

Hands-On Business



SME Survey 2009 Roadshow
presented by Ellis Falkof

supplementary support and IT
systems for the retail industry

retail
plus



What tools do you use to measure your business performance?



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- **Annual financial reports**



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- **Computer system (management reports)**



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- **Annual financial reports**
- **Computer system (management reports)**
- **Bank Balance (overdraft)**



Is this sufficient ?????

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Information must be:-

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- **Up to date (reflect current situation)**

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- **Consistent (frequency and method of extraction)**

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Information must be:-

- **Up to date (reflect current situation)**
- **Address critical issues (survival)**
- **Easy to extract**
- **Consistent (frequency and method of extraction)**
- **Logical**

What are the issues that should be covered

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- **Cash flow management**



- **Inventory**
- **Creditors**
- **Debtors**
- **Expenses**

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- **Risk**

- **Debtor exposure**
- **Margin of Safety (MoS)**



What are the issues that should be covered

● **Cash flow management**



- **Inventory**
- **Creditors**
- **Debtors**
- **Expenses**

● **Risk**

- **Debtor exposure**
- **Margin of Safety (MoS)**



● **Trends**

- **Benchmarking your business segment**
- **Demographic development**
- **Sales**

Inventory



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- **Monitor inventory days – drill down if possible** 

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- **Monitor inventory days – drill down if possible** 
- **Stock efficiency index(Sef)** 
- **Identify slow moving stock**
- **Can't sell from an empty wagon**
- **Promote**

Creditors and debtors

Creditors and debtors

- **Creditor days to be longer than debtors days** 

Creditors and debtors

- **Creditor days to be longer than debtors days** 
- **Creditors discounts** 

Creditors and debtors

- **Creditor days to be longer than debtors days** 
- **Creditors discounts** 
- **Debtor settlement and quantity discounts.**

Risk

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- **Debtor limits as well as terms**



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- **Margin of safety (MOS)** 



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- **Break even sales (days to profit - DTP)** 



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- **Break even sales (days to profit - DTP)** 
- **No formal structure**
 - **Back office**
 - **Statuary**

Expenses (benchmark)

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- **Staff**

Expenses (benchmark)

- **Staff**
- **Rent**

Expenses (benchmark)

- **Staff**
- **Rent**
- **Insurance**

Expenses (benchmark)

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- **Credit card commissions**

Expenses (benchmark)

- **Staff**
- **Rent**
- **Insurance**
- **Credit card commissions**
- **Assets must work**

Strategy

Strategy

- **Do a SWOT analysis** 



Lets now look at the calculations





Hands-On Business presentation for SME survey 2009

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REMEMBER,

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Thank you

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Thank you

(now you can go on holiday)

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