
2007

50 Valuable Actions You Can Take Right Now to Make Your Enterprise Leaner, Stronger, and More Successful Than the Competition

Don P. Diffine Ph.D.
Harding University, ddiffine@harding.edu

Follow this and additional works at: <https://scholarworks.harding.edu/belden-monographs>

Recommended Citation

Diffine, D. P. (2007). 50 Valuable Actions You Can Take Right Now to Make Your Enterprise Leaner, Stronger, and More Successful Than the Competition. Retrieved from <https://scholarworks.harding.edu/belden-monographs/15>

This Book is brought to you for free and open access by the The Belden Center for Private Enterprise Education at Scholar Works at Harding. It has been accepted for inclusion in Belden Center Monographs by an authorized administrator of Scholar Works at Harding. For more information, please contact scholarworks@harding.edu.



THE ENTREPRENEUR'S CREDO

by Dean Alfange

I do not choose to be a common man.

*It is my right to be uncommon,
if I can. I seek opportunity,
not security. I do not wish to be
a kept citizen, humbled and dulled
by having the state look after me.*

*I want to take the calculated risk; to
dream and to build, to fail and to
succeed. I refuse to barter incentive
for a dole. I prefer the challenges of
life to the guaranteed existence, the thrill
of fulfillment to the stale calm of Utopia.*

*I will not trade freedom for beneficence,
nor my dignity for a handout.
I will never cower before any master,
nor bend to any threat.*

*It is my heritage to stand erect, proud
and unafraid, to think and act for myself,
to enjoy the benefit of my creations and
to face the world boldly and say:
This, with God's help, I have done.
All this is what it means to be an
Entrepreneur.*

50 Valuable Actions
You Can Take
Right Now
To Make Your
ENTERPRISE
Leaner, Stronger,
and More Successful
Than the
Competition

Courtesy of
The Belden Center
for
Private Enterprise Education

D.P. Diffine, Ph.D.,
Director

HARDING UNIVERSITY
Searcy, Arkansas

Managers who take these 50 Valuable Actions will come out of any economic downturn and into the recovery stronger, leaner, and, yes, more profitable than the competition.

1. Manage the details of the business each and every day.
2. Stay nimble and flexible; do study the competition — they're watching you.
3. Become prepared to respond quickly to competitive opportunities.
4. Conduct business impact analysis for operational continuity.
5. Create partnerships with customers and suppliers, remaining in close contact.
6. Collaborate with other business owners on purchasing strategy.
7. Consider an acquisition of another company with a strong cash flow to the bottom line.
8. Keep costs under control, especially before times are bad.
9. Have a new respect and passion for liquidity and working capital.
10. Lock in credit lines early and often; be on lookout for new capital sources.
11. Make bankers information partners and part of a strategy-making process.
12. Treat vendors as a type of banker; aging payables can improve cash position overnight.
13. Keep your legal counsel well informed at all times. Listen and learn.
14. Concentrate on markets in which you have a distinct advantage.
15. Think long and hard about both product abandonment and product development.
16. Take advantage of small company agility to enter and exit markets.
17. Develop market segments that your larger competitors consider too small.
18. Do everything possible to be a hero to your customers.
19. Boost sales to existing customers through offering add-ons.
20. Use after-sales service to solidify your relationship with customers.
21. Develop contingency plans for a significant reduction in sales.
22. Keep sales revenue profitable; the goal is profits, not market share.
23. Eliminate excessive inventories through just-in-time manufacturing; don't over do it.
24. Carefully implement pricing strategy with an eye toward ongoing cost-benefit analysis.
25. Be sure that investment in info-tech doesn't lag behind, even for old-economy companies.
26. Trim those insurance costs by eliminating overlapping coverage wherever possible.
27. Cut travel costs by instituting a per diem travel allowance incentive plan.
28. Analyze and pare back utility costs, without sacrificing the mission.
29. Initiate a capital audit to learn where idle capital is tied up in the business.
30. Stop capital projects unless operational efficiency or cost reduction would be greatly impaired.
31. Depreciate assets aggressively and to the maximum allowed by accounting methods.
32. Sell underused assets, refunding proceeds to shareholders through stock buybacks.
33. Convert your budget process from a bottom-up to a top-down, fast-tracking the outcomes.
34. Review the company's tax planning strategies in light of a weak economy.
35. Improve your cash flow by consistently annualizing estimated taxes.
36. Take advantage of government-sponsored employment incentives for business.
37. Get out of a bunker mentality, and get more involved than ever.
38. Make sure to communicate the CEO's presence and commitment to any plan.
39. Communicate to employees in a climate of mutual respect and consideration.
40. Regularly ask your people for advice, and follow through whenever possible.
41. Encourage and reward new ideas and suggestions from your employees.
42. Integrate your key personnel directly into company operations and strategy, to reduce turnover.
43. Keep confidential list of employees ranked by contribution. Categorize A, B, or C. Tough decisions may await you.
44. Keep a list of past applicants who would have been hired if openings had existed.
45. Never lay off people in any department who are key players in customer service.
46. Fully staff key positions to give added strength to compete.
47. Shorten the work week, to warehouse a trained work force for the coming recovery.
48. When absolutely necessary, make salary reductions across the board, to try to keep morale from deteriorating.
49. Provide stock option plans for effective and loyal employees who tough it out.
50. Never underestimate what your employees can do for you or to you.

Remember — Do not ever forget these 50 Valuable Actions during the next round of good times!