

Crisis Tool Kit for Your Business

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's a list of 5 things you can do that may help with your cash management.

1. **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 all cut all together.
2. **Got Debt?** Ask your lending partners if interest only or deferred payments on outstanding debts is possible.
3. **Reduce your rent.** Ask your landlord if you can defer or reduce rent payments.
4. **Call your vendors and ask for longer payment terms.** (File #2, #3 and #4 under the heading "It Never Hurts to Ask")
5. **If possible, draw down available lines of credit and place the funds in interest bearing accounts.**
6. **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's an easy to use [Google Sheet cashflow template](#) – you can use this template to create monthly, weekly and daily cashflow statements.

Five Alternatives to Bring in Cash

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

1. **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.
 - If you are a restaurant, could you start doing delivery?
 - How would that work?
 - Should you charge for delivery?
 - If you are coffee shop with no drive thru – could you offer to bring customers' orders out to their car – ala – car hop style?
2. **Leverage technology.**
 - If you are a restaurant or retailer, look at online ordering options with pickup or local delivery.
 - 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.
 - Zoom offers unlimited one on one video conferencing for free for 2 or fewer users. Paid accounts for 3 or more attendees are available.
 - Uber Conference gives you free 45-minute meetings for up to 10 participants. <https://www.uberconference.com/>
 - There are a host of tech tools to meet this need. Skype, GoToMeeting, FaceTime, Facebook Live.
3. **Got merch?** Got merch? Ask your customers to support you through this tough time by buying a hat, t-shirt, or some other option to be fulfilled at a later date.
4. **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:
 - Wave Apps, <https://www.waveapps.com/>
 - Invoicely, <https://invoicely.com/>
5. **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...or whatever 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.

1. **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.
2. **Call to action.** If you don't ask, you probably won't receive. Like expecting your spouse or partner to give you a back massage but not asking for it. Ask customers to support your business. Tell them how to best support you.
3. **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 -<https://www.giftupapp.com/>, or Square <https://squareup.com/us/en/gift-cards>. Don't feel like going high tech? The phone still works...just create a system to track payments and redemptions of gift certificates.
4. **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 don't do this if you're not tracking your commitments.
5. **Focus on your existing customers.** Acquiring new customer is expensive, harder, and more time consuming. Update them on changes to your business affecting them. Being proactive and having directly 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 one of our business advisors at Headwaters RC&D:

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Additional Resources

We will be posting additional resources and ideas on our website –
www.headwatersrcd.org

Development Center network –
<https://americassbdc.org/coronavirus-information/> SBA Disaster Assistance
<https://www.sba.gov/funding-programs/disaster-assistance> Montana

Department of Labor - Scenarios & Benefits Available -
<http://dli.mt.gov/Portals/57/Documents/COVID-19-ScenariosAndBenefits.pdf> US

Chamber of Commerce - <https://www.uschamber.com/coronavirus> 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 most in need during this crisis, as you have done throughout Montana's history. Unfortunately, crisis situations also bring out the scam artists, so be careful and do business with those who you trust. Thank You to our investors and partners who have made it possible for us to continue to offer business coaching, training and development services, including the US Small Business Administration, Montana Department of Commerce and Montana Department of Agriculture.