

# THE MONTHLY CEO ADVISORY™

*revenue*

A close-up photograph of a person's hand in a white dress shirt, holding a white marker and drawing a thick red arrow that curves upwards and to the right. The background is a blurred office setting.

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Dear Friends,

I am pleased to provide you with the May 2020 issue of **The Monthly CEO Advisory**. This is our fifth issue and we continue to reach and impact thousands of CEOs, Presidents, Business Owners and Leaders.

In my life I have been called a lot of things, but the one I am most proud of is being called an Optimist. The title of my article this month is "There Will Be Better Days Ahead" and I believe that with every fiber in my body.

Some of you know that I am a cancer survivor. When I was going through ten months of surgeries and treatments, three things kept me going. The first was my faith. The second was love of my wife, son, daughter-in-law, our two granddaughters along with the support and acts of kindness from my neighbors and friends, my clients and the many healthcare professionals who took great care of me.

The third was a quote from Admiral James Stockdale, who was highlighted in Jim Collins best-selling book Good to Great. The quote referred to the Admiral's philosophy when he was in a North Vietnamese POW camp: "You must never confuse faith that you will prevail in the end – which you can never afford to lose – with the discipline to confront the most brutal facts of your current reality – whatever they might be."

So, as we go along the path of issues, concerns and uncertainty about Covid-19, I ask you to have and keep faith in yourself, your employees, your clients, your suppliers and business partners because we will prevail. We will get through this. But in the meantime, confront and deal with what needs to be addressed.

Enjoy the articles that follow. The contributors to this monthly publication are the best in their respective businesses. If you need help, please reach out to them.

Thank you for allowing us to be part of your continuing business education, growth and success. Stay safe.

Sincerely,

*Ken Keller*

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# Business Growth Opportunities to Consider in 2020

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The Monthly CEO Advisory is a publication for business leaders. Please enjoy the articles, send us any suggestions of topics you would like to see covered and pass this on to others so that they might benefit. Thank you. Ken Keller

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# BUSINESS GROWTH & PROFITS

## THERE WILL BE BETTER DAYS AHEAD

People in business abhor uncertainty. The wild swings in the stock markets signal that there is a lack of clarity about what this country, and the rest of the world, are going through; how long it will take to get back to normal, and what will be the new normal.

As the CEO, you need to have some degree of confidence about the marketplace and the ability of your company to deliver on promises made.

Your employees want to know that they will have a stable job and a steady paycheck to provide for their loved ones.

Your clients want assurance that what they are buying will be delivered on time, as ordered and agreed to.

Your suppliers and partners need to know that there is an acceptable level of stability in your business.

For the last eight plus weeks, few

have any of the reassurances that they need.

So, as the flight crew says, more often than we like to hear it: "Pull your seat belts tight because it will be a bumpy ride."

I know from first-hand experience how uncomfortable flying through turbulence can be and I am no fan of it. (Some people actually enjoy rough rides on a plane, go figure).

Because I bet my life on the fact that the plane I am on will land, safely, and once on the ground I will continue on with my life.

So, as I death grip the arm rests and practice my breathing techniques to keep my anxiety down in between the silent prayers I am saying to God for a smoother flight, I visualize what I will do when I land; who will I be with, what will we be doing, what kind of fun things do I have to look forward to.

And that is the advice I want to share with you.

In our toughest times in this country (such as the Great Depression;

Pearl Harbor, WW2; 9/11, the Great Recession) we've always been able to believe in and see better days ahead. And so we will in time with the passing of Covid-19.

In the meantime, while we're dealing with all the never before in our lifetime regulations about staying at home, staying away from others; wearing facemasks; wiping every surface down with disinfecting wipes and hoping and praying that no one else gets this virus, it is the right time to start thinking ahead to the day when the green light gets turned on and you can be back in business.

I want you to use this time to think about, consider, the future of your company. What will you continue doing? What will you cease (stop) doing? What will you commence (start) doing?

If things opened up (however that is defined) on May 15, or on June 1, or on June 15, or July 1, are you going to be reactive or proactive?

Because, just like you should have both a Business Continuity Plan and a Disaster Recovery Plan, you must have a Green Light or GO Plan to get you back in business.

As the CEO, you need to use this opportunity, this slow down, to shape your company for the future and the growth it can enjoy.

Use this time wisely. It is a gift not often given to leaders.



### Ken Keller

I work with Business Owners, CEOs and Presidents leading companies with 20 or more employees, providing advice to increase revenue, decrease costs and improve profitability.

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# COMMERCIAL REAL ESTATE

## THE OFFICE SPACE MARKET AND COVID -19

### LEASE RESTRUCTURING AND EXTENSION

The talk about Landlords abating rent, discounting rent, deferring rent, rent forgiveness and Tenants not paying rent is not as simple as the media presents. Landlords are requiring detailed financial data, information if the CARES Act and other available resources have been exhausted, tax returns and a narrative of why and how the Tenant's business is impacted. The process is extended and long.

As the income stream of rent creates the value of the asset, Landlords are very reluctant to discount the value of their properties. The length of a lease, the "lease term", is a key metric in office leasing.

*Leases expiring within two years may have an opportunity to restructure an existing lease by providing the Landlord with additional term. A lease "restructuring and extension" provides for the shifting of dollars to other time periods and could provide cash flow relief.*

Prior to Covid-19 the market was a Landlord market with low vacancy, high pricing, and minimal concessions. With the government mandated shelter in place, many occupiers of office space are concluding their organizations can have a smaller footprint of leased space, with a portion of a tenant's employees working remotely, split shifts, providing a "drop in" office or conference room, known as

"Hoteling" and overall smaller offices. Offices will remain a social space where innovative ideas are generated from. Tenants will be smarter in their operations and want great space in which to gather and collaborate, while balancing with social distancing.

There will be more office space that is vacant due to Covid-19, which will cause a drop in pricing and an increase in concessions. The office vacancy market will be increased further by the leases secured by Coworking providers.

The landscape changer in the office space arena the past few years has been the collaborative, creative, Coworking model, which is the reinvented executive suite concept. Lease space for an hour, a month, a year or longer and simply bring your pencil. The flexibility provided by this concept was very desirable to the Tenant market. This flexibility came with pricing two times what a direct lease would cost. The tradeoff being the short term versus the long-term commitment of three to five years a direct lease has historically required.

The executive suite concept is not new, however the enhanced model of today with developing a "community" to foster commerce, coupled with state of the art environments with art filled lounges creating a "vibrant business scene" with glass walls is distinctly different from identical offices lining a hallway, the executive suites of



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the past.

The Coworking concept provides a dense population environment that will be problematic in the Covid-19 world. Revenues are dependent up density of the Coworking model. The assets that leased to Coworking enterprise such as WeWork will be challenged.

Covid-19 will provide opportunities to Tenants to lower their occupancy cost. In addition to direct leases, there will be numerous subleases that Tenants may also consider. A restructuring and extension of an existing lease is an avenue Tenants should consider providing cash flow relief in the short term.

Mazirow Commercial can assist you with exploring a lease restructuring and extension, please do not hesitate to call upon us.

365 days a year, Mazirow Commercial negotiates leases. The Landlord is fully informed, are you?

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# COMMERCIAL INSURANCE

## IDEAS FOR AFFECTING COMMERCIAL INSURANCE PREMIUM REDUCTIONS - RIGHT NOW

Commercial insurance carriers in California have until June 12th to submit their plans for returning premium to policyholders that have incurred a substantial reduction in premium rating base, due to the Covid-19 virus. They will then have until mid-August to release their "initial premium refund". While this is a good first step, the reality for many businesses is that their rating base (revenue, payrolls, mileage driven and others) will continue to be lower than initially anticipated, well beyond the date the Governor lifts the shelter-in-place edict.

What can commercial insurance brokers do, right now, to help their clients that know they will continue to incur *substantial and quantifiable* reductions in their rating base for an extended time?

### Take advantage of the 60-day premium payment grace period



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**mandated by the Governor in March.** Have your broker request a 60 day or even a 90-day suspension of payments. This will provide some financial breathing room and give you time to take other actions to reduce premiums and payments.

**Ask for additional payments.** Many carriers and premium finance companies are open to reducing the amount of each future payment by adding one or two additional payments to the back end of their payment plans.

**Request a mid-term adjustment in annual premium.** Don't wait for the final policy audit to reflect the reduced rating base. If you are early in the 12-month policy period, your broker should request a one-time annual premium recalculation. To be successful, it's best to provide the carrier with information and materials to support the reduced rating base you are asking them to use.

**Consider reducing property limits.** Businesses that foresee a *prolonged and substantial* reduction

in revenue, may also see a resultant reduction in their stock and materials. Additionally, a substantial reduction in revenue and/or payroll will impact your Loss of Income coverage limit. Work with your broker to complete a new Business Income Worksheet, and establish what your updated and accurate Loss of Income limit should be going forward. If the new limit for Business Personal Property (BPP) and/or Loss of Income are *substantially* lower than your current limits, have the carrier reduce them by endorsement. This will generate a premium credit on your Package and Earthquake policies.

**Take commercial vehicles off the road and remove the Auto Liability coverage.** Consider laying certain vehicles up and removing the Auto Liability coverage. This approach only works if the coverage is removed for an extended period – not just a few months. Have your broker explain the coverage ramifications of taking this approach and communicate your intentions clearly with the carrier.

Many insurance carriers are open to discussing creative ideas like these. However, they are being inundated with individual requests for adjustments, so response times may be slow. Be patient, and work closely with your broker to get the financial relief you are looking for.

# HUMAN RESOURCES COMPLIANCE

## EMPLOYMENT LAWSUITS ARE EXPECTED TO RISE DRAMATICALLY DUE TO COVID-19

Employers have a lot on their minds right now, but they should pay close attention to ensure their actions don't trigger trouble down the road.

I have heard from 3 employment law firms in the past few weeks that plaintiff law firms are busier than ever with employees who want to sue over layoffs, terminations, furloughs, reduction in hours and reduction in pay.

### 1. WAGE & HOUR CLAIMS

With the sudden and unplanned switch to work-from-home arrangements, companies may not have had time to adequately spell out policies and expectations for employees

As a result of employees working remotely, standard operating procedures and controls relating to meal

and rest breaks have been disrupted. A lack of adequate recordkeeping and oversight increases the risk of wage and hour claims, including overtime pay. In addition, the use of personal computers for business purposes triggers questions and claims relating to companies' reimbursement policies with respect to cell phone use, internet charges, among many others.

### 2. EMPLOYEE SAFETY AND CLAIMS

Companies have been required to balance urgent business needs with employee health and safety during the crisis. There will likely be class action & PAGA lawsuits relating to exposure to the virus in the workplace. There is also the possibility of work comp issues for employees who are exposed to the virus at work or are injured in their own homes during remote work hours.

### 3. ERISA CLAIMS

The stock markets have taken a wild ride in the past few weeks. 401(k) plans have taken a major hit across the board, and some people will be wondering if their advisors should have been doing more to protect them against any loss. Any down market prompts greater scrutiny of past fiduciary decisions.

### 4. HIPAA AND EMPLOYEE MEDICAL PRIVACY CLAIMS

One of your team members notifies you that they've tested positive for COVID-19.

- What do you do?
- Do you share this information publicly with the rest of the team so they're aware of their own exposure?
- How you handle employees' medical information will undoubtedly come under scrutiny in the coming months.

Companies have a legal obligation

under HIPAA to protect Protected Health Information (PHI) and Non-Public Private Information (NPPI). Employee privacy claims are likely to follow as the way companies handle sensitive information concerning employees' health and medical diagnosis is questioned.

### 5. DISPARATE IMPACT LAYOFFS CLAIMS

For many companies, layoffs and downsizing will be unavoidable in the coming months. What can be avoided though, are claims of discrimination, if such layoffs are carefully and prudently planned.

As companies address the need for layoffs the disparate impact of decisions on who is retained and who is terminated will face scrutiny, opening the door to possible claims of age discrimination and the possibility of claims around race, national origin, sex and retaliation.

### TIPS FOR EMPLOYERS

- Create remote work policies including timekeeping and meal and rest break rules
- Keep track of who is working remotely and regulate their access levels
- Keep logs of remote access activity
- IT should configure all devices before allowing them access to your network
- Have each employee sign a Confidentiality Agreement
- Create a BYOD (Bring Your Own Device) Agreement
- Have a Media Sanitization Policy that indicates how employees should dispose of company information including PHI and NPPI
- Train staff on how to recognize social engineering attacks
- Ensure that your VPN and other remote systems are secure
- Enhance system monitoring



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I work with Top Executives of companies with 20-2000 employees, providing HR solutions in compliance, Affirmative Action Plans, technology, policies & procedures, handbooks, workplace investigations and harassment hotlines.

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# MANUFACTURING EXCELLENCE

## PREPARING FOR A “NEW NORMAL”

Whether your manufacturing organization is continuing to operate, or if you are temporarily shut-down, it may be time to begin formalizing new operating procedures in the COVID 19 era.

For those who are continuing to operate, you have already put into place temporary measures to protect the health and safety of your employees. If your operation is in temporary shut-down, what measures will need to be put in place as your re-start operations?

Whether you will be re-opening your facility or continuing operations, there will remain the on-going risk of employees testing positive for COVID 19. Current reports indicate 80% of those testing positive have mild or no symptoms. These employees will not be able to be physically present, but are ready and willing to work.

While you can't “build jets at home,” there are many desk-bound tasks our key employees perform on a regular basis. It may be time to establish formal policies and procedures for home office work, including connectivity, hardware, software, and wage and

hour policies for home workers. With a little creativity, many critical functions including machine programming, purchasing, production scheduling, accounting, etc. can be effectively performed from the home office. Do we have these mechanisms in place to minimize disruptions when a key employee notifies us he/she has tested positive and will be quarantined for the next 2-3 weeks?

For those employees who continue to work on-site, it may be time to come to terms with the reality that many of our “temporary” measures may become the new normal. Here is a list of suggestions to help you think through possible areas for action.

- Review attendance policies, paid-time-off, vacation and sick leave policies. How can you restructure your policies to adapt to an evolving regulatory environment, maintain the financial health of your business while supporting the needs of your employees?
- Instituting an on-going health awareness and training program. While everyone is focused on social

distancing and hygiene in the short term, how will your organization sustain this effort over time?

- Re-evaluating shift structures to minimize the number of staff in the facility at any time. This could include staggered shifts (Monday thru Thursday / Friday through Sunday), optimizing shift transition periods to minimize face-to-face interaction between shifts, moving day shift workers to night shift, etc.
- Beefing up cross-training to ensure there are no single points of failure in your staff structure.
- Structured maintenance procedures for cleaning and sanitizing.
- Replacing large “town hall” meetings and department huddles with alternatives, including videos, multiple small group meetings with appropriate social distancing, and electronic communication.
- Monitoring and educating visitors including vendors, customers, consultants, etc. How will you revise your access control procedures to ensure visitors are healthy and aware of your internal rules of conduct?

Sooner or later, the “shelter in place” restrictions will be lifted. As these are lifted, however, the risk to our manufacturing operations is not lifted. The threat of lost productivity due to COVID 19 will remain for some time to come. Let's use this time to position ourselves for this new reality.



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# INFORMATION TECHNOLOGY

## TIPS TO SPOT ONLINE SCAMMERS DURING THE COVID-19 PANDEMIC

As with other wide-scale events, scammers are taking advantage of the feeling of urgency and demand for information around the COVID-19 Pandemic. Luckily, the tactics they're using are mostly ploys we've seen and heard before. The best defense against scammers is to keep a healthy dose of skepticism about emails, phone calls, text messages, and social media links you receive.

One way scammers are luring people in is by offering limited supply items, like toilet paper, hand sanitizer, or masks. If you click links or open attachments in these emails, you open yourself up to the possibility of having malicious software installed on your computer, get hit with ransomware and held hostage, or end up with unwanted charges on your credit card.

One of the tactics scammers use is to send phishing email messages or text messages using familiar company or government agency names luring you into clicking links or opening attachments. Once the link is clicked or the attachment is opened, you're asked to disclose sensitive information, such as your social security number, account number, or username and password.

Clicking on a bad link or attachment can easily result in someone gaining remote control of your computer or webcam or stealing keystrokes or files. Emotet is a common malware which not only impacts your device, it propagates to other devices deploying ransomware or malware stealing user credentials, browser history and sensitive docu-

ments. The harvested data is then used to send spam and malware to other email accounts, literally acting like a virus.

A current phone scam targeting individuals working from home is a purported call from your IT department asking for credentials. Some variations of this call may attempt to coax you into granting remote access to your machine. Just say no!

Here are some tell-tale cues for recognizing and protecting yourself from COVID-19 phishing scams:

**GENERIC GREETINGS:** the use of "sir/madam" or "resident" is indicative of a phishing attempt.

**URGENCY:** Despite the speed with which the pandemic has escalated, avoid messages that insist you act urgently. Slow down and analyze the message thoroughly.

**SPELLING AND GRAMMATICAL ERRORS:** If an email has errors, especially if it appears to be from an official entity or business, it's probably a phishing attempt.

**VERIFY EMAIL ADDRESSES AND LINKS IN EMAIL MESSAGES:** Hover over any suspect email address or link to ensure the domain matches the entity they are purporting to represent (ie: email messages from and links to the CDC should end in "cdc.gov"). Use caution, sometimes scammers create fake addresses that closely resemble the legitimate web address. Look closely and make sure.



## Craig Pollack

### FOUNDER & CEO

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"IT The Way It's Supposed To Be!"  
FPA provides fixed fee, worry free IT services focused on professional services firms such as RIAs, CPAs, Business Managers, Legal, Insurance, as well as Manufacturers & Distributors and Non-Profits.

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**USE INDEPENDENTLY IDENTIFIED SOURCES:** If you think a message or link may be legitimate, it's best to use a website address you already have or that you have researched independently.

**KEEP PERSONAL INFORMATION PERSONAL:** Don't give out personal information on the phone and don't call a number provided to you in a text or email. Call the company back at a number you've used before or that you've found independently.

**DON'T CLICK:** Don't click on links in text messages or emails. Manually type in the website address you're familiar with or call the sender at a number you know or find independently to verify the legitimacy of the text or email.

In the end, protecting yourself and your staff from coronavirus-themed scams is the same as protecting yourself from any other scam. Slow down, look carefully, do some research and employ a generous use of the <Delete> key.

# COMPANY BENEFITS

## WHY YOU NEED TO IMPROVE YOUR EMPLOYEE BENEFITS COMMUNICATION

Communication is definitely more art than science. And when it comes to employee benefits, there are several reasons to start mastering both the art and science of communicating with your employees.

Here are five key reasons to up your communication game.

### 1. EMPLOYEES CARE MORE THAN EVER.

As healthcare coverage become increasingly expensive, employees are paying close attention to their benefits. High deductible plans and tight economic situations have made people more sensitive to out-of-pocket costs and more interested in what employers have to offer. As benefits become more meaningful and valuable to employees, a quality benefits program plays a more significant role in employee attraction, engagement, retention, and satisfaction.

### 2. OUR HEALTHCARE SYSTEM IS IN A CONSTANT STATE OF FLUX.

You know that feeling you get when the healthcare landscape is forever shifting beneath your business? Your employees have that same feeling. Taking their benefits for granted is no longer an option. Employees know it could change at any minute, and they are going to be looking to their employers, not just for coverage, but for reassurance.

The best employers will take a proactive approach in communicating with employees about their benefits. This is a golden opportunity for

employers to help alleviate some of the fear and confusion around health insurance while reinforcing the value they are offering.

### 3. THE BENEFITS YOU OFFER NEED TO BE USED.

Employees who have modest, but well communicated employee benefits consistently place a higher value on their program than those who have extremely rich, but poorly communicated programs. If your employees don't understand what you're giving them, they can't possibly comprehend the value.

By communicating your benefits plan clearly and often, you've given your employees a better understanding of its value and the tools to make better benefits decisions.

### 4. EXPECTATIONS HAVE CHANGED.

Like it or not, we all expect to be updated and communicated with constantly and in real time. The traditional methods of communicating with employees are no longer enough. Making the most of your communication and technology resources to get information to employees in creative, timely ways will keep your employees informed and, more importantly, build trust.

### 5. EMPLOYEES HAVE MORE DECISION POWER.

There was a time when employees stuck with their companies out of loyalty. But with the unemployment rate at

an all-time low, this is no longer the case. In a tight labor market, good employees are hard to find, and even harder to keep.

Transparency and communication will help your staff feel like a valued and integral part of your organization and its future. Companies can no longer think about benefits communication as an annual event. It must be an ongoing endeavor, and a constant reminder that you care.

### MAKE COMMUNICATION YOUR PRIORITY!

There are many ways to educate your team about their employee benefits. Options are as diverse as your workforce. From old-school printouts to individual or team meetings to emails, apps, and games, the more accessible and pleasant you make it, the more your staff is likely to pay attention.

Don't let another year slip by with minimal bits of benefits information leaking out to your team. Commit to delivering consistent, year-round messaging about the specifics of your plan and how your employees can access care when they need it.

An investment in benefits communication is an investment in the overall health of your employees.



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# CFO Insights

## FOUR ESSENTIAL CASH FLOW METRICS YOU NEED TODAY

Cash is king! We are sure every business owner has heard that refrain, but it is even truer today than ever before. This article covers the four metrics every business owner should know, be able to compute and evaluate against their own industry benchmarks. I know that is a mouthful, but it is very important to your success.



### Chase Morrison

I provide CFO services to manufacturing and distribution companies with revenues ranging from \$5M to \$40M in revenue, with a focus on helping clients better utilize their ERP/accounting systems to overcome barriers to growth and profitability.

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#### #1 DAYS SALES RECEIVABLE (DSR)

DSR is computed by dividing month-end accounts receivable by your daily average sales. Typically, the sales average is computed using a rolling 12-month history. DSR reflects the number of days of sales you have committed on your balance sheet. The fewer days the better. A DSR of 45 days indicates collections average about 45 days.

#### #2 DAYS INVENTORY ON HAND (DIOH)

DIOH is computed by dividing month-end inventory by your daily average cost of goods. Like DSR, you want to use a rolling 12-month average of daily cost of goods. DIOH is an estimate of the number of days, given your average sales, to completely deplete your inventory. Fewer days are better. A DIOH of 180 indicates it would take 6 months to deplete the inventory on hand today.

#### #3 DAYS PAYABLE OUTSTANDING (DPO)

DPO is computed by dividing month-end accounts payable by your daily average disbursements. Disbursements are all checks, wires, etc. issued

through your bank account. DPO is an estimate of the number of days of outstanding liabilities you have accumulated. In this case, the greater the days, the better. A DPO of 60 indicates you have accumulated 2 months of future disbursements on your balance sheet.

#### #4 CASH CYCLE

Your Cash Cycle pulls all three metrics into one. The formula is  $DSR + DIOH - DPO = \text{Cash Cycle}$ . Using the numbers above we get a Cash Cycle of 165 Days. The fewer the better. A 165 day cash cycle indicates that it takes your business 165 days from the day you disburse \$1 to the day you are able to collect that \$1 from a customer. Is 165 days a lot? This depends on your industry. As an example, Walmart operates with a negative days cash cycle, which means their vendors are effectively their lenders.

If you need help determining your metrics and building dashboards to help manage your cash flow, feel free to reach out. We help our clients fuel intelligent growth!

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# ALTERNATIVE FINANCING



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## SMALL BUSINESSES BENEFIT FROM WORKING WITH A BUSINESS FINANCE BROKER

We are collectively experiencing an unprecedented time in American history. Just recently, we learned that funds from the SBA's newly released Payroll Protection Program are already exhausted. The SBA can no longer accept new applications or enroll new PPP lenders until more money is appropriated by the government.

This program was a monumental undertaking and there were problems from day 1. Unfortunately, it looks like very little money made it out to Main Street. Funding sources that are still pitching this program are likely just putting you in a queue and gathering information for marketing purposes down the road. There is nothing they can do until this gets resolved.

By the time this article gets published, things will likely have changed. Every day, especially now, presents new challenges. How is a small business owner struggling to run a business supposed to know what to do? A business finance broker can help.

### KNOWLEDGE OF THE MARKET

A finance broker specializes in funding options for businesses. It's our job to stay on top of what's going on in the industry, of what lenders get deals done and for who and at what rate. You do not sign an exclusive agreement and you are still free to shop the market. Why wouldn't you want input from an experienced advisor?

### FEES PAID BY THE LENDERS

Our fee is paid by the lenders. Most alternative finance lenders don't have a large business development staff and they rely on broker referrals to grow their portfolio.

We don't charge a separate success fee or consulting fee. There is no risk to you.

### SAVE TIME

Busy entrepreneurs want to focus more on building their business (or in this climate maybe saving their business) than on searching for a loan. A good broker can help find the best funding option for the business. No need to fill out that same application for compile those same financials for multiple lenders. Your broker can help manage that process for you.

### MULTIPLE FUNDING OPTIONS

Alternative funding had seen massive growth over the past few years. Obviously now, even in this space, lenders are tightening up. But it's important to know what's available. If you talk to a lender directly, they will naturally try to sell you one of their programs (if it's available). But which one is right for you? In the past 18 years, we have established a network of the industry's most aggressive resources for funding businesses that don't always fit a traditional banking mold. We look at options based on your need and the financial condition of the company today. Give us a call today to talk about what may be available to you now.

- Factoring
- Asset Based Lending
- SBA loans
- Merchant Cash Advances
- Equipment Financing
- & more.....

# SALES MANAGEMENT

## CREATE AN EFFECTIVE CRISIS SALES PLAN.

Here's an action plan to help you implement a new sales plan in times of crisis:

### HAVE A STANDARD SALES PLAN IN PLACE

Can you continue selling in a crisis? Yes, but before you can change your sales plan, of course, you must have a strong and reliable standard sales plan already in place. Consider that standard plan a good baseline from which you can create an effective Crisis Sales Plan.

So, how can you adapt your standard sales plan into an effective Crisis Sales Plan? Here are six essential steps:

### 1. IDENTIFY THE TYPE AND SCOPE OF CRISIS

Crises can be local and of short duration, global and long-lasting, and every variation in between. Perhaps the crisis is the result of an act of terrorism, or biological in nature, such as the global novel [Coronavirus pandemic](#).

The type of crisis will help determine proper response – everything from the timing of resumption of sales efforts to employee work environments to your communications throughout the crisis period.

### 2. DETERMINE THE LIKELY DURATION OF THE CRISIS

In a long term crisis you will need to adapt your standard sales plan. Increased communication is always essential, but you might not need to significantly alter your sales strategies, processes, goals, or measures.

But if the crisis extends for weeks, months, or longer, your standard sales plan will most likely need a serious overhaul.

### 3. IMPLEMENT CHANGES TO YOUR SALES PLAN AS NECESSARY

The type and duration of the crisis will help guide appropriate responses, modifications, and communications. In lockstep with your company's overall Crisis Management Plan, implement changes to your sales plan as necessary and appropriate.

### 4. COMMUNICATE AND MOTIVATE THROUGHOUT THE CRISIS

It is critical to ramp up communications during and after a crisis. Include all stakeholders in your communications efforts, from sales team members to other company employees to company management and suppliers. Don't forget to keep your customers informed as well.

Click [here](#) for a sample crisis checklist on *How to Keep Your Sales Team Motivated*.

### 5. REFINE YOUR SALES PLAN AS NECESSARY DURING THE CRISIS PERIOD

Don't just implement changes and consider your work done. It is critical to *continue to assess the effectiveness of your sales plan throughout the crisis period* and refine your Crisis Sales Plan as necessary.

### 6. AFTER THE CRISIS ENDS, REVIEW YOUR CRISIS SALES PLAN FOR NECESSARY ENHANCEMENTS

Once the crisis ends, review your Crisis Sales Plan. Where was it effective? Where did it fall short? Did it evolve as necessary? Did it facilitate customer service and a continuation of sales operations? Use the answers to these and other questions to help you develop and strengthen your



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sales plan not only for a recurrence of a similar crisis, but for other foreseeable crises as well.

### BOTTOM LINE:

Can you continue selling in a crisis? Yes, but depending on many factors, you'll probably need to adapt your standard sales plan into a well-defined but flexible Crisis Sales Plan.

Overall, company crisis management strategies should certainly include plans for continuation of sales operations – even if the nature of those operations change during and perhaps after the crisis.

*Remember, during times of crisis, companies that are agile, creative, and quickly adapt their sales plans can continue to thrive.*

To learn more about how to establish a sales plan in times of crisis, [click here](#) to connect with me at [pmitchell@saesxceleration.com](mailto:pmitchell@saesxceleration.com), or call **310.946.9287**.



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## **HOW TO AVOID A BAD HIRE AND A LAWSUIT**

One long term client of mine uses the DISC assessment in all hiring decisions. The cost is minimal (just \$100 each) but the return on investment is priceless.

The company was looking to hire an account executive to manage relationships with long term clients. After identifying what appeared to be a strong candidate, they had him take the assessment. This is done on-line, in about 15 minutes, and the report is available in seconds.

Apparently, the candidate did not like what he was reading about himself in the report, so he took the assessment a second time.

Not satisfied with the results of the first two reports, the candidate proceeded to take the assessment another two times, hoping for a report that he could live with; one that painted him in a very favorable light.

The client and I were watching this unfold in real time; each time the candidate took the assessment we received a copy of his new report.

Funny thing is, the report didn't change, but that fact that the candidate took the assessment four times spoke volumes about him. The client did not hire the candidate and for the cost of four assessments (a total of \$400) they dodged a bullet. In fact, they avoided a costly shoot-out.

There is no doubt in my mind that if this individual had been hired, he would have been exposed as an Internal Terrorist and sooner or later, would have been terminated from the company. And, it is likely an unlawful termination lawsuit would have been filed against my client, which would have cost many thousands of dollars to fight or settle.

Whether you run a networking group, a non-profit, a Board of Directors, a baseball team or a company with one or ten thousand employees, using DISC simply makes good business sense.

If you're ready to improve your hiring, please call me and let's discuss what a cost-effective assessment would work best for your unique situation.

**Ken Keller**  
**Strategic Advisory Boards**  
**Ken.Keller@StrategicAdvisoryBoards.com**  
**Call 661.645.7086**



## A Laser Beam-Focused Workshop to Uncover Obstacles to Growth

### 10 Reasons to Get an X-Ray for Your Company Today

**ONE:** Walk away with a winning short-term and long-term view of your company's strengths and weaknesses and turn them into action steps.

**TWO:** Target what and where your key issues are: People, Process or Profit and gain insight on how to address them in order of priority.

**THREE:** Get your company focused on the right path to improving performance.

**FOUR:** Remove the hidden barriers that are causing performance to slump, people to disengage and profits to dwindle.

**FIVE:** Lock onto your five greatest challenges and take them on one by one until performance begins to improve.

**SIX:** Uncover the Rules of the Road for your stage of growth. Take a hard look at how well you have completed each Rule for your stage of growth. Based on our research not getting these done at the right time is a huge 'performance drainer' for all companies.

**SEVEN:** Learn the secret behind your builder / protector ratio (this is your 'confidence / caution quotient'). Find out why your employees are so uncomfortable with change. Figure out how to create an atmosphere of confidence with just the right amount of caution.

**EIGHT:** Create a "language of growth" that will resonate with every single employee, helping them to understand how they impact a company's profitability.

**NINE:** Learn how to maximize your company's ability to stay focused on the right things at the right time.

**TEN:** Determine if you are "running ahead of your headlights" and what that means to your business performance in the next 6 to 12 months.

**For a free consultation on this workshop, please contact Ken Keller.  
[Ken.Keller@StrategicAdvisoryBoards.com](mailto:Ken.Keller@StrategicAdvisoryBoards.com) or call 661.645.7086**



## TEN Attributes Gained from Zeroing in on Your Company's Profit Zone™ Program

**ONE:** Walk away with a winning short-term and long-term view of a company's strengths and weaknesses and turn them into action steps.

**TWO:** Begin the education of the management team on how they impact the company's bottom line.

**THREE:** Get the company focused on the right path to improving performance.

**FOUR:** Remove the hidden barriers that are causing performance to slump, people to disengage and profits to dwindle.

**FIVE:** Raise questions regarding financial aspects of a company that help identify areas of strengths and weaknesses.

**SIX:** Recognize the importance of the 9 activities that impact a company's profit zone.

**SEVEN:** Learn how every single person in the company can help improve profits and reduce costs.

**EIGHT:** Help each and every employee see how their job impacts the company's bottom line.

**NINE:** Reduce the unknown by creating a language around financials that help employees control their destiny.

**TEN:** Tap into the intelligence of employees as they discover new ways of understanding how their time, performance and productivity can help a company sustain profitability.

If you would like to learn more about the Profit Zone™ please contact Ken Keller at 661.645.7086



## **17 Benefits Your Participants will Gain from the PZ:**

1. Improve communications among key staff members which will improve team interaction.
2. Introduce a language of growth in order to engage every single employee in helping the company succeed.
3. Identify areas where understanding how each person impacts the company's bottom line will make significant changes in the company so that everyone can work with common goals and objectives.
4. Takes the fear and the unknown out of growing a business to provide a more targeted approach to specific growth issues.
5. Provides a well-thought out road map to maximize performance.
6. Helps improve a leader's ability to address conflict and reduce tension that leads to unproductive behaviors.
7. Uncovers key indicators to allow a company to identify areas of impact and benchmark performance.
8. Educates individuals on financial literacy concepts which can address the statistic that 71% of employees become disengaged from the company within 6 months after joining.
9. Provides critical financial management training that encourages managers to focus on empowering employees, leading to employee retention.
10. Allows people to get to the truth of all issues.
11. Become more focused on how to exceed customer success which will mitigate the chances of customer's migrating away.
12. Improve staff satisfaction and productivity.
13. Find closure from past issues.
14. Discover the next best thing to do that will increase performance.
15. Identify real issues based on factual, non-emotional insight through the use of self-diagnostic tools and assessments.
16. Creates a graphical overview of a company's vision for improvement, keeping key initiatives fresh and accessible.
17. Provides a step-by-step process to engage entire company in the planning process once key initiatives are created and shared with employees.

If you would like to learn more about the Profit Zone™ please contact Ken Keller at 661.645.7086