accurately and gain a better sense of your clients' wants, any problems within the business and how you can better grow as a company.

In order to achieve these results, a blog needs to be interactive and shareable online for clients to respond to and communicate to you with. Interactive measures could include comment sections, links to social media accounts for readers to share a blog post to, liking and bookmarking options and many others. To ensure that your clients know you value their efforts to reach out, be sure to reply directly to any comments on your blog to improve customer relations.

Avoiding project failures

While business ventures are bound to fail or return unprofitably at some point, it is never a bad idea to prepare for such situations or minimise their chances of happening in the first place.

There are often a combination of factors which contribute to the failure of a business project. However, there are certainly ways to counter such causes and avoid business mishaps.

"Bigger picture" mentality

Oftentimes, businesses narrow in on specific project ideas without considering what it means in relation to its other ongoing ventures, the business' holistic image and also what it will mean for its audiences (their current audiences as well as their future). To avoid falling into this trap, it is important to adopt the "bigger picture" mentality, where you consider your project as only one part of the complex system that is your business. When planning out your project, consider addressing macro-factors such as time, flexible strategy and what changes will be made as a result of the project in the future.

Substantial market research

As with every business decision, substantial market research involving the state of the industry and the behaviour of your target audience is imperative to avoiding project failures. To prepare even more adequately, sometimes researching the state of the economy can be helpful in determining the success rate of your project as well as how well it will do against your industry competition.

Building teamwork and coordination

A business project is guaranteed to succeed if all of your business' team members are on the same page and workflow operates smoothly. By having employees trust and rely on each other, the chances of project failures as a result of miscommunication and toxic work teams leading to project failures dramatically decrease. Not only with teamwork help with smooth-running business products, but it will also help in the business' growth as well as a harmonious workplace and thus it is worthwhile to consider investing into coordination-improving teamwork strategies in your business.



Business credit card vs small-business loan

Your business needs cash, but what is the best financing option for your needs?

Business loans and business credit cards are the most popular financing options, but there are key differences between the two that you should consider to help you make the right choice for your business.

Business loan

A business loan is a lump sum of money that you borrow. They can be a good option for your business if you require funding for a larger one-off purchase, such as buying new equipment or machinery, real estate, business acquisition, capital investment or refinancing existing debts.

Business loans typically range from \$5,000 to \$50,000 and can be paid as a lump sum or through multiple set payments. Depending on your bank, you can generally make repayments in monthly or quarterly instalments that are

tailored to you and your cash flow.

To get your business loan approved, there is usually a strict approval process you must pass, which can include details such as your business's financial position and a financial spending plan.

In terms of extra costs, a business loan generally comes with signup fees and late repayment fees. The interest rate for a loan is often lower than a credit card and can be a monthly or annual rate, which typically range between 3-10% p.a for secured loans.

Business credit card

A business credit card is a suitable option if you want funds for short-term needs.

Business credit cards are also generally more flexible than a business loan. They usually allow for a limit of up to \$50,000 and are often used for working capital, emergency

money and smaller ongoing expenses.

In terms of fees, business credit cards typically have a higher interest rate than personal credit cards, however you only need to pay interest on each month's expenses. The interest rates are higher than a business loan and can vary between 10-20% p.a. Fees such as annual fees and late repayment fees will apply to business credit cards.

A business credit card also comes with bonus features, such as bonus points for spending, free deliveries, frequent flyer points, complimentary insurance and a reputable company credit score with good use.

Business credit cards can be beneficial in the sense that it offers flexible funding and continuously available money, however business owners should be confident that they will be able to manage the minimum monthly repayments to avoid overdue fees.

Are you using cash flow forecasting?

Cash flow problems are the reason that 82% of small businesses fail. One of the ways you can prevent your business from being one of them is by using a cash flow forecast.

Small business owners are often faced with stressful financial decisions and periods of uncertainty. Having a cash flow forecast can help your business avoid cash shortages by allowing you to track whether your spending is on target, prepare for business expansion, plan for upcoming cash gaps and plan budgets. Here are some tips on cash flow forecasting to help your business be in control of its finances.

Prepare a sales forecast:

Existing businesses can look at past year's sales figures, taking note of busy and quiet periods, and prepare an income prediction based on historical trends.

If you're a new business, you can start by making cash outflow estimates. This can help you plan for what sales you should aim for to cover this and make estimates of predicted sales.

Knowing how much money you'll have in a week or a month is central to being able to budget and know when to pay your expenses. Whether you receive customer payments at the time of sale, or you receive payments based on a subscription or service, you can schedule expenses and budget based on payment periods.

Account for other income forms:

Your business may generate income from sources other than customers. Having an estimate of what income you'll receive and when allows you to refine your budget and plan around payments. These income sources could include:

- Grants (such as government grants).
- Tax refunds and GST rebates.
- Investments in the business.
- Deposits.
- Loans.

Estimate your expenses:

Your cash flow forecast should include all your predicted expenses, giving you a detailed outline of the amount you'll spend and when to help you determine a budgeting schedule and avoid cash shortages.

Expenses to consider in your forecast include:

- Bills such as electricity, water, rent, telephone and internet.
- Staff wages, including taxes, superannuation or bonuses.
- The cost of supplies and equipment.
- Packaging and delivery services.
- Software subscriptions, such as an office messaging system, accounting system, anti-virus protection, website developing etc.
- Maintenance and repairs.

- Business loan or credit card repayments.
- Staff events.
- Buying new assets.

Update and refine your forecasts:

As your business grows and evolves, your financial situation may change. To keep your projections on track and as accurate as possible, update your cash flow forecast regularly to account for any miscalculations, unpredicted expenses or income and business changes. Taking a few moments every month or so will keep you prepared and prevent you from being caught off guard by a sudden cash flow crisis.



Lead generation in 2020

Generating customer interest is becoming a growingly difficult task as competition increases between small businesses in saturated markets.

Lead generation is the process of initiating consumer interest or enquiry into your products, services or businesses. For small businesses,



effective lead generation is now more imperative than ever due to the rise of entrepreneurship. With the start of the new decade, below are some current lead generation strategies for you to try in 2020.

Influencer collaboration:

In modern times, social media presence is an essential part of marketing and more and more brands are turning to influencers who have a large following on social media platforms to market their services and products. Influencers are able to advertise business services and products on a variety of platforms to their large audiences through sponsorship deals and collaborations.

However, it is important to consider researching potential influencers and their level of engagement with their respective audiences to see if they are the right fit for you before committing to any business partnerships. In addition, make sure that the influencer's following is reflective of your own business' target audience.

Interactive content:

To attract potential clients and customers to your business, having interactive content is always a good idea. Nowadays, there are many ways you can interact as a business with your customers, including live chat

windows on websites, comment sections on blogs and everything available on social media.

Many social media platforms now have business modes, so that you can track audience engagement and plan more accurate and successful lead generation strategies through the analytical data provided. It is always best to interact with your audiences frequently and keep them up to date with any business ventures you are planning so as to develop a more personal connection with your audience and show that you value their opinions in the product development process.

Keeping up with technology:

Similar to making use of interactive features on business content platforms, it is important to keep up to date with trending and up-and-coming technological advancements and to incorporate them into your business strategies.

Consumers are likely to be relatively aware of technological advancements and hence it would be beneficial to acknowledge their expectations while improving the technological capabilities of your business. For example, incorporating the use of VR technologies in marketing campaigns, chatbots for streamlined FAQ services, apps and many others that will sure to impact the market in 2020.

The benefits of hiring freelancers

Outsourcing freelancers is becoming an increasingly viable option for businesses in the context of work-from-home and remote location employment opportunities.

While having in-house employees has its traditional advantages, working with freelancers is a good way for businesses, particularly small businesses and start-ups, to get their foot in the door and maximise resource usage. It is wise to consider hiring freelancers if you feel the following benefits outweigh those of having permanent in-house employees.



Maximum flexibility:

Freelancers are typically flexible in two aspects - their ability to work on a project-based schedule, and when their services are employed. Both of these advantages are controlled by your business in that you decide when their services are needed. By having freelancers move from project to project, you are able to have work completed without disrupting the workflow of your existing workspace and can also evaluate whether or not a freelancer is a right fit for your company without any consequences.

Experienced expertise:

Most freelancers often accumulate a lot of experience in the industry from working with various businesses across many locations. As freelancers specialise at a specific skill set to make their living, they are also guaranteed to be experts at their respective fields and as they are paid per project, freelancers are more likely to apply all of their knowledge and practical experience to the projects that they are offered.

Affordability:

Rather than always having to keep an employee busy with tasks and paying on an hourly basis, it can be much more efficient to allocate your resources on project-based pricing for freelancers. Without the added costs of employee benefits such as sick leave and paid leave, it can be much cheaper to hire a freelancer to fill your open capacity of work rather than a full-time employee.

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