



Dear Client

Please find enclosed our BVSA for August 2017.

The content of this newsletter has been compiled especially for you and we hope you will enjoy this publication and find it informative.

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If you have any queries or would you like more information, please contact us by sending an email to info@bvsa.ltd.

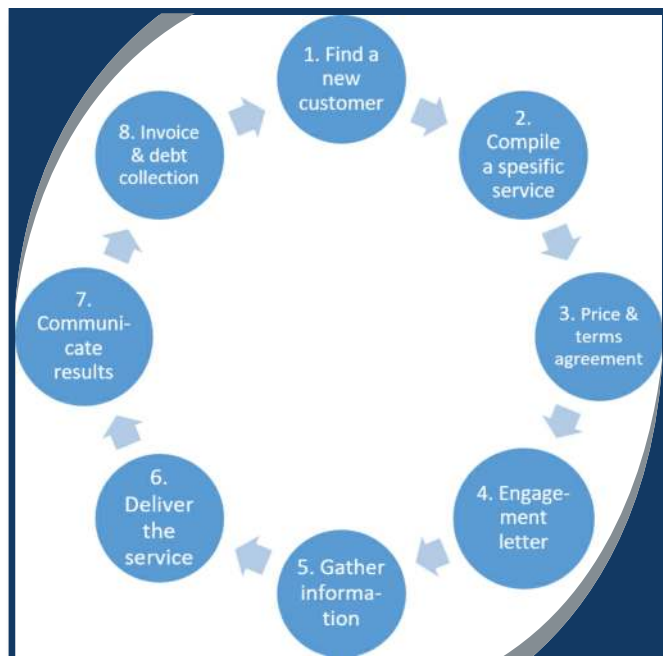
Kind regards,

The BVSA Management Team



Key steps to the effective management of a service-providing business

Read about step 1 to 4 here.



Circle figure: 8 steps to the effective management of a service-providing business

In our previous newsletter, we shared with you the first four steps to the effective management of a service-providing business. We mentioned that these steps include finding customers, compiling a specific service for customers, pricing and terms agreement and drawing up an engagement letter.

In this issue, we would like to discuss the last four steps and draw the final conclusion.

STEP 5: Gather information

While you and the customer agree on the terms of engagement, you should start identifying certain documents and information that the customer would have to provide. As soon as an agreement has been reached, it would be a good idea to compile a list that you can provide to your client, requesting the specific information and documents. This will help the process run smoothly and assist in gathering all information as soon as possible. This will also prevent you from bothering the client regularly with information requests and ensure that the necessary work is completed as soon as possible.

There are several ways to get information from the client, including:

- Personal meeting with the client
- Telephonic discussions
- Email inquiries
- Letters, etc.

Use the method that best fits your client, in order for the communication process to run as smooth, effective and user-friendly as possible.

STEP 6: Deliver the service

This process involves transforming the skills of yourself and your colleagues into a result/outcome for the client. The process may include:

- Use of your own and your colleagues' knowledge and expertise in certain areas.
- Easy access to subscription based resources or research services.
- Progress must be monitored continuously so that the work will be completed by the set deadline.
- Review of work by a manager or partner.
- Effective delegation of skills to complete work as proficient as possible. This means that the right staff with the right skills must be used for the job. There may also be a need to use outside specialists if your business does not have all the necessary skills and knowledge. Bear in mind that it will not always be possible to complete all the tasks on hand internally. By making use of outside professionals, you indicate that you are focused on providing the customer with the best possible service. By doing so, your business also builds new contacts that may in turn use the services your business offers.
- Focus on completing the work. Do not accept new projects if you know that it will be impossible for your business to complete the workload. This should be taken into consideration during step three of the process when the terms are set out, so that the customer can decide if he is willing to wait longer if it will take more time to deliver the service. It can inflict a lot of damage on a company's reputation if the company does not keep to deadlines, propose unrealistic deadlines or keeps moving the delivery date. Keep in mind that unlike a satisfied customer, who can ensure free marketing for your business, a dissatisfied customer can result in negative publicity for your company.

STEP 7: Communicate results

Customers do not always see or understand the full scope of the services rendered. Therefore, it is extremely important that you discuss the end results with your customers. Clients must be able to understand what services were provided, ask the necessary questions and feel satisfied with your work or advice at the end of the day.

End results should be communicated to the client through a method that suits their specific needs e.g. face to face meeting with your client (at your customers' office if possible), letter or written report, telephone consultation or any other method. A face to face meeting is normally the best option.

During a meeting like this, you should decide how much information you are going to give to your client. Too much unrelated information will most likely bore or confuse the client and make it difficult to understand. Get straight to the point and let your customer guide the conversation with his/her questions. You can determine how much additional information to give, according to the customer's questions.

From time to time you will get customers who prefer detailed information, so be prepared to provide the necessary information. In such cases it will also be helpful to include colleagues during face to face meetings, to assist in explaining the areas of expertise which you were not involved in.

When discussing the results with your customers, make use of the opportunity to ensure your customers understand the cost effect (prices charged by the business) of your service and the advantages of the good services you have provided to them. This way you are constantly reselling the importance of the service type that your business provides.



STEP 8: Invoice and debt collection

This step should be easy, because you have already made the necessary arrangements with the customer in the third and fourth steps regarding the payment of your services and the outline of your terms. On completion of certain tasks, your business's financial/debtor's department should automatically issue an invoice to its customers. Your customer should be expecting the invoice.

Your business may be able to apply the following methods: (as agreed upon in step three and four)

- A single invoice upon completion of work OR
- An interim invoice at regular intervals (can be issued for time already spent) and a final invoice upon completion of work. This method is recommended where a specific project will take more than one month to complete. The time that has already been spent is billed and the client is asked to make monthly payments, which will help your business with cash flow. In this case, remember to check your quoted price when issuing interim invoices. If the interim invoices are expected to be much more than the quoted price, you should meet with the client to explain the reasons for this. It would be advisable for the engagement letter to make provisions for unforeseen circumstances that will cause your business to spend more time on the set work. Explain how cases like these will be dealt with.
- In certain instances, your price may be based on the benefit that the customer gets from the work you have done (value-billing) instead of the actual hours that was spent. For example, should your specialised advice (based on your knowledge and years' experience) help to prevent your client from incurring unnecessary costs or lose a lot of money due to a bad decision. Spending your time to give advice may not have taken many hours, but the benefit it entails for your client might be very big. Remember that you were capable to give the advice because of your knowledge and experience built over many years – this is a scarce skill and you may be a specialist in your field. Therefore, this approach can mean an above average profit for your business, versus billing the actual hours spent.

To ensure a healthy cash flow, it is important for any business to be paid as soon as possible after a service has been delivered. From the word go your clients should understand exactly what your business terms are regarding payment and you should apply these terms consistently. If possible, your business should appoint a specific person who fully focuses on collecting outstanding payments on invoices. This person can be involved in the entire process of issuing the invoice, sending the invoice to the customer and following up on payment. If you follow up regularly with your customers regarding payment, chances are that they will automatically comply with your terms in future. Many businesses are negligent with their debtor controls due to the fact that there are not always specific appointed individuals who regularly monitors outstanding debtors. In today's economic climate, you cannot afford to have your cash flow at risk due to outstanding debtors.

In closing

Of course, it's not always easy for any business to implement all the steps immediately, therefore it is suggested to firstly look at which steps are already applied in your business. Then you can go on to determine what improvements can be made on existing steps and start focusing on implementing the outstanding steps in your business.

The more steps you have in place and the more a business gets acquainted with all the steps and procedures, the more it becomes part of the business's daily normal routine.

In time, your business will develop into a valuable business. Businesses of value, naturally sell easier and at a better price.

Our best wishes for your existing or new business. We trust and hope that this article will add value to your business.

Article by Francois du Toit

Source: SAIPA – Technical & Standards Department



SageOne Accounting

Accounting and invoicing made easy.

If you want an easy invoicing and/or accounting system that can be accessed on any internet connected device via a web browser (mobile phone/tablet/laptop/desktop), then SageOne is for you. SageOne is customisable for any type of business.

SageOne is an online invoicing and accounting system which requires no installation on any device. We do the setup for you, which will enable you to issue quotes and invoices for your clients to be printed or emailed.

When your clients receive an invoice or statement per email, they will be able to follow a link within the email to see all their prior invoices/quotes/credit notes received from you as well as their outstanding balance owed.

No more manual capturing of bank statements is needed because SageOne will download bank statements automatically into the system. The only thing you are responsible for, is the allocations of receipts and payments. The system even enables you to automatically allocate recurring transactions every month.

For a short video clip on SageOne click on the following link:



As if these benefits are not enough, SageOne does not require you to create any backups to send to your accountant, because your accountant will have access to your live data at all times. They can instantly log onto your system and make changes, if needed. After the accountant has finished their processing, you will immediately have access to the live, up to date, financial figures.

With SageOne you get up to date reports and graphs of how your business is doing. This includes sales, cashflow, outstanding debtor/creditor balances, profit or loss and much more.

If you process your own VAT returns, SageOne is fully SARS compliant and easily assists you in compiling your own VAT return.

Contact your nearest BVSA branch or email us at info@bvsa.ltd for pricing and further assistance.

Article by Marnus van der Nest



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Suit up your business – it's a mobile world

Your target audience is turning to mobile – are you?

The internet sphere is ever-changing and continues to evolve as technology improves, urging us to keep abreast of the way in which we communicate. The trends of today might not be relevant in tomorrow's market. The reality is that consumers and clients are progressing with the trends and they expect companies to engage with them on multiple online and offline platforms. Consumers have become more aware and knowledgeable about the brands they support and have increased expectations regarding access to information, transparency and value.

In late 2016, Apple announced that 140 billion apps had been downloaded from the App Store. Statista figures show that in July 2017 business apps were the second most popular category at 9,8 per cent off all apps and educational apps on its heels with 8,47 per cent. The mobile app market has rapidly expanded due to public demand and availability. App downloads are expected to reach almost 270 billion this year.

So, the question arises: "Does your business really need a mobile app?" Many business owners, CEO's and marketing managers have debated this dilemma. However, the real question is: "Can you afford not to consider an app?" Mobile marketing is trending, but does this imply that you should invest thousands of rands into it?

Mobile apps have become an integral part of businesses, irrespective of their service offering, size or location. Even though it has benefited small businesses to large corporations in achieving their goals, it is necessary to consider the continuous costs involved in developing an app along with the marketing spend necessary to promote it (which is mostly forgotten).

It is not good enough to develop an app just because "everyone" is doing it. Before deciding, the objectives should be mapped out and strategies formulated. Carefully consider your target audience and identify a need or gap in the market for an app that is aligned to your business. Then, ensure that both your company and the app add value and shows a return on investment.

Below are a few of the many benefits involved in developing an application:

Customer engagement

Mobile channels offer companies an opportune platform to engage with customers in real-time. If managed correctly, it can turn engaged audiences into brand warriors.

Reach

Your company can reach more consumers, which can lead to increased advertising, traffic and sales. It is also a good form of cross-platform marketing.

Customer service and support

It allows companies to showcase its products or services and customers can engage on a user-friendly platform.

Promotion

Many companies are offering coupons and promotions via mobile applications, therefore maximising the marketing and communication efforts. Promotions can attract clients and consumers by creating positive relationships and perceptions by adding further value.

With the digital era and innovations in data, mobile apps have undoubtedly become a profitable business solution.

Article by BVSA Communication

BVSA Communication is a division of the BVSA Group. We plan and implement communication assignments for the group, as well as our clients, and support them with professional communication activities in their pursuit of maintaining and growing a successful business in a cost-effective and co-operative manner.

For more information, please visit:
comm.bvsa.ltd