

It's time for a
S.M.A.R.T. Recovery

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(MSBDC)

This Webinar is brought to you by:

**Massachusetts Small Business
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MSBDC

In 1776 Thomas Paine wrote:

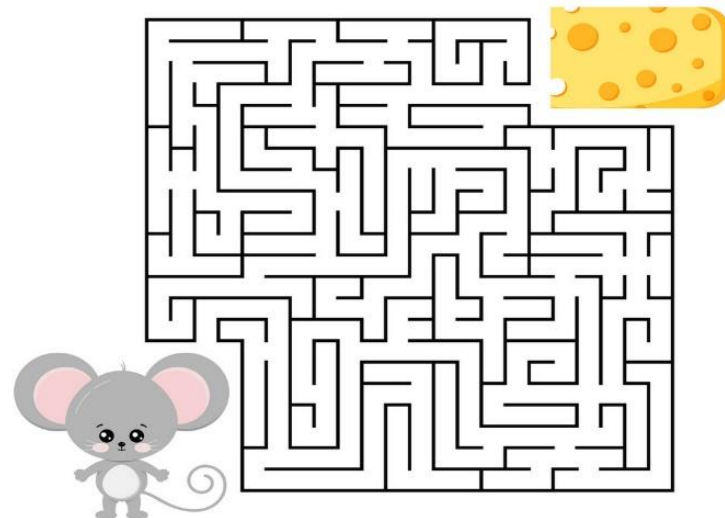
“These are the times that try men’s souls.”

(Women’s too!)

"If you do what
you've always
done, you'll get
what you've always
gotten."

— Tony Robbins

- Not this time!
- The game has changed
- Covid-19 moved it!
 - Buoyed by Fear Factor
- Our Iceberg is Melting
- Who Moved My Cheese?



New Doors

“OLD WAYS
WON'T OPEN
NEW DOORS.

A Shock to the System

- Recent research, conducted in late March, two weeks after stay-at-home directives were issued, identified many new patterns in consumer shopping **mindset and behavior**.
- People aren't going to feel comfortable quickly and revert to their old ways of **thinking or behaving**.
 - 9/11 and flying
 - FEAR FACTOR vs. Pent up demand
 - EMPATHY FIRST

Henry Ford Made Cars



-
- “Whether you think you can, or you think you can't –
 - ...you're right.”

Trends Taking Center Stage

- 1. The rise of enhanced websites and digital tools
- 2. Cybersecurity concerns take center stage
- 3. Increase in virtual meetings
- 4. Increase in remote employees

The times they are a-changin'

- In normal times, gaining consumers' attention and changing basic consumer-behaviors was a costly endeavor and often beyond the budgets and marketing capabilities of most small businesses.
- The current environment offers **an unprecedented opportunity for smaller companies to compete** against their more established rivals for exposure, mindshare, product trials, and market share with a new and broader base of new customers.
- “BUY LOCAL” has a new level of meaning and importance.

1st, Be honest with yourself...Ask:

- Were you content running the business before the crisis?
- Were you making the profit you wanted?
- Are you ready to [potentially] change your business model in order to meet the demands of the post-COVID marketplace?
- After all your considerations, **should you reopen your business?**
- And if you reopen, what will you change?
 - The magic word is PIVOT

"If I have seen further it is by standing on the shoulders of Giants."

- A metaphor which means "Using the understanding gained by major thinkers who have gone before in order to make intellectual progress".
- It expresses the meaning of "discovering truth by building on previous discoveries".
- This concept has been traced to the 12th century, attributed to Bernard of Chartres.
- Its most familiar expression in English is by Isaac Newton in 1675.

COMMUNICATION

- I say, “Great ideas are fermenting in other people.”
- So, listen to your employees and your customers!!!

Ask yourself three questions

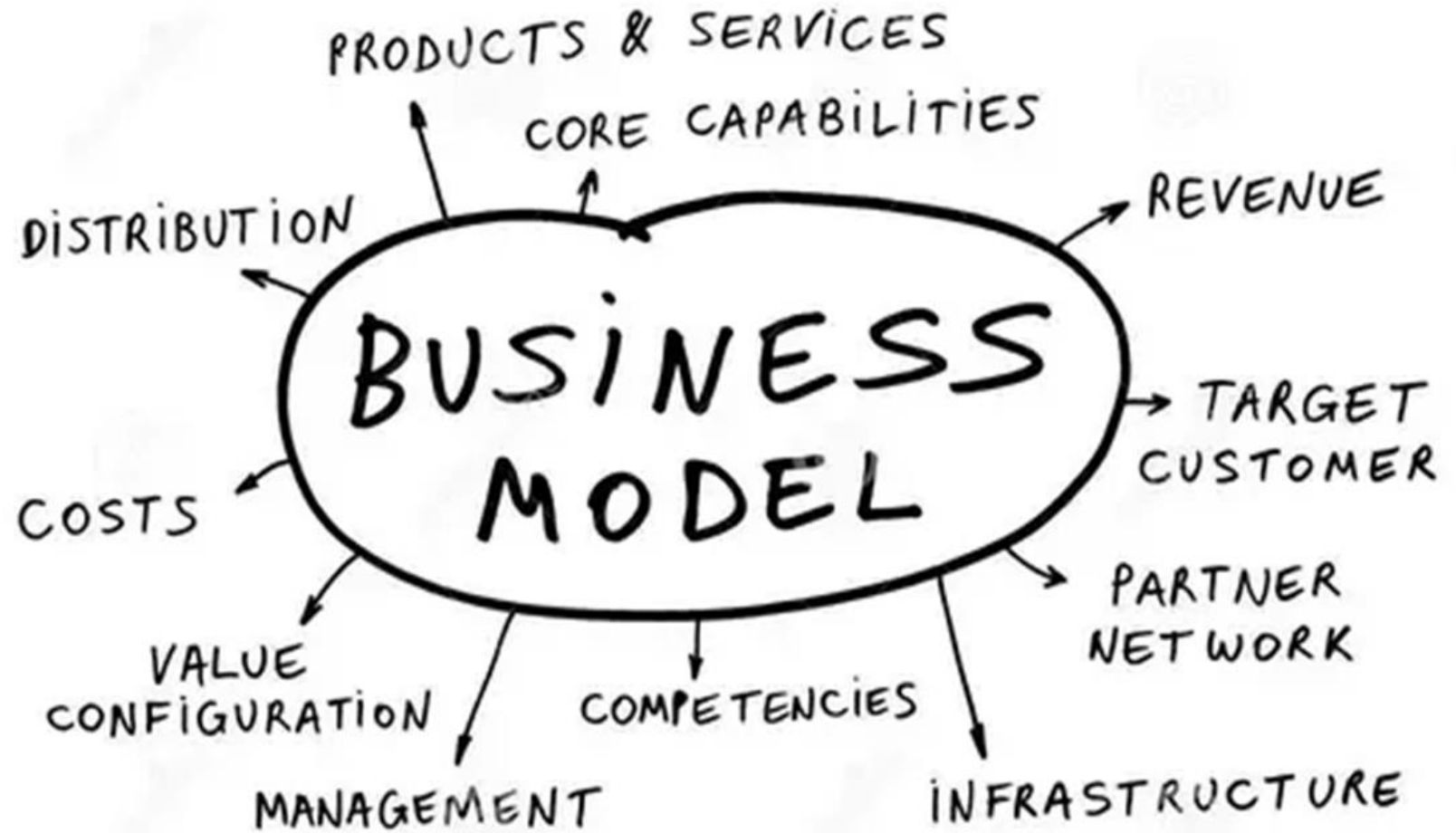
- What can I control?
- Who can I call?
- Who can I collaborate with?



What's a Business Model?

- A business model describes the rationale of how an organization *creates, delivers, and captures value*, in economic, social, cultural, or other contexts.
- The process of business model construction and modification is also called business model innovation and forms a part of business strategy.
- “The way we make money around here!”

- One thing I think is missing here...
- **Employees!**



To create a successful strategy.....Plan Ahead



Organizational & Liability Issues

- Rethink your organizational structure
 - Sole proprietor vs. LLC or S-Corp
- Insurance
 - Especially Liability
- HR Laws (BEWARE)
- New Required Posters
- Keep cleaning logs

Survive & Thrive

- Business owners, at least those fortunate enough to have survived the shutdown, are looking for the fastest and safest way to get back to business.
- **Mass.gov/Reopening**
- **<https://www.mass.gov/info-details/reopening-massachusetts#general-business-guidance>**

Monitoring Employees' Health

- As businesses reopen, seek ways to ensure the safety of another crucial group:
 - *Your employees.*
- Keeping sick workers at home is the first line of defense.
- Let them know it's okay to stay home, that they're going to get paid, and you'll make do without them.
 - *The last thing anyone wants is people to feel pressure to come to work sick, because **that's when things really go bad!***
- Tell the staff that they should stay home if they have any reason to suspect they've contracted the virus--and that they'll still be paid.

Monitoring Employees' Health

- Take employees' temperatures before they begin their shifts.
- Give cleaning supplies to [healthy] employees for sanitizing their individual work stations.
- Separate employees to give each of them more space.
- Allow workers to wear gowns, gloves and/or masks throughout the day.
- People need to feel like they're being supported!
- Build *a culture of safety!*

Work Space Adjustments

- Place colorful stickers next to often-touched areas such as light switches and buttons, to heighten awareness of those places.
- Assign workers shifts when they're responsible for cleaning those surfaces.
- Place important information that would normally be delivered in person to bulletin boards.
- Stagger break and lunch times.
 - Spread out chairs in its break rooms.
- Replace doorknobs with hooks so people can open doors with their forearms.

CDC & OSHA Guidelines

The Occupational Safety and Health Administration has issued several sets of recommendations for dealing with Covid-19 in recent weeks. Among them:

- Discourage workers from using other workers' phones, desks, offices, or other work tools and equipment;
- Provide workers with tissues, no-touch trash cans, hand soap, alcohol-based hand rubs (with at least 60 percent alcohol), disinfectants, and disposable towels to clean their work surfaces

~~Social~~ / Physical Distancing

- Floor graphics provide peace of mind for customers that **your business takes their health seriously.**
- Replace face-to-face conversations--internally as well as those with customers, clients and vendors--with phone calls or other forms of communication as much as possible.
- Discontinue nonessential travel
 - Especially to locations with ongoing COVID-19 outbreaks.
- Install high-efficiency air filters and increase **ventilation.**
 - *"I get misty....."*



Keep Headcount As Low As Possible

- Establish alternating work days or extra shifts
- Reduce the total number of employees in a facility at a given time.
- Workshare Unemployment.



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- Have a plan for immediately isolating employees or customers who become sick in your workplace;
 - Then send them home or to a health care facility.
- Create additional space for customers.
- For restaurants and retailers, this might mean adding drive-thrus.

COMMUNICATE

- Communicate with your customer what you are doing in terms of cleaning and the rules of operation.
- **Put them at ease**
- Let them know you are concerned about them and are working to provide a comfortable, safe and enjoyable experience.

Additional Cleaning Options:

- UVC light wand.
 - Also good for product exchanges, try-ons and rentals.
- Air Exchange & Filtration
- Fogging devices – do at mid-day (*close the store*) and at closing.

The Fifth P of Marketing

- Traditional Marketing Mix – The 4 Ps
 - *Product, Price, Place, Promotion*
- **PROPHYLAXIS*** – The Fifth P in Marketing
- I might even add a 6th:
 - **PERCEPTION**

*Prevention of disease

OSHA & MoBD

- For more information, visit:
 - www.osha.gov/coronavirus, or
 - call 1-800-321-OSHA (6742)
- \$25,000 Safety Training Grant from MoBD

AVOID a PR Nightmare!

- Communicate and educate
- “If there is not a good process and procedure in place for employees to bring those concerns forward and feel that they are being addressed, companies run the risk of an Amazon-type suit,” labor and employment attorney Erin McLaughlin told Inc. this week. And for small businesses, such lawsuits could be fatal..

The Four Pillars of Safety

Atul Gawande, New Yorker Magazine

- Hygiene
- (Physical) Distancing
- Masks
- Screening

Never touch your face!

These Require a Culture Change.

*DON'T BE AFRAID; but be **S.M.A.R.T.***



CFIMITYM



- Conserve your cash!
 - *13 week Cash Flow Pro Forma*
 - *Send invoices immediately.*
- Cut costs wisely.
- Businesses in a cash crunch often start making cuts to reduce costs.
 - But doing indiscriminately can be harmful.
- Before you make cuts, run that through your financial projections.
- Every cut that you make may hurt your ability to generate revenue or keep your business going, which is not something you want to be doing right now.



S.W.A.G. Some Numbers

- Review your CURRENT revenue.
 - “Yesterday is history; tomorrow’s a mystery.”
- Zero-Based Budgeting
- Start with your fixed costs
- Move to variable costs
- Do a break even analysis

13 Week Cash Flow Pro Forma

[illegible]

S.M.A.R.T. & S.W.O.T.

- Specific
- Measurable
- Attainable
- Responsible
- Timely

- Strengths
 - Weaknesses
-

- Opportunities
- Threats

Companies ultimately need to think about growing their way out of this crisis.

- New businesses are especially vulnerable because they are the most likely to have debt and will quickly slide into bankruptcy without intervention.
- “If it isn’t written it didn’t happen!”
- **COMMUNICATION** is key.



COMMUNICATE!!

- Customers
- Employees
- Suppliers
- Banks
- Landlords
- Insurance
- Accountants, Lawyers, and other Advisors...
- Post policies publically



Some State Signs are Required

EMPLOYER GUIDANCE
Mandatory safety standards for workplaces



SOCIAL DISTANCING

- 
All persons, including employees, customers, and vendors should remain at least six feet apart to the greatest extent possible, both inside and outside workplaces
- 
Establish protocols to ensure that employees can practice adequate social distancing
- 
Provide signage for safe social distancing
- 
Require face coverings or masks for all employees

HYGIENE PROTOCOLS

- 
Provide hand washing capabilities throughout the workplace
- 
Ensure frequent hand washing by employees and adequate supplies to do so
- 
Provide regular sanitization of high touch areas, such as workstations, equipment, screens, doorknobs, restrooms throughout work site

STAFFING & OPERATIONS

- 
Provide training for employees regarding the social distancing and hygiene protocols
- 
Employees who are displaying COVID-19-like symptoms do not report to work
- 
Establish a plan for employees getting ill from COVID-19 at work, and a return-to-work plan

CLEANING & DISINFECTING

- 
Establish and maintain cleaning protocols specific to the business
- 
When an active employee is diagnosed with COVID-19, cleaning and disinfecting must be performed
- 
Disinfection of all common surfaces must take place at intervals appropriate to said workplace

Animations Slide Show Review View Help

6 FEET PLEASE

[Share Image](#)

We're (still) following safe social distancing practices

- Our Team Members are maintaining the recommended six feet social distancing standards at all times
- For dine-in Guests, we are seating parties safely apart and limiting seating based on local mandates
- For To Go pickup and curbside orders, we ask that Guests remain in their vehicles and our team will bring your order directly to you, placing orders in the trunks of Guests cars or on the passenger side to reduce physical touchpoints
- We're encouraging our Guests to pay online or through our table top device to reduce physical touchpoints

Disinfecting standards continue to remain top of mind

- Our Team Members are disinfecting all surfaces every 30 minutes and paying close attention to highly trafficked areas, surfaces, equipment and more
- We're using disinfectant shown to be effective against COVID-19
- Our team installed disinfecting stations at every entry point of the restaurant
- Thoughtful consideration about what's on our tables that our Guests interact with each visit

SQUEAKY CLEAN

FEEDBACK

SCORE 77

FOR THE LIFE OF YOUR BUSINESS

U.S. Small Business Administration

Brick and mortar retailers need to keep customers safe by taking precautions such as:

- Designating aisles for one-way traffic.
- Limiting the number of shoppers allowed in.
- Placing partitions between customers, and/or workers.
 - *Do you remember The Graduate? “Plastics!”*
- And these things have to be continual for the foreseeable future.



Here are a few restaurant ideas to speed up recovery.

- Disposable paper menus.
- Establish pick up zones for delivery of food and retail items.
- Use spaces in a parking lot to sit in cars to eat / pick up.
 - *Drive-in dining, car hops and drive-in movies are back.*
 - *Happy Days- Al's Drive In...Arnold's*
- Deploy a European approach to dining — allowing temporary structures in parking lots or attached to buildings to allow for deck and lawn dining.
- Christmas in July...Gift Certificates



A Sitooterie

- Close some village streets and make them pedestrian only (for more sidewalk room) and more space for places to eat.
- Allow food trucks more access to places like beaches, public parks, and parking lots for the duration of pandemic.
- Encourage and allow pop up sales at beaches, public parks, and parking lots.

Contemplate New Vendors

- Even if your business reopens, the vendors in your *supply chain* may not reopen.
- That could require finding new vendors.
- Shop Local has never been more important for a community.
- Maybe partner with competitors for buying power.
- That might also require cash-on-delivery.
 - *That's a whole new cash need.*
- You may have to ship your products to customers who may not be able to come to you.
 - *You may have to incur costs for shipping or warehouse fulfillment if you want to continue to keep those customers.*



Hospitality

- Motels and hotels need to make customers feel safe!
- Open areas which are germ and bacterial free with stricter disinfectant procedures.
 - *Room cleaning by specifically trained/ screened housekeepers.*
- Self-services with artificial intelligence technologies to avoid facing or touching people.
- Room control via mobile app to avoid touching in-room buttons.
- External-circulation fresh air system to prevent aerosol infection.
- Individual employee body temperature checks.
- Consider offering extended-stay business or sell hotel rooms as serviced apartments to help contribute to **a stable cash flow.**

Eliminating Bureaucratic Lethargy

- There is an urgent need for quicker decisions by Boards of Health and other local authorities.
 - And from what I've witnessed they're movin' fast.
- This is no time for administrative sloth!

What's still job #1?

- **CREATING CUSTOMERS!**
- How do we do that?
- Execute a well written marketing plan
 - A living breathing document.
- CRM
- One size fits all marketing has vanished
 - Appeal to “Mass markets of ONE.”

Marcom IMC Objectives & Tools

- Communication is rapidly evolving!
- Enhancing Brand Equity
- Create Effective and Creative Ad Messages
- Traditional Advertising Media
- eBay
- Direct Marketing
 - *Build and Use your E-MAIL list with permission*



Pay Attention to Reviews



-
- “We're **sorry** (*empathy*) to hear that... **you feel** you haven't experienced the level of quality that our customers deserve.
 - If you would like to follow up with us on this issue, we would be more than happy to assist you.
 - This incident has been documented internally and if you would like to discuss this problem further, please give us a call at 1-800-555-5555 and mention your case # 007. Let us know if we can do anything else for you.
 - We appreciate you taking the time to share your experience.”

~~Social~~ Distancing or Physical Distancing?

Closing the social gap...

- SNM
 - Create viral referral programs
- Google Ads
- Google My Business
- Your website
 - SEO
 - Content is KING



MarCom

- **CRM**
- Sales Promotion
- Customer Loyalty Programs
- Specials of the day/week
- Public Relations (PR)
- Signage
- Personal selling

More MarCom

- Keep your finger on the pulse by closely observing conversations on social media, community sites, and e-commerce pages,
 - and adapt your messaging accordingly.
- People buy based more on EMOTION than [just] logic.
- Think hard about which marketing channels you're using.
- With the spike in digital entertainment, you may want to put more dollars toward ad-supported video streaming and mobile gaming.

That Magic Word - *PIVOT*

Revisit your business model.

- Switching up your business model may be the last thing you want to do when you reopen, but it could be what keeps you in business.

Ask yourself the following questions:

- What should your business model be when you come out of this?
- Is your current business model viable?
- If not, how can you hang on until it's viable again?
- Are there ways you can pivot all of your expertise into a better revenue stream?

PIVOT

- Diversifying revenue comes down to changing one or more of the three following aspects of your business model:
- What you sell?
 - *Products and Services*
- Who you sell it to?
 - *Target Customer(s)*
- How you deliver it?
 - *Place/ Distribution*



All Right...

- Let's settle this once and for all:
-

- Who's the greatest basketball player of all time:
 - The GOAT?
- MJ.....
- King James.....
- Someone else??

Bears in the woods

- *“You can’t outrun a bear!”*
- *“I only have to outrun you!”*
- The ability to absorb the shock and come out of it better than the competition will be the key to survival and long term prosperity.

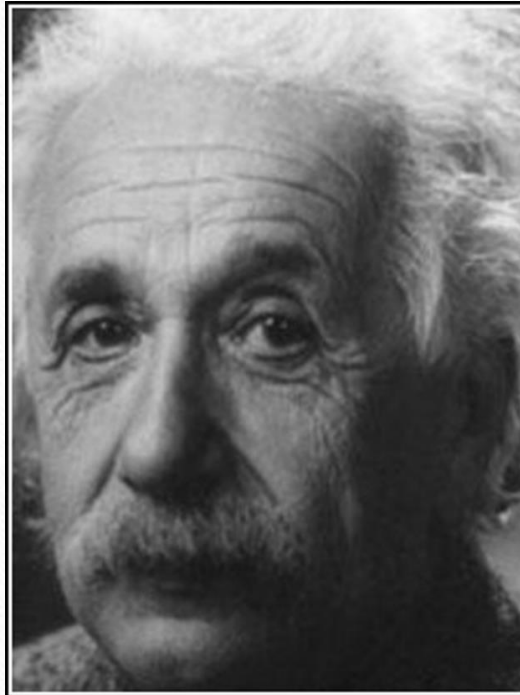


Consciousness

- “No problem can be solved by the same consciousness that created it.”
- You didn’t create this problem;
- BUT you have to change your way of thinking to respond to it.



Here's the entire quote...



The world we have created is a product of our thinking; it cannot be changed without changing our thinking. If we want to change the world we have to change our thinking...no problem can be solved from the same consciousness that created it. We must learn to see the world anew.

— *Albert Einstein* —

AZ QUOTES

Opportunities Abound...

- Baron Rothschild, an 18th-century British nobleman and member of the Rothschild banking family, is credited with saying that “[T]he time to buy is when there's blood in the streets.”
- Rothschild made a fortune buying in the panic that followed the Battle of Waterloo against Napoleon.

FOCUS

- Focus on immediate fundamentals while keeping your eyes on the horizon.
- Focus on dealing with current and emerging threats and creating new opportunities.

Benjamin Franklin said, after signing the Declaration of Independence

- “We must all hang together, or most assuredly, we will all hang separately.”

So Start Running.....



In Closing

- Proverbs 15:22
- **Plans go wrong for lack of advice;
many advisers bring success.**



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www.msbdc.org/semass

- The Southeast Regional Office advises businesses located in Southeastern Massachusetts, including Cape Cod and the Islands, along with the Greater Boston area.
- The service delivery area includes the counties of Plymouth, Norfolk, Bristol, Barnstable, Dukes, and Nantucket.
- Southeastern Massachusetts has a very heavy concentration of hospitality businesses, especially in the highly seasonal locations of Cape Cod, Martha's Vineyard and Nantucket.

Free Confidential Small Business Advice

- To schedule a free consultation, go to:
www.msbdc.org/semass/rfc
- Fill out an electronic *Request for Counseling* form and someone will contact you to schedule an appointment with an advisor.

-
- Questions??
 - More Ideas...

- **THANK YOU!**



Massachusetts Small Business Development Center (MSBDC)

- *Providing free confidential business advice since 1980.*



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