

McLean, Koehler, Sparks & Hammond

Certified Public Accountants/Business Consultants

Industrial Manufacturing

Are you missing out on untapped profits?

Untapped profits may be right under your nose, in unmade sales and wasted expense. Find out by doing a profit audit. Follow these steps.

Employees who understand what their employers do are better able to spot sales opportunities.

- 1. Rethink your sales goals.** If they are based on last year's performance, they may be too low and allow your sales force to coast. Develop sound market projections, and use them to set higher goals.
- 2. Be sure everyone knows what core products and services you offer.** Host meetings that include all employees to talk about your company's core products and services. Employees who understand what their employers do are better able to spot sales opportunities. Consider rewarding employees for leads that result in sales.
- 3. Analyze your products and services.** Figure out which are responsible for most of your sales – as well as the least. Then, consider eliminating those that don't add significantly to your bottom line.
- 4. Examine your non-core expenses for areas to cut the fat.** Compare usage to usefulness. For example, if you have multiple phone lines, are you using all of them, or could some be eliminated? The professional cost-cutters at Expense Reduction Analysts say a key area of wasted expense is over-ordering of office supplies. Require departments to order office supplies from the same vendor and post them to one general ledger account so you can easily determine the total.

McLean, Koehler, Sparks & Hammond helps owners and business leaders become more successful by providing innovative financial, technology and management solutions for every stage of their organizations' life cycle. For more information on this article or MKS&H, please send an email to info@mksh.com or call 410.296.6200 and the marketing director can put you in touch with the right department.

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