

How to protect your business from fraudsters

By Alan Manly



If you had to spend a week in a court or a casino, which do you think would do your business more harm? The answer is both, because both houses win in the end. The ultimate goal for a small business operator is to make money for your enterprise – and not the legal profession. There's no foolproof way of protecting yourself from sharks and charlatans, but getting things down in writing is a good start and an even better deterrent. In 2002, my business partners and I made the fatal mistake of not doing all the paperwork and asserting our rights when we entered into a deal with a consultant. Had we done so, the crook would have run a mile. After

ten years of pure hell soldiering through the Australian courts, I can't stress enough the importance of clear written agreements.

Don't be afraid of contracts

A contract is simply a big list that details what the job is and what you expect. The best contracts are in plain English and are watertight (they can be both). Contracts apply to your customers: make sure they have in writing exactly why you're taking their money. They apply to your suppliers: when are you going to pay them? When are they going to deliver? They apply to your business partners: they may be trusted, good mates, but we all need to know

our roles and responsibilities. And they apply to your staff: it's not easy telling someone you want something done your way. It's confronting. It's demanding. But people like having clear guidelines on what's expected of them. And they'll remember those guidelines better if they've read them as part of the 'idiot's guide' to your business – the ledger available to all that contains the boring (but essential) stuff.

Keep up with the tech

Technology is your friend. It's not meant to befuddle. It's not meant to irritate. Its whole purpose is to make your business easier, faster, more successful and more

secure. Cyber crime is rampant but don't panic. And don't pay an IT consultant squillions to firewall every nook and cranny of your organisation. Do some homework and you'll soon find cost-effective tech solutions are easy to come by – and they're getting cheaper and easier all the time. If you invest just a fraction of your working week in learning about your IT systems, you'll not only better understand a fundamental part of most 21st century businesses, you'll also be able to communicate with your nieces and nephews.



Work for yourself first and foremost

Why did you start your business? Sure, to capitalise on your expertise and fill a gap in the market. And of course after decades of working for others you were due for a change. But you also started your business because you're selfish and driven and that's a good thing. Don't believe what you've seen or you've heard: ego is not a dirty word and if you're not putting you and your business first, how do you expect any one else to? A touch of self-obsession goes a long way and keeps the baddies at bay. Think of it as your business' own personal CCTV. However, there is a downside to obsession ...

Take your dividends

It pays to be conscientious and lead by example, but don't go overboard because working for yourself can be a sad licence to overwork if you're not careful. Burning the midnight oil is fine, but there better be a

reward in the morning. So forget self-flagellation for its own sake and take your dividends. Spend them, save them, reinvest them into the business, but remember: you can't take any of it with you, and you don't want the taxman getting his hands on any more of it than he's entitled to. So treat yourself from time to time: you're in business, not a monastery, after all.

Get your business valued

The old saying 'if you're not making a profit, you're not in business' is true no matter the size of your organisation. Sit back and reflect on what you're doing and why you're doing it. There are plenty of hobbies you can pursue in your spare time (and plenty that will make you money), but the litmus test of any 'business' is its sustainability and its value. So take the plunge, talk to a financial expert, and get your business valued. Be real. You'll find out what's at stake and how much insurance you need. You'll also find out if it's truly a business, or just 'a job'.



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