

A hand is holding a rectangular sign with the letters 'SME' in a bold, pink-to-white gradient font. The background is a network of white lines connecting various icons: a person silhouette, an '@' symbol, and an envelope icon. The overall theme is digital connectivity and business operations.

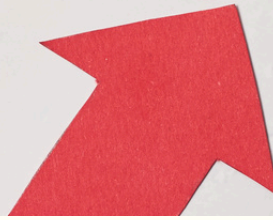
SME

**Business Advisory
And Automation:
Effective
Strategies For
Reducing SME
Operational Cost
Amid Inflation**





I N F L A T I O N



5-minute read

As the economic climate continues to fluctuate, Small and Medium-sized businesses (SMEs) find themselves in a relentless pursuit of strategies to mitigate the impact of inflation and ensure their long-term sustainability.

The ongoing surge of inflation has created substantial challenges for Small and Medium-sized Enterprises (SMEs) globally. The escalating prices of raw materials, labor, and utilities have placed immense strain on the profit margins of these businesses. This has resulted in a heightened struggle for SMEs to maintain resilience and growth in the face of these economic pressures. This article explores how SMEs can leverage business advisory services and automation to combat the effects of inflation and position themselves for long-term success.

Understanding the Inflationary Pressure on SMEs

Inflation has become a formidable adversary for SMEs worldwide, affecting various aspects of business operations:

- **Rising Costs of Production:** The escalating prices of raw materials, components, and energy have significantly eroded profit margins. Small businesses with limited budgets are finding it increasingly difficult to maintain production levels without having to raise prices for consumers.
- **Labor Market Challenges:** Increased competition for skilled workers has driven up wages, putting pressure on SMEs to offer competitive salaries. SMEs must contend with the pressure to offer competitive salaries to retain employees while managing escalating labor costs.
- **Reduced Consumer Spending:** As inflation reduces the purchasing power of consumers, demand for products and services may decrease, leading to a negative impact on sales revenue and overall business performance.
- **Increased Operational Expenses:** SMEs face rising costs across the board, including rent, utilities, transportation, and marketing. These inflationary pressures pose a substantial risk to cash flow management,

National Federation of Independent Business (NFIB), 21% of small business owners report inflation as their single most important problem in operating their business. These challenges underscore the urgent need for SMEs to adopt strategies that can mitigate the impact of inflation and ensure their long-term viability.

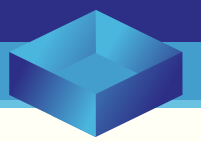


Key Areas Where Business Advisory Can Help:

In these challenging times, professional business advisory services can provide SMEs with the guidance and strategies needed to navigate inflationary pressures effectively.

- **Financial Management:** Advisors can help SMEs optimize cash flow, manage working capital, and develop pricing strategies to maintain profitability.
- **Strategic Planning:** Experts can assist in creating long-term plans that account for inflationary trends and market fluctuations.
- **Risk Management:** Advisors can help identify and mitigate risks associated with inflation, such as supply chain disruptions or currency fluctuations.
- **Operational Efficiency:** Business advisors can recommend process improvements and cost-cutting measures to enhance overall efficiency.

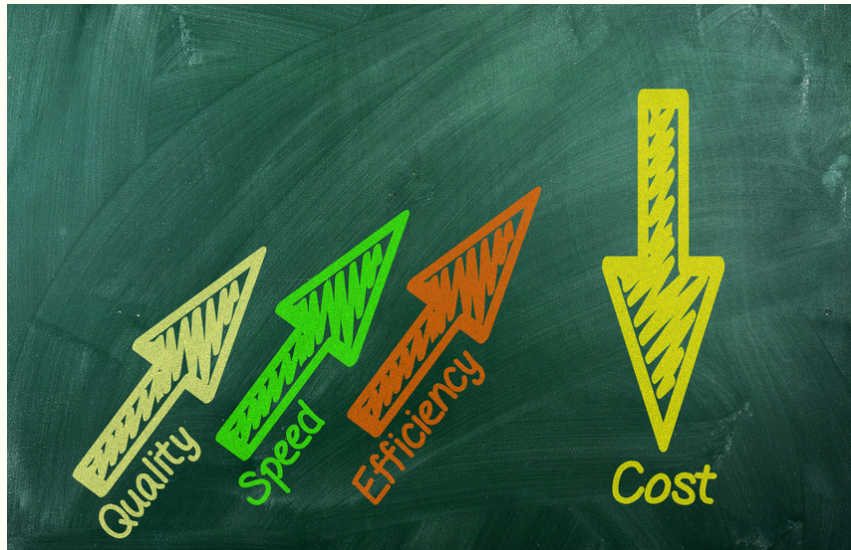
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The Role of Automation in Cost Reduction

- **Process Optimization:** Automating repetitive tasks such as data entry, invoicing, and payroll frees up valuable time and resources. This identifies inefficiencies and eliminates redundant tasks.
- **Enhanced Productivity:** Automation allows employees to focus on higher-value tasks, leading to increased overall productivity. This shift in focus can lead to increased productivity and overall business performance.
- **Cost Savings:** Reduction in manual labor and errors translates to significant cost savings over time. Automation can also optimize resource allocation, leading to further cost reductions.
- **Data-Driven Decision Making:** Automated systems generate valuable data that can inform strategic business decisions. Data-driven decision-making enables SMEs to make informed choices that drive cost-efficiency.

By embracing automation, SMEs can not only survive the challenges posed by inflation but also position themselves for long-term growth and success.



Adroit Advisors' Automation Solutions

At Adroit Advisors, we specialize in business intelligence and analytics, we also understand the unique challenges faced by SMEs in today's inflationary environment. We offer a comprehensive suite of automation solutions tailored to address the specific needs of your business.

- **Tailored Automation Assessment:** Our experts conduct a thorough evaluation of your operations to identify areas where automation can deliver the greatest impact.
- **Process Optimization:** We streamline your business processes, eliminating bottlenecks and reducing manual effort through automation.
- **Technology Implementation:** We partner with leading automation technology providers to implement solutions that align with your business goals.
- **Data Analysis and Insights:** Our data analytics capabilities help you extract valuable insights from your automated processes to inform decision-making.
- **Ongoing Support and Optimization:** We provide continuous support and optimization to ensure the long-term success of your automation initiatives.





A mid-sized beauty salon in Nigeria experiencing rapid growth but facing challenges with increasing labor costs and intense competition. The salon was struggling to manage a surge in appointments, leading to overbooking, missed appointments, and dissatisfied customers. Additionally, manual appointment scheduling and invoicing processes were time-consuming and prone to errors. Rising labor costs due to increased demand for skilled beauticians were also impacting profitability. Adroit Advisors implemented an integrated automation solution encompassing appointment scheduling, customer support, and invoicing.

- **Appointment Scheduling:** A robust online appointment booking system was implemented, allowing clients to book appointments 24/7. The system integrated with the salon's calendar, preventing overbooking and optimizing staff scheduling.
- **Customer Support:** An Automated chatbot was deployed to handle routine customer inquiries, freeing up staff to focus on complex issues. Additionally, a centralized customer support platform was implemented to track and resolve customer concerns efficiently.
- **Invoicing:** Automated invoicing and payment processing were introduced, reducing manual data entry errors and accelerating payment collection.

Results:

- **Increased Efficiency:** The automation of appointment scheduling reduced manual booking time by 50%, allowing staff to focus on client services. The AI-powered chatbot handled 30% of customer inquiries, improving response times and freeing up staff for client interactions. Automated invoicing reduced billing errors by 25% and accelerated payment collection by 10%.
- **Enhanced Customer Experience:** The online booking system provided customers with greater flexibility and convenience, leading to a 20% increase in repeat bookings. Improved response times through the chatbot increased customer satisfaction by 15%.
- **Cost Reduction:** By automating routine tasks, the salon reduced labor costs by 12%. Additionally, accelerated payment collection improved cash flow and reduced the need for additional financing.
- **Revenue Growth:** The combination of increased customer satisfaction, efficient operations, and improved cash flow led to a 15% increase in revenue within six months of implementing the automation solution.

By leveraging Adroit Advisors' automation expertise, this beauty salon was able to overcome its challenges, enhance customer experience, and drive significant growth.



Conclusion

In an era marked by economic uncertainty and rising inflation, SMEs must explore innovative strategies to survive and thrive. The combination of expert business advisory and strategic automation emerges as a powerful approach to navigate these challenges, reduce operational costs, and enhance overall business performance.

By leveraging professional guidance and cutting-edge technologies, SMEs can:

- Streamline processes and increase efficiency
- Make informed, data-driven decisions
- Optimize resource allocation
- Improve productivity and strengthen their bottom line

Adroit Advisors stands ready to partner with SMEs in their automation journey, providing expert guidance and tailored solutions to achieve their business objectives. [Contact us](#) today for a free consultation on how we can transform your business and unlock new opportunities for growth