



**CAPRICORN**

*...it's just easier!*

**Other resources in step 9b:**

- **Valuing and protecting your assets**
- **Tax audit protection**

## **Planning for the year ahead**

How ready are you and your workshop to tackle 2012?

There's no better time than right now to give your business a health and fitness checkover.

Correctly analysing your business while also working in it can be difficult at any time, especially when you're focused on fixing cars and keeping customers happy.

The beginning of a new year is a great time to develop a fresh outlook and fire up a new enthusiasm and ambition for the year ahead.

A common personal new year's resolution is to get fit or fitter. We look at our general well being, exercise regime and nutrition and quite often our alcohol intake. It's fine to pay so much attention to personal health, but what about the health of your business, that workshop which generates the money so you and your family can enjoy a healthy lifestyle.

You must always review your overall business plan, but just as important is to carry out a health and fitness business checkup as your preparation for the year ahead.

What are the things you should be looking at? You need to start looking for signs of ill health or festering problems, as well as for the good signs.

Try to look into the future. Your business may be in good shape now, but are you ready to face a marathon? You may need to increase your business stamina to see you through the distance.

Maintain and grow all healthy behaviour you identify, but focus on getting rid of the unhealthy behaviours.

Here are some of the areas you might focus on:

### **Products and service**

Make sure that the quality and consistency are there and most importantly that they are within costs.

### **Customer retention**

Check the level of customer satisfaction. You need to acknowledge that customers might be doing it tough as well.

### **Scan the market**

Identify and highlight any emerging automotive service which might fit well into your business. What are competitors doing? Think outside the square about facilities or services which might work well in your business.

### **Know your business numbers**

You need to begin the year with an accurate handle on all of the numbers which tell you about your costs, your profits and your productivity.

### **Team motivation**

Aim to retain and reward the right staff because there is a direct relationship between this action and ensuring that your workshop can continue to deliver a quality service.

### **Stay informed and seeking assistance**

Running a busy workshop is not something you can do in isolation any more. There's not a workshop in the land which can know everything about every make of vehicle. Build a safety network of knowledge around your workshop, which might begin with a TaT subscription or by joining other industry bodies which cater for your particular services. Consult colleagues, fellow workshop owners and take a little time off to attend trade shows and training sessions. Once you've been to a good training session or trade show, you will want more, because this is how knowledge is acquired.

There is nothing new on this list. We always recommend that workshop owners work on their business more than they work in their business. Only by taking this step can you begin to make positive changes to your workshop.

There's another big area which has not yet been mentioned, and often an area many take for granted. It's about insurances, or what we prefer to call 'guarding your assets'.

### **Get the right protection**

The dramas over insurance cover which emerged following the disastrous floods and bushfires of the past year or so, have rung alarm bells everywhere. Squabbles over what is insured and what is not insured have been partly the fault of the insured and the insurer. Insurance companies, by their small print and exclusive jargon, have

virtually ensured that none of you will read the small print. On the other hand, if you are serious about your protection, you will call in your insurance broker or agent and make sure you understand every inclusion and exclusion.

Your business premises are likely to be your single biggest business asset and the loss of such an integral asset would spell disaster to your business. A range of protections are available to safeguard your premises against common hazards including:

- fire
- lightning
- explosion
- earthquake
- vandalism
- damage caused by animal or tree
- riot or civil commotion
- storms
- wind or water
- vehicle damage

But your tools and equipment should also be included to protect you from the financial loss when equipment or stock is stolen, damaged or destroyed.

Losing some or all of your business assets can result in a reduced level of productivity or in some cases trading may cease altogether. With the right protections, you can replace or repair your assets quickly and minimise the impact on your business.

It is your responsibility to protect the contents of your business. If you're working from home, realise that your standard home and contents protection may not protect all of your business assets.

### **Emergency repairs**

Emergency repairs are sometimes necessary to prevent damage to the property or to ensure a safe environment for your staff and clients. What constitutes an emergency? These may differ from state to state, but generally they would include:

- a burst water service
- a serious roof leak
- a gas leak
- a dangerous electrical fault
- flooding or serious flood damage
- serious storm, fire or impact damage
- a failure or breakdown of the gas, electricity or water supply
- a failure or breakdown of an essential service or appliance for hot water, cooking or heating
- a fault or damage likely to cause injury, undue inconvenience or that makes the premises unsafe or insecure

### **Be prepared**

Every business should have a Business Continuity Plan which will help you to continue trading after an emergency or when you experience loss of, or damage to your assets. The plan should be a common-sense document that includes specific circumstances and the needs of your business.

A general Business Continuity Plan should include:

- a list of essential business requirements in case of an emergency
- identification of risks and their impact on your business
- a strategy to respond to, manage, and recover from an incident.

Naturally, the document should be tailored to fit your business and it should be tested and reviewed on a regular basis. Time spent planning is never wasted. How quickly your company gets back to business after an emergency often depends on how prepared you are.

Another important area you need to look at is the internal controls and our business cover.

Does your business have the internal controls and business cover to guard against theft or fraud?

While it might be hard for workshop owners to even contemplate that a trusted employee is stealing from them, billions of dollars are lost to Australian small businesses in this way every year.

This is mostly because small businesses don't have or don't feel they need effective internal controls. The most common type of fraud is the theft of stock and general break and enter.

Internal controls should be clear to all and documented in policy and procedures manuals. They should be modelled and managed closely and transparently by workshop owners and applied regularly.

So even if your business is in good shape, it is always worth having a regular health check.

So here's the challenge. In the next four weeks, give yourself a target to position yourself and your business for a fit, healthy and prosperous 2012.

The place to start is [www.tatbiz.net.au/capricorn](http://www.tatbiz.net.au/capricorn)

*Just go for it!*