



## 10 Strategic Resolutions for Your Business in the New Year

As the New Year unfolds, it presents a valuable opportunity for businesses to reflect on their financial strategies, refine their approaches, and set forth resolutions to better fiscal health. Financial stability, growth, and resilience remain a cornerstone for business success. In light of this, here are ten actionable resolutions to empower your business in the upcoming year:

### 1. Create a Detailed Budget:

Crafting a comprehensive budget is the foundation for sound financial decisions. This resolution focuses on structuring a financial roadmap that aligns expenses, revenue projections, and cash flow management.

### 2. Improve Cash Flow Management:

The effective management of cash flow is pivotal for sustaining operations. This resolution emphasizes the need to monitor, strategize, and optimize the inflow and outflow of funds.

### 3. Reduce Operating Costs:

Streamlining operations without compromising quality is key. This resolution aims to identify areas where costs can be curtailed, encouraging efficiency and resource optimization.

### 4. Invest in Technology:

Embracing technological advancements can enhance productivity and efficiency. This resolution advocates for investing in technology that streamlines processes and fosters growth.

### 5. Review Pricing Strategy:

A dynamic pricing strategy is essential for staying competitive. This resolution underscores the importance of regular price evaluations to ensure alignment with

market demands.

### 6. Focus on Customer Retention:

Customer loyalty drives sustained success. This resolution encourages businesses to prioritize strategies that enhance customer satisfaction and foster lasting relationships.

### 7. Manage Debt Effectively:

Responsible debt management is crucial. This resolution advocates for a strategic approach to handling debts, ensuring they don't impede financial progress.

### 8. Diversify Revenue Streams:

Relying on multiple income sources mitigates risks. This resolution prompts businesses to explore avenues for expanding revenue streams and diversifying offerings.

### 9. Invest in Employee Development:

A skilled and motivated workforce is an asset. This resolution highlights the importance of investing in employee training and well-being to foster productivity and loyalty.

### 10. Regular Financial Health Check-Ups:

Continuous evaluation and adaptation are imperative. This resolution emphasizes regular financial reviews to track progress, identify areas for improvement, and stay aligned with business goals.

Embarking on these financial resolutions can equip businesses with the tools and strategies to navigate the evolving landscape, foster growth, and ensure economic resilience in the year ahead.

## How to get Customers who Pay on Time

*“Money is only a tool. It will take you wherever you wish, but it will not replace you as the driver.”-- Ayn Rand*

Before banks extend credit, they undergo a due diligence process to ensure the applicant can repay the debt. When you sell on credit and extend 30/60/90-day terms, you practically lend money as part of the trade finance industry. Assessing creditworthiness should also be applied in this sector, but that is unfortunately not the norm. As a result, it is too familiar for companies to find themselves with bad debts and losses on their invoice receivables.

In this month's InfoPays, we are listing a few suggestions that you can implement in your business to ensure that you minimize any losses when selling on credit:

### 1. Check trade references.

When extending credit to customers, it is important to check the customer's trade references. This helps assess the customer's ability and willingness to pay and can help you make an informed decision. Checking references is a simple process that takes only a few minutes, but it can save you time and money in the long run.

When checking references, contact both current and past trade references to get a better understanding of their payment history. Ask questions about how long they have been doing business with the customer and their payment record. In addition, you should ask if there are any past due payments. This can give you an indication of how reliable the customer is when it comes to timely payment.

### 2. Research the company.

When offering credit to customers, a business must take the time to research each customer's credit history. This will help them determine whether the customer is a reliable borrower and if they can repay the loan. By taking this step, businesses can decide how much credit to extend and the repayment terms.

### 3. Access credit agencies' data.

Finally, you should also consider running a credit report through companies like DnB, Equifax and TransUnion. This allows you to verify the customer's credit history and get an overall picture of their financial standing. A credit report can provide you with more robust information, such as payment history and any public records that may be associated with the customer.

*Our current clients can access the IPS Payment Index (PI) free of charge. Through dealing with thousands of companies across North America, the IPS PI provides the average Days Sales Outstanding (DSO), or the average number of days a company takes to pay its receivables. We encourage anyone seeking to extend credit to a new customer to check with us for information from our growing database as this can offer some information about a company's credit standing. A PI of 120 days will at the very least give you an alert, whereas a PI of 36 days will provide you with the much-needed reassurance to go ahead with the opportunity.*

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