

Verizon

Smart Ways Small Business Can Manage and Spend Money

CORPORATE PARTICIPANTS

Ramon Ray

Author, "Celebrity CEO", Owner of SmartHustle Media

Rhonda Abrams

Bestselling author of "Successful Business Plan: Secrets & Strategies"

The statements and opinions by Rhonda Abrams do not reflect the views or opinions of Verizon and its affiliates.

PRESENTATION

Andy Choi

Hi, I'm Andy Choi with Verizon. Welcome to our Small Business Webinar Series. We're excited you're with us today. Every webinar we host experts with a range of insights and ideas. It's all about small businesses and how you can innovate and grow in these challenging times. Returning once again as our host, Mr. Ramon Ray. Ramon is an entrepreneur, an author, speaker, as well as the founder of SmartHustle Media. I'm pleased to introduce today's guest, Rhonda Abrams. Rhonda is a best-selling author and founder of PlanningShop. Now her book, *The Successful Business Plan: Secrets & Strategies*, has sold more than 2 million copies worldwide, helped millions of business owners grow and succeed. Rhonda is also a small business columnist for *USA Today* and named a top 30 global guru for startups. How about that? So, I'm sure she has some great secrets and strategies to share with us today.

So, without further ado, let's get this webinar started. Here now, Ramon Ray, Rhonda Abrams, let's begin.

Ramon Ray

Andy, thanks again for having me. So, glad to be here again for another Verizon Small Business Webinar Series, where we bring to you some of the best insights and minds about small business today there's no exception about a topic, really important and that's with my friend Rhonda Abrams, all about money, money, money management. So, Rhonda, let's dive in after that amazing introduction from Andy, and Rhonda, I hope you're doing well, hope you're doing good. Are you OK?

Rhonda Abrams

I'm doing great. I hope you're doing well, Ramon, and it's so nice to see you again, because we're long-time friends [inaudible].

Ramon Ray

As we begin, a few also to note to remind people, is that as we're talking and as towards the end in about 20 minutes or so, we are going to have a live Q&A chat session. So, if you have questions, go into the chat tab, and type your question into that box there. We're going to answer it. Rhonda is going to answer the difficult questions, so we definitely want to do that, and remember as we're speaking if you have any questions we didn't get to, feel free to use the power of Twitter as well. I'm online on Twitter, RamonRay, Rhonda is RhondaAbrams on Twitter, and VerizonBusiness on Twitter as well.

So, Rhonda let's dive into it. Three things we want to touch on today. Money, money, money so important, one, that's getting money, managing money, and spending your money. Let's talk about that first portion, Rhonda, really important, especially now about getting money. At the top, Rhonda, what do you want to share with us that we need to know about getting money which is so hard nowadays?

Rhonda Abrams

Well, first of all, I think the thing, Ramon, to remember is that at any time cash is king, but even more so now. I mean, in other times we might talk about profitability, making sure you're profitable; right now, the important thing is cash flow. So, what you want to be concentrating on is how can you get every dollar into your bank account. Now, even if it's not the most profitable way, even if it's not the way that's core to what your business has been in the past, and so just I think the most important thing right now in this crazy

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environment is to recognize that you're having to embrace change, and you have to embrace change as you think about money as well as what you think about your core business. So, I think the things to think about now are what can get you cash today or very soon, not what's going to get your cash three months from now, though, that's part of the thinking. Right now, is survival where small businesses, unfortunately, are in survival mode, especially those who are in retail or restaurant or hospitality or travel. So, the things to think about is what can get you money now, and I think first thing is, is even if you're not open or not open up to capacity is gift cards. Every single business should basically have a way that somebody who's a supporter of yours, who wants to give you money, can give you a gift card, can buy a gift card. I have a cafe near me which I love and it's a very successful cafe, and when this all shut down, they started a GoFundMe campaign which might have been creative, but to this day, there's not a way you can buy a gift card. So, there was an opportunity for me to say I believe in them, I'm going to do that, but my donation money goes someplace different but I would certainly fork over \$100 in a gift card. So, there are lots of ways to easily provide gift cards.

Also, as a way to think about is what can you sell now, even if it hasn't been core to your business. Lots of restaurants in the downturn and the lockdown have turned to selling their wine cellar. I mean, a number of restaurants around here, and I have a friend who had a restaurant that he favored, and he actually was buying these tequila, bottles of tequila there, because it was cheaper for him than going to the liquor store and it was helping to support that business. One cafe turned to selling groceries and toilet paper, because when we weren't able to get it, they were able to still get it from their distributors. So, the idea was what's going to bring in cash now, and that's cash is king, that's the first thing to think about that.

Ramon Ray

I'm curious, Rhonda, when you talk about doing some things to get that cash and even you may not have done it that way in the past, was that the kind of thing you're talking about, like the cafe selling toilet paper? If you have a source to get it and your customers need it, serve them, is that it, or are there other things, and I ask that in the context of there are some things that people should be cautious of that they may regret in the future? I don't know. Just curious. Are there things that you'd say, well, don't do that, because that may be detrimental six months from now, or is now just survival and get—?

Rhonda Abrams

I think we're in survival mode right now. I think normally I would be saying that to you. I'd be saying to a small business think about your core business. Think about your niche. Think about your brand. I mean, obviously you don't want to do something that's offensive and you don't want to do something that is eating up a lot of cash because the idea is to bring in cash, but we're about to put out an eBook, we're crashing an eBook [I'm a] publishing company who's never done that before, but now is a moment in which we're going to try to do something that's not going to cost me a lot of money to do it. So, I think for a lot of people, this is going to be a spaghetti year, and when I call it a spaghetti year, is you throw up everything against the wall and see what sticks, and I have to tell you that in the downturn in the recession of 2007, we did that in my business, and we came up with new business lines, just by experimenting with throwing some things up against the wall, and I think that's a good side. Here's the slight upside in all this. I think experimenting now may find... some of these small businesses are going to find new lines of businesses, they're going to find that their customers respond to it, and that over time, it's profitable even if right now all it's doing is bringing in cash flow, and that it brings some new customers and new lines of business. So, there is a silver lining in this cloud as well. By experimenting, you get out of your comfort zone a little bit, and I think of a local cafe may be in the grocery business, the home delivered grocery business for a long time.

Ramon Ray

Yes. Don't forget everybody, as you're hearing Rhonda's amazing insight, feel free to put your question in, ask your question. We want to hear from you for sure, and there's so many things. Also, don't forget to use the tab underneath to rate this. If Rhonda has any resources for you, that'll be in the attachment section again. So, we want to hear from you, ask your questions now.

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Rhonda, I'm curious, I know another thing that you talk about quite a bit that you're an expert in is this issue of debt, and I know we can have a whole seminar on debt. Talk about debt, Rhonda. Times like this, which really, we're in survival, [I will let you use] your knowledge, what would you have said six months ago? Some people say be careful of debt, especially if it's personal, but then there's business debt and, Rhonda, we have a variety of people on the Verizon Small Business Webinar Series. Some are just starting out, some are mature, so try to pack that answer and hit all those levels of different types of people in stages. What do you say?

Rhonda Abrams

Good. So, I think if cash is king, credit is queen. So, by the way, having credit capability is not necessarily the same thing as having debt [audio]. So, one of the first things you want to try to do is make sure you have as much credit available to you as you could possibly have, and actually, that can help your credit score, because if you... the more credit you have, given how much you use, your credit score looks better. So, now is a good time to reach out to your credit card companies, to your bank, to have a line of credit, if you didn't have it already, and for a lot of small businesses, if you're just a startup, one of the things that people over overlook is going to banks and credit unions, getting the line of credit, and a lot of credit, it's not something that's a term loan, which is supposed to last you a long time; it's giving you a revolving amount of money, and if... right now for many businesses, especially existing businesses, their profit and loss statement may look better now than it will in six months, so now's a good time to start talking to your banker. And one of the things that we learned when in the whole PPP, Paycheck Protection Program thing, application process was those businesses that had relationships with the bank, that had a business banking account, that had relationship, had a better chance of getting it and so if you're just starting out, one of the things... mistakes that... or if you've been in business a while, for sole proprietors particularly, get a business banking account, and start with a banker and do that. So, start... one of the things right now is to look at your credit capability and try to increase the amount of credit you can get, including from your vendors. So, one of the things to talk about is talking with your vendors to see what kinds of terms you can get, and yes, many of your vendors are also hurting right now, but our vendors are mostly printing companies. We print books. Over the years, we've developed very good relationships with them and a former vendor that we had, unfortunately, got out of the business that we were doing. We had five months terms with them. I mean, to have that much capability between the time we got a product and... that actually enabled us to be able to grow.

Ramon Ray

But Rhonda, how much was that was your nice smile and your charm?

Rhonda Abrams

A part of that, I'll give myself credit. The biggest part was our business plan. We sat down with them and said, here's why we need these kind of terms, here's how we're going to use it. We had a business plan that they could look at. So, right now, now's the time to talk about increasing your credit. With debt, I think the thing with debt to understand is debt is a tool for you to be able to use in your business. It's not a crutch. It's a tool.

Ramon Ray

And I like the difference. I don't want to belabor this point too much, but even as I learned myself, Rhonda, money and finance is not my strength, I'm a marketer, as you know, so that's just a weak area of mine; this aspect of debt versus credit, what I'm hearing you say and correct me if I'm wrong, but again, for those who are just starting out, this really is for you, as we try to help unpack this during COVID, and other times, what I'm hearing you say is that revolving lines of credit and etc., that's good to use, an order comes in, the vendor is going to pay you in 90 days, a year, whatever it is, get the money, make the product and then pay that credit line down. The debt, you didn't say it, but what I'm hearing is, maybe be more cautious. Be careful about borrowing 25,000 for some venture that doesn't work. That debt is maybe not so good. Is that the difference?

Rhonda Abrams

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And long term debt that's hanging of your head keeps you from sleeping at night, and in small businesses, most kinds of long term debt that you're going to get, you're going to have to give a personal guarantee, which is really scary. I've done it. I've had to do it at times and at some point, it's something that you can't be totally afraid of, because you're not going to be able to grow without it, but that you have to be very cautious with. I will say that right now, some of the government programs that are out there, the PPP loan and the EIDL, the Economic Injury Disaster Loan program, right now neither of them are requiring personal guarantees, and that's more comforting. You're not putting your house, your personal savings at risk. That doesn't mean you should get it foolishly, but those things are available, and you should absolutely owe it to yourself. The PPP money, there's still PPP loan money out there, it's ending quickly, and by the time you watch this, this may not be available any longer, but take advantage of the programs that are there now or that will be instituted. I think we're going to be seeing some other ones coming in the future.

Ramon Ray

Yes. Well, before we move from this topic, Rhonda, about managing money, I do want to ask, can you give us any tips again, for those... we have a variety of people listening, but let's give the floor again to those who are just starting out. What are some key financial reports, if that's a good word, or key things that people should do, whether today or six months ago, or next year? Are there any like three or four basic things that you'd say, listen, when you're looking at small business finances, here's a few core things that you advise people, that people read your books and look at your blog, Rhonda, all these things that you advise them to look at?

Rhonda Abrams

Yes, the first thing, most important thing, the thing that has helped me survive and got me good credit? Get help. I am terrible at paying bills. I am terrible at money management. Let's just be honest. I've run a successful business for over 25 years, and I'm terrible at that. So, what I was smart enough to do was over 20 years ago getting people to help me pay my bills on time, help me manage my money, help me get advice. So, do not feel like you need to be the world's best bookkeeper, the world's best financial manager, because you're probably really good when you're starting in a business at what you're starting that business about. You're a good chef, you're a good consultant, you're a good technologist, whatever, a graphic designer, do not be afraid to get some help and pay a little money for that. It is worth its weight in gold. So, the first thing I will tell you is don't think you have to be the world's best financial manager. You have to hire a capable one, and that will help you, and people feel like they can't do that, I can't afford it, or it's somehow that as a business person I should be it, but I'm the first to admit I'm terrible at it. Just terrible. So, that's a good thing to know.

The second thing is, don't do this on paper. Get software, get apps that are doing it. Sometimes you're going to pay a little bit of money to manage these things, and do it, and stay on... the third thing I'd say is stay on top of it. Because I work with... my CPA has a bookkeeping [audio] that I work with, every month I have to be writing down what all of my charges are for, and everything. So, I'm not sitting there in February pulling my hair out about taxes. So, you want to make sure what you're... most people in business... a lot of small businesses in particular, all they're at is their bank account, and that doesn't tell you enough, because that's just a snapshot of where you are right now. So, I think getting help and staying on top of your cash flow and what's coming in and what's going out, your accounts receivable, account payable, and get an app or software to help you with this.

Ramon Ray

And there's so many good apps out there, Rhonda, that can do that, so definitely people should look into that as well, and I must say one thing that I do, Rhonda, because I'm weak in this area, I have it in my calendar, like every Friday it says manage finances, which means... I don't know, I'm not a guru in it at all, but every Friday, I take an hour or so and do what I can do, Ramon can do, for SmartHustle finances, so thank you, that's—

Rhonda Abrams

And one thing also I would add, Ramon, and this is shocking, what I would do is, say, send your invoices out.

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Ramon Ray

Yes, Rhonda. Yes, yes, yes.

Rhonda Abrams

So, I was guilty of this when I was a consultant. I'm shocked at how many lawyers, you know, graphic... I have had independent contractors work with me who will take two years to send me a bill, at which point that's the last bill I'm going to pay because I know they didn't get around to it, and also, sometimes I've had businesses that go out of business with invoices that they should have been sending out, so send out your invoices.

Ramon Ray

Absolutely. Rhonda, that's amazing. You're so correct in that and I know that I talked to one friend of mine and he said, Ramon, my biggest problem is I don't send out proposals, so he's not getting money that way, and I have a problem sending out invoices, so his cash flow's jammed, what to do?

Rhonda Abrams

You have to point out he could send them out more frequently than once a month, but certainly no less than once a month.

Ramon Ray

Indeed. Rhonda, we're going to turn to live questions from the audience in a few more minutes. I'm so excited to get that. People are already sending in their questions because your information is so good, so keep the questions coming in about your business, about finance, about money, even about other things, marketing and whatever it is to help your business, we here at Verizon Small Business Webinar Series are here to serve you, so keep sending in your questions. We're going to get to them in about two or three or four more minutes, and remember, tweet as well. Tag Rhonda on Twitter, RhondaAbrams, tag me at RamonRay, and thank Verizon Business, definitely tag VerizonBusiness as well.

So, let's dive in, Rhonda, to the aspect of spending money. I know there's a few key points to talk about there and spending money is so important. Make the most of every dollar, a few key points you have here, but that intrigued me. How do we do that, Rhonda? There's so many ways to spend money. Everybody's sending us invoices, billing us. How do we make the most of everything we do, Rhonda?

Rhonda Abrams

Right. The most important thing I think, right now especially, is negotiate everything. Absolutely. The first thing you do is it helps you save money, but whatever you're doing, negotiate, go back, and negotiate with all of your providers, with your landlord. I mean, rents... or commercial landlords are having a really tough time. If you have one, negotiate. If you're buying something, negotiate. Right now, everybody... this is a world in which negotiations are more possible than they generally are because people don't necessarily have as much business as they want, so they don't want to lose you as a customer, and don't threaten. I mean, say, look, you know, [audio] let's work together so I'm in for the long run, so I stay your customer, so I'd become your customer and I stay your customer, so whatever it is you're doing, the first thing I'd say is negotiate.

Two, I'd really be thinking about spending money on just-in-time, or if you're buying, don't buy in bulk, even if it's cheaper. Normally you look at that, we might print books for six months or a year at time, we're now going to do a much shorter period of time, because the world is so uncertain, so as you're spending money, don't think so much about saving on each unit price as much as keeping your... remember cash is king, keeping that cash. But then also spend money on things to keep your name in front of customers. A lot of people may not know you're still around. They are all very involved in their own lives and their own businesses right now, their own careers, and their kids are at home, and they're distracted, so spend money to keep your name in the customer—

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Rhonda, let me jump in here one minute. Let me challenge that and see if Rhonda can handle this. Rhonda, nobody's spending money. Their world is over. Why should I be marketing my business? Nobody's buying, so let me just stop marketing. Why not, Rhonda?

Rhonda Abrams

Because, A, that's not true. People are spending money. If they're not spending it with you, they may not know that you exist. You may not have come up with a product or service, you haven't pivoted enough to meet their current needs, so if you're a dine-in restaurant right this second, no, they're not spending money with you, but if you've gone to takeout, if you've gone to outdoor dining, if you've done other things, they need to know that, and one of my favorite restaurants, just a friend told me they were open, I thought why haven't I seen that in any way? So, let me know that you exist. Let me know... the one that I said was doing groceries. I have their app. I have been getting emails from them every two weeks, every week or so, so staying in front of their customers. And this reminds me, as you do all of this, make sure you're capturing people's contact information from now on for future.

Ramon Ray

That's powerful, Rhonda. People forget that because if you don't capture their contact information, how can you go back and market to them again? Because obviously they expressed interest. Is that right?

Rhonda Abrams

And it's much more expensive to reach them when you don't have their contacts. Email marketing is very cheap. Buying an ad is much more expensive, and so... and that's another way to... if you're keeping your name in, certainly negotiate... these hyper local newspapers, your little local newspaper are hurting really badly now, and they'll all negotiate with you on ad rates, so keeping in mind that's a way. So, the first thing to spend money on is keeping your name in front of people, letting them know if you exist, and there are very bright spots in... if you... I mean, I'm about to do a story on bicycle shops, which they all thought that... bicycle shops are almost all small businesses, there's no national chain, they all thought they were going to go under when things shut down, and who knew, people got very interested in buying bicycles and you could hardly get your hands on one, so they were a bright spot in this. So, don't think you know what the customer wants necessarily. Start listening really well to what might be out there.

Ramon Ray

And what I'm also hearing you say, Rhonda, and I hope the audience here goes back to the Verizon Small Business other webinars we've had and get the knowledge what I'm hearing you say, and we won't go into it now, but it's to think different. That's one thing I talked about. We were on with another amazing guest, a mutual friend of ours, and he was echoing the aspect of you've got to be creative. You assume something... Peter Luger Steakhouse, the example that I use in New York, as you may know the name, we're never going to offer delivery to our customers. Now they are. So, you just don't know.

Rhonda Abrams

[Audio] startup.

Ramon Ray

Yes, indeed.

Rhonda Abrams

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You're just starting up, or you've been around for 25 years, you're now a startup in a new world and you have to look at this world and say, not just, what do I do, but what do they need? What I can do, maybe not what I'm doing currently, what I can do meets what they need, I'm going to succeed at. There is a nexus there and you just have to find it.

Ramon Ray

Powerful. With that, Rhonda, my favorite time of the Verizon Small Business Webinar Series is to take questions. Let's do that now.

[Technical difficulty]

—I think it gives you the opportunity to unpack and help us understand the aspect of gift cards. No particular question on that, Rhonda, but can you just repack, restate for us how we can use that. And a second part of that, what if I'm not from a restaurant, do gift cards work for a lumber business, a hair salon or anything. Help us understand the power of gift cards. That was such a gem.

Rhonda Abrams

Thanks, Ramon, and I'm glad to see so many questions coming in. Think of gift cards, really, as prepayment cards. When you use the term "gift cards", you're thinking about it only as this is a card that I would purchase to give to someone else as a gift. But as we know, people like to buy gifts for themselves, and people definitely like to have prepayment cards. So, a lumber yard... lets go back first to the first thing I said, which is the important thing right now is to get cash now. Profitability is less important than cash in your bank account. So, having somebody do a prepayment card where they get a 10% discount, you get \$100 worth of dollar for \$90 now, it's something that somebody who has got a construction job will do, and somebody who might be thinking they're going to do a construction job in a few weeks. Think if gift cards as prepayment cards as well to encourage people to give you cash.

I think particularly if you're in a situation where you're really strapped for cash, that can be a great incentive. All of the gift card situations that I've been offered, there is an incentive. There's been... I think I mentioned that my local coffee shop send me newsletters all the time, have been sending me – because I have their app. Right at the beginning of the shutdown, I could get \$50 worth of coffee for 40 bucks. That's really hard to turn down. That was loading a lot of money onto their app.

Ramon, with gift cards, a lot of payment options have a gift card option built into it, so look into your point of sale, how you accept credit cards, other kinds of ways, they may have a gift card option, otherwise there's a number – just Google this – there are a number of small business gift card options out there that you could turn to.

Ramon Ray

Thank you, Rhonda. Again, another question here, Rhonda, which I think is good. Several questions about how to use money, how to use debt, how to use loans, how to use credit cards. One question, in particular, Rhonda, this person has a 30-year SBA loan and they're wondering – and again, Rhonda, these questions we don't want to answer them too specific, but to give a high level view so everybody can get the principle you're trying to share and this is so good – should they pay off the 10% loan Rhonda and save the 3,000 a month, or should they just continue on. Can you guide us on this aspect of if you already have a loan, should you pay it off, should you not, because I think the one thing I heard, cash, cash, cash? What's your advice on this loan or not?

Rhonda Abrams

I think everyone should be looking at their debt levels right now and how much their interest rate is paying, because currently interest rates are very low, so if you're sitting there with debt at a very high interest rate, whether it's credit card debt, whether it's a long-term loan, whether it's a mortgage, and looking at what are my other options for this to find out how I could be having both a lower monthly payment and lower lifetime cost of it. As I mentioned, so it depends on what that loan is for, what your loan is for. A 30-year loan from the SBA might be for a piece of property, whether or not you're able to get that mortgage elsewhere may be questionable, but I think right now is the time to look at every single amount of debt that you have all across the board, everything that you're spending money

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on and saying, can I buy this cheaper. Can I [audio]? Because saving a few thousand dollars a year, let alone a month, a month would be incredible, would really help you survive at this point.

Ramon Ray

That goes... one question we had that came in again – thank you everyone for sending in the questions, me and Rhonda really appreciate it, we're going to get to as many of the questions that we can. Remember, this is not the last time you have to hear from Rhonda. Rhonda is very active on Twitter. Rhonda, remind us one more time the best Twitter handle for you.

Rhonda Abrams

@RhondaAbrams.

Ramon Ray

Got it, and then you can check our Rhonda's website, a lot of information there. What's that again, Rhonda?

Rhonda Abrams

www.planningshop.com

Ramon Ray

Feel free to tweet me out, @RamonRay on Twitter and thank Verizon Business, @VerizonBusiness and I'm @RamonRay on Twitter as well.

Rhonda, going back to another thing about using credit cards to get the points and things like that. We've had questions about credit cards. What's your advice on using credit cards? Should we shy away? Should we consider using them? When is it best? Give us two or three key points on credit cards?

Rhonda Abrams

Well, I'm a big believer in credit cards, both using them and accepting them, but you have to be disciplined. When I was younger, I wasn't all that disciplined, I got into a lot of credit card problems, like a lot of people do when they don't know what they're doing. But I have to be honest, when I was starting out my business, I used credit cards wisely paying one off, dealing with it, to help start my business, as do many people who start businesses. Credit cards have very high interest rates, so you have to be very careful with them.

Everything is a tool. Can you use a tool safely? Can you pick up a hammer and not hit your hand? Can you pick up a credit card and not get in debt. If you can manage them, using credit cards wisely gives you a float of 28 days or however many days it is to deal with it, maybe until something gets paid off. Certainly, you should be accepting credit cards in your business. I'm always frustrated when a small business won't pay that 3% or whatever and they lose income from it.

Managing your credit card... I think most small businesses pay with credit cards when they can so they can get those points. I've travelled all over the world with some of my points because I've negotiated situations where I can use my credit card for it. Think of it as a tool. Can I use this tool wisely? Will the points come in handy? Actually, Ramon, a lot of people may have some points sitting around that they can use right now to [audio] things and that's part of your savings. You should be looking at those and saying, 'yes, we're saving them for a family trip, but maybe what I really need to do now is use them to buy inventory'.

Ramon Ray

That's a good point. Thank you, Rhonda Abrams. Just to mention, somebody had talked about getting their coach for their business and I will get to that specific probably in a bit. But I just want to say, Rhonda, again, Verizon is so good about helping small businesses,

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Verizon has a program they just recently announced to match small business owners with mentors and other business leaders and that program is called Comeback Coach, so if you haven't heard of that program, you can just hit up somebody in the chat section or email me directly, I'll make sure you get the information, ramon@smarthustle.com, but that program is the Comeback Coach program, Rhonda, and so Verizon is always good about helping its small business owner. I think you've answered the question I was going to ask you, Rhonda, about debt as a tool. I think that's definitely important as well.

Let's dive into that coaching question, Rhonda. There's a travel company, tourism company, their company is going through some pretty rough times, Rhonda. Up and down, up and down, they are trying different things. Coaching, is that something that small business owners may want to consider?

I will answer part of that question, if you don't mind, Rhonda. I've used coaches quite a bit and they've helped me be a better person, a better leader. My two cents is just be careful. Every coach can easily, 'hey, I'm Jenny or I'm Bob, 500 an hour, or a \$30,000 program', you may not get anything out of it. Most coaches I think are pretty good and I found a lot of them help you either with the mindset or finance, but what's your thoughts on that, Rhonda, coaching for companies that need help?

Rhonda Abrams

Well, the first place I would turn to is an industry association. There's a lot of help from your industry and right now there's so much information. If you're in a restaurant industry, if you're in a salon industry, whatever industry you're in, turn to that industry association right now to see what kind of help they're putting out for you that isn't going to cost very much, if anything, and you're going to get people who understand what's happening, and also can share best practices, because [audio] we talked about, you need a lot of creativity right now and you may find that there's a salon on the East Coast when you're on the West Coast that are trying different things that can help you survive, or there may be tools that you want.

Before you necessarily hire your own coach or management consultant, I would first look to those sources that may not cost you very much money. Industry associations, they're small business development centers and they provide consulting free to small businesses and to start-ups, and so there's a place to look at as well.

That being said, management consultants and coaches can be, as you said, very helpful. I've used a management consultant in the past, I've used them with a great deal of help, we've generally had an annual meeting, I bring in a facilitator to help us who I work with, so I think often having someone who has experience, who can see your business more clearly can be very helpful.

I think right now, though, let's underline everything, right now every dollar counts, so I think being careful with who you hire – just because somebody makes you feel good, if they don't have experience with your type of business or a related type of business and can't really help you navigate these very choppy waters that we're in right now and will be in for a number of months, be careful about spending your money on it.

Absolutely, getting outside help really is very useful.

Ramon Ray

That's true. If you really have nowhere else to go, feel free to hit up Rhonda on Twitter. Her and her team are very active, go to her website. You're welcome to email me, I can [inaudible] to recommend some referrals to people and organizations that Rhonda and I know and can trust it as best we can.

Again, moving on here, some great questions. People are saying, 'Rhonda, good advice', and thanks for the information about delegating. There is another question here, Rhonda, about money, several questions we have and I want to be careful not to ask the same question, but I think I will ask it a different way and we will see. I know you can see some of these things. But here's a company, Rhonda, that's been in business 15 years and they're about down 40%, Rhonda, which is many people are hurting and going through this type of thing. I think the question, to summarize is, about the money, Rhonda. Rhonda, this third wave of money that could be

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coming, or second wave, whichever wave it is, any guidance that you're giving, anything that you're seeing to evaluate should we take it, should we wait, should we look at other sources. What is your guidance, especially for these larger companies that have some employees and they want to stay in business, Rhonda? The waves of money are coming and I think everybody is asking, should I apply, should I not, should I hold off? Any high level advice as a guidance that you're seeing for how to take advantage of this EIDL and PPP and all these things.

Rhonda Abrams

We're talking right now on a day when people are probably going to be presenting a second [audio] PPP, which we don't have any idea of what it's going to look like or what industries it's going to be at this particular moment in time, [audio] might be watching it later.

Generally, I would say, you should look at everything, and really look at what will enable you to stay in business. I've talked to, actually, hundreds of businesses who thought about whether to take PPP or EIDL and other government help. And one of the concerns is that they are loans and so you're worried about taking on a loan. The question is, is it going to enable you to stay in business or do you really feel like you're going to end up being burdened with this with the business being closed.

I think, generally, you should try to take as much help as you can right now to stay in business. As I said earlier, especially right now, personal guarantees are not being guaranteed, so you're not risking your house and your savings and your child's college education in that regard. I want to underline how important it is that small businesses stay alive. This economy depends on you, so taking advantage of government programs that will help you stay alive is helping, not only you and your employees, it's helping this economy survive.

I just saw a major Chamber of Commerce, the San Francisco Chamber of Commerce just confirmed to me that 47% of their members had lost 100% of their income during the shutdown. That's a big city with the chamber members, we need you to stay alive, so we need you to look at these programs. If you do qualify for them and you think there's a good chance that you are going to survive, I would encourage people to take advantage of everyone that they can. They are low interest and I think, in some cases, we may see some forgiveness – we're seeing with PPP, it can be forgiven as well. Be brave about it. This time takes courage, but I would be encouraging people to absolutely look at those programs and take advantage of every one they qualify for.

Ramon Ray

That's powerful. Rhonda, switching gears here a bit here, Rhonda, talking about financial advice. We had a great question here. Again, thank you so much for sending it in, "Hey, Rhonda, Ramon, I'm an architect", so the architect out there, hello, thank you for the question, we really appreciate it. Help us maybe demystify, Rhonda, understand bookkeeper, accountant, outsourced CFO, and then someone to sit with us for two or three days kind of to overview the finances of our company, are they the same Rhonda, different things, different times, as best you can unpack maybe how some of us can use these things. Bookkeeper and accountant, many of us get that, but then outsourced CFO, financial advisor, help us understand what we need or don't need.

Rhonda Abrams

There's a few things. First of all, your accountant is a person who is going... my accountant I love, has saved me literally hundreds of thousands of dollars over the years I've been in business, so he and his team not only help me with taxes, but I will sit down with once a year and say, what are the things that I should be doing both for taxes and for investments and whatever. Accountants are really being very helpful right now, especially they're all staying on top of PPP and what we need to do to get forgiveness. People are a little afraid to turn to their accountant because they're generally over \$100 an hour, upwards, but turn to them. They are an advisor, they're not the ones who are keeping your books. They're not the ones who are keeping track of it.

Bookkeepers, almost an old fashioned kind of thing, because a lot of people are... now QuickBooks, ProAdvisor, other kinds of things that you can be using, and there are people out there at all levels. Any kind of app that you're using probably has a group of professional

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advisors and that's a good place to look at them from. So, whether you're using a QuickBooks or a Xero or a FreshBooks, they almost certainly have somewhere on their website a place to get some advice and helping to stay on top of it.

Even if what you're doing – and my sister uses this, somebody who is not really a bookkeeper, but once a month comes in and helps her just send out her invoices, does her books, start networking with people. I think having somebody who, at least once a month, sits down and makes sure that you are sending out your bills, balancing your checkbook, doing all of that, and they're way less expensive than an accountant in doing all of that.

Then there's apps. A lot of apps just have a lot of advice in them, so looking at the apps that you might be getting as well. But an outsourced CFO are generally for larger, faster growing midsized businesses and I suspect a lot of people on this call wouldn't need that as much.

Ramon Ray

For sure, no, that's powerful. Again, we have a variety of questions here, Rhonda, we're going to keep going on as quick as we can and get as many questions. In about five minutes or so we will go, Rhonda. It's just been great having you, Rhonda, you're a breath of fresh air and a great asset, I know, to the Verizon Small Business Webinar Series, and those who are watching, again, any insights or handouts or anything that Rhonda may have, it's in the Attachments tab. Yes, there's a recording, you can go back to the platform and see it what Rhonda's advised today and other... Rhonda, here's an interesting question about marketing, the difference, Rhonda, between you want the customer to buy, yet you don't want to be annoying, you don't want to just talk to them, you don't want to tap Rhonda on the shoulder too much. Any advice on that blend, Rhonda, between telling the customer, 'Rhonda, please buy my pin', versus annoying, 'Rhonda, Rhonda, Rhonda'. How do you do that between marketing, gentle, informing, Rhonda, between it being a bit annoying because Rhonda is not going to buy. How do you do that?

Rhonda Abrams

Really good question, and most small business owners are really... they're too afraid of being annoying and so they don't market enough. It's very hard to be too annoying. I've seen it anywhere from five to nine times of an exposure before somebody even notices it. So, you think you're annoying, they haven't even seen you yet. If you're giving up after the fifth time or the sixth time you've sent something, the person hasn't even seen it yet. You have to stay in front of people.

Now, how are you annoying? You're annoying, I think if somebody is getting something every day in their inbox, that's annoying. If somebody is getting something every week in their inbox, probably not annoying, because we're just busy and we're probably not clicking on that that much. So, staying in front of people, you're much more likely to think you're annoying than you really are. It's much worse to just not be seen, because in this environment not be seen means not be bought.

Also, saying, 'buy my pencil' is different than saying, 'we sell pencils'. You're less annoying when you say, 'hey, if you need a pencil we're here', rather than 'buy, buy, buy', so how you say things are also important. And one of the things that we really try to do is make sure providing information that's useful to people and helpful to people as well and not just telling them what we sell.

Ramon Ray

Sure, and somebody asked for the email again. I see people interested in Verizon's information. My email – and feel free to email for tips, help advice, things like that, or connect you with the Verizon team, ramon@smarthustle.com, and of course Rhonda's website... the website one more time, Rhonda.

Rhonda Abrams

They can send it to me at info@planningshop.com.

Ramon Ray

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Feel free to contact me or Rhonda on Twitter, it's @RhondaAbrams. Rhonda, a lot of questions coming in, I will do one or two more questions, this has been such a great event. Somebody asked about SCORE, Rhonda, I know it has a very tender place in your heart, my heart as well. I see the shout out about SBDCs, SCORE/SBDCs that you've mentioned, feel free to talk about SCORE briefly to introduce them as well.

Rhonda Abrams

Both SCORE and Small Business Development Centers and Women's Business Centers are all programs that get some help from the Federal Government. I often say that the Small Business Development Centers are the best kept secret in America, and all of these are really capable people who can, at no charge, provide assistance to you. In some of the government programs that have just been passed, there's additional funding for these programs to help small businesses, so they're staffing up to be there. They recognize it. And so, whether you're going to... every community has a Small Business Development Center, most have a SCORE chapter, a few have a Women's Business Center, a Minority Business Center. Look at every resource that you have, just start Googling help for it in your local community. Often, they're at your community college, which are closed right now, but you would find them on their website. I was a Small Business Development Center client once. I'm a huge fan of that network, but I'm also a huge fan of the SCORE network as well.

Ramon Ray

Rhonda, this has been powerful and we have one more message I want to say. As a measure of thanks for those on the Verizon Small Business Webinar Series, I'm going to buy some of Rhonda's books and send them to some people listening. I'm going to say the first few people who take a picture of this webinar and maybe tweet us, Instagram us, Facebook us, LinkedIn us, whatever you want to do and tag us, tag me especially, some of you are going to win some copies of Rhonda's book. Just go on social media, tag us, @RamonRay, you can find me, and as a measure of thanks to Rhonda and the Verizon team, I'm going to buy a few copies of her book and send it to you.

Rhonda, it's been great. We have a final message we want everybody to listen to so hang tight everybody.

Andy Choi

That's it for today's webinar. Thank you so much to Ramon Ray and Rhonda Abrams for sharing these really powerful smart ideas for how businesses can benefit from making long-term money management strategies. Now, in the Attachments tab, you will see that we are sharing slides from Rhonda, you can check out the other webinars in this series on our BrightTALK channel page as well. Be sure to tune in for our next webinar, that's coming up [audio] on how to future-proof your business and create new offers for a new normal. It should be a good one, so I hope you will be here, 28 July, and for all of our events in our Small Business Webinar Series.

Thanks again for joining us. Have a good one.