



*From the Desk of  
Michael Kissinger*



*What's Keeping You Up at Night?*

# What Keeps YOU Up At Night?

## (And How to Fix It So You Sleep Better)

A PBI assessment and coaching session for business owners

*When you go to bed at night are you haunted by business concerns that keep you up at night?*

There are more than 28 million small businesses in America that employ about one-third of the workforce. Trends indicate the number of small businesses has increased about 50 percent since 1982, and are responsible for adding about eight million jobs to the U.S. economy. According to the various surveys, there are about 16 things that keep business owners up at night. If you're not sleeping read this now.

Do you stay up at night asking yourself...

**[A]:** Can I retire in 10 years? Can this business fund my retirement? What if my partner dies? Do I want to do business with his son? Now I've personally guaranteed a loan for this business. I could lose everything. If I get hurt and can't work, what happens to my business? To my family?

**[B]:** Expanding the business makes sense. Can I get the credit I need? This business is a key part of my life and my family's life. How do I make sure my family gets to enjoy the value of all my hard work? Why are there so many questions? Where are the answers?

**[C]:** I can't keep doing it all myself. How do I attract the best and brightest to help me grow this business? My biggest competitor provides top notch benefits. Do I need to provide better benefits? I can't believe I missed another school event working late. The kids are disappointed, and so am I.

The latest research shows that most business owners  
Stay Up at night because they keep thinking about

- The death or disability of a key employee

- Cash flow in the event of a disability
- Business continuation planning
- Recruit, retain and reward key employees
- Executive benefits for select employees
- Employee benefit programs
- Long-term care needs for you and your employees
- Funding personal financial goals (retirement, college, etc.)
- Investment strategy for retirement plans
- Asset preservation for the next generation
- Credit for business expansion
- Protect personally guaranteed corporate loans

Responding Respondents indicated they were very concerned or somewhat concerned:

- Cost of health insurance & benefits 93%
- Finding and keeping employees 90%
- Having enough money to retire 86%
- Safety and security of business 84%
- Having a business succession plan 76%
- Finding business advisors to trust 64%

## Allstate Insurance Company's Found Business Owners Stay Up At Night Because They Keep Thinking About Five Top Things...

1. Financing, with decreasing ability to acquire funds year-over-year
2. Customer acquisition and retention
3. Talent management, including recruiting and retaining staff.
4. Functionality and reliability of technology to run the business
5. Taxes, government regulations and healthcare reform

## **How to Fix What May Be Keeping You Up At Night So You Sleep Better**

1. Personal Financial Needs
2. Cash flow
3. Cutting Costs
4. Controlling Costs and Cash Flow
5. Increase Revenue
6. Obtain More Capital

7. Employees
8. Recruiting and Retaining Skilled Talent
9. Growing the Customer Base
10. Ineffective Marketing and Sales
11. Keeping Up with the Competition
12. Excessive Workload
13. Functionality and reliability of technology to run the business
14. Taxes, government regulations and healthcare reform
15. Complying with Healthcare Reform
16. Lack of Skills to Run a Business
17. The Bank Account
18. An Audit
19. Family

### [Has your business seen the doctor lately?](#)

Everyone has stuff that keeps them up at night, but small business owner concerns are a totally different animal. So we took some time to gather up the most universal not to perpetuate fear, but to share some tips on how you can address—and conquer—even the most daunting small business worry.

To answer some of these questions that keep you up at night we suggest you review the [10 Reasons Why Business Fail](#) and then review PBI's [Maximum Performance Planner](#).

## **1. Personal Financial Needs**

Personal financial needs are keeping business owners up at night.

- It is difficult for you to separate financial goals of the business from personal financial goals
- Most businesses are not helping to fund personal planning of the owner

### **Personal Financial Needs – Key Questions**

- What would happen to your income if you could not work? How would the business pay you?
- What role does the business play in your retirement planning?
- Do you have the flexibility to grow your business, while also providing for your family?

### **Personal Financial Needs – The Facts**

- Typical Business Owners:

- 49 years of age
- 77% are married
- Work on average 55 hours each week
- Want value, not necessarily lowest price
- Business equals 44% of net worth

49% are family owned

**An Integrated Approach for You and Your Business sleep at night is to establish or do the following:**

- Retirement income
- Education funding
- Asset and income protection
- Investment services
- Estate needs
- Trust services
- Liquidity planning
- Exit strategies
- Group employee benefits
- Retirement solutions
- Benefits for select employees
- Employer-sponsored benefits
- Liability coverage
- Protect business from loss of owners or key employees

[To help you with these concerns See PBI's Personal Profit Assessment](#)

## 2. Cash Flow

The number two reason won't surprise anyone. Without good cash flow, you're worried about how you're going to pay your employees, how you're going to pay your partners, and how you're going to keep the electricity on. Not only that, you're worried about the money you're going to have for you and your families own needs. Clearly, this is a stressful area and a common problem. **What's a small business owner to do?**

For cash flow problems, there are really only three solutions: cut costs, build revenue, and obtain more capital. Let's talk about these three things and *get you that cash buffer that's going to help you sleep better at night* PBI recommends all clients attend the [Parthenon Method for Growing a Business Seminar](#). [Potential Solution: Review PBI's Business Growth Coaching](#)

## 3. Cutting Costs

As Poor Richard said, *"A penny saved, is a penny earned."* Finding ways to cut costs in your own business can be a rewarding experience that will help your business in the short and long term. *But where do you start?*

Before you cut jobs, which is usually a business owner's very last resort, look at some of your optional expenses. Look at your monthly bills and make sure you can justify every single expense on there. Is there any way you can talk your vendors into giving you a better price? Is there something you just don't need? Cut your costs, and you'll open up more money to expand, and *you'll be able to build that cash buffer that's going to help you sleep better at night*. *Each business has special needs with it comes to cost cutting that is why we recommend a business analysis and coaching session.*

## 4. Controlling Costs and Cash Flow

Cash flow is a common concern for small businesses. For them, knowing where to invest and where to make cutbacks can be challenging, and employee benefits must be considered. When asked about cost objectives, **88 percent of business owners** report that cost control is a very important objective. That is why we recommend business owners learn and apply the [business ratios](#).

PBI Coaches and Consultants can help small business owners design a plan by providing a combination of cost-effective and comprehensive solutions. A PBI Coach or Consultant can help with this process by helping the employer solicit feedback from employees and then working to translate the feedback into the right business ratio package. Rather than cutting costs, PBI Coaches and Consultants can help small business owners explore ways to keep costs under control through an [initial assessment](#).

## 5. Increase Revenue

Clearly, this is every business owner's goal. When you increase revenue, you can expand your business, which will bring in more revenue, making you, your business, and your family more comfortable. But how do you begin? One great tip that has worked well in the past is a simple one. ***Ask your best customer how to increase your revenue.***

It's really that simple. Most businesses have a customer that just loves your brand (if you don't, you should dedicate your next few months to getting one) and wants you to succeed. These customers often have insights, and will often give referrals. Sometimes, it'll be a product they wished you carried, or a demographic you hadn't thought of reaching out to. Either way, when you ask a trusted loyal customer what the next step for your business is you're going to get some good feedback that will help you reach your revenue goals.

There are actually many ways to increase revenue. [Potential Solution: Is to Review PBI's 10 Rules for Growing a Business](#). PBI recommends all clients attend the [Parthenon Method for Growing a Business Seminar](#).

## 6. Obtain More Capital

One of the biggest mistakes businesses make is *they wait to get a business loan before it's too late*. Not only does their business look bad because they're in emergency mode, they often don't have time to go through the long lending process at a bank. [See PBI's Loan Application Solutions](#).

***Business owners need to find capital before their business needs it.***

Lines of credit are great for this, because you only take the money when you need it. That way, you get a large sum available when your business is good, but you have that buffer for when the going gets rough. This buffer of capital is going to bring you less stress and better sleep.

Everyone has stress in their life, but business owners really feel it when they're running low on cash. By working using these three solutions, you can finally get the rest you need, and feel excited about your business again. [Potential Solution is to Review PBI's Business Financing](#) Also review [PBI's Are You Getting Ready for Financing?](#) Also review [Frequently Asked Questions to Get Cash Now.](#)

## 7. Employees

If your business is more than just you, you undoubtedly feel a sense of obligation to your employees and their families. After all, as much as you took a chance on them, they're taking a chance on you!

Most businesses with a small staff are tightly knit so there's a natural level of personal concern. But beyond that, you, the employer, can be left feeling like you're under a mountain of responsibility. Say cash flow is a recurring concern for your business.

That's going to make you worry about payroll. Similarly, from an employer-employee relationship perspective, how do you prepare for and handle slow periods? A clear definition of the values and culture you want your company to reflect can help ease the level of worry you have when it comes to your employees.

## 8. Recruiting and Retaining Skilled Talent

One of the most important concerns for any small business owner is recruiting and retaining skilled employees. A valued benefits package is important to employees and can also signal the strength and stability of a small business.

### Types of Employee Benefits\*

- "Qualified Benefits" for all full-time employees
- "Non-Qualified Benefits" for select employees

### Why Offer Employee Benefits\*?

- The right thing to do
- Attract and retain employees
- Owners need coverage, too
- Remain competitive
- Employees expect them

### Employee Benefits\* - The Facts

- Nearly 80% of job seekers rate as very important when considering new job opportunities
- 70% of businesses offer some type of group benefit – Health (86%) – Dental (62%) – Drug (80%) – Group Life (61%) – Retirement (50%) – Group Disability (47%)

- 46% of businesses offer some executive benefits beyond group benefits

### Employee Benefits\*

Average Per Firm Spending:	1 to 4 EEs	5 to 19 EEs	20 to 99 EEs	100 to 499 EEs
Health insurance	\$2,490	\$14,680	\$92,480	\$325,980
Pension plans	2,070	3,920	35,580	78,900
Education/training	530	1,890	7,130	27,470
Life/disability insurance	490	1,500	7,181	15,920
Dental insurance	30	480	3,450	18,080

The Network of City Business Journals: The Pulse of American Business 2005, Buying Power

### Employee Benefit Costs\*

- Average per firm spending – 1-4: \$7,100 – 20-99: \$142,700 – 5-19: \$21,800 – 100-499: \$474,500
  - Includes: health, dental, life insurance, disability insurance, pension plans, education or training
- The Network of City Business Journals: The Pulse of American Business 2005, Buying Power

### Employee Benefits\* – Key Questions

- Are you distinguishing yourself from the competition?
- Are you benefiting from your employee benefits?
- Do you want/need to attract, retain or reward key employees?

As evidence, MetLife's *U.S. Employee Benefit Trends Study* shows that concerns about health care reform, slow job growth and uncertainty in Washington have boosted the perceived value of employee benefits. The **study** found a significant rise in the number of employees who agree that the benefits they receive are an important factor in why they choose to join or stay with a company.

Small businesses today have a wide range of options available to offer a competitive benefits program that is both efficient and cost effective. But greater choice brings new challenges. Because of the number of options available, employers need help understanding which individual options and plan structures make the most sense for their employees and their organizations.

A robust benefits plan can signal to current and potential employees that the business is stable, values its employees, and is aware of its employees' needs.

PBI Coaches, Consultants or Brokers can help small business owners understand which benefits best match the needs of the employees they are trying to attract and retain, and then help design a benefits program that is competitive in their industry, market and locale.

To create meaningful benefits packages, PBI Coaches, Consultants or Brokers advisors should invest time in understanding their clients' needs and demographics. This allows advisors to recommend benefits packages that are customized to particular employee populations and to demonstrate to employees their unique needs are recognized and valid.

## 9. Growing the Customer Base

It's important for small businesses to be positioned to sustain their businesses, and to expand if desired. New customer acquisition can take a lot of time and effort, so it's helpful for small business owners to find ways to reduce the time that the organization spends elsewhere.

PBI Coaches, Consultants are a key tool to do this. [See: PBI's Grow or Die Consultancy Program](#)

Small business owners need simplicity and streamlined management when it comes to growing a customer base. While it may seem simple, things like proper marketing and sales and implementation and billing can make a big impact.

"It's important for small business owners to find a coach or consultant that is responsive to their needs and who works with and understands small businesses. Being surrounded by a top-notch team is a key piece to reducing the time a business owner has to grow its customer or client base.

PBI Coaches or Consultants can help small business owners in two key ways: by being a resource for questions and issues; and by helping to find the best source to grow a business's customer base. *PBI recommends all clients attend the [Parthenon Method for Growing a Business Seminar](#).*

## 10. Ineffective Marketing and Sales

"I know we have an excellent product and service but we need to get it in front of the right people." No matter how good your product is, nothing happens until you sell something. Marketing and Sales is a skill that must be learned, even if you think you don't like marketing and selling.

We're sure you like the result of marketing and selling — and as the business owner you really are the best marketing and sales person. But, if you're not confident, or if you're introverted, then set up the systems and develop the skills to get over this barrier. The same goes for marketing. There are many low-cost and no cost ways to market your business today. But that doesn't mean marketing is easy. It's not! There is a lot of BAD marketing around, marketing that is not generating business.

Profit Builders Inc makes it a priority to present online seminars and courses, DVDs and CDs on marketing and sales because we recognize that if you're not marketing and selling, if you're not marketing you cannot continue to grow. *PBI clients have access to a library of over 300 different workshops, DVDs and CDs! All our programs are also available to clients and non-clients at a nominal fee. PBI recommends all clients attend the [Parthenon Method for Growing a Business Seminar](#).*



## 11. Keeping Up with the Competition

One way small businesses can combat the threat of competition is to build a strong and loyal customer base. To do so, the company must invest in its customer and client acquisition. *PBI recommends all clients attend the [Parthenon Method for Growing a Business Seminar](#).* PBI recommends that you review and take [HMA Marketing Analysis](#)

## 12. Excessive Workload

"I know I can't wear every hat that is required but worry how do I actually do it all." is another cry I hear from business owners. And, I totally understand. Working ON the business and IN the business at the same time is frustrating. You often don't have the money to hire another person when you're just starting out.

Two pieces of advice for dealing with excessive work:

- a. **Systems, systems, systems** - Document the tasks that you could leverage to someone else. This can include how to answer the phone, answer customer queries, send a marketing email etc. Once you document it you can leverage it.
- b. **Outsource** - As small-business owners we often don't have resources immediately to bring on staff. So, we do 'it all' ourselves. The key is to do what you are best at and leverage, as quickly as possible, the roles are you can, and which do not produce income.

Your job is to plan and grow the business, to provide leadership and head up systems not to be involved in every little detail. These days it's easy to outsource jobs and bring on help without the overhead of an office or a full salary. Start with small jobs that pay for themselves and grow from there. Review PBI's [3 Transformation Every Business Owner Must Take](#) to avoid or eliminate excess workload.

## 13. Complying with Healthcare Reform

The Affordable Care Act went into effect in 2014, and was recently reaffirmed by the U.S. Supreme Court. But many small business employers continue to have questions about how it affects them and what steps they must take to comply. Helping small business owners better understand this complex regulation is a perfect way for brokers to add value to their client relationships.

Small business owners question how and when they will need to be compliant, and what being compliant means both from a regulatory perspective and to their business.

Insurance Brokers are a key resource for these answers. A proactive review of a client's benefits package can give the broker insight into what adjustments may need to be made to a client's offerings and puts the broker in a consultative position. Business owners can count on small business insurance specialists to help them build and recommend the right benefits solution for each small business client.

## 14. Lack of Skills to Run a Business

Many people start a business as a hobby or because they're tired of the corporate landscape. While they may be excellent at one area of business and their profession they can lack the skills required to run and grow a business.

They quickly learn that it's not enough to be good at what you do - consulting, retail, law etc. A strategic approach and an overview and understanding of every aspect of the business, and what is required for it to be sustainable become important.

As a business owner you need a range of skills including marketing, finance, human resources, and leadership. Even though you may bring a team member to manage this area you want to know enough to be able to lead your business to success.

When I started my first business I thought I'd survive on the strength of my marketing skills. I figured if I could market I could run a business. I was terribly wrong. I needed to quickly learn how about finances, how to hire an employee, how to set up systems, how to plan and forecast. I had to start to expand my skill set.

Even though I've been marketing for 20 years, marketing has changed and continues to and so my skills need to be updated. To this day I continue to learn new skills and to update existing skills by attending courses, reading, listening. That is why I recommend that you [review PBI's website](#) and discover how it can help you with any lack of skills you may have to run a business.

## 15. The Bank Account

For just about every small business owner, the **bank account** (more specifically, the bank account balance) is the barometer of success or failure. How often have you been up until the wee hours of the morning, lying in bed thinking about the amount of money in the business bank account? (If your answer is "never," congratulations, you're in the minority.)

While nothing is going to stop you from worrying about how much is in the business's bank account, there are a few things you can do to worry less. For starters, get a sense for your monthly recurring expenses. That way you'll know exactly how much will already be earmarked as "out the door." And speaking of expenses, look for [places you can trim!](#) On the top side, send your invoices out faster to reduce the time it takes to get paid.

## 16. Family

By no means are we saying that small business owners worry about their family more than non-small business owners... it's just a different kind of worry. Perhaps you put a lot of personal capital into the business. Or maybe you left a comfortable corporate gig for the entrepreneurial path. Ultimately, a lot of small business owners worry about their family in the context of "what would happen to us if the [business fails](#)?"

That's a totally valid concern. You combat that concern with planning, specifically a backup plan. If you haven't already, take the time to identify what you would do if your business failed tomorrow. Have you considered [asset protection?](#)

Could you keep **paying yourself**? For how long? What would your next career move be? Start something new again? Gain employment elsewhere? How would your business's failure correlate to your total household income? (Hint: [Talk about this stuff with your spouse, partner, etc.!](#))

Bottom line: have a plan. You'll worry less.

## Consider Succession Planning

### Key Questions

- When do you want to exit the business?
- Who will be your successor?
- What is the value of the business?
- How will you get your value from the business?
- How will your successor pay you?

### Are You Participating in Succession Planning?

- Business successor options: –
  - Family/children –
  - Other owners or employees –
  - Third party –
  - Liquidate

Business transfer triggers:

- Death
- Disability
- Retirement

## Succession Planning

- Biggest source of conflict in a family business centers on issue of succession.

Reluctance of founder to turn over reins to younger generation  
Children in business disagreeing with each other over business decisions  
Children not adequately prepared to take over the business.

- Despite this, children as successors are the norm.

## Succession Planning

The Facts 24% of businesses have a professional valuation  
 35% of businesses have a formal succession plan  
 31% of family businesses have a written succession plan

### 17. An Audit

An audit, or any other revenue agency-related inquiry, always seems to have a place in the back of every small business owner's mind. While navigable with the right business practices, documentation and **record keeping**, audits are scary. They feel invasive.

They take massive amounts of time and energy. There just simply isn't a small business owner that doesn't think about this. All that being said, there's no way to fully eliminate that worry. However, preparedness can help. Keep accurate books. Maintain copies of all correspondence between the business and the inquiring party. Communicate fully with an accountant or tax prep professional who can become your best ally in an audit scenario. And simply remember this: you will get through it.

## Now to Fix What Keeps You Up At Night So You Sleep Better!

[1]: Are you concerned about anyone of the 16 things that keep most business owners awake at night?

On a scale of 1 to 10 Rate your Business on these problems. 1 being the lowest while 10 is the highest.

1. Rate Your Business
2. Tell Us Your Present Goal for That Area
3. What is it Costing You Not To Reach Your Goal

Problem	Rating	Goal	Cost
1. Personal Financial Needs	_____	_____	_____
2. Cash flow	_____	_____	_____
3. Cutting Costs	_____	_____	_____
4. Controlling Costs and Cash Flow	_____	_____	_____
5. Increase Revenue	_____	_____	_____
6. Obtain More Capital	_____	_____	_____
7. Employees	_____	_____	_____
8. Recruiting and Retaining Skilled Talent	_____	_____	_____
9. Growing the Customer Base	_____	_____	_____
10. Ineffective Marketing and Sales	_____	_____	_____
11. Keeping Up with the Competition	_____	_____	_____

- 12. Excessive Workload \_\_\_\_\_
- 13. Functionality and reliability of technology to run the business \_\_\_\_\_
- 14. Taxes, government regulations and healthcare reform \_\_\_\_\_
- 15. Complying with Healthcare Reform \_\_\_\_\_
- 16. Lack of Skills to Run a Business \_\_\_\_\_
- 17. The Bank Account \_\_\_\_\_
- 18. An Audit \_\_\_\_\_
- 19. Family \_\_\_\_\_

- a. Explain how not reaching your goal is impacting your business
- b. Explain how not reaching your goal is impacting your employees
- c. Explain how not reaching your goal is impacting your family
- d. Explain how not reaching your goal is impacting your children
- e. Explain how not reaching your goal is impacting your future

**[2]: Are you concerned about critical assets keeping you from sleeping at night?**

Four Critical Asset Classes

- 1. The physical assets of the business – Buildings, machinery, cars, trucks Yes: \_\_\_ No: \_\_\_
- 2. The employees Yes: \_\_\_ No: \_\_\_
- 3. The business itself – Reputation, goodwill, client relationships Yes: \_\_\_ No: \_\_\_
- 4. You the business owner – As a key person and owner Yes: \_\_\_ No: \_\_\_

**[3]: Is Risk Management keeping you from sleeping at night?**

Key Questions

- Is your liability insurance current? Yes: \_\_\_ No: \_\_\_
- Have you protected your ability to generate income? Yes: \_\_\_ No: \_\_\_
- Will business expenses be paid if you become disabled? Yes: \_\_\_ No: \_\_\_
- What if a key employee died or became disabled?

**[4]: Where is Your Business in the Four Stages of Business Development?**

- 1. Startup Yes: \_\_\_ No: \_\_\_
- 2. Growth Yes: \_\_\_ No: \_\_\_
- 3. Maturity Yes: \_\_\_ No: \_\_\_
- 4. Transfer Yes: \_\_\_ No: \_\_\_

**[5]: Is it in the Startup Phase of Risk Management? Are you concerned about...**

- Protect against business liability Yes: \_\_\_ No: \_\_\_

- Protect business from loss of owners or key employees Yes: \_\_\_ No: \_\_\_
- Employee Benefits • Group medical • Group life • Group disability Yes: \_\_\_ No: \_\_\_
- Business Succession Yes: \_\_\_ No: \_\_\_
- Personal Planning • Protect income • Protect family • Retirement Yes: \_\_\_ No: \_\_\_

**[6]: Is it in the Growth Phase Risk Management? Are you concerned about...**

- Expanded protection against loss Yes: \_\_\_ No: \_\_\_
- Employee Benefits • Group benefits (disability, life, dental, vision, etc) Yes: \_\_\_ No: \_\_\_
- • Basic retirement • Selective retirement and benefit programs Yes: \_\_\_ No: \_\_\_
- Business Succession • What will you do with your business? Yes: \_\_\_ No: \_\_\_
- • How transfer and to whom • Buy-sell agreement Yes: \_\_\_ No: \_\_\_
- Personal Planning • Review personal objectives Yes: \_\_\_ No: \_\_\_

**[7]: Is it in the Maturity Phase Risk Management? Are you concerned about...**

- Expanded protection against loss Yes: \_\_\_ No: \_\_\_
- Employee Benefits • Selective benefits for key employees – Yes: \_\_\_ No: \_\_\_
- Disability – Long-term care – Retirement Yes: \_\_\_ No: \_\_\_
- Business Succession • Review transition plan and agreements Yes: \_\_\_ No: \_\_\_
- Personal Planning • Review personal objectives • Estate planning Yes: \_\_\_ No: \_\_\_

**[8]: Is it in the Transfer Phase Risk Management? Are you concerned with...**

- Review/transfer protection plans Yes: \_\_\_ No: \_\_\_
- Employee Benefits • Review/transfer benefit plans Yes: \_\_\_ No: \_\_\_
- Business Succession • Implement exit strategy Yes: \_\_\_ No: \_\_\_
- Personal Planning • Review personal objectives and plans Yes: \_\_\_ No: \_\_\_
- • Review estate plan Yes: \_\_\_ No: \_\_\_

**Call 415-678-9965 and Get a  
Free Coaching Session and Assessment to  
Help You Sleep at Night**