

Managing up and down hypothetical.

Jon Through no fault of own, we've has just lost *Change for Good* one of our major clients. They've been amalgamated into a larger company and all the work is now going to be done by their inhouse design studio.

I've explained to Skye that cashflow is going to be tight until we can replace that revenue with a new client. I've discussed with her a new business strategy that we need to implement immediately.

Toni and I will now be spending all our time getting out trying to turn potential clients into new clients. Now we know this may cause work flow because we're not going to be in the studio helping out but it's pretty much going to take all of our time.

We need to save \$10,000 a month for the next three months until the new business starts replacing our lost cash flow.

I have suggested staff cut backs.

Skye needs to look at the work flow and work out who we can retrench or come up with other solutions.