



The Kristen David Upleveling YOUR Business

Audio Transcript – 5 R.U.L.E.S. of Profitability

Hello, it's Kristen David with another tip for UPLEVELING YOUR BUSINESS. In the next three minutes, I'm going to cover the five rules of profitability to help you grow your business. So first, the R-U-L-E-S.

The first R is for rates or your prices. You can increase those rates or the price of one of your products and this is going to help you immediately increase your profits. The key here is you've got to give more value. When you give more value, people are willing to pay more.

Next is you need to Utilize your team appropriately. This means delegating to other people on your team who can get the job done, who are well trained and knowledgeable, which may mean you need to train some people so that they can get things done to free you up for some of those higher tasks. So you always want to delegate down to the person who is most, you know ... someone who is down the chain who is capable and competent, and this will increase your profits.

L stands for leverage technology. You can use technology to get the job done faster. For instance, automating or integrating programs and data you can save what otherwise would cost you a half time position to have someone reenter that same data or information. So if it was a \$30,000 a year employee, that'd be \$15,000 of additional profit by letting the program do it rather than tedious data entry.

Next, E is for expenses. You must keep a close eye on your expenses and make sure each one is bringing you on average three to five time return on investment. Now, sometimes you've got to think through how is this expense making your life better. It doesn't always bring a direct cash result, but it can help you in other ways. So pay attention to those expenses.

Finally, S is for speed of collection. The faster you get paid, the more profitable your business is because you're not wasting valuable time chasing after the money or employees chasing after the money for you. So there you go. The five rules of profitability. Jump in, get started, and start having a more profitable business today.