

Small Business 2.0

(Moving Forward in the Post-Pandemic Era)



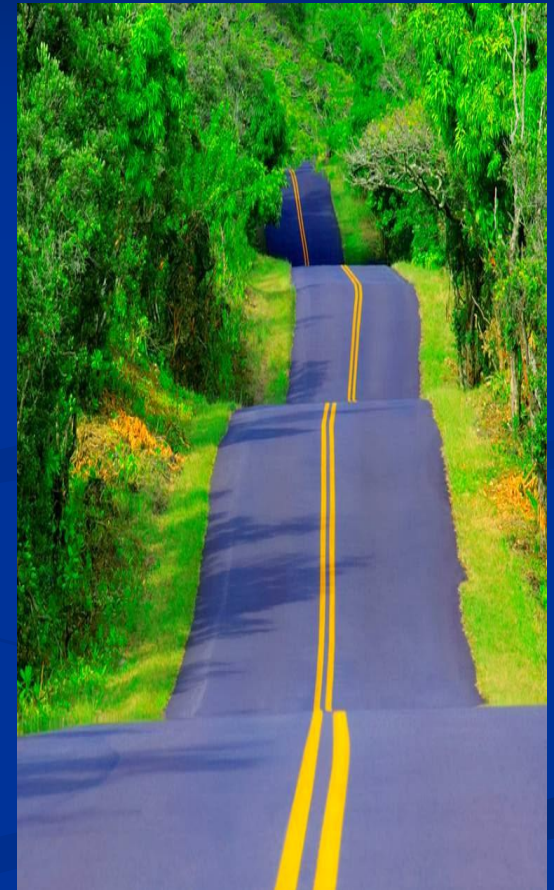
Now What?

*Paul A. Smiley
President & Founder
Sonoran Technology and
Caliente Leadership Group*



Discussion Topics

- Introductions
- Future of Small Business
- Reflections...Painful But Necessary
- Having A Deeper Understanding
- Strategic Planning and Risk Analysis
- Access to Capital
- Go or No-Go Decision Time





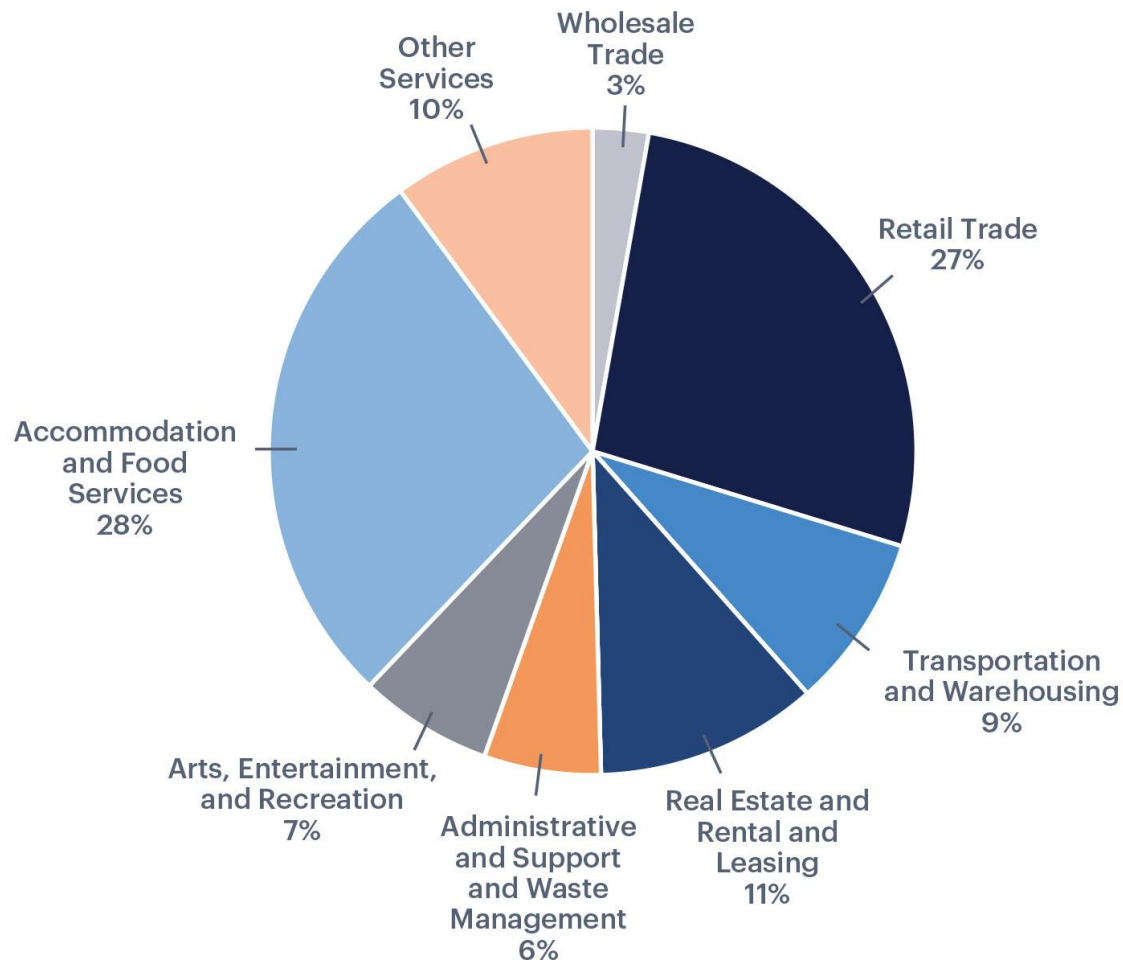
The Future of Small Businesses?

It really depends on what market you're in

- Retail (except grocery & pharmacy)
- Travel / Transportation
- Employment Services
- Travel
- Arts, entertainment and recreation
- Accommodation and food services

A significant share of workers (over 40 percent) are in occupations that require close physical proximity to their customers or coworkers... can't work from home

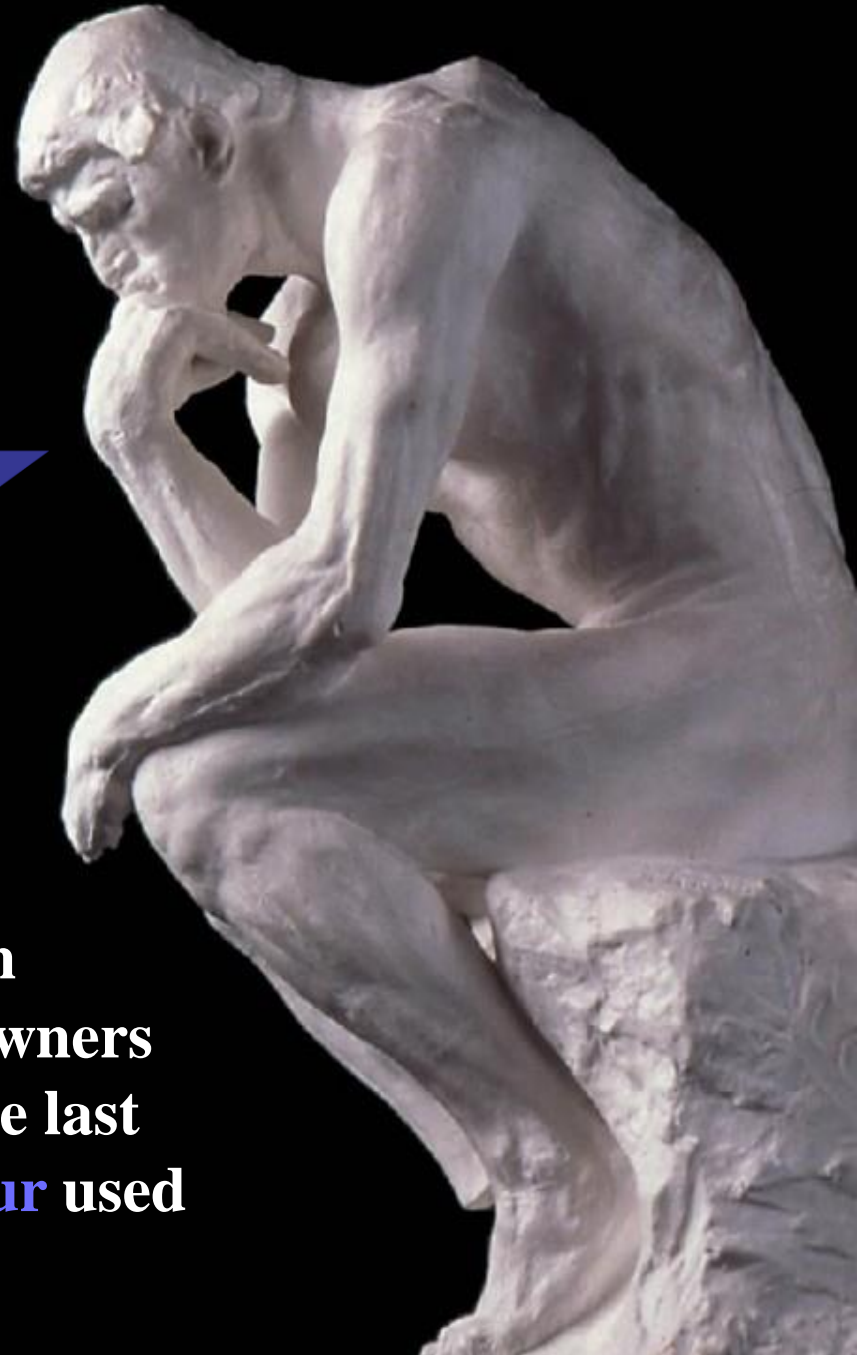
Small Businesses Affected by Moderate Shutdown by Industry (U.S.)



Reflections



**“I never bought into the notion
entrepreneurs and small business owners
were one in the same. When was the last
time you heard the word **entrepreneur** used
during COVID-19?”**



Reflections

- There are @31 million small businesses in the U.S. which account for 99.9 percent of all U.S. businesses (SBA, 2019).
- Understand how the U.S. economy works
 - U.S economy is “consumer” driven”
 - Consumer spending accounts for 70% of economic activity
 - Small businesses generate 50% of U.S. economic activity (i.e. GDP)
 - Small businesses are the lifeblood of the U.S. economy: they create two-thirds of net new jobs
- Pandemics and recessions are “small business killers” in a consumer-based economy.





*Have You Decided to be Part
of Small Business 2.0?*

Why Did You Go Into Business?





*Life Change...
Mine and the lives of others*





Every Business Owner Needs a Purpose



Vision Statement

To be recognized and respected as the best company our employees have ever worked for, and that our customers and business associates have ever worked with.

Mission Statement

Hire and retain the most qualified, skilled, and motivated professionals who demonstrate an attitude that is committed to our customer's mission and Sonoran's success.

Questions Every Small Business Owner Has to Answer

■ Commitment

- Is this what I really want to do?
- Do I have the energy to see it through?

■ Vision / Mission / Strategy

- Am I in the right market?
- Is there a long-term need for my product /service?
- Is my current business recoverable? Location change?
- Can another pandemic-like event close me down?



More Critical Questions...

■ People & Infrastructure

- Do I have the right people and resources to execute my business plan?
- Do I have a business “growth” plan? If your business is not growing, its dying.

■ Financial Stability

- Do I have a personal relationship with my bank
 - **50% of the people who lost their job were in the service industry. However, only 10% of those businesses received funds from the Payroll Protection Program (PPP). Why?**
- Do I have dependable lines of credit to draw on?
- Do you have oversight on your company’s spending?

Strengths Weaknesses Opportunities & Threats

Every Small Business Has Them



Catering Small Business Example



- **Strengths**

- ?
- ?

- **Weaknesses**

- ?
- ?

- **Opportunities**

- ?
- ?

- **Threats**

- ?
- ?



Focus Group Exercise

Nail Salon Example



- **Strengths**

- ?
- ?

- **Weaknesses**

- ?
- ?

- **Opportunities**

- ?
- ?

- **Threats**

- ?
- ?



Focus Group Exercise

Trucking Company Example



- **Strengths**

- ?
- ?

- **Weaknesses**

- ?
- ?

- **Opportunities**

- ?
- ?

- **Threats**

- ?
- ?



Focus Group Exercise

Before COVID-19....

- Some businesses, both large and small, were on the *“financial ropes”* long before the pandemic arrived
- Business plan was out of date or non-existent
- Did not adapt to on-line buying



- If you don't take care of your customers, someone else will
- Know your competition...it's not always about price \$\$\$
- Hiring “right-fit” talent is critical to success

What Shapes The Consumer's Perspective?



What Shapes The Consumer's Perspective?

**Their personal
experience with your
business**



Get to Know Your Customers Better

- What makes them come back?
- What makes them take their business elsewhere?
- How do you communicate with them? How often?
- Networking and relationships are not the same thing
- “Under Promise...Over Deliver” This is one way you beat the competition !



Engaging Your Employees and Customers



The "most" important aspect of running a business

Leadership and the You Factor

Inspiring your employees starts with your attitude. If you're a selfish person who does not value human dignity and respect, YOU will create a toxic work environment. Employees will leave and so will your customers. In today's social media atmosphere, this could put you out of business.



Genuine enthusiasm, loyalty, kindness, and honesty are contagious. If Servant leaders know how to balance the needs of the business, employees, customers and their supporters. ATTITUDE !

Coincidence or Not ?

If,

A B C D E F G H I J K L M N O P Q R S T U V W X Y Z

Equals,

1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26

Then,

$$K + N + O + W + L + E + D + G + E \\ 11 + 14 + 15 + 23 + 12 + 5 + 4 + 7 + 5 = 96\%$$

$$H + A + R + D + W + O + R + K \\ 8 + 1 + 18 + 4 + 23 + 15 + 18 + 11 = 98\%$$

Both are important, but the total falls just short of 100%

But,

$$A + T + T + I + T + U + D + E \\ 1 + 20 + 20 + 9 + 20 + 21 + 4 + 5 = 100\%$$

Some Leaders You Hear....



Some Leaders You Feel....

What kind of business leader are you?

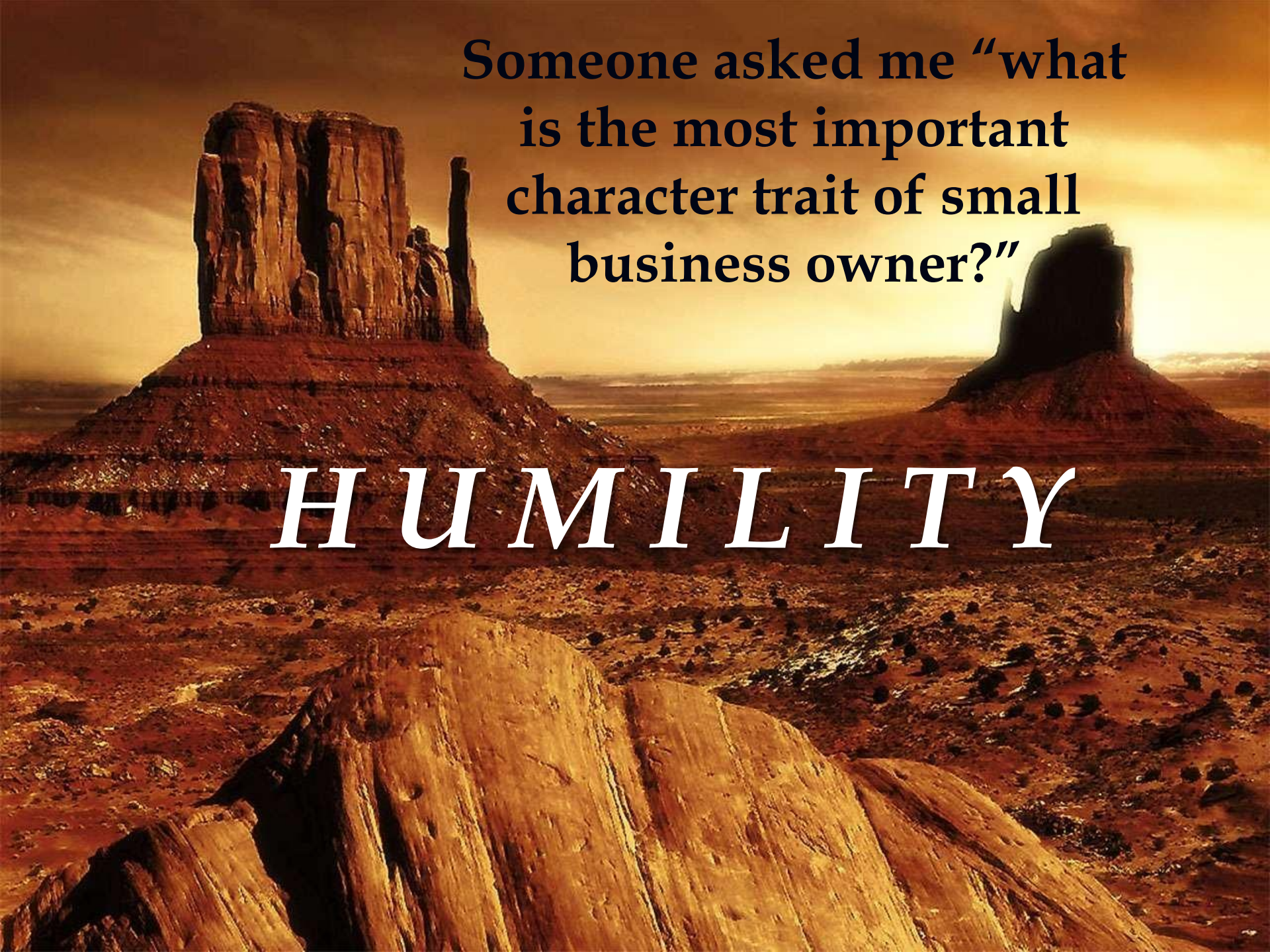
*U.S. SBA Small Business-Person of the Year- Arizona
U.S. SBA Administrator's Service Excellence Award
U.S. SBA Region 9 Veteran Small Business Champion of the Year*



Mr. Mark Cuban

Ms. Maria Contreras
Former U.S. SBA
Administrator

**Although my name is on the award, this was a total team effort,
and I made sure every employee knew it.**

A desert landscape with large rock formations under a sunset sky. The scene is dominated by reddish-brown earth and towering, weathered rock structures. The sky is a mix of orange, yellow, and dark brown, suggesting the sun is low on the horizon. The overall mood is dramatic and serene.

Someone asked me “what
is the most important
character trait of small
business owner?”

HUMILITY

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