

biz tips  
**2012**

# bizology *n* the freedom you need to take care of business

**We can support your business success.**

While every bizology client is at a different stage of the business 'life cycle', they have one thing in common - something needs to change. Our clients regularly confide that they know what needs to be done, but simply do not have the time, resources and sometimes expertise to make it happen.

**Helping business owners stay focused is what we do.**

Our unique consultancy offers a diverse range of services, including practice management, project management, change management, financial management and more. With a focus on practical outcomes, we work closely with you to achieve your business goals and **make it happen.**

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## JANUARY 2012

### Review the health of your business

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*Have you caught your breath yet from a busy 2011? Are you ready for 2012 and whatever it may bring? Take time out now for a health and fitness check for your business.*

Analysing your business critically while also working in it can be difficult during peak times.

Hopefully, the New Year will allow you to develop a fresh outlook and regain new enthusiasm and ambition for the year ahead.

A common personal “new year’s resolution” is to get fit or fitter. We look at our general wellbeing, exercise regime and nutrition. We commit to a plan.

Just as you analyse your personal health, January is the obvious time to review the health of your business.

Review your business plan, marketing plan and other plans, but also carry out a ‘health and fitness business check-up’ as part of your strategic preparation for the year ahead.

Make a list of the following:

- what is healthy about your business?
- can you recognise any ill-health or chronic problems?
- what has stagnated and what can be shed?
- what is good nutrition for your business?
- what good daily practices build your business?
- is your cash plan in good shape to support you through any challenges?
- look to the future. Your business may be in good shape now, but are you ready to face a marathon?
- how can you increase your business stamina to ensure you make the distance?

Value, maintain and grow any healthy behaviours you identify, but focus on getting rid of the “unhealthy” behaviours and performances, too.

Even if your business is in good shape, it is always worth having a regular health check.

Now is the time to position you and your business for a fit, healthy and prosperous 2012!

FEBRUARY 2012

Sound cashflow management

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*Have you completed your cashflow plan for 2012 yet? Managing cashflow is vital for business survival - and it's not the same as profitability.*

Sound cashflow management is the key to business success and failure. Simply put, managing cashflow means controlling and understanding the timing of inflows and outflows.

To help get 2012 off to a great start, we've compiled our 'Top Tips' for managing your cash...

- Profit and Cash are different. Many profitable businesses have failed due to running out of cash. Income earned and expenses determine profit, whereas cash receipts and cash disbursements determine cashflow. Profit pays back long term debt and provides for growth or dividends. Cashflow pays for the day to day.
- Manage Your Debtors. You must negotiate payment points and trading terms with your customers, then invoice promptly and focus on debtors on a weekly basis so you get paid.
- Know your Expenses and Liabilities. Managing expenses means you will meet payroll, business loans and compliance payments and then review how you pay your expenses to both regular and infrequent suppliers, credit cards etc. This includes other payments such as payroll tax, superannuation, PAYGW tax and BAS payments.
- Prepare a Cashflow Forecast. Your business should have a forward projected cashplan for a quarter, the whole year and even a few years out that closely matches your business plan. Prepare three scenarios - best case, most likely and worst case.
- Implement a Cashflow Process. Depending on your business, this might be daily, weekly or monthly. The process will capture your current cash balance, immediate inflows and outflows, and then both real and projected over at least six to 12 months, so you can adjust and respond to cash critical points.

Put your cashflow process in place today!

MARCH 2012

Running a family business

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*Are you part of a family business, with all of its benefits and challenges? Can you access the right support for you and your business?*

While running a family business can be very rewarding financially, it also means that alongside the challenges of any business, you face additional issues surrounding family relationships, such as business and estate structures and succession planning.

Family Business Australia (FBA) is the peak membership body for family and private business in Australia and their website [www.fambiz.org.au](http://www.fambiz.org.au) offers a wealth of information and services for family businesses.

FBA aims to foster entrepreneurship, innovation and family business best practice and structures to help resolve the challenges that commonly surround Family/Business/Ownership issues.

With chapters in every state, FBA offers support services, education programs, seminars, annual conferences and networking events. They also act as an advocate for family business with industry and government. Members receive an excellent quarterly magazine as well as regular e-newsletters.

FBA has a strong focus on the development of the Next Generation of family business members, as well as retirement/succession options for the current Baby Boomer CEO generation.

You need not feel alone in a family business – why not join FBA? For more information, visit their website [www.fambiz.org.au](http://www.fambiz.org.au)

APRIL 2012

Business growth

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*Is this going to be your business growth year, even in these difficult times? Are you psyched for growth?*

So, you've decided that 2012 is going to be the year your business takes off. Are you really prepared to make it happen?

Of course, you have your complete financial business plan in place, especially for cashflow to weather the inevitable bumps that happen along the way while you grow. You are confident with your market and you know your customers well. But are you psyched up for growth?

Our tips include: -

- Can you articulate your business model? What business are you really in?
- Do you have the passion for owning a business, especially the one you are in?
- Can you change your role? It's time to stop 'doing everything yourself.' Can you delegate day-to-day operations to others and become the leader, the strategic thinker and the planner? Do you need to engage staff and if so, do you know what type of staff you need? Do you know how to recruit effectively to get the best outcome for your business? What can you outsource?
- If you are not sure about strategic thinking or need a refresh perspective, find someone who can do this with you. Seek help from a coach or from other business people, business advisers or business support organisations.
- Do you have systems in place or just an infrastructure in an organisational chart? Manageable, documented and repeatable systems and processes that can operate independent of the business owner are necessary before your business can reach its potential.
- Take time out from just working in the business. Allocate thinking, planning and review time every week. Do not allow anything to interfere with this time. You run the business - don't let it run you.

You can bring your vision to life with a Bizology business expert. At Bizology, we will facilitate and deliver your business vision. As business specialists, we can deliver business insight and hands on knowledge to your team. With a focus on practical outcomes, we work closely with you to achieve your business goals and make it happen. Contact Bizology today [www.bizology.com.au](http://www.bizology.com.au)

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All information or advice provided as part of this document is intended to be general in nature. You should not rely on it when making any decision.

MAY 2012

Superannuation obligations for employers

*Statutory superannuation will increase from the current rate of 9 per cent up to 12 per cent by 2019? Here's what all small businesses need to know.*

Statutory superannuation, or the 'superannuation guarantee' requires employers to provide sufficient superannuation support for their employees. This is currently 9 per cent of salary or wages as defined.

As part of the Federal Government's mining tax legislation, a phased increase in employer superannuation has now been announced.

There is plenty of controversy over who pays for this - the employer or the employee – and also other issues such as whether it can be traded off future pay increases. The horizon is not yet clear.

We do know that businesses will not receive any assistance for these increases and the Government has warned that businesses are not able to break existing wage agreements to pay for increases.

Employers will have to increase the amount they pay in statutory superannuation from 1 July 2013.

The Government has scheduled payments to increase over seven years, to allow businesses time to make adjustments and ensure transition to the 12 per cent rate. After 2019 the rate will remain at 12 per cent.

The schedule for the increase from 9 per cent to 12 per cent is:

Phasing-In Year	Increased to ...
Year 1 starting on 1 July 2013	9.25%
Year 2 starting on 1 July 2014	9.50%
Year 3 starting on 1 July 2015	10.00%
Year 4 starting on 1 July 2016	10.50%
Year 5 starting on 1 July 2017	11.00%
Year 6 starting on 1 July 2018	11.50%
Year 7 starting on or after 1 July 2019	12.00%

There is likely to be significant discussion by employers, business groups and unions over the next 12 months in an attempt to clarify who will pay for the increase and how this must be included in employment contracts. We'll keep you posted.

JUNE 2012

### Changes to parental leave scheme - Dad & Partner Pay

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*Changes to paid parental leave will apply from 1 January 2013 – here's everything you need to know about the New 'Dad and Partner Pay.'*

The Australian Government has introduced legislation (but it is yet to pass) that will extend the existing paid parental leave scheme to encourage fathers and partners to support new mothers and be involved with their children as early as possible.

The government says about 75 per cent of dads currently take leave after the birth of a baby - but the time taken is short and they often have to dip into their annual leave.

Dad and Partner Pay will provide eligible working fathers or partners, including adopting parents and parents in same-sex couples, with two weeks of Dad and Partner Pay at the rate of the national minimum wage for babies born or adopted on and after 1 January 2013.

The payment will likely be available in addition to any employer-funded paid leave but cannot be taken at the same time the employee is taking paid leave.

Unlike the existing paid parental leave scheme, Dads and Partners will not be able to work while receiving the benefit and cannot transfer any unused payment entitlement.

The payment is likely to be administered by the Family Assistance Office rather than through the employer, as is the case with the current paid parental leave scheme.

The scheme is means tested and the payments cut out once the individual earns \$150,000.

Full-time, part-time, casual, seasonal, contract and self-employed workers may be eligible for Dad and Partner Pay.

Paid parental leave for Dads was initially scheduled for 1 July 2011 then postponed during the global financial crisis.

Find out more here [www.fahcsia.gov.au](http://www.fahcsia.gov.au)

JULY 2012

## The National Business Name Register

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*The new national Business Name Register is now live. Here's what your business needs to know.*

In May 2012, a new national business names registration system replaced the business names registers previously operated by state and territory governments.

The new national business names register automatically consolidated over 1.5 million existing names from the state and territory registers and is now operated by the Australian Securities and Investments Commission (ASIC).

This means that businesses only need to register once nationally if trading in multiple states.

The new register provides the ability to;

- Check name availability
- Register and renew a business name
- Search a business name
- Update business name details
- Cancel or transfer a business name

Some useful fast facts about business names...

A business name is simply the name or title under which a person or entity conducts business. A business name must be registered with ASIC.

A business is required to register a business name with ASIC if not trading under its own name or entity name. For example, the company ABC Pty Ltd, or a person named Susan Smith using the business name Evergreen Flowers will need to register Evergreen Flowers.

A business will not need to register a business name if

- an individual and the business name is exactly the individual's name (their first name and surname) or
- a registered company and the business name is the company's name, or
- a partnership and the business name consists of all of the partners' names.
- A business name does not provide a business with exclusive rights over that name. A business name is different from trademarks, patents or domain names or other ways to protect the intellectual property of the business. For more information visit IP Australia at [www.ipaustralia.gov.au](http://www.ipaustralia.gov.au)

## JULY 2012 (CONT.)

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The ASIC National Business Names Website also provides useful information, an online line searchable register and helpful FAQs.

For example;

*“Q. What will happen if I had identical business name registered in multiple states/territories?”*

*A. If your business name was registered in more than one state or territory, all your business names will have transferred to ASIC’s national business names register. You may now have multiple identical business names registered to you. You may choose to keep one business name record (e.g. the business name with the latest registration expiry date) and cancel the registration of your other remaining business names. There is no fee to cancel a business name.”*

For more information, visit ASIC at [www.asic.gov.au](http://www.asic.gov.au)

AUGUST 2012

Skills for All

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*Help your employees up skill to benefit your business? With Skills for All there is no better time than now.*

### **The Scheme for Individuals - Skills for All**

Skills for All is a SA government initiative changing how vocational education and training is funded in South Australia. Eligible people, and that means most South Australians over 16 years old, can access subsidised training from July 2012.

Over 300 Certificate I & II courses are mostly available free and Certificate III to Advanced Diploma are available with considerable subsidy on course fees.

The scheme is at a personal level, after an individual meets course entry requirements and verifies their eligibility with the approved training provider of their choice.

### **The Opportunity for your Business**

The challenge for an employer is that it is entirely up to the individual what they study and the number and choice of courses available is significant. An employer could canvas the scheme with their employees and encourage employees to enrol in a qualification which is most useful to the business.

The employer could for example provide incentives for this such as paid study leave or a financial contribution to the balance of the course fees.

For more information visit the Skills for All website at [www.skills.sa.gov.au](http://www.skills.sa.gov.au)

### **The Scheme for Employers - Skills in the Workplace**

There is also a scheme for employers, Skills in the Workplace, that may fund up to 90% of the training costs of eligible South Australian employers for industry-critical skills and specialised occupations, with employers contributing the remainder of the course costs.

Targeted industries include resources, infrastructure (public and private investment), community services, advanced manufacturing, agrifoods, clean technology & green skills, defence, health and water resources.

Help South Australians learn new skills whilst benefitting your business – do it now.

SEPTEMBER 2012

## Networking Tips

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*Do you get the most out of networking opportunities, or do you avoid them at all costs?*

Networking can conjure up visions of a room full of people in business attire, talking about themselves and handing out dozens of business cards – something that can make some people uncomfortable.

Whilst it is a skill that may allow you to connect with a new client, supplier or strategic partner, networking is just as likely to have other benefits.

You can meet people in similar businesses to yours, hear about their fantastic customers and/or suppliers, see who is doing what in a particular industry/region or importantly, feel part of the broader business community.

You may even meet someone who could be ideal for your staff team, or just get to practice your elevator statement.

You don't have to be gregarious to be able to network - just curious about others and their work or business.

Here are some key tips –

- Don't make it all about you – ask open ended questions to get people talking about their business or what they get out of networking events.
- Read the person's name tag and say - "So George, what does <name of business> do?" Ask if they have been to these events before or what networking events do they find works for them and why?
- Have plenty of business cards, but always ask - "Could I give you one of my cards?"
- When someone gives you their card, make sure you look at it carefully and comment on it. If they don't offer, you can always ask for one.
- If you meet someone even remotely interesting or in a beneficial business, ask if you can send them an email telling them more about your business. Of course, make sure you do! And check out their website and comment on it in the email.
- Use social media after the event, in today's "connected" world, it shows not only are you out and about at events but informed, active and connected, and adding value to your community of followers and contacts. Check if your new contacts are on LinkedIn and send a Connect invitation making sure you personalise it eg "Great to meet you at the ..... last night...." Post some interesting "take-outs" or even photos from the event on Facebook, Twitter and other platforms to ensure even wider coverage.

Above all happy networking and see you at the next one!

OCTOBER 2012

## Grants available for your business

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*Could your business use some free money or capital. Are you eligible for government grants on offer.*

At a recent Eastside Business Enterprise Centre briefing, a number of business grants were outlined to an audience of business owners and advisers. Maybe one of these grants will suit your business and support its growth or development of innovation.

We got the impression that businesses are often deterred by the perception of lots of paperwork and hoops to jump through. The presenters certainly stressed how much they were there to assist so it would be worth picking up the phone for a chat. These are just a couple of examples.

### **Clean Technology Investment**

As part of the Federal Government's Clean Energy Future Plan, grants for Clean technology and carbon reduction programmes in manufacturing are available covering pre-project costs, project costs and post-project costs.

There is \$800 million available against criteria to support Australian manufacturers to maintain competitiveness in a carbon constrained economy for energy efficient capital equipment and low pollution technologies, processes and products.

\$200 million is available in the Clean Technology - Food and Foundries Investment Program to support Australian food and foundry manufacturers grants to invest in energy efficient capital equipment and low pollution technologies, processes and products.

A further \$200 million is available in the Clean Technology Innovation Program to fund the development of a range of clean technologies including low emission and other energy efficient technologies.

For further information [www.innovation.gov.au](http://www.innovation.gov.au) **Commercialisation Australia**

Commercialisation Australia is aimed at Australian companies, entrepreneurs, researchers and inventors looking to commercialise innovative intellectual property.

It offers criteria based grants to access expert advice and services, right up to launching a product to market and may also support engaging experienced CEOs or other managers and "proof of concept" projects to show the commercial viability of new products.

As well as funding, successful grantees will work with dedicated Case Managers and a matched Volunteer Business Mentor Network.

For further information [www.commercialisationaustralia.gov.au](http://www.commercialisationaustralia.gov.au)

OCTOBER 2012 (CONT.)

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### **What's on offer in South Australia**

These SA Government programs are aimed at innovative South Australian entrepreneurs, small to medium enterprises and larger organisations wanting to grow their business, diversify local industry and prepare for export.

Programs vary in scope and have varied eligibility criteria.

See [www.southaustralia.biz](http://www.southaustralia.biz)

### **Smart Company Article**

For an excellent summary of other grants available see a recent Smart Company Article

[www.smartcompany.com.au](http://www.smartcompany.com.au)

NOVEMBER 2012

## Business Contingency Planning

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*If being in business at this time is tougher than ever, it is even more important to focus on the positive. Have you done your contingency planning?*

There are numerous checklists for business health and survival. For most businesses it's the time to be realistic but not overly pessimistic, to stay positive and be proactive. A good approach is to take time out now to review your business - check your finances - especially cashflow planning, identify opportunities and address weakness.

Our Bizology clients are focusing on :

- Planning strategically – undertaking various scenarios and developing contingency plans
- Anchoring their Product or Service - ensuring quality and consistency within costs; looking at new opportunities; questioning what needs to change
- Retaining Customers – ensuring customer satisfaction; nurturing them; acknowledging they are probably doing it tough also; reaching out to referral sources.
- Scanning the Market – any emerging market;, what are competitors doing; what marketing approach works and what else might work
- Trusting their Financial Management reporting – needs to be accurate, timely and looking at the right indicators – if not fix it!!
- Controlling their Cash – doing regular current & future cashflow planning; controlling inflows and outflows; reviewing trading terms and practice; invoicing promptly, focusing on debtors on a weekly basis.
- Maintaining the staff team - aiming to retain & reward the right staff, not downsizing so cant deliver quality service/product or meet the upturn
- Staying informed & seeking assistance – formally and informally through media, info websites, colleagues, professional advisors, industry bodies and government

There is nothing new here – Bizology would always recommend our clients do these things – just more so now to remain confident & positive in the current climate.

## DECEMBER 2012

### National Work Health & Safety Laws

*National WHS laws commence in SA on 1st January, 2013. Is your business ready.*

South Australia parliament passed a bill this month based on the model Work Health and Safety Act and Regulations now adopted by the majority of Australian States and Territories with only Western Australia and Victoria yet to adopt these model WHS laws.

The new act is due to commence in SA on 1st January and will replace the existing Occupational Health, Safety and Welfare Act 1986 (SA).

The goal is to provide for uniformity in Australian work health and safety laws and work practices.

With significantly increased penalties, it is vital that businesses review work practices and systems, their policies and procedures and ensure consultation and reporting processes are in place.

As is the current position, an employer must provide safe workplaces; safe systems of work; safe use, handling and storage of plant, equipment and substances; provide information, instruction, training & supervision, and adequate facilities. A workplace is defined as anywhere that work is conducted and includes vehicles, aircrafts, boats and working from home.

Key changes include: -

- The concept of Responsible Officer is replaced with a Person Conducting Business Undertaking (PCBU) and includes substantially increased obligations and penalties for officers of employers including directors and certain managers. The maximum is \$3 million or 5 years imprisonment for a Category 1 offence
- Expansion of WHS codes of practices which are not mandatory but if not followed employers will need to prove what they have is equivalent or at a higher level.
- Obligations to additional people in the workplace not just workers.
- Consultation must give workers an opportunity to express views or raise issues and must involve Health & Safety Representative where they exist.
- Union right of entry to advise and assist in WHS or where a breach of WHS laws may be suspected

Look out for organisations running workshops and seminars and producing publications. Our Bizology favourites are EMA Consulting [www.emaconsulting.com.au](http://www.emaconsulting.com.au)

and Business SA [www.business-sa.com](http://www.business-sa.com)

The Safe Work Australia website is an important source of information including the WHS codes of practice at [www.safeworkaustralia.gov.au](http://www.safeworkaustralia.gov.au)