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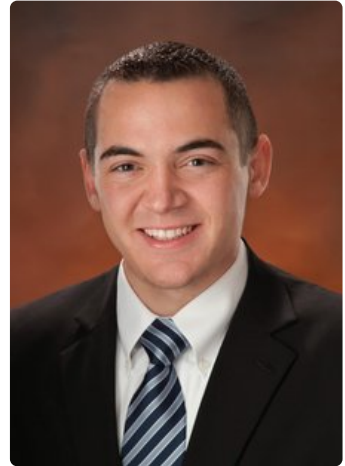
New Year Planning for Business Owners



By Glenn Curtis
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Every new year, business owners should take the time to sit down and do a little planning, just to make sure that they'll be able to keep their company afloat and on the right track. Doing so will help ensure the business will have the necessary tools to maintain (and meet) its financial and operational goals, and that the firm's employees will be happy with their working environment. Read on for some tips to help make the planning process run smoothly for you and your business.

Let's face it, it's a dog-eat-dog world out there – especially in the digital age. But that doesn't mean that you can't be a good competitor. Sometimes it's as simple as reevaluating how you're marketing your business. If you want to compete, especially with the big names, you have to make sure you have a presence online. It may be as simple as creating your own website. Doing so can cost you next to nothing, or can be a worthwhile expense – provided you have the budget and can afford it.



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And never discount the benefits of social media. Try setting up a Facebook or Instagram page for your business, or even a Twitter handle. If you're unsure of how or where to start, there are some services that can help set up your social media presence for a cost – and they can help you maintain them if you are not able to.

Blogging and vlogging are also great ways to get your business name out

there. This will, obviously, require a time commitment but can be well worth it, especially if you work in a niche industry. If you run a bakery or are a personal finance expert, you can provide your clients (and prospective clients) with an insight into your business by uploading photos, recipes, tips, and advice.

It should go without saying that every business owner should periodically review vendors and suppliers to make certain they are giving competitive prices and delivering quality service. The beginning of the year may be the best time to review vendors.

In many cases, suppliers may have just completed their budgets for the current fiscal year, and they are looking to pin down business and cut deals to ensure they achieve their annual financial objectives.

With that in mind, owners should ask themselves the following questions:

- Are current vendors charging competitive rates?
- Are current vendors providing good service and adapting to the business's changing needs?
- Are there any new vendors or suppliers who deserve a chance or from whom the business might obtain a quote?
- Does it make sense to try out a new vendor, even if it means giving him or her a small order?
- Would trying out a new vendor provide the business with leverage over an existing vendor?

Again, business owners will need to answer these questions in order to know whether they are getting good deals. Getting the best deals enables the business to keep its costs low, which improves the bottom line. Again, the first few months of the year are an opportune time to do this.

Manufacturing companies and many service-related businesses depend on machinery, supplies and a variety of other equipment (from vehicles to assembly devices) to operate. However, many business owners are so caught up in the day-to-day activities that go along with running the business that they sometimes forget to do periodic equipment checks and make sure they have what they need to grow the enterprise.

The first quarter is a good time to evaluate a company's equipment needs and to determine whether any capital investments need to be made. That's because identifying the business's equipment needs early on in the year can help the enterprise make its annual numbers. It can also help the business owner plan for future cash needs.

The following are questions that all business owners should ask themselves regarding equipment needs:

- Does the business have the equipment necessary to succeed and profit over the long haul?
- If not, can the equipment last another year, and can the business sustain itself using the existing equipment?
- What will new equipment cost, and where can quotes for the equipment be obtained?
- Does the company have the cash on hand or the ability to finance such purchases, or will the money need to come from future operational cash flow?
- Are there any expenses that could be cut in order to offset and help justify such expenditures?

Staffing needs should also be considered. It's good to recognize any deficiencies early on in the fiscal year so that appropriate adjustments can be made. Also, keep in mind that finding, hiring and training the "right person" can take a lot of time, so it's a good idea to get on the ball as early as possible.

Furthermore, it's important to realize that many workers tend to ponder their own futures at the end of the year. They start thinking about whether they intend on sticking with the company or moving on.

While the old adage says that the best defense is a good offense, sometimes the best offense is a good defense. Simply, insurance coverage is a business necessity.

At the beginning of the year, new rates for health insurance, business liability insurance, automobile insurance, umbrella policies and other types of insurance tend to come into effect, so it's a great time to go quote shopping.

All business owners should ask themselves the following questions about insurance:

- Is the company adequately covered in terms of liability and/or does it have adequate fire and health insurance?
- Are insurance companies running multi-policy deals at the beginning of the year in order to garner your business?
- Are there any new insurance carriers that might be able to provide a competitive quote?
- Has the company taken on any new assets or business interests that haven't been accounted for and protected by existing policies?


Businesses looking to set up employee pension or other retirement plans should do so as early as possible during the year. Setting up a plan early on can permit employees to take full advantage of their annual allowed pretax contributions. Theoretically, the more time the money is growing on a tax-deferred basis, the larger the nest egg they may accumulate.

Reviewing the plans, selecting an investment firm, and actually setting up a plan doesn't happen overnight. Again, getting an early jump on these efforts makes sense.

Questions business owners should ask when setting up retirement plans:

- What will the cost be to administer the plan?
- How many employees might benefit and want to take advantage of the plan?
- How much will the company need to contribute to the plan?
- Are there any advantages to setting up one type of plan over another based on costs, the firm's size and employees' retirement needs?

By definition, business owners should continually evaluate their businesses and make adjustments accordingly. However, from a number of perspectives – such as insurance, retirement planning, staffing, vendor and equipment needs – the New Year is a particularly opportune time to sit down and plan.

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