

Small Business Strategies during COVID-19

Finance Friday – First Steps

March 20, 2020 | 2pm

Hosted by the [NIACC Pappajohn Center & SBDC](#)

Panel Guests from Hoover's Hatchery, Rudd, Iowa

Tony Halsted, Director of Business Development and Luke Weiss, CFO, share their experiences and lessons learned from the Bird Flu that threatened to shut down the Poultry Industry and could have been catastrophic for Hoover's Hatchery.

- Contingency Planning
 - Important to work with legislatures at the local, state and national level.
 - Legislatures were willing to listen and their voices were heard.
- During crisis, most businesses are on "shoestring budgets"
 - Tough decisions need to be made during tremendous uncertainty.
 - Prioritize budget and payroll, who gets paid first.
 - First, take care of your employees; pay them, educate them on best practices on how to keep safe, calming messages and be consistent, keep to the basics.
 - Second, communicate to critical vendors and suppliers, maintain relationships so they know expectations and let them know about your plans.
 - Third, communicate with customers and alleviate misinformation; be honest and upfront; talk positive about the future and share plans – be creative. Hoovers use Instagram and blogging to disseminate information. Fact check information coming in and utilize expert information.

Panel Guests from the SBDC and lending institutions share information for small businesses moving forward during crisis

Brook Boehmler, Regional Director, North Iowa SBDC; Lisa Shimkat, State Director, SBDC

- Disaster Loans, the state is looking into them, they are not available yet. Best advice during this time is to reach out to local lenders and look into Revolving Loans
- ABI – Looking for donations for PPE for hospitals and first responders

Bob Klocke, Chief Credit Officer, First Citizens Bank, Mason City

- Preserving cash for small businesses at all levels avoids panic

- Lenders can utilize government assistance that is available to help bank customers
- Lenders anticipate there will be emergency provisions to help small businesses
- Example: Loan deferral for payments (this may be targeted by industry)

Natalie Plagge, Assistant Vice President, Clear Lake Bank and Trust, Clear Lake

- Customers need to reach out to lenders
- Needs of Customers are situational and should be customized based on their unique issues
- Customers should know their sales and expenses and have an idea what the next couple of months will look like so lenders can help
- Customers need to be transparent with banks, they are there for them and to help

Scott Swenson, Regional Director SBDC, Cedar Rapids

He led the region through the Flood of 2008, met with over 900 businesses in Cedar Rapids on putting financial strength back into Cedar Rapids.

- Don't make decisions based on fear
- Reach out to local lenders, vendors and landlords that you have key relationships with
- Reality of Disaster Loans
 - The loans have to be paid back
 - Businesses will not receive the same treatment with a national agency as they would with their local lenders
 - The loans may work for some businesses, but many will not be eligible

Additional Panel Guests

Nick Foley, Operations Manager-Region 2 Iowa Workforce Development, Mason City

Nick Foley shares information for employers:

- IWD is not taking walk ins, appointment only
- Employers may look at these scenarios when dealing with employees and layoffs
 - Consider voluntary shared work program
 - Telework options first
 - If layoffs are necessary, exhaust PTO for employees first, employees can file for unemployment benefits and can earn 25% of their weekly benefit amount
- Self-employed business owners or people filing 1099s that haven't paid into unemployment insurance, are not eligible for unemployment benefits.

Marc Schneider, Project Manager, Iowa State University CIRAS

Marc Schneider gave advice for companies:

- Protect your employees
 - Set up work from home, make sure employees have the necessary IT
 - Facility cleaning, educate employees on how to stay safe
 - Limit travel
- Establish an Infectious Disease response plan
- Review Supply Chain protocol – International and Domestic
 - Identify potential risks and be prepared to mitigate
 - CIRAS website has a lot of resources available for businesses and update daily

Additional information and business resources

North Iowa

<https://www.niacc.edu/pappajohn/covid-19-resources-updates/>

<https://www.niacc.edu/pappajohn/event/finance-friday-small-business-strategies-covid-19/>

State of Iowa and Federal

<https://www.iowaeconomicdevelopment.com/our-agency-detail-resources/6710>



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