

10 Ways to Avoid Feast or Famine in Business



Have you ever experienced the ‘feast or famine’ cycle in your business?

Those times when you have a flood of work coming in - sometimes even more than you can handle at once - and then times when everything goes eerily quiet?

This can happen and be predictable at certain times of the year in some industries, so can be worked around, however, for self-employed professionals, contractors or freelancers, it can happen quite suddenly and unexpectedly, especially for people newly in business.

Here are a few tips to reduce the likelihood of this happening to you:

1. **Work with seasonal influences and patterns on your business:** Learn what the trends are in your line of business and be ready to capitalise on the busy season as well as the quiet times. For example, tax time or end of financial year is a busy time for accountants, as is summer for air-conditioning, refrigeration or pool maintenance businesses. Seasonally driven businesses might need to offer other complimentary ‘off-season’ services, take holiday breaks, undergo professional training, upgrade systems or could complete other in-house projects.
2. **Don’t ever stop marketing or responding to enquiries, even when you’re too busy to take on additional work:** It’s better both for you and your cashflow to have a waiting list of clients wanting to use your services, than to be scrounging around for your next project or client, so keep up your marketing efforts, quoting for work and responding to enquiries, no matter how busy you are. Also, monitor the your marketing efforts and their impact on your workflow, so that you are aware of the return you’re getting on your investment.
3. **Build up emergency cash funds/savings over time to cover the quieter periods:** It’s essential to have at least several months of your usual living expenses set aside as cash or savings in your business to cover holiday periods, emergency times off (for example if you need to take some time off to have surgery or when a family member is ill or dies) or quieter periods in your business. Be wary to never put all your eggs in one basket either, by relying solely on a large payment from one source. You can be left embarrassed if, for any reason, that money isn’t received when you expect it. Make a habit of putting aside a percentage of your income each month in an emergency fund.
4. **Invoice regularly and often:** Whether you’re working on several small jobs or a large project, remember to invoice often and to follow-up late/slow payments promptly.
5. **Plan and monitor your projects or workflow carefully:** Doing this will highlight when you’ll have gaps in your diary and next be available to take on additional work, and will allow you to start following up with existing clients or prospects who might have non-urgent projects previously discussed that you can start on soon as you’re available. Also ensure that whenever a project has a flexible start date you negotiate a start time with your customer that works for both of you!



PO Box 81
Highgate SA 5063

T 08 8338 3134
M 0411 471 941

E tania@blueskycoaching.com.au

 blueskycoaching.com.au

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6. **Keep in touch with your clients and don't be shy to ask for referrals:** Be sure you're the first person your client calls when they have a project to do that requires your expertise. When you stay in front of your customers' or clients' minds, it will also help generate referrals by them of new clients or customers to you. Remember to ask your customers or clients for referrals too!
7. **Build strong relationships with your customers and make sure they know about all of your product/service offerings:** Don't assume that just because you provided one product or service to a customer that they're aware of everything you are able to do for them. Ask your customers for their feedback and to share any other ways they think you can help them. Stay in touch via social media like Facebook, Twitter or a regular blog or newsletter.
8. **Be aware of what's happening in your local as well as the global economy and how these situations or events might impact on your business:** Spending in a particular area on a particular good or service can be impacted by political events such as a pending election, natural disasters - a flood or drought - or a flat economy with less spending on leisure and pleasure, or other circumstances, such as climate change or terrorism. Stay abreast of current affairs so you can plan ahead and make any necessary changes if you believe your business might be affected.
9. **Manage your time well:** Ensure you allocate enough time in your days and weeks for marketing activities and managing your finances, as well as physically completing any projects on the go effectively. Poor time management can mean that not enough time or too much time is spent in any one area of your business to the detriment of the others.
10. **Aim to have a couple of large, regular clients:** Relying on just one or two large clients for the majority of your work is a risky business strategy, however, having a few large clients outsourcing work to you regularly, hiring you to assist them with large projects or to supply goods on a larger scale to their business, means you can enjoy some level of certainty of regular cashflow for your business.

For more business and life coaching tips to help you achieve your goals and create and live the life you've always wanted, visit www.blueskycoaching.com.au. To find out more about how you can work with me personally, call me on 0411 471 941 or (08) 8338 3134 or e-mail tania@blueskycoaching.com.au.



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Highgate SA 5063

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 blueskycoaching.com.au