

# Tips *from* small business owners



- Work with fellow business owners and districts.
- Maintain a positive attitude throughout the course of the project.
- Focus on what you *can* do as a business owner, rather than what you can't.
- Keep the contact information for each project (the City of Sumner and its contractors) at your fingertips.
- Express customer appreciation as often as possible, and make their experiences in your business unparalleled.
- Host employee appreciation functions, because they experience construction hardships, too.
- If possible, buy non-perishable items en masse at a cheaper rate before construction to reduce cost during construction.

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Compiled by Marty Campbell, Buzzard's and Stadium Video; Tom Dobrinski, Harmon Restaurant and Brewery; and Ken Grassi, Grassi's Flowers and Gifts. Courtesy of City of Tacoma

# Brilliant things you can do right now



- **Realize that you are a survivor.** You already defied the odds and demonstrated your smarts by opening a business. Realize that things are going to get better because of this construction.
- **Accept the help that is being offered.** Most likely you are an independent person who would rather run your business on your own. This is a huge mistake. Almost every successful business in America has relied on help from you outside. You should, too.
- **Become a destination business.** This is a business that does not and cannot rely on walk-by customers. Your clientele has to want to come see you because you've created the type of business they want to patronize.
  - **Make sure your customers know how to find you.** Make a map of the best ways to get to your shop and where the best parking is located
  - **Have a phone script located by your phone that you can read to tell your customers how to find you.** Make sure all of your employees know what to say and how to say it about your location.
  - **Make sure that you and all of your employees have the same talking points about the construction.** A negative report to a customer will only drive them away. Don't let your employees be your downfall because of a lack of communication.
- **Know who your top 20 are.** This is the percentage of your customers who will buy 80% of your product or service. Know all you can about them and where they live. Almost every store in America is asking for zip codes at the check-out stand. You, too, should find out from where your customers are coming.
- **Keep in touch with your customers now!** Let them know that you are still open and are looking forward to doing business with them.
- **Take a hard look at your inventory.** If that collection of teddy bears that you love is taking up 30% of your space but accounting for only 2% of your sales, make a change.
- **Look at your place of business as a consumer, not as an owner.** What does a customer see or feel when they walk into your business? Ask customers how they feel about your space.
- **If you have image issues, correct them.** If your lighting is bad, improve it. If your windows are dirty or cluttered, clean them. If your entry way is not exciting, make it so.



From Les Barnett, Bates Technical College, courtesy of City of Tacoma

# Scenario planning for survival



One of the keys to surviving construction is to think creatively, and one of the best ways to think creatively is to use scenario-planning exercises. Write down five assumptions about your business. Then, think about what you would do if those assumptions weren't true. For example, "my business is easy to get to" would turn into "my business is not easy to get to." Brainstorm as many creative ways as possible to address the issue. Below is a more detailed approach:

- 1. Select a group of diverse thinkers.** Don't be afraid to engage people from outside your business, profession or local environment.
- 2. Write down your views about future developments** (typically 3-25 years in the future). Answer these questions:
  - Which decision do you believe will make or break your company in the next few years?
  - When you try to imagine the world several years from now, which trends do you most want to know about? In this industry? In this location?
  - Which potential developments excite you the most?
- 3. Gather and analyze trend data.**
  - What trends are occurring in your industry?
  - What trends are occurring in your local environment?
  - How have these changed over the past five years?
  - How are they predicted to change?
- 4. Sketch out the scenarios.** These scenarios should be stories you create. It helps to write them down and give them names. The scenarios are like wind tunnels for testing strategies. Include at least these scenarios:
  - Describe your worst nightmare.
  - Describe a fundamentally different, but better world.
  - Describe a world that is basically the same as the now, but a bit better (or worse).
- 5. Assess the implications of each scenario.**
  - How well would your organization perform under each scenario?
  - What would your organization do under each scenario?
  - What steps would you take today? This year? Next year?
  - What fundamentally different choices would you make about where your organization is headed?
- 6. Create signposts for each scenario.** How will you know that a particular scenario is coming to pass? What are the warning signs?
- 7. Reassess your organization's vision in light of the scenarios you've created.** Scenario planning is not a tool for predicting the future, but for tapping into your intuition and imagination, breaking from your conventional thinking and – in the end – creating a better organization.



From Lynnette Clair, University of Puget Sound

Sources: "Scenario Planning Reconsidered," Harvard Management Update, 2006; "Disciplined Imagination," by Paul J.H. Schoemaker, International Studies of Management and Organization, 1997; "Scenario Planning" by Kerry Tucker, Association Management, 1999; "A Handbook for Scenario Planning" by Bill Ralston and Ian Wilson, Thompson Publishing, 2006. Courtesy of City of Tacoma

# Financial spreadsheets help



Creating financial spreadsheets for your business is important all the time, but especially during construction. Create snapshots for one month, then the whole calendar year, to help analyze your business performance and opportunities for improvement. Detail the following types of data:

Revenue	\$ _____
- Retail	
- Whole sale	
- Internet	
<b>minus</b>	
Total cost of goods sold	\$ _____
- Direct labor	
- Payroll taxes	
- Materials	
- Internet	
<b>equals</b>	
<b>Gross profit</b>	\$ _____
<b>minus</b>	
Total Expenses (see right)	\$ _____
<b>equals</b>	
<b>Net profit before taxes</b>	\$ _____
<b>minus</b>	
Distributions for tax	\$ _____
<b>equals</b>	
<b>Net profit after taxes</b>	\$ _____

## Detailing Your Expenses

- Owner salary
- General salaries
- Payroll taxes
- Employee benefits
- Automobile expense
- Advertising
- Telephone
- Computer
- Travel and entertainment
- Rent
- Utilities
- Supplies
- Interest expense
- Depreciation
- Insurance
- B&O tax
- Bank fees
- Professional services
- Taxes and licenses



From Steve Rapkoch, Small Business Incubator

# The City of Sumner's survival tips



- Be open to working with us and the project contractors. We want you to succeed through the project, and may need your products ourselves.
- If you receive a letter or email from the City of Sumner, please open and read it. We only contact you when there is important information about projects.
- Ask for visuals like flyers to hang in your business to help your customers understand how the finished intersection will improve their access to your business. We're happy to provide those for you.
- Sign up for the email updates and pass them along to your employees and customers. Construction is an interesting process to many people, and understanding what is going on with the project helps increase interest--and patience--with road work.
- Give your customers information about alternate routes if they'd prefer to avoid the construction. Let us know if you'd like us to help you figure out those alternate routes to your business.
- Provide table tents with construction updates.
- Link from your business Web site to the construction project's webpages at [http://www.ci.sumner.wa.us/Government/Public\\_Work\\_Traffic&Main.htm](http://www.ci.sumner.wa.us/Government/Public_Work_Traffic&Main.htm).
- Collaborate with merchants in your vicinity to share ideas and best practices.
- Contact the City of Sumner as construction issues arise.



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