

Crisis Check List for Your Business



There's nothing like a crisis to sharpen the mind and create focus. Here in the Upper Peninsula, every single business is important to our communities. Our team has put together a few ideas that you can work through as a business owner to help ease some strain on your business. Please let us know about other things you're doing to survive this unprecedented challenge so that we can share them with fellow entrepreneurs. We will get through this by helping each other.

Five Ways to Control the Things You Can

Managing your cash is always important, but during a crisis it's more than important - it's a necessity. Here are of five things you can do that may help with your cash management:

- Expenses** – time to reduce or remove. Now is the time for you as a business owner to take a hard look at all of your expenses and decide what expenses are necessary, what expense can be reduced, deferred, or cut all together.
- Got debt?** Ask your lending partners if interest only or deferred payments on outstanding debts is possible.
- Reduce your rent.** Ask your property owner if you can defer or reduce rent payments.
- Call your vendors** and ask for longer payment terms. (It never hurts to ask)
- If possible, draw down available **lines of credit** and place the funds in interest bearing accounts.
- Become a **cash flow super star**. Do monthly, weekly or daily statements of cash flow. Laser sharp focus on where each of your dollars comes in and goes out will help you keep as strong of cash position as possible. Here is an easy to use Google Sheet [cash flow template](#) – you can use this template to create monthly, weekly and daily cash flow statements.

Five Alternatives to Bring in Cash

Now is a good time to evaluate additional revenue streams to generate cash.

- Take a look at existing company assets** – both fixed and human. Evaluate if slight pivots could be made to create a new form of income.
 - a. If you are a restaurant, could you start doing delivery?
 - i. How would that work?
 - ii. Should you charge for delivery?

b. If you are coffee shop with no drive thru – could you offer to bring customers' orders out to their car - ala – drive-in style?

Leverage technology.

a. If you are a restaurant or retailer, look at online ordering options with pickup or local delivery.

b. If you are an accountant, attorney or financial advisor checkout one of the many free or low-cost video conferencing options which allows easy “face to face” communication with your clients.

i. [Zoom](#) offers unlimited one on one video conferencing for free for 2 or fewer users. Paid accounts for 3 or more attendees are available.

ii. [Uber Conference](#) gives you free 45-minute meetings for up to 10 participants.

iii. There are a host of tech tools to meet this need. [Skype](#), [GoToMeeting](#), FaceTime, Facebook Live.

Got merchandise? Ask your customers to support you through this tough time by buying a hat, tshirt, or some other option to be fulfilled at a later date.

Send invoices digitally and allow your customers to pay without visiting your store or location. There are many low-cost online invoicing systems which allows you to send invoices and get paid online, here a just a couple:

a. [Wave Apps](#)

b. [Invoicely](#)

Offer discounts. The 2 – 10 Net 30 payment term would allow payment at a 2% discount if paid within 10 days, full payment due within the normal 30-day term for example...depending on what your receivable period normally is.

Five Marketing and Promotion Options

During these crazy times being transparent and speaking to your customers is as important as ever.

Communicate honestly. Speak to your customers directly through social media, direct marketing, or direct email. Create daily points of contact and let them know what steps you are taking to keep your employees and customers safe.

Call to action. If you don't ask, you probably won't receive. Ask customers to support your business. Tell them how to best support you.

Offer gift certificates as a way for patrons to support you now. Let your customers know that they can purchase gift cards or gift certificates from you now for use at a later date. You may want to consider offering discounted gift cards, for example purchase a gift card with a \$100 face value for \$75. If you have a website, consider adding an online store with digital gift certificates as a product. If you can't use your website for this function check out [Gift Up](#), or

Square. If this option doesn't work the phone still works...just create a system to track payments and redemptions of gift certificates.

- Pre-Payment.** Like the gift card model, pre-payment of products and services will help you get cash in the door for fulfillment in the future, but make sure you track your commitments if you choose to take advantage of pre-payments.
- Focus on your existing customers.** Acquiring new customer is expensive, harder, and more time consuming. Update existing customers on changes to your business and how it will affect them. Being proactive and having direct lines of communications with your existing customers will build and sustain long term customer loyalty.

These lists and tools are not magic bullets, but there may be one or two items that you can focus on. If you need help applying them to your business or are looking for other generalized business help, please contact the staff at the Lake Superior Community Partnership.

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Warning

Crisis situations bring out the best in us. We're so proud of the businesses throughout the region who have already stepped up to help each other, help their employees and help those in our communities who are most in need during this crisis. Unfortunately, crisis situations also bring out the scam artists, so be careful and do business with those who you trust.



Thank you to our friends at Grow Great Falls Montana for sharing this resource with the business folks of the Upper Peninsula!