# Small Business Survival Check List

## Be proactive in addressing the following areas:

- *Solve the Cash Crisis*
- *Get Control of Your Finances and Look at Your Costs*
- *Improve Efficiencies*
- *Refocus on the Market and Initiate Low Cost Marketing Programs*
- *Address Personal and Personnel Issues*
- *Strengthen Your Business Relationships*

## Solve Any Immediate Cash Crisis

- Organize financial data in one place
- Make a list of the problem areas
- Set priorities for collections and payables
- Determine next day's tasks each night
- Set time frame and goals for cash management
- Call for professional assistance

## Collect Accounts Receivable

- Bill customers as soon as possible
- Use aging reports to manage and project cash flow
- Collect everything now
- Call everyone -- Don't wait
- Begin collection for overdue accounts approaching 90 days
- Pick up large checks in person, if possible
- What to say? Contact for specific suggestions
- Set firm credit policies
- Require cash payment at time of service
- Make all invoices due within 30 days
- Send collection letters at 30/45/60 days
- Place overdue accounts on COD

## Contact Creditors

- Prioritize who to pay first -- for example, IRS, bank, landlord
- Complete a cash flow forecast before setting a payment plan
- Talk to decision makers and keep in constant touch
- Offer partial payments, if possible
- Keep payment promises
- Get professional help with projections and negotiation strategies

## Lenders

- Renegotiate existing loan terms
- Consolidate debt
- Request interest only payments
- Past due taxes
- Contact all agencies immediately
- Respond to tax collection letter promptly
- Complete cash flow forecast before agreeing to a payment schedule

## Adjust Prices and Reduce Costs

- Be competitive in pricing and value
- Revise pricing to improve sales and profits
- Charge extra for emergencies, deliveries and other value-added services
- Eliminate discounts and giveaways
- Ask landlord for rent reduction or restructure to allow a short abatement period
- Rent out unused space
- Reduce personnel expenses -- for example, hire part-time, use interns, eliminate overtime
- Ask vendors / suppliers for trade discounts
- Reduce personal expenditures -- for example, travel, and entertainment
- Sell unproductive assets

## Manage Inventory

- Review inventory levels every month
- Liquidate everything that has been on the shelves over 90 days
- Sell outdated items at cost, if necessary
- Restock shelves with faster-selling items
- Buy using "Just-In-Time" ordering processes, if possible

## Require Accurate and Timely Accounting

- Create and interpret financial statements
- Get involved -- bookkeepers and accountants can't do it all for you
- Review financial statements regularly to make timely management decisions
- Forecast short term cash flow
- Call for professional assistance

## Establish Checks and Balances

- Implement financial controls
- Enforce cash handling policies
- Review financial reports every month
- Reconcile daily register close-out with bank deposits and credit card transmittals
- Prevent opportunities for embezzlement
- Divide financial responsibilities and functions
- Require checks to have two signatures, if possible
- Limit check endorsements to the owner
- Examine payroll records for accuracy

## Focus on Marketing

- Redefine the core target market and think about a "niche focus"
- Look for complementary areas requiring minimum start-up capital
- Reassess your marketing strategy, does it include digital marketing?
- Continue to invest marketing dollars
- Understand that carefully invested marketing dollars and active business promotion will only generate more sales
- Keep in touch with current and past customers
- Thank them for their business
- Suggest another specific product or service
- Ask for referrals
- Repackage services to accommodate smaller clients and reduced budgets
- Examine the best and least costly way to contact customers
- Find the "hook" that will trigger a response
- Watch for new trends and look for opportunities to provide solutions

Note -These are only interim steps -- not the marketing plan

## Pay Attention to Your Retail Image

- Appearance counts -- clean it and paint it
- Keep window displays fresh
- Add lighting to highlight product displays
- Clean or install new carpet
- Remerchandise products and shelving
- Install attractive and descriptive signage
- Train employees to deliver top notch customer service

## Set Critical Business Policies

- Decide on behavior that is essential for business success
- Set policies for customers and suppliers that will contribute to your success
- Set policies for employee behavior that meet customer expectations
- Hold everyone accountable

## Be an Effective Business Owner

- Refine your business skills
- Attend workshops in subject areas where you need support
- Invest time in solving problems
- Make a commitment to improve
- Practice what you preach
- Communicate with customers, employees and suppliers
- Talk with other business owners -- you are not alone
- Seek professional consultation

---

**Business Support Services (BSS) Northwest, LLC** is dedicated to helping small business owners *Survive, Thrive and Prosper*. For more than 30 years we have offered business owners affordable solutions to streamline their business and increase efficiency.

Call us at 360.733.5530 … We Want to Help!

BSSNW's ProFound Impact - Business Coach and QuickBooks Expert, Chris McGee has consulted business owners and operators all over the USA, for over 20 years**.** To schedule a meeting with Chris call him anytime at 360.303.5798 and/or visit www.PFICoach.com for QuickBooks Tips, Upcoming Classes and Regional Events.

---

Acknowledgements: The information for this page was developed by John W. Parker, Jr., Business Analyst at the Alexandria, Virginia SBDC. This material has also been published by the Virgina SBDC Network and the South-West Texas Border SBDC Network. (Source: America's Network of Small Business Development Centers - http://www.asbdc-us.org/Tips_for_an_Economic_Downturn_2.html)