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Stamp Out Waste



“If your business is losing money then you have to find ways to stop the haemorrhage”, is the simple edict from Colm O’Grady, partner with top accountancy firm Russell Brennan Keane (RBK).

In communication on a daily basis with companies of all size, throughout Ireland, who find themselves floundering under the pressures of recession, O’ Grady’s advice is to launch a pincer attack, addressing waste within the company as well as the more obvious cost control mechanisms.

“It’s all very well for companies to reduce staff numbers, introduce pay cuts, ban overtime and chase their debtors, some or all of these measures may indeed be necessary if not vital to their survival, but significant savings can also be made by examining and positively addressing waste within the business”.

Asked to describe areas where waste can occur, O’Grady listed, over production, over stocking, unnecessary transport, inflated expenses, defective products, inappropriate level of person doing a task, inaccurate information on system, double checking, as examples. “It could even be the case that some staff aren’t focussing on the job they are employed to do and that too is wasteful”.

He added, “By conducting a waste audit you can identify where waste is occurring in your organisation. The audit will give you the opportunity to trim away that waste”.

This suggested waste audit isn’t rocket science and the beauty of identifying waste is that it can be eliminated over a short period. “At a very simple level you can put together an in-house team to identify waste and sit them round a table for a brain storming session, perhaps have an outsider there to moderate and assess the cost reduction potential of the various suggestions”, said O’Grady.

In his experience a waste audit can yield savings of up to 30 percent. O’Grady is convinced that waste is an area of cost control too often overlooked.

“There is no point pushing more business through an inefficient system, it makes no sense and I strongly advise companies to focus on this area in order to improve their bottom line. As an exercise, a waste audit will deliver immediate benefits which is good news in these tough times, but it will also help streamline and strengthen the company in preparation for coming out of the recession”.

For further information, please contact Colm O’Grady at Russell Brennan Keane on 090 6480600 or email cogrady@rbk.ie.

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About RBK

Russell Brennan Keane is one of Irelands leading business advisory and accountancy firms. With 50 years experience providing professional advisory services to a range of clients in the mid to large corporate market in Ireland, from offices in Dublin, Athlone and Roscommon.

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