**BizBoost News**

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**Five Subtle Ways to Carve Out More Business Profit**

Whether we’re headed for a recession or not, it’s always a good time to squeak out more profits from your business books. We’re not talking about drastically slashing expenses or spending a lot to raise revenue; the tips in this article are long-term ideas to gently lift up your profits.

**Timing on Capital Purchases**

The timing of asset purchases, such as equipment, a truck, or even a PC, can be tricky. Understanding the best timing for asset purchases and replacements can make a difference in your profits.

When purchasing a new asset, gain a good understanding of the return on investment so that you’re prepared from a cash flow standpoint. With more complex businesses, it’s a good idea to hire an accountant who knows your industry and has capital expenditure experience.

When replacing an asset, it should be timed so that the asset is replaced before you have to spend a lot on repairs, but not so soon that you don’t get good use out of it.

**Rent and Utility Contracts**

When rent and utility contracts come up for renewal, this is the time to bargain. If your landlord hasn’t fixed something, you can at least use pressure to get the repairs accelerated.

For utility contracts, especially internet and phone, the price often goes up when the contract runs out. This is the time to get it lowered back down by asking for a new customer deal (it never hurts to ask!). Communications companies are constantly creating new deals and packages, so you should be able to jump into one of those to keep your costs from going up.

**Profit in Leftovers**

What assets have you got lying around that aren’t working for you? Put them to work!

Here are some examples:

1. Cash – make sure your excess cash is safely invested or at least in an interest-bearing account.
2. Extra space – rent out space that you are not using or only using some days. This solution can have many different looks to it beyond the monthly renter. As an example, virtual workers looking for a conference room for a day could be a money-maker for you.
3. Manufacturing firms can sell the scrap from their assembly lines as well as their obsolete inventory.
4. Excess construction materials can be sold, donated, stored for the next job, used on a new small project, or used as firewood.

**Training**

If employees are wasting time, they are wasting money in the form of salary you pay them. There are three good solutions:

1. Offer training – perhaps they haven’t been shown what to do correctly or how to do it efficiently. Or they may need to break bad habits.
2. Re-energize employees with incentives, new benefits, or motivational training and events.
3. Redesign your processes and automation, then retrain – it could be your workflow needs revamping to make it more efficient.

If these options don’t work, it could be your employee is a bad fit. You know what you have to do in that case.

**Stop the Subscriptions**

Those recurring monthly charges just keep adding up. The average small business uses dozens of apps, meaning they also likely have dozens of $20 to $50 automatic monthly charges going on a credit card somewhere in your business. This includes magazines, memberships, dues, conferences, newsletters, gadgets, and software.

If you’re making a lot of money, you may have trouble finding the time to research what subscriptions you really need versus what you don’t. But in the long run, you will make more the sooner you sit down and examine this area of spending. Stop the $20 to $50 madness by reassessing what subscriptions you really need and cancelling the ones you don’t.

Try these five ideas to give your profits a permanent, long-term boost.

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Tweets

Insert a link to your newsletter, website or blog before you post these:

Our latest blog: “Five Subtle Ways to Carve Out More Business Profit” is available now! Subscribe here: [link]

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#BusinessTip: When rent and utility contracts come up for renewal, this is the time to bargain. If your landlord hasn’t fixed something, you can at least use pressure to get the repairs accelerated. For utility contracts, especially internet and phone, the price often goes up when the contract runs out. This is the time to get it lowered back down by asking for a new customer deal (it never hurts to ask!). Learn more here: [link]

#BusinessTip: You can find profit in your leftovers! What assets have you got lying around that aren’t working for you? Put them to work! Find some examples here: [link]

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Are you looking for ways to increase profits in your business? Sign up for our newsletter to learn 5 ways to carve out more business profits: [link]