



This file has been downloaded from [www.linkmanagementgroup.com](http://www.linkmanagementgroup.com)

Contact us at [info@linkmanagementgroup.com](mailto:info@linkmanagementgroup.com)

© Link Management Group and the author

## **HOW TO START THE BUSINESS TURNAROUND AND IMPROVEMENT PROCESS**

Article prepared by Ian Munro

They say that any successful drink or drug rehabilitation programme starts with the recognition that there's a problem.

The same could be said of the turnarounds and improvements process.

At Link Management Group, we are often introduced to clients through intermediaries, such as bankers and solicitors, who are all too aware their client's business has a serious "health" problem. Yet the client won't acknowledge the problem, carrying on regardless.

These difficulties have often crept up over a number of years, and the companies affected don't notice the decline in their corporate health. The directors and managers know that all's not well, but lack the time or resources to put things right. Meanwhile the business takes a serious turn for the worse.

There are usually four main areas of focus for business recovery;

### **Business development**

- Sales force effectiveness
- Margin improvement
- New business pipeline build

### **Operations or manufacturing**

- bringing processes up to date
- reducing inventory
- reviewing unit costs
- logistics

### **Finance**

- cash management>
- debtor or creditor ratios
- review of borrowing arrangements

## **Senior team**

- focusing the board and senior management
- top team performance, planning for growth.</

In most cases, an assessment of the key issues enables the company to tackle the problem. Link Management Group offers two- or three-day reviews to help clients understand the challenges facing them, summarise the situation and draw up a corrective programme.

## **Businesses then have three options**

- use the Link resource to correct the problem
- choose someone else
- do nothing!

Now is the time to act, while your corporate “health” worries are still treatable.

See LINK current Special offers on the Business Turnaround and Improvement Practice Area