



HARVEST
Business Advisors

August 2009

Turning Vision into Value



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Managing Cash During Turbulent Times

Practically all companies have been significantly impacted by the current economic environment. Sales are down. Revenue growth expectations are not being met. Emerging companies are finding raising debt and equity to finance their growth plans nearly impossible and are forced to reduce their cash burn rates to survive. Even established, profitable companies are feeling the pinch in earnings and cash flow from operations.

Everyone is faced with adjusting to the economic reality of today's turbulent financial environment. All companies are looking inward to adopt greater fiscal discipline to "live within their means" to survive until economic conditions improve.

The linked article reviews 10 basic topics for improving cash flow from operations and managing the cash position that is applicable to every business. These topics provide a simple but effective method for organizing a game plan for improving your company's cash position. [Full Article](#)

Dusty Pritchett, Partner

Six Sigma & Lean Manufacturing

We are asked occasionally what the difference between Six Sigma and Lean Manufacturing is. To help arm you for your next dinner party, I'd like to share a high level primer with you.

Lean manufacturing is a culture, a way of thinking about your business and how you run the enterprise day in and day out. Specifically, it is the elimination of waste in the broadest sense in every element of the day to day operation of a business. Six Sigma, on the other hand, is

a specific set of tools or a methodology for solving problems to improve specific issues in your business.

Lean originated from the Toyota Production System. In my opinion, Lean concepts have been an evolution from ideas which have had many names over the years, with many of the concepts originating from Edward Deming's Total Quality Management System over 50 years ago.

[Full Article.](#)

Keith Weil, Partner



Partner Spotlight

This issue, the Partner Spotlight would like to introduce you to PointClear Solutions, a Huntsville, AL based IT/software application development firm specializing in healthcare. Although PointClear Solutions is only four years old, its principals have been successfully developing applications for 25 years in multiple industries. And with offices in Huntsville and Birmingham, and their recent expansion into Nashville, they have clearly found a warm reception to their services.

PointClear Solutions is a user-centered design and development agency that specializes in the creation and implementation of custom Web, mobile and desktop applications for companies in many fields. PointClear has deep experience in healthcare. One particular competency is in the area of "User Experience". Applications and websites that are hard to use frustrate customers, lose revenue and erode brands. As Blaine Anderson, founder/ CEO, says "Whether we're creating desktop software applications, public-facing websites or internal software tools, we leverage the disciplines of human factors, user-research and visual design to develop fresh insights into the needs of users. This results in applications that satisfy customers and ultimately drive revenue for our clients."

Harvest and PointClear Solutions have teamed up on several projects over the past 3 years. The latest is **ErgoScience**, an ergonomic assessment firm that helps companies reduce workplace injuries and helps reduce their workers' comp expenses. PointClear Solutions was introduced to ErgoScience to help them update their online presence by improving the usability of the site. In

addition, PointClear Solutions is assisting them in executing the rebranding strategy that Harvest recommended. According to Deborah Lechner, President of ErgoScience, "PointClear has done a wonderful job rebuilding and rebranding our website. They carefully considered how our customers and partners need to access information. We expect that our newly launched site will help differentiate us in the marketplace and will help create new business for us."

Value-Driven Healthcare

"It's too late to read the handwriting on the wall when you back is up against it." - Anonymous

This timely article, written by HFMA President and CEO Richard L. Clarke, captured the spirit of these words at the HFMA 2009 CFO Summit. He encouraged today's hospital leaders to focus not only on meeting next week's payroll, but also on understanding the demand of the future. [Full Article](#).

Information Services: Trends to Note

As "Information Services" covers a broad waterfront, it makes sense to first understand what is included, namely those firms providing *professional*, *scientific* and *technical* information services. In the U.S., there are over 700,000 firms providing services in these areas with combined annual revenues of over \$1 trillion. It is a highly fragmented, labor intensive sector with the top 50 players representing less than 25% of the marketplace. Not surprising, this industry is highly dependent on communications and computer technology.

Major Trends & Opportunities

Driven by Overall Economy: This sector's client base typically cuts back or postpones usage during tough economic times. Professional information service firms are experiencing a 2% revenue decline going back to the start of recession in late 2007. The forecast over the next 5 years is for a more stable growth rate of +2%, which is low compared to other industries. For those firms that can afford it, today's down economy is an opportune lull to beef up their communications and computer tools.

Growth in Outsourcing: The current economic climate is ironically generating more outsourcing opportunities for information services firms, as their clients are using outsourcing to reduce costs. While this creates more reliance on professional services firms, this also creates

greater liability exposures for the industry.

Increasingly Complex Regulatory Environment: Today's heightened and more complex federal regulatory climate is driving the need for businesses to obtain expert advice. This presents opportunities for aggressive professional information service firms.

International Growth: The growth in international markets, particularly China and India, are often based on U.S. standards. This is an opportunity for U.S. information service firms to assist in the adoption of U.S. standards.

Value-Based Pricing on the Rise: Professional information service firms are shifting from their traditional hourly billing base to more value-based (and more profitable) pricing.

Joe Shelley, Partner

Monty Python on Business

People who think that business lessons can only be learned from business books or blogs are mistaken. One can look to the arts for abundant inspiration and insight into today's corporate climate. While audiences laugh at the brilliant comedy of Monty Python, a closer examination reveals its incredible insight into many aspects of the human existence, including business and commerce.

Skeptical that there are lessons to be learned from Monty Python? These 20 pearls of wisdom will show you the light. **See Pearls.**