

# CONTROLLING COSTS

MOBI

MANAGING COSTS OF YOUR BUSINESS TO SAVE, GROW, AND THRIVE



## CONSOLIDATE PURCHASING

1

Many suppliers will offer better prices for consolidated purchasing. If you are buying supplies from many different sources, then explore the option of using one supplier and asking for lower prices.

## ENCOURAGE COMPETITION

2

If there are multiple possible suppliers for your business, encourage them to compete for your business by reviewing purchasing agreements and contracts frequently.

## ASK FOR DISCOUNTS

3

If you have been served by the same supplier for a long time, you can ask for a discount based on your loyalty. It may be possible to enter into a contract that keeps costs low.

## CONVERT FIXED COSTS

4

Whenever possible convert fixed expenses into variable expenses. Variable costs take the pressure off your cash flow needs by converting fixed costs to variable costs.

## OUTSOURCING

5

You might be able to “outsource” some of the work that you do “in-house.” Consider that someone might be able to do something for less money than it costs you to do it internally.