

## **TIPS FOR BUSINESSES DEALING WITH FALLOUT FROM THE COVID 19 CRISIS**

- 1. Preserve your cash** – Cash is King, and if you do not have revenue coming in, you will need all the cash you have. Even if you have receivables due your business, those businesses are in the same situation and are trying to preserve their cash, too.
- 2. Pay only those accounts that you must in order to stay in business** – This is a tough one. Probably only you know best who will wait for payment.
- 3. Seek loan payment deferrals from lenders** – Most lenders will do this in 90-day blocks. You need to be pro-active with this one.
- 4. Lay Off workers that are not needed at this time** – This is probably the most difficult thing you will have to deal with as a business owner. Often your employees are like family, and your instinct is to retain them. However, if you don't have the cash to pay them, you simply do not have a choice in the matter. Further, if you do lay off the employees, they can file for unemployment insurance, and they will receive some money to help them.
- 5. Change work schedules** – You might also want to consider changing work schedules and move to having employees alternate with one week on and one week off.
- 6. Arrange for deferral or reduced rent payments** – If you rent or lease your facilities, contact your landlord and ask for reduced or deferral of monthly rent payments.
- 7. Reduce hours of operations** – Look at the hours your business is open, and if you can do so open a little later and close a little earlier.
- 8. Delay inventory build ups** – Look at the inventory you have on hand and delay plans you may have had to build up inventory for the Spring or Summer sales peaks, peaks that likely will not happen this year.
- 9. Consider changing product sale processes** – Determine which products or services you offer that your clients need to get them through what everyone is experiencing and offer on-line shopping and delivery of those products or services. Be pro-active.

**10. Explore small business assistance programs** – The Small Business Administration (SBA) has Disaster Loan and Assistance Programs available for small business. Your business does not have to have had any present or past SBA Loans to apply for these Disaster and Assistance Programs. There is paperwork that must be completed and documents that are required to be submitted. The approval process will likely take some time, as the SBA will be dealing with a large number of requests, thus you may want to start sooner rather than later. Don't wait until you have no cash left.

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**Silver Fox Advisors** are proven business leaders who advise, consult with, and mentor other business leaders, CEO Roundtables, and entrepreneurship programs.

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