



Building Contractor

Dear Jackie

I am a building contractor. I run the business with my husband. Will I still do well in this economic crisis?

Sharon age 50 right-handed

Dear Sharon

During a recession or economic downturn, I would imagine the construction business to be one of the hardest hit.

So I was expecting to see in your hands your line severely broken or marred, signifying that you will close shop soon.

On the contrary, your line is strong and prevailing.

That means there is sustainability in your construction business.

Either you have secured government contracts that tend to continue to perform well as these contracts are likely to continue through the recession or you have cash on hand or cash injection from other business resources which is recession proof to help you to stay afloat.

However, having said that, you still need to exercise caution, because the lines in other part of your hands are not so strongly laid out.

Meaning you may encounter a large number of bad debts.

Your customers who were once financially stable and capable of making payment timely are now no longer living up to their reputation or large corporations are deferring your payments.

Although business is striving for you during the economic crisis, there is a struggle here with REAL cash flow issues.

You need to take action quickly to ensure your accounts receivables are being managed efficiently.

Jackie