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### **How to save a business in the “off-season”**

Statistics indicates that only 60% of the established enterprises survive in a year, about 30% still operate in five years, and only 15% can remain on the market in ten years. And it is a responsibility of a manager to help his organization develop and make a profit in the period of crisis.

In order to succeed, a manager has to plan everything carefully as planning is strategically important to survive in the off-season. So, this publication provides managers with some advice how not to get bankrupt in the crisis.

The first recommendation, which can be really useful for private entrepreneurs, is to have three different bank accounts: the first account should be used to cover expenses; the second one is cumulative where the additional profit, which can be used for business development or survival in the off-season, is saved; and the third account is for entrepreneur’s salary which should account for up to 25% of the total revenue. CEO should also make a list of needs or limitations for cumulative account resources. If there is no such a list of strong needs, a manager is often tempted to put the money in circulation immediately. However, the availability of such an account and a list of emergency help the organization stay alive in the period of crisis.

The second tip is to prioritize payments. First, a manager should pay those obligations that threaten the operation of his business. For example, if employees do not get salary in time, they will likely leave to find a better work. Or if a company is unable to order necessary production resources or services because of some payment delays or problems, it will run out of business as well. So, paying employees and resource suppliers is typically a top priority. Next priority is payment obligations that will result in large penalties like paying taxes, loans or interest rates. All other payments should be prioritized according to the deadlines.

The third advice implies working out the system of discounts. A company manager should make a thorough analysis of expenses and incomes and determine a range of discounts which can be offered to different categories of customers. On the other hand, it is also recommended to reach an agreement with resource suppliers so that they could also provide a discount during this hard period. The “offseason” is also peculiar for them, that is why a mutually beneficial agreement can be reached. However, in order to succeed, a manager should use both his diplomatic, communicative and leading qualities.

All these principles are not very hard to follow. But they just let the organization stay on the market as long as possible, increase the efficiency of work, and always be competitive.