

## Monthly Update | November 2018

Welcome to our monthly business newsletter designed to help you concentrate on working more “ON” your business, rather than “IN” it. Please remember our skills and experience can provide you with help and support, give you a strong shoulder to lean on and someone on your side, to bounce ideas off.

Best wishes

**Joanne Beaumont-Walker**

*DipHE(A) FCCA CTA MCFI*

Deputy Managing Partner

### Getting customers to pay you on time

You've done the work. You've invoiced the customer 60 days ago. You are still waiting to get paid 30 days after payment was due. It's time to chase for payment.

It's never easy chasing customers for payment. However, this is business and you are entitled to be paid for the work that you have done. Unless your company is a bank, you are not in the business of providing credit for your customers. So what should you do?

#### Manage expectations

You should set out your invoicing and payment terms with your customers early on. If you are dealing with a new customer, you should consider asking for 50% of the cost before you start doing work for them. Talking about these terms up front with your customer will help to avoid any awkward conversations further down the line.

### Discounts and interest charges

Some companies offer customers a discount for settling invoices early. You could offer your customers a 5% discount if they pay an invoice within 10 working days. Conversely, you could charge clients 5% interest for payments that are over 60 days late. You can set this out in your payment terms at the very beginning of an interaction with a customer.



### Regular reminders

You should create a standard email that you can send out as a payment reminder. Your email should be firm but not aggressive.

You should set out that payment is due and make it easy for your customer to click a link through to an online payments page, should they want to settle their bill immediately. You could even set automated reminder emails that go out to customers 10, 20 and 30 days after the initial invoice date.

Your customers are busy people. Sometimes they forget to process invoices and they might be a bit behind on their admin work.

## Monthly Update | November 2018

Sometimes a gentle nudge is all that is needed in order to ensure payment. You need to strike a balance between regular follow up and maintaining a good relationship with your customers, so that they come back to do business with you again in the future. Firm but fair is best.

### **Co-Working Spaces - can they work for your company?**

**Co-working spaces were once the preserve of freelancers and creative types. Now medium to large sized businesses are getting in on the act too.**

The modern workplace is evolving. First we had flexible working. Then we had remote working. Now we are seeing an increased demand for co-working spaces – workspaces which are shared by people who don't all work for the same company.



So why have co-working spaces become so popular? Technology has allowed people to become agile workers – who can now work from anywhere and at any time.

These employees are no longer tied to a specific office. However, working remotely can lead to employees feeling isolated. Co-working spaces allow remote workers to engage in a community, without having to commute long distances into city centre offices. This has led to huge growth in co-working businesses such as WeWork, LABS, CoWorker and many others.

The cost of using a co-working space is often cheaper than commuting into a major city every day. Outside of the cities, it is possible to subscribe to a co-working space costing anything from £100 up to £1,000 per month (depending on the facilities that you require). Most co-working spaces offer anything from hot desks, all the way up to dedicated desks, private offices, meeting rooms, etc. Many co-working spaces also offer regular social events for members, such as after work drinks, etc.

If your business is prepared to embrace agile working, you can benefit from happier staff who can work from a co-working environment which has fast Wi-Fi and all of the business amenities they need to have. In return, your employees can cut down on commuting and enjoy a better quality of life, on their own terms.

We all know that happier employees tend to stick around, so co-working spaces could provide an opportunity for you to retain good people. In addition, you can reduce costs - if more of your people are working remotely, you need less office space. Depending on the type of business that you run, and where your people are based versus the office, co-working spaces can offer an attractive and cost-effective option.

## Monthly Update | November 2018

### Confirmation Bias

Most business people these days have too much information and not enough time. We don't have the time to weigh up every facet of every decision. This tends to encourage us to take shortcuts where we can. As such, we often go into a meeting or a negotiation with an idea as to what the outcome might be.

This is known as confirmation bias. It is our natural tendency to seek out information or to look at things in a way that confirms our preconceptions.

It is almost impossible to be unbiased in our day to day lives. The key to managing our confirmation bias is awareness. For example, if you feel uncomfortable about the facts surrounding a particular decision, try to tune into what is driving that emotional response. Are you uncomfortable because you think you are right and the facts prove you wrong?

Will the outcome of the decision making process result in a positive outcome for the business? If so, then try to park your personal feelings on the subject and go along with the decision that is best for the business.

When making bigger business decisions, you should involve a team of people so that alternative options can be considered. Having a different view to others in the room is healthy. Debate should be encouraged - especially when it comes to business decisions. Encourage those around you to share alternative views and invite others to play devil's advocate.

You should avoid leading questions. If you want to make unbiased decisions, you need to gather data, analyse that data and move forward on the basis of

what the data tells you rather than what you would like the answer to be.

### Getting your whole company to make the most of Social Media

**Most, if not all, of your staff will have social media accounts. What if you could get all of your staff to like and share your business's social media posts?**

Twitter, LinkedIn, Facebook, Instagram and many more social media platforms are driving customer decisions. Messages and posts that come from friends and colleagues tend to be considered more trustworthy than something from a faceless corporate account. If your team members share updates and messages with their own social media networks, there is an opportunity for your company to build brand awareness and trust with a whole new audience.



The numbers tend to make a compelling argument. Let's say your company has 1,000 followers on LinkedIn and 50 staff. If each of your staff had 100 connections on LinkedIn, and they all liked, shared and commented on your company's posts, your

## Monthly Update | November 2018

social media marketing reach would go from 1,000 potential views to 6,000.

In order to achieve this level of social media engagement, your employees must want to share your content. You can't make them do it. If your people are engaged and enthusiastic, then helping the company get the word out, via social media isn't a huge ask. At the same time, by sharing relevant messages, employees can ideally build their own profile. This can help them to build their reputation in their professional network.

You should also consider your target audience. Every member of your team may not necessarily have social media contacts that are interested in your product or service offering. For example, if your company sells mining equipment, then there is no point in reaching out to people who work in the food-manufacturing sector. It may be useful to build a profile of your ideal target audience. Then consider who in your team has a network that matches that profile. You can then set about encouraging those team members to engage with your social media content and share it with their own networks.

In order to get the most out of your staff and their social media engagement, you should create some in-house training and some guidelines, which explain how you would like your people to talk about your brand on social media. You should also use your social media advocates sparingly. If you bombard your team members with too many requests, they are likely to become a bit fed-up and will disengage.

In order to get the most out of your staff social media campaigns, you should assign someone with an appropriate skill set to create social media messages for the company and then make it easy for your staff to like, share and post those messages on their social media accounts. The easier you make this process, the more likely you are to be successful.

Finally, think about how you reward those who engage the most with your social media campaigns. For example, you could have a monthly award of a bottle of champagne for the person who gets the most social media hits for the company.

