

We help our clients succeed!



Department of Families and Children Credentialing Provider Meeting

Presented by: Denise Whitford

June 17, 2016



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GrowCT.com  855-4CT-SBDC

CONNECTICUT SMALL BUSINESS DEVELOPMENT CENTER FACTS

- UConn, School of Business
- National program of the U.S Small Business Administration (SBA)
- Department of Economic and Community Development (DECD) and local partners
- National Trade Organization America's SBDC

CTSBDC MISSION

Our mission is to help businesses start, grow and thrive by providing customized advising, education and network resources to entrepreneurs and small businesses in Connecticut.



"Cafemantic's growth in the past four years has been fantastic. Business Advisor Greg Lewis and CTSBDC helped me look at my business in a new way."

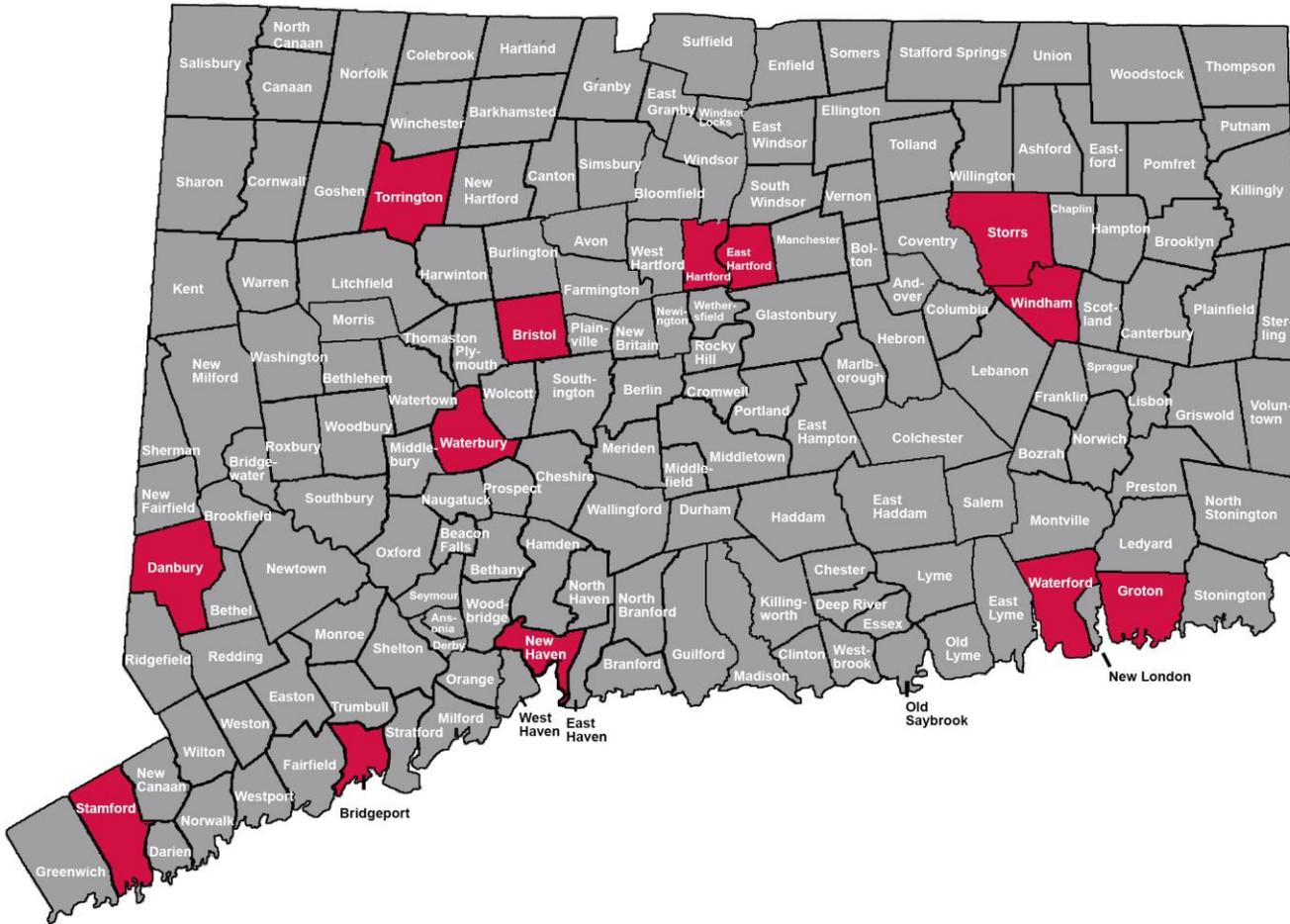
Andrew Gutt, Owner
Cafemantic
Willimantic, CT

cafemantic.com



Whatever Your Business,
We Can Help It Grow

CTSBDC *Everywhere*



Office Locations

- Bridgeport
- Bristol
- Danbury (2)
- East Hartford
- Groton
- Hartford (3)
- Middletown (2)
- New Haven
- Stamford (2)
- Storrs (Lead Office)
- Torrington (2)
- Waterbury
- Waterford
- Willimantic

What we do

- Help launch business
- Evaluate Funding choices
- Expand into new markets

How we do it

- Access to capital
- Business continuity planning
- Cost analysis, financial analysis
- Industrial market trends
- Marketing, social media plans
- Training & 1 on 1 advising

Who we work with

- Entrepreneurs
- Start-up businesses
- Existing businesses
- High-tech firms
- Expanding businesses
- Youth entrepreneurs
- Veteran, women and minority businesses

Labor Planning Tips

- Focus on potential
- Check social media profiles
- Fit the personality to the job
- Ask good questions
- Let them interview you too
- Think of other employees
- Don't judge book by cover
- Know not all hires work out

The numbers funnel

- Not all candidates/hires work out
- 64 to 16 to 1
- Fill your needs
 - View history, references
 - Talk about successes and lessons learned
 - Demonstration
- Keep the interview open

Growth Wheel

- Organizational Structure
- Service Offering
- Staff Cost benefit
- Recruitment Process
- Job Description

Break!



S



Whatever Your Business,
We Can Help It Grow

Cash Flow

- <https://www.slideshare.net/mobile/hitesh447/cash-flow-statement-presentation>

Worksheets

- Budget process
- Cash management
- Cost budget
- Sales budget
- Cash flow budget
- Roads to profitability



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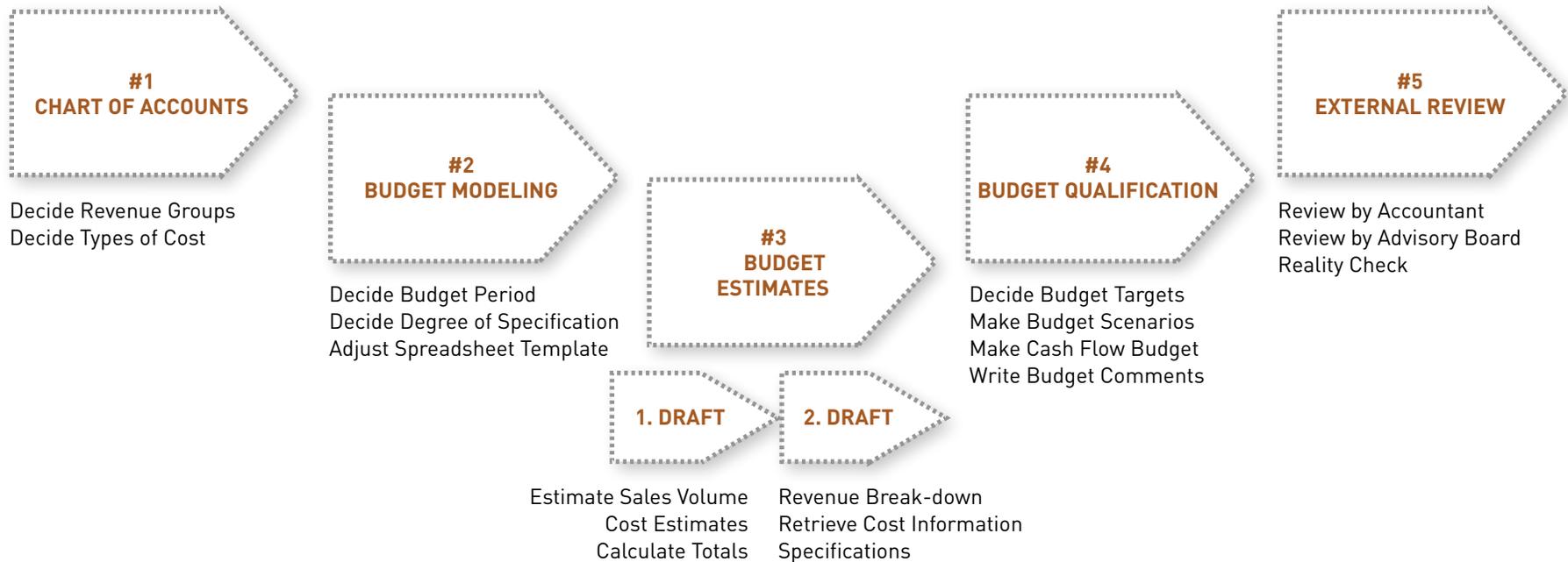
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We Can Help It Grow**

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Budget Process

Decisions about the budgeting process



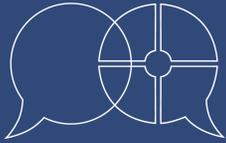
About:

The Budget Process framework gives an overview of five major phases in budgeting - from making a chart of accounts and a budget model, to deciding on budget posts and the qualification of the budget. The final phase is external reviewing.

A key point of the framework is that the budget process becomes clearer when you take one step at a time, and when you initially do not focus so much on finding the perfect figure. It becomes easier when you've made some loose estimates and an overview of the whole process and how the entire budget must be established and specified.

Next Step:

Use The Budget Process to make a plan for the budgeting process and start deciding on the elements in the process. What types of costs do you have? To what degree do you want to specify your budget? What are your budget targets?



B1.11

OPERATIONS
/Financials

WORKSHEET

v1.9

Intention

Growth puts pressure on a company's liquidity, but several initiatives can create a better cash flow.

By improving the cash flow, we get more available funds that we can use for making the company grow.

Process

Start by getting an overview of the listed ways to create a better cash flow in the company.

Continue by ticking off how useful you think each initiative is.

Finish by describing how to carry out the initiatives to create a better cash flow.

Next Step

- Schedule time to carry out the various initiatives.
- Delegate the tasks to your employees.
- Draw up a budget for the initiatives.

Licensed to:

Developed by:



Cash Management

Find ways to create better short-term and long-term cash flows



| CATEGORY | WAYS TO CREATE BETTER CASH FLOW | USEFUL | | | HOW TO CARRY OUT THE INITIATIVES |
|------------------------|--|--------|---|---|----------------------------------|
| | | 1 | 2 | 3 | |
| Debtors | Shorten terms of payment | | | | |
| | Convert to digital invoicing | | | | |
| | Introduce advance payment | | | | |
| | Improve reminder procedures | | | | |
| | Introduce interest payment on overdue receivables | | | | |
| | Offer cash discount for immediate payments | | | | |
| Creditors | Extend terms of payment | | | | |
| | Make installment agreements with creditors | | | | |
| | Make installment agreements with tax authorities | | | | |
| | Bring down costs and spending | | | | |
| Inventory | Cut current inventory levels | | | | |
| | Make smaller order sizes to suppliers | | | | |
| | Reduce minimum inventory for re-orders | | | | |
| | Get higher revenue rate | | | | |
| | Reduce inventory through consignment | | | | |
| Tied-up capital | Sell assets | | | | |
| | Take loans against assets | | | | |
| | Leasing of production equipment, inventory or cars | | | | |
| Loans | Get granted an overdraft | | | | |
| | Take out bank loan | | | | |
| | Get loan from personal contacts | | | | |
| | Make factoring deal | | | | |
| | Negotiate extension on bank loan payments | | | | |
| Raising capital | Loans from inventory holders | | | | |
| | Capital injection from investors | | | | |
| | | | | | |
| | | | | | |

Date:

Name:

Company:



B1.22

OPERATIONS
/Financials

WORKSHEET

v1.9

Intention

The first step of making a budget is to define what type of costs we have in the company.

When we know more about our costs we can more easily make decisions about how to run the company.

Process

Start by noting all the types of costs that you have in your company. Use the checklist for inspiration.

Continue by roughly guessing the monthly costs and adding up the costs per year.

Finish by coming up with ideas for how to bring down your usage and your purchase prices in order to reduce your costs.

Next Step

- Transfer the numbers to a spreadsheet.
- Consider if the numbers are realistic and correct them if necessary.
- Make action plan for the best ideas for bringing down the costs.

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Cost Budget

Calculate costs and reduce expenses



CHECKLIST: TYPES OF COSTS

| Direct costs | Sales costs | Adm. costs | Personnel costs | Capacity costs | Interest rates, depreciation |
|---|--|--|--|--|---|
| Raw materials Goods purchases Production costs External manpower | Marketing Traveling Catering Representation | Phone Internet access Subscriptions Membership fees Insurances Literature | Own salaries Freelancers Catering Education | Rent Heat Electricity Minor purchases IT costs | Interest on overdraft Bank fees Depreciation on facilities, equipment |

| CATEGORY | TYPE OF COST | AMOUNT PER MONTH | AMOUNT PER YEAR | How can we reduce usage? (savings, streamline work flows) | How can we reduce prices? (renegotiation, change supplier) |
|----------------------|--------------|------------------|-----------------|--|---|
| Direct costs | | | | | |
| | | | | | |
| | | | | | |
| Sales costs | | | | | |
| | | | | | |
| | | | | | |
| Administration costs | | | | | |
| | | | | | |
| | | | | | |
| Personnel costs | | | | | |
| | | | | | |
| | | | | | |
| Capacity costs | | | | | |
| | | | | | |
| | | | | | |
| Interests | | | | | |
| | | | | | |
| | | | | | |
| Depreciation | | | | | |
| | | | | | |
| | | | | | |

Date:

Name:

Company:



B1.1

Roads to Profitability

Find ways to increase revenue and reduce costs



PROFITABILITY

INCREASED
REVENUE

REDUCED
COSTS



MORE SALES

Increased revenue from existing clients

NEW SALES

Increased revenue from new clients

UP SELLING

Increased revenue from more products sold

PRICE INCREASES

Increased revenue from better prices

COST REDUCTION

Reduced prices from existing or new suppliers

COST SAVINGS

Reduced expenses or consumption

COST ELIMINATION

Cut away activities or expenses

COST EFFICIENCY

Reduced costs per unit or output
(increased productivity)

About:

The Roads to Profitability Framework outlines different ways in which companies can be more profitable by increasing revenue and/or reducing costs.

Ways to increase revenue includes at least 4 different approaches, including selling more to existing clients, selling to new clients, selling more products at every sale, or to increase prices.

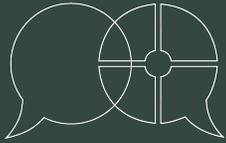
Likewise there are 4 different approaches to reducing costs, including reduction of prices on purchased goods and services, reduction of the consumption, elimination of expenses, or by increasing productivity or yield from resources.

A key decision point in regards to this framework is to prioritize which approaches that are best suited for increasing profitability on either the short or long term.

Next Step:

Use the framework to get new ideas for profitability. Are there one or several opportunities for increasing revenue? Which way would be the best suited for reducing costs?

Their are seven
misstakes in this
pargraph. If you
can find all seven
misstakes, you are
smarter then the
average person
you're age!



63.41

Service Offering

Deliver great service throughout the buying process



CUSTOMER RELATIONS
/Sales and Service

WORKSHEET

v1.1

Intention

Both service providers and companies that produce or deliver products offer a number of different services.

By considering all elements of the service offerings we can get ideas for better service or service offerings that can become a source of income.

Process

Start by figuring out which service elements are relevant to the company.

Continue by describing the services that the company is offering right now and come up with ideas for which to offer in the future.

Finish by deciding which of the various services you can bill and note how much to charge for each of them.

Next Step

- Make a description of each of the services you want to offer.
- Include service descriptions in the company's quotation templates, standard contracts and marketing materials.
- Calculate the costs of providing the service and adjust the prices accordingly.

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Developed by:



| TIME | POSSIBLE SERVICE ELEMENTS | RELEVANT | | DESCRIPTION OF SERVICE OFFERING | | PRICE |
|------------------------|---------------------------------|----------|----|---------------------------------|---------------|-------|
| | | YES | NO | TODAY | IN THE FUTURE | |
| BEFORE BUYING | Service and product information | | | | | |
| | Customer dialogue | | | | | |
| | Identification of needs | | | | | |
| | Documentation and references | | | | | |
| | Testing opportunities | | | | | |
| WHILE BUYING | Ordering process | | | | | |
| | Delivery description | | | | | |
| | Add-on services | | | | | |
| | Order confirmation | | | | | |
| | Payment options | | | | | |
| AFTER BUYING | Delivery service | | | | | |
| | Delivery locations | | | | | |
| | Education and training | | | | | |
| | Customer service and support | | | | | |
| | Quality assurance | | | | | |
| | Evaluation | | | | | |
| | Communication/reporting | | | | | |
| | Reordering | | | | | |
| Social Media Community | | | | | | |

Date:

Name:

Company:



Recruitment Process

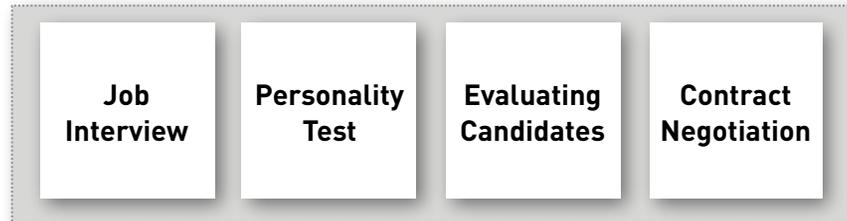
The steps in the recruitment process



AFTER THE RECRUITMENT



DURING THE RECRUITMENT



BEFORE THE RECRUITMENT



About:

The Recruitment Process Framework shows 12 tasks related to the recruitment and managing of employees - before the recruitment, during the recruitment, and after the recruitment.

Before the recruitment even begins, there are four tasks to complete: Making an employee budget that contains a list of costs and benefits, making a job description, a profile of the wanted employee, and job advertising.

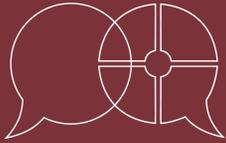
The tasks during the recruitment itself are conducting job interviews and personality tests, evaluating the candidates, and forming a final contract.

After the recruitment, there are still various tasks to do, such as assigning the first tasks, a starter introduction to the business processes and staff, conducting staff development interviews and making training programs.

It is a key point in this framework that successful recruitment demands thorough preparation of all the different tasks in the recruitment process. But once templates and checklists for each task have been made, the whole process will be a lot easier the next time. If it is not done, the recruitment of new employees is likely to become even more comprehensive for each time.

Next Step:

Use the Recruitment Process to make an action plan for the tasks to be done when the company is recruiting the next employee. Are some of the tasks not necessary? Is it possible to make templates and standards for some of the tasks to be reused?



R2.01

Organizational Structure

Establish current and future positions and areas of responsibility



ORGANIZATION
/Employees

WORKSHEET

v1.9

Intention

A growing company needs to hire new employees on an ongoing basis.

By getting an overview of our roles and work areas in the company we can more easily make a decision about the next hire.

Process

Start by listing all the company's current employees and the most important work areas.

Continue by figuring out which functions should be carried out by new employees that should be hired in either the short or long term. Next, decide if some of the functions should be covered by freelancers.

Finish by writing down the most important areas of responsibility that the new employees should have.

Next Step

- Make a job description and a job profile for the company's next employee.
- Decide whether to recruit external employees to cover certain roles.
- Consider if some of the roles should be outsourced completely.

Licensed to:

Developed by:



CURRENT EMPLOYEES AND AREAS OF RESPONSIBILITY

| | | | |
|------------|----------------------|------------|----------------------|
| Management | <input type="text"/> | Management | <input type="text"/> |
| | <input type="text"/> | | <input type="text"/> |
| | <input type="text"/> | | <input type="text"/> |
| | <input type="text"/> | | <input type="text"/> |

| | | | | | | | |
|-----------|----------------------|------------|----------------------|---------------------|----------------------|----------------|----------------------|
| Sales | <input type="text"/> | Deliveries | <input type="text"/> | Product development | <input type="text"/> | Administration | <input type="text"/> |
| | <input type="text"/> | | <input type="text"/> | | <input type="text"/> | | <input type="text"/> |
| | <input type="text"/> | | <input type="text"/> | | <input type="text"/> | | <input type="text"/> |
| | <input type="text"/> | | <input type="text"/> | | <input type="text"/> | | <input type="text"/> |
| Marketing | <input type="text"/> | IT | <input type="text"/> | Production | <input type="text"/> | Finances | <input type="text"/> |
| | <input type="text"/> | | <input type="text"/> | | <input type="text"/> | | <input type="text"/> |
| | <input type="text"/> | | <input type="text"/> | | <input type="text"/> | | <input type="text"/> |
| | <input type="text"/> | | <input type="text"/> | | <input type="text"/> | | <input type="text"/> |

NEW EMPLOYEES IN SHORT TERM PERSPECTIVE

| | | | |
|----------------------|----------------------|----------------------|----------------------|
| <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> |
| <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> |
| <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> |
| <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> |

NEW EMPLOYEES IN LONG TERM PERSPECTIVE

| | | | |
|----------------------|----------------------|----------------------|----------------------|
| <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> |
| <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> |
| <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> |
| <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> |

Date:

Name:

Company:



Job Description

Job positions that create value and clarity in the organization



About:

The Job Description framework shows various elements that should be part of a complete job description, including a job title, key responsibilities and projects, authority, expected results, organizational position, colleague supervision and growth opportunities in the job.

A key point of the framework is that by doing a thorough job description and relating to all the points listed, the employee gets off to a good start in the job, and the expectations of the employee's manager are clear. The work done here can also be used as a tool in subsequent employee review meetings.

Next Step:

Use the Job Description to decide on all matters affecting the employee's job and workday. What should the employee do? What results are expected? What is the framework for the job? What educational activities are planned?