



Ask SCORE for Business Advice

"Ask SCORE" Column Green Bay Press Gazette Thur., Jan. 7, 2010

Help Me Save My Business by Tina Dettman-Bielefeldt

Some of our SCORE counseling sessions have been very difficult in the economic downturn, as counselors have tried to assist entrepreneurs who feared losing their businesses. Many of the stories were very sad. We talked to broken people who were struggling to fix their businesses and get back on track.

In almost every instance, nervous owners asked about money. Were there grants, loans, or government stimulus monies available? They thought that an infusion of cash could solve their problems. Yet, most of the time, more cash means more mounting debt. If significant changes aren't made to the business, this debt could mean the loss of business and personal assets and a continuing downward spiral.

Before taking that step, failing businesses need to look at their options. Counselors try to learn more about the business and the severity of the cash flow problem. With the obvious goal of building the business and increasing sales, the history of the business and reasons for the decline are evaluated.

Can the business modify its existing product line or services to attract more customers? Has the owner failed to stay on top of accounts receivable? Is there new competition? Is there a written marketing plan and budget? Is depression keeping the owner from aggressively going after business? Is the entire industry down?

As questions are asked, the owner is encouraged to look at every area of the business. Being able to discuss the issues and getting encouragement is an excellent first step. When businesses start to struggle, many owners feel frozen and can't react. The counselors' job is to help them move toward a solution.

In listening to the owner, a list of options can be developed. That might include spending more time on collections, negotiating better vendor terms, decreasing expenses, adding a new service or product line, focusing on customer service, and coming up with reasons why people should use your business.

You need to be able to respond when asked, "Why should I use your company?" Do you have better service, the best system available on the market or the newest product line? Can a customer say who you are? If not and if it isn't too late, owners are encouraged to

define their business and make sure the message is consistent throughout the organization.

Just as owners are advised to speak to creditors as soon as they have a credit issue, a SCORE counselor or other mentor should be contacted when sales start to decline. Waiting until bills are past due, credit card debt is amassing, and the line of credit is at its limit is bad business. The Business Assistance Center at NWTC has other organizations also available to assist so that you can make adjustments to your business plan. Otherwise, the owner may be one of those that we've counseled and felt that it was too late. Next week, this column will look at the warning signs and when it's time to call it quits.

If you'd like to learn more, contact the Green Bay Chapter of SCORE. Visit www.greenbayscore.org or call Cindy Gokey at 920-496-8930 for information.

[Tina Dettman-Bielefeldt](#) is co-owner of DB Commercial Real Estate in Green Bay and Assistant District Director for SCORE, Wisconsin.