



## 5 Ways to Build Small Business Muscle for 2021

Some years can throw a heavy punch at small business. 2020 has certainly jabbed the economy with a right hook or two. That's why your year-end planning is so important. Making a few smart moves before the New Year can help your business build the 'muscle' it needs to remain intact with cash to survive the unknown, without permanently harming long-term prospects.

*"Year-end offers a great opportunity to step back and look at your business with a 360-degree view," noted Bill Miller, CPA. "Really take a moment and ask yourself, do I have the working capital and other resources required to meet my business objectives in 2021?"*

### 1. Try to reduce or limit as much outgoing cash as you can without hurting your business

- Work with your vendors and suppliers for better rates, discounts, or look to find new relationships
- Discuss your situation with your landlord and try to negotiate a temporary plan for lease relief or deferrals
- Cancel or pause unnecessary subscriptions and try to delay expensive purchases

### 2. Bring new ideas to your customers

- Offer discounts for long-term contracts or Refer-a-Friend discounts
- Increase your online presence by offering a shopping cart on your website
- Use social media to reach out to prospects and publish content. Join virtual networking events and host your own, featuring a product demo.
- Work with other business owners you may know to target the same customers, creating a "marketing team!"

### 3. Build up your cash reserves

- Sell current assets or unused inventory
- Liquidate long-term assets and think about pausing any business line that is not part of your core business

### 4. Stay in touch with your advisors

Frequently communicate with your CPA, attorney, business mentors, and bankers for advice, support, and guidance.

As Bank of Labor Treasury Management Officer, Kim Nolan points out, "Your business network -- customers, suppliers, vendors, advisors -- all want to see your business succeed. Reach out to them frequently and be candid about any obstacles you are facing. They may be able to assist with discounts, financing needs and advice that can help get your business over any hurdles."

### 5. Stop and Think

Perform a year end self-assessment - Given all of the unique challenges businesses faced in 2020, it is smart to review how your business is performing and ask yourself if you have the capital, staff and resources for a successful 2021?

*"With all the factors facing businesses today, it's vital owners and managers complete an honest, year-end assessment," said Miller. "Make a list of what you did well and what you need to do better in the coming year and use it to help make improvements over the next 12 months."*

Have questions or interested in learning more?

Our business finance experts are available to help prepare you to go 12 rounds in 2021.

**CALL BANK OF LABOR AT 913.321.4242.**