

# THE MONTHLY CEO ADVISORY™

*revenue*

A close-up photograph of a person's hand in a white dress shirt, holding a white marker and drawing a thick red arrow that curves upwards and to the right. The background is a blurred office setting with windows.

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Dear Friends,

I am pleased to provide you with the June 2020 issue of **The Monthly CEO Advisory™**. This is our sixth issue and we continue to positively impact thousands of CEOs, Presidents, Business Owners and others at the C suite level.

My belief is that growing a company starts with the top executive developing through educational opportunities to become better both personally and professionally, setting the example for those they lead that learning must never stop.

I always encourage my clients to work “on” and not “in” their business. Now is a very good time for you to sharpen your saw and become a stronger, and more focused leader.

On LinkedIn I recently posted my list of the top ten “game changing” books which I share with you in a David Letterman style list:

- #10 --- Go-Givers Sell More by Bob Berg and John David Mann
- #9 --- The Power of Focus by Jack Canfield
- #8 --- The Five Dysfunctions of a Team by Patrick Lencioni
- #7 --- The Goal by Eliyahu M. Goldratt
- #6 --- Dig Your Well Before You're Thirsty by Harvey Mackay
- #5 --- The Godfather by Mario Puzo
- #4 --- Blue Ocean Strategy by W. Chan Kim and Renee Mauborgne
- #3 --- How Full is Your Bucket? By Tom Rath and Donald Clifton
- #2 --- Moneyball by Michael Lewis
- #1 --- Who Moved My Cheese by Dr. Spencer Johnson

You might ask “Who has time to read these books?” My reply is “Are you too busy driving to stop for gas?” Carve out the time and when you do crack the cover, don't read as if you are going to take an exam because I'm not going to give you one. Skim for those nuggets that will help your company grow revenue, operate more efficiently and improve your profitability.

Enjoy the articles that follow. The Trusted Advisors that contribute to this publication are the best in their respective fields. If you need help, please reach out.

Thank you for allowing us to be part of your continuing business education, growth and success.

Stay safe.

Sincerely,

*Ken Keller*

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CEO

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# Business Growth Opportunities to Consider in 2020

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The Monthly CEO Advisory is a publication for business leaders. Please enjoy the articles, send us any suggestions of topics you would like to see covered and pass this on to others so that they might benefit. Thank you. Ken Keller

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# BUSINESS GROWTH & PROFITS

## YOU MAY NEED A DIFFERENT BOAT

In the movie *Jaws*, Chief Brody is chumming when suddenly the hunted shark surfaces right in front of him. Stunned at the massive size of the great white, his comment to Quint, the boat captain is "You're gonna need a bigger boat."

As I write this, the "stay at home" and only go to work if you are running an essential business looks as if it will continue for a few more months.

The chaos surrounding the March orders and the resulting uncertainty are now in the rear view mirror and many companies are looking beyond the initial panic and into the murky, hazy future.

Some level of stabilization has taken place, but many businesses are still in fire-fighting mode.

I can't say whether any company is going to write 2020 off; there are plenty of businesses going strong while many still face great uncertainty.

It doesn't matter if your firm is going gangbusters or barely surviving, having a plan, a roadmap, is still the best way to move forward.

In my own personal experience, I know that there are different CEO personality types with interesting approaches to planning.

The first type is the proud CEO with a plan only in their head who believes that they will never forget anything and refuses to share the goals, strategies or tactics. The management team and employees are kept totally in the dark.

The second type simply doesn't believe in planning. This CEO has a mission "to make money" and will come up with a dozen ideas or more each day in that fuzzy quest, not caring about the emotional rollercoaster that the staff goes through to try and keep up nor the resources wasted in hot pursuit of the next shiny penny.

The third type of CEO works with their team to create a written plan and then runs the business from it; changing or updating as results come in from the actions taken and the results generated.

While a plan is a useful tool, the actual planning process, where the discussions, debates and time spent gaining clarity is where the true value surfaces for the CEO, the management team and employees.

But most plans are useless.

The precise identification of the desired results are often not clear. No one knows what winning means.

Here are an additional six reasons why your plan is not going to work:

First, most plans are too long. Second, most plans are not given a reality check; they are legends in the minds of the composers. Next, most plans cover strategy extensively, but ignore tactics. Fourth, there is often poor follow through. Fifth, accountability is non-existent. So, sixth, once written, most plans are put on a shelf to collect dust.

Most companies try to do too much and fail at most attempts. I recommend three major objectives; five at the very most.

I also suggest creating a single page plan summary, capturing bullet points of what the specific goals are, along with the owner, deadline and resources needed.

Often companies make no attempt to engage front line employees in the execution of the plan. This just increases the odds of failure. So, as CEO, when you can, tell people what your company is doing, and where it is going.

The unique circumstances of this year require that CEOs take a different approach to this turbulence.

What got you here, won't get you there and you need to not only define "there", you need a plan to make the journey a successful one. And maybe a bigger boat if not a different one.



### Ken Keller

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# TAX NEWS

To help those facing the challenges of COVID-19 issues, the Internal Revenue Service has announced steps to assist taxpayers by providing relief on a variety of issues ranging from easing payment guidelines to postponing compliance actions. They are calling it the IRS People First Initiative.

These changes started in April and will run through July 15, initially. Highlights of the key actions include:

## EXISTING INSTALLMENT AGREEMENTS

For taxpayers under an existing Installment Agreement, payments due between April 1 and July 15, 2020 are suspended. Taxpayers who are currently unable to comply with the terms of an Installment Payment Agreement, including a Direct Deposit Installment Agreement, may suspend payments during this period if they prefer. Furthermore, the IRS will not default any Installment Agreements during this period. By law, interest will continue to accrue on any unpaid balances.

## NEW INSTALLMENT AGREEMENTS

The IRS reminds people unable to fully pay their federal taxes that they can resolve outstanding liabilities by entering into a monthly payment agreement with the IRS. See [IRS.gov](https://www.irs.gov) for further information.

## OFFERS IN COMPROMISE (OIC)

The IRS is taking several steps to assist taxpayers in various stages of the OIC process:

### – PENDING OIC APPLICATIONS

The IRS will allow taxpayers until July 15 to provide requested additional information to support a pending OIC.

In addition, the IRS will not close any pending OIC request before July 15, 2020, without the taxpayer's consent.

### – OIC PAYMENTS

Taxpayers have the option of suspending all payments on accepted OICs until July 15, 2020, although by law interest will continue to accrue on unpaid balances.

### – DELINQUENT RETURN FILINGS

The IRS will not default an OIC for those taxpayers who are delinquent in filing their tax return for tax year 2018. However, taxpayers should file any delinquent 2018 return (and their 2019 return) on or before July 15, 2020.

### – NEW OIC APPLICATIONS

The IRS reminds people facing a liability exceeding their net worth that the OIC process is designed to resolve outstanding tax liabilities by providing a "Fresh Start." Further information is at [IRS.gov](https://www.irs.gov)

## FIELD COLLECTION ACTIVITIES

Liens and levies (including any seizures of a personal residence) initiated by field revenue officers will be suspended during this period. However, field revenue officers will continue to pursue high-income non-filers and perform other similar activities where warranted.

## AUTOMATED LIENS AND LEVIES

New automatic, systemic liens and levies will be suspended during this period.

## FIELD, OFFICE AND CORRESPONDENCE AUDITS

During this period, the IRS will generally not start new field, office and



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correspondence examinations. The IRS will continue to work refund claims where possible, without in-person contact. However, the IRS may start new examinations where deemed necessary to protect the government's interest in preserving the applicable statute of limitations.

### – UNIQUE SITUATIONS

Particularly for some corporate and business taxpayers, the IRS understands that there may be instances where the taxpayers desire to begin an examination while people and records are available and respective staffs have capacity. In those instances when it's in the best interest of both parties and appropriate personnel are available, the IRS may initiate activities to move forward with an examination -- understanding that COVID-19 developments could later reduce activities for an agreed period.

### – GENERAL REQUESTS FOR INFORMATION

In addition to compliance activities and examinations, the IRS encourages taxpayers to respond to any other IRS correspondence requesting additional information during this time if possible.

# COMMERCIAL INSURANCE

## IT'S TIME TO READ THE LEAVES

As businesses in California re-open, owners and executives will ask their brokers what to expect regarding future premiums. While the negative impacts of Covid-19 will not be fully borne out until the fourth quarter of 2020. The insurance industry tea leaves can be read well enough now to give us an idea of what the future holds.

### WORKERS COMPENSATION

On average, Workers Compensation rates have steadily declined over the past 3 years. Governor Newsome's decree requiring carriers to treat Coronavirus as they would any other work-related illness is not likely to have a substantial and long-term negative impact on pricing, and the reduction in work being performed will drive claims down in 2020. Therefore, it is likely employers will see the relatively soft marketplace continue for the next year.

### PROPERTY INSURANCE

Insurance carriers around the world have been hit hard by Covid-19

property losses, and their losses will continue to grow if we remain on even limited shutdown status. Prior to the crisis, property insurance rates had increased slightly in each of the past 10 quarters. That trend will continue, and likely accelerate over the next year. While many claims for Loss of Income will be denied, many others will not be. Additionally, one wild card is the possibility of the state intervening again and changing the interpretation of policy language, as they did with the definition of a "Wildfire".

### GENERAL LIABILITY AND UMBRELLA

The concern regarding liability coverage is not only on pricing, but also on whether insurance carriers will have insurance capacity available to offer the limits needed on extremely large and difficult risks. If underwriting capacity declines significantly, the cost of coverage will go up. Odds are, over the next year businesses in California will see modest increases in price, and possibly some reduced capacity if they require significant limits. Those businesses that repre-

sent tough risks many also see fewer carriers willing to offer them quotes. Less competition usually leads to higher pricing.

### AUTOMOBILE

On the other end of the scale is automobile insurance. The enormous reduction in vehicles on the road has caused claims volume to plummet. Additionally, for roughly three years prior to the Covid-19 crisis, commercial auto carriers realized significant price increases. Those increased premiums will now be available to pay for decreased claims. The result should be flat or reduced pricing for commercial auto coverage in the future.

### COMMERCIAL RE-INSURANCE

Every carrier relies heavily on re-insurance to spread their risk, and today re-insurance carriers around the globe are taking it on the chin. Lloyds of London, one of the largest re-insurance carriers in the world, announced they will pay out as much as \$4.3 billion in losses to their customers. Other re-insurance carriers will be doing the same. This will drive re-insurance rates up, and the cost of Commercial Insurance is likely to follow.

Of course, tea leaves are notoriously fickle, so all of this is subject to change. Stay tuned.



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# HUMAN RESOURCES COMPLIANCE

## CREATING A COVID RETURN TO WORK PLAN

As an employer, resuming normal or phased activities presents a many challenges for you and your employees. Employers should implement and update as necessary a plan that is specific to your workplace, identifies all areas and job tasks with potential exposures to COVID-19, and includes control measures to eliminate or reduce exposures.

To start you should monitor federal, state, and local public health communications about COVID-19 regulations, guidance, and recommendations and ensure that workers have access to that information.

Employers should actively encourage sick employees to stay home and consider conducting daily health checks. Most importantly take action

if an employee is suspected or confirmed to have COVID-19 infection:

Communication is vitally important to educate employees about steps they can take to protect themselves at work and at home. For example, inform employees the key times for employees to clean their hands include:

- Before and after work shifts
- Before and after work breaks
- After blowing their nose, coughing, or sneezing
- After using the restroom
- Before eating or preparing food
- After putting on, touching, or removing cloth face coverings

Employees should avoid touching their eyes, nose, and mouth with unwashed hands and avoid using other employees' phones, desks, offices, or other work tools and equipment.

All companies should practice social distancing by avoiding large meetings and maintaining distance (at least 6 feet) from others when possible.

For employees who commute to work using public transportation or ride sharing offer those employees incentives to use forms of transportation that minimize contact with others, such as offering reimbursement for parking or single-occupancy ride shares. Allow employees to shift their hours so they can commute during less busy times and wash their hands when they arrive at the company.

Give employees, customers, and visitors what they need to clean their hands and cover their coughs and sneezes:

- Provide tissues and no-touch trash cans.
- Provide alcohol-based hand sanitizer that is at least 60% alcohol.

- Place touchless hand sanitizer stations in multiple locations to encourage hand hygiene.
- Place required posts at the entrance to your workplace and in other workplace areas such as breakrooms.
- Encourage employees to use non-contact methods of greeting.

Employers should provide disinfecting wipes and perform routine cleaning more frequently including touched surfaces such as workstations, keyboards, telephones, handrails, and doorknobs. If surfaces are dirty, clean them using a detergent or soap and water before you disinfect them. Finally, if a sick employee is suspected or confirmed to have COVID-19, follow the CDC cleaning and disinfection recommendations.

Minimize risk to employees when planning when attending meetings and use videoconferencing or teleconferencing when possible. Cancel, adjust, or postpone large work-related meetings or gatherings that can only occur in-person in accordance with state and local regulations and guidance. When videoconferencing or teleconferencing is not possible, hold meetings in open, well-ventilated spaces continuing to maintain 6 feet apart and wear cloth face coverings.

As we all adjust to the "New Normal" and return to work we will have continued challenges with our work environment and our employees. The best advice is to plan carefully to ensure your workplace, you and your employees are safe, consult HR professionals and employment lawyers to have the latest rules and regulations to avoid potential liability.



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# MANUFACTURING EXCELLENCE

## WORKING IN OUR "NEW NORMAL"

### SPOTTING AND REACTING TO SYMPTOMS

Employers may want to train supervisors and employees to spot symptoms of possible infection in coworkers and encourage reporting. Basically, promote a "see something, say something" mind set. Employer may want to exclude a symptomatic employee and require medical clearance before allowing the employee to return. According to the OSHA on COVID-19, "prompt identification and isolation of potentially infectious individuals is a critical step in protecting workers, customers, visitors, and others at a worksite."

### KEEPING EMPLOYEES SAFE AT WORK (AND CONFIDENT IN THEIR SAFETY)

Employers may take a number of steps to maintain a safe work environment. Of course, in a unionized factory, a collective bargaining agreement (CBA) and general federal labor law needs to be considered when making changes to terms and conditions. Especially where immediate changes need to be implemented to maximize employee health and ensure continuity of operations, jobs and wages, sometimes employers must make those temporary changes, even with union objections. "Comply now, grieve later" is a principle that may need to be relied on for employee health and business preservation.

Employers may consider these to maintain a safe work environment during the pandemic.



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- Prohibiting nonessential visitors
- Rigorously screening essential visitors and limiting their movement
- Training employees on self-responsibility behaviors (with retraining regularly). These behaviors include:
  - ✦ respiratory etiquette
  - ✦ handwashing
  - ✦ using hand sanitizers
  - ✦ refraining from physical contact
  - ✦ prohibiting sharing of utensils, cups, beverages, etc.
  - ✦ social distancing
- Posting reminder signs of these behaviors in many conspicuous locations in the workplace
- Making changes to implement social distancing, such as:
  - ✦ educating employees on keeping minimum distances & refraining from physical contact
  - ✦ ceasing the use of large-group, "town hall" meetings
  - ✦ replicating meetings multiple times with smaller groups, & physically spacing people in meeting rooms
  - ✦ eliminating routine shift hand-off meetings when not critical, or limiting these to just particular persons as critically needed
  - ✦ staggering shift start/stop times, break times, and lunchtimes to minimize congregations at time clocks and in locker rooms / break areas
  - ✦ creating new shifts (nights or weekends) to separate the workforce and give employees scheduling options to

help manage new family obligations with kids home from school

- ✦ zoning the factory and prohibiting employees from wandering into zones where they do not need to be to perform their jobs
- Staggering crews so an outbreak can be better isolated such that, after cleaning, the factory can run with unaffected crews
  - ✦ Example: Monday - Wednesday crews; Thursday -Saturday crews; cleanings on Sundays
- Identifying key personnel without whom the factory cannot operate (e.g., boiler operators, wastewater treatment engineers, lead electricians or maintenance mechanics, etc.)
  - ✦ Creating schedules, procedures, and other steps to isolate these personnel from each other and the rest of the workforce to minimize exposures
- Beefing up cross-training, with acceptable distancing, to prepare for more absences
- Increasing the frequency and depth of sanitizing efforts, and letting employees see them happen to reinforce sanitizing behaviors / gain confidence in the safety of the workplace. Examples might include:
  - ✦ having break rooms cleaned repeatedly all day and after each lunch group
  - ✦ providing sanitary wipes / training employees to constantly clean high-touch surfaces

There is no standard solution to operating a factory during a pandemic. Many of these observations may be obvious to some, but hopefully these ideas will be useful to manufacturers and prompt even more creative thinking about how to keep factory employees safe, healthy, and productive.

# INFORMATION TECHNOLOGY

## 5 IT LESSONS LEARNED FROM A GLOBAL PANDEMIC

Everywhere you look things are not the same. We're protecting ourselves through masks, social distancing, hand sanitizer, and disinfecting wipes. A global pandemic impacts everything about who we are and how we work.

Similar to how the pandemic has become a wakeup call for how we approach our health, businesses need to change their approach to Business Continuity. Here are 5 key IT lessons learned from the global pandemic:

### 1. WORK FROM HOME INCREASES CYBERSECURITY THREATS

With more people working remotely, the cybersecurity landscape has changed dramatically - and not in a good way. Some of the failure points include:

- Are machines being patched?
- Do they have anti-virus protection?
- Are they connecting via a VPN?
- Are they protected with Dual-Factor Authentication?
- Is their wireless access point secure?
- What other devices are on their home network?

Don't be lulled into a false sense of security because your users are connecting to your network via a VPN. This is only one component of securing a remote workforce.

### 2. ON-PREMISE RELIANCE IS A GAPING HOLE

Many businesses still have servers running line of business applications and file storage served up locally from within their offices. A false sense of security has been created because businesses were able to move to a remote work from home paradigm. Unfortunately, this is

NOT the lesson to be learned.

Imagine that on top of the pandemic, we were hit with a local disaster - ie: an earthquake - which took out your office location. All of your remote users would be unable to connect to anything because your network isn't accessible. This is very much a possibility and should be addressed ASAP.

### 3. THE DISRUPTION OF THE SUPPLY CHAIN AFFECTS EVERYTHING

We've seen what a disrupted supply chain does to our food supply and paper goods (remember hoarding of toilet paper?). At the same time, the disruption of the supply chain has also impacted computer systems and peripherals. We're only now seeing the availability of laptops and webcams.

This needs to be considered and planned for ahead of time. Part of effectively planning for business continuity actually means taking certain actions before they hit.

### 4. MANUAL PROCESSES NEED TO BE MINIMIZED

We've seen that many businesses can still function well remotely. However, there are still certain manual processes that can inhibit ongoing business operations. Things like:

- Bank deposits
- Signing checks
- Sending and receiving mail
- Sending and receiving packages

These all need to be considered when building out a BCP. The more you can plan on automating or virtualizing, the better off your business will be.



## Craig Pollack

### FOUNDER & CEO

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### 5. MICROSOFT TEAMS IS GAME CHANGER

While Zoom gets all the press, Microsoft Teams has been the real game changer. Teams combines collaboration tools with video conferencing software.

Moving to a remote workforce increases the need and importance of communication. It's critical to leverage tools that will help us do things better. This means looking at how we do what we do differently. And Microsoft Teams is just that application!

Leveraging Teams is definitely one of the positive lessons learned.

### RECAP

If there's one thing we've learned from this pandemic, it's that we need to take Business Continuity Planning to a whole 'nother level. A valuable lesson for businesses is to assess the high-priority risks and address them ASAP before the next business interruption hits.

# COMPANY BENEFITS

## EMPLOYER HEALTH INSURANCE, INSURANCE CARRIERS AND COVID-19

Over the past month I have spoken with over 50 employers about challenges in their businesses during these COVID-19 times. Layoffs, furloughs, terminations, reduction in hours, reduction in wages, and what happens with their employee benefits especially health insurance. These employers are struggling with revenue down 40%, 50% or in the case of the limo company no revenue at all.

Employers have the same questions and concerns with respect to maintaining health insurance for their employees and being able to afford to continue this much needed coverage. Here are the common questions:

### 1. WILL MY INSURANCE CARRIER PROVIDE A GRACE PERIOD TO MAKE PAYMENT?

Under the law and Department of Insurance (DOI) regulations payments for health insurance must be made within 30 days of the due date or the insurance carrier automatically cancels the policy,

The DOI provided guidance to insurance carriers to allow a 60-day grace period. Anthem, Blue Shield and United Healthcare are reviewing grace periods on a case by case basis. Kaiser will allow a 60-day grace period while CalChoice, Covered CA for Business, Health Net and Oscar are maintaining the normal 30-day grace period. No carrier will accept credit card payments except Health Net.

### 2. IF MY EMPLOYEES DROP BELOW 30 HOURS A WEEK, CAN THEY STAY ON THE HEALTH PLAN?

All carriers in CA are allowing em-

ployees to remain enrolled on their employer's health plan if they have a reduction in hours.

### 3. IF MY EMPLOYEES ARE ON A LEAVE OF ABSENCE WITH NO PAY OR WAGES CAN THEY STAY ON THE HEALTH PLAN?

All the major carriers are being very flexible with respect to leaves of absence with no pay. If an employee is terminated, they are removed from the health plan and offered COBRA

### 4. IF LAID OFF OR TERMINATED EMPLOYEES ARE REHIRED WHAT IS THEIR WAITING PERIOD TO JOIN THE HEALTH PLAN?

Employers normally have a waiting period of 1st of the month after hire date, after 30 days, or 60 days to enroll in the company's health plan. Employees are concerned about having to wait and not having health insurance during this time. Anthem is permitting a 60-day period termination period while Blue Shield is allowing 6 months. All other carriers are also offering flexibility.

### 5. CAN I CHANGE MY EMPLOYER CONTRIBUTION OR MUST WAIT UNTIL MY RENEWAL DATE?

All carriers will allow employers to change the employer contribution from let's say 80% of the employee premium to 70% with no questions asked except Covered CA for Business which is reviewing requests on a case by case basis.

### 6. CAN I CHANGE MY BASE PLAN AND DOWNGRADE TO A LOWER COST HEALTH PLAN?

Many employers offer multiple health plans such as 2 HMO and 2 PPO plans with one being the "base" plan upon which employer contributions are made. Other employers only offer one plan which is becoming very rare. Insurance carriers have different policies with respect to allowing employers to downgrade.

- Anthem: one-time change but only 1 plan
- Blue Shield: one-time change by June 30
- CalChoice: one-time change
- Covered CA: no
- Health Net: for employers that offer one health plan one change within 90 days
- Kaiser: yes, by June 30
- United Healthcare: one-time change but only 1 plan

I have been advising my clients on these issues and questions employees have. During these challenging times it is important that you rely on expert advice, HR professionals, employment attorneys and your health insurance broker.



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# CFO *Insights*

## A CASE STUDY: CALLING OFF THE DOGS

### THE CHALLENGE

A couple of years ago, our firm was approached by a commercial lending manager from a regional bank. He needed assistance with one of the bank's commercial borrowers that had maxed out a \$2M+ revolving line of credit, much of it used for inventory. The bank's client was a pet treat distributor that was in jeopardy of losing their line if they could not begin to address what the bank had concluded was a



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lack of financial management expertise. A couple of major "red flags" included deteriorating inventory turnover rates and increasing debt-to-equity ratio, both of which were concerning to the lender.

### THE SOLUTION

As with all referrals, we utilized our proven 3D Financial Analysis process which consists of interviewing business owners, retrieving accounting reports to benchmark against industry metrics (margins, DSR, DIOH, cash flow, etc.) and generating a time-phased plan addressing the findings from our assessment. As a result of this process, we recommended the following four actions:

- 1) implement a more rigorous monthly accounting close and financial review process;
- 2) improve product cost specificity to include labor and overhead to generate more accurate margin analysis;
- 3) transition from QuickBooks to a more robust inventory management solution that supports business requirements, such as lot traceability, best buy dating, scanners, etc.; and

- 4) develop and utilize a detail financial plan that integrates key performance indicators supporting client's "get well strategy."

### THE OUTCOME

Though it was not instantaneous, utilizing the steps in our 3D Financial Analysis the client was able to accomplish the following:

- 1) increased gross margins from the mid 30% range to about 50% with pricing and other changes;
- 2) nearly doubled inventory turnover from 1X to about 2X;
- 3) improved their debt-to-equity ratio from around 4X to just above 1X;
- 4) transitioned from QuickBooks to Fishbowl for inventory management, improving service levels, demand planning, inventory and shipping accuracy as well as many other supply chain metrics.

With these improvements our client was able to "stave off the dogs" and eventually refinance their debt into a term loan with better terms. Additionally, our client is much better positioned for a successful exit when the time comes.

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# ALTERNATIVE FINANCING



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## IN THESE CHANGING TIMES, WE'RE ADAPTING QUICKLY TO ADJUST TO THE NEW NORMAL.

For the past couple months, business owners have been focused on figuring out how to adjust or to survive this pandemic. Regarding funding, most have spent their time trying to access the disaster loans like the PPP, Paycheck Protection Program Loan, through their bank. But those loans only provide the funds to cover about 2.5 months of payroll. Besides that, some businesses could not qualify for those loans (i.e. foreign ownership) or could not secure a funding source. So, it's important to know what other options are available.

As you can imagine, lenders are tightening up their restrictions. Pre-COVID, it was very difficult to qualify for traditional bank financing. Now, it's even more so. Even alternative lenders are making a number of changes. Some have temporarily paused all new funding. Some have even closed up shop. But others are learning to fund businesses in new ways.

Let's look at a few lenders in our network that are still open for business and see what they are looking for:

### SHORT TERM REVENUE-BASED LOANS

Now accepting submissions for all industries, so long as they meet a monthly revenue of \$50,000 and 5 deposits per month into the business bank account. As markets continue to adjust, they're letting the activity on the bank statements reveal which businesses are now deemed "essential."

Here's some industries we've seen success with recently:

- Medical Offices
- Medical Research and Laboratory Services
- Walk-in Clinics
- Medical Wholesale and Distribution
- Nursing Homes
- In-Home nursing services
- Mental health providers
- Substance abuse support
- Physical Therapy
- Repair and Maintenance
- HVAC
- Plumbing
- Roofing
- Remodelers
- Manufacturing
- Pharmacy
- Trucking
- Delivery Services
- Grocery Stores
- Farmers Markets

- Pet Care
- Gas Stations feat. Convenience Stores
- Auto Repair
- Funeral Homes
- Trash and Recycling
- Landscaping
- Pool Maintenance
- IT Services
- E-Commerce
- Liquor Stores
- Convenience Stores

### A/R FINANCING PROGRAMS

Lenders in this space are still very active. They are able to verify invoices and credit check accounts and have more safeguards than most. They focus on the quality of your accounts receivable, not your financial performance.

The following industries below would be expedited through underwriting at this time (up to 10 business days to fund). It is important to note that there are still underwriting opportunities in other industries but these would move quicker and have a higher closing rate.

- Government A/R
- Large Cap Technology Spend
- Utilities (Water, Electricity, Waste Management)
- Security Services
- Health Services (Lab Testing, Hospital Cleaning, Hospital Services)
- Staffing (especially Consumer Staples, Food Distribution)
- Pharmaceuticals

### OTHER ALTERNATIVE LENDING PROGRAMS STILL ACTIVE

- SBA 7a Commercial Real Estate Loans
- Hard Money Real Estate Loans
- Purchase Order Funding
- Equipment leasing: A-D credit, sale leaseback programs available
- Business Funding based on personal FICO (700+), Startups welcome

**PLEASE REACH OUT TODAY IF YOU HAVE  
A QUESTION ABOUT CURRENT FUNDING  
OPTIONS FOR YOUR BUSINESS.**

# SALES MANAGEMENT

## WHAT IS A SALES LEADERSHIP CONSULTANT?

A sales leadership consultant is an expert – experienced in selling and sales management – who can help an organization improve its sales strategies, processes, tools, and systems in order to drive top line revenue growth.

To achieve this goal, a top-performing sales leadership consultant must be many things: analyst, strategist, tactician, innovator, manager, coach, leader. They must also be intuitive, confident, and persuasive, and genuinely interested in learning all the unique facets that impact a company's sales.

The individual must maintain a big-picture perspective while deploying smaller-scale initiatives, finding answers in data and discern fact from opinion.

Perhaps above all, an effective sales leadership consultant is a strong advocate for the organization, committed to helping achieve revenue growth goals, even if that means making difficult recommendations and decisions.

### WHAT DOES THIS ADVISOR DO?

Each engagement is different, so the duties of can vary from one client to the next.

- Asking the right questions of all appropriate parties, from the CEO to the sales leader to individual sales team members
- Observing and analyzing, bringing an independent and unbiased outsider's perspective based on industry knowledge and relevant best practices in sales management
- Strategizing, working from a big-picture perspective so specific programs work to support overall revenue growth goals
- Providing innovative solutions, based on knowledge, experience and awareness of applicable best practices

- Creating or revising sales comp plans to optimize both motivation and performance
- Establishing sales goals, relevant metrics, and qualified sales forecasts
- Updating, adapting, and deploying key tools including a Customer Relationship Management (CRM) system
- Determining how to craft and build sales process enhancements
- Assisting or managing recruiting, hiring, training, and onboarding
- Working inside the business to all stakeholders of key changes and initiatives
- Assisting management with initial – and often, continuing – oversight of implemented sales management programs

### WHY SHOULD YOU SHOULD HIRE A SALES LEADERSHIP CONSULTANT?

The short answer is to improve sales effectiveness and to drive revenue growth. If you need help in this area, every day counts against you as you ignore the less than desirable results your current team is delivering.

### WHAT ARE THE BENEFITS?

It's not an easy decision to admit you need help but when you do, here's what you gain:

- Acquire deep sales leadership experience for a fraction of a full-time sales leader
- Gain an essential outsider's perspective to create or improve and document sales strategies, plans, processes, and operations
- A professional to fill a sales management or sales leadership role
- The ability to audit sales strategies and methods
- Someone who can assess sales per-



### Paul Mitchell

**Mitchell Sales Advisors, LLC**

President of Mitchell Sales Advisors, powered by SalesXceleration. A firm specializing in sales strategy, sales process and sales execution. Paul has a 25-year history of sales leadership and success in diverse industries in the Los Angeles area.

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sonnel and help management make key decisions regarding internal resources; and communicate those decisions to affected parties

- Design and implement necessary new and enhanced sales tools and systems
- Devise sales compensation programs that are effective and motivating
- Determine and implement key analytics and metrics
- Upgrade and integrate, adapt, and implement industry best practices
- Enhance and manage sales recruiting and onboarding functions

### YOUR BOTTOM LINE:

Author Marcel Proust once noted that "The real voyage of discovery consists not in seeking new landscapes, but in having new eyes."

A sales leadership consultant brings fresh perspectives for a company to grow, using strengths; overcoming weaknesses, capitalizing on opportunities, and addressing obstacles – as it drives toward essential revenue goals.

### WHY WAIT?



TTI SUCCESS INSIGHTS®

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## JOB BENCHMARKING MADE SIMPLE

### BENCHMARK, THEN COMPARE

**Setting up a job's benchmark is easy once you get the hang of it.** Just follow these two simple steps. If you need help, contact TTI Success Insights and we'd be glad to walk you through it. **Start by benchmarking the job as outlined below.**

#### ***First, you must:***

## BENCHMARK THE JOB

1. Identify 3 - 7 Subject Matter Experts, explain the purpose of Key Accountabilities and provide an agenda
2. Create a job assessment link
3. Facilitate the Key Accountability session by helping to identify, rank and weigh each Key Accountability
4. Provide Subject Matter Experts with instructions for completing each section of the job assessment
5. Combine the results into a Multiple Respondent Report and review with the Subject Matter Experts
6. Pinpoint the critical success factors in each area assessed and create the Job Overview Page

### ***Then, you've got to:***

## COMPARE TALENT TO THE JOB BENCHMARK

#### **For Hiring...**

1. Advertise the position
2. Screen resumes for hard skills and experiences
3. Conduct email or phone interviews with candidates
4. Create talent assessment link
5. Assess candidates
6. Create Comparison Report for qualified candidates
7. Compare the candidate to the Job Overview Page
8. Conduct in-person interviews with questions found in the Job Report
9. Make your hiring recommendation
10. Provide a new hire binder including Comparison or Gap Report, Coaching Report, Development Report and/or Rx development access

#### **And/or Development**

1. Identify current performers in the position
2. Create talent assessment link
3. Assess the current performers
4. Create a Comparison or Gap Report
5. Discuss results and pinpoint development areas and strategy
6. Provide a Comparison or Gap Report, Coaching Report, Development Report and/or Rx development access



## A Laser Beam-Focused Workshop to Uncover Obstacles to Growth

### 10 Reasons to Get an X-Ray for Your Company Today

**ONE:** Walk away with a winning short-term and long-term view of your company's strengths and weaknesses and turn them into action steps.

**TWO:** Target what and where your key issues are: People, Process or Profit and gain insight on how to address them in order of priority.

**THREE:** Get your company focused on the right path to improving performance.

**FOUR:** Remove the hidden barriers that are causing performance to slump, people to disengage and profits to dwindle.

**FIVE:** Lock onto your five greatest challenges and take them on one by one until performance begins to improve.

**SIX:** Uncover the Rules of the Road for your stage of growth. Take a hard look at how well you have completed each Rule for your stage of growth. Based on our research not getting these done at the right time is a huge 'performance drainer' for all companies.

**SEVEN:** Learn the secret behind your builder / protector ratio (this is your 'confidence / caution quotient'). Find out why your employees are so uncomfortable with change. Figure out how to create an atmosphere of confidence with just the right amount of caution.

**EIGHT:** Create a "language of growth" that will resonate with every single employee, helping them to understand how they impact a company's profitability.

**NINE:** Learn how to maximize your company's ability to stay focused on the right things at the right time.

**TEN:** Determine if you are "running ahead of your headlights" and what that means to your business performance in the next 6 to 12 months.

**For a free consultation on this workshop, please contact Ken Keller.  
[Ken.Keller@StrategicAdvisoryBoards.com](mailto:Ken.Keller@StrategicAdvisoryBoards.com) or call 661.645.7086**



## TEN Attributes Gained from Zeroing in on Your Company's Profit Zone™ Program

**ONE:** Walk away with a winning short-term and long-term view of a company's strengths and weaknesses and turn them into action steps.

**TWO:** Begin the education of the management team on how they impact the company's bottom line.

**THREE:** Get the company focused on the right path to improving performance.

**FOUR:** Remove the hidden barriers that are causing performance to slump, people to disengage and profits to dwindle.

**FIVE:** Raise questions regarding financial aspects of a company that help identify areas of strengths and weaknesses.

**SIX:** Recognize the importance of the 9 activities that impact a company's profit zone.

**SEVEN:** Learn how every single person in the company can help improve profits and reduce costs.

**EIGHT:** Help each and every employee see how their job impacts the company's bottom line.

**NINE:** Reduce the unknown by creating a language around financials that help employees control their destiny.

**TEN:** Tap into the intelligence of employees as they discover new ways of understanding how their time, performance and productivity can help a company sustain profitability.

If you would like to learn more about the Profit Zone™ please contact Ken Keller at 661.645.7086



## **17 Benefits Your Participants will Gain from the PZ:**

1. Improve communications among key staff members which will improve team interaction.
2. Introduce a language of growth in order to engage every single employee in helping the company succeed.
3. Identify areas where understanding how each person impacts the company's bottom line will make significant changes in the company so that everyone can work with common goals and objectives.
4. Takes the fear and the unknown out of growing a business to provide a more targeted approach to specific growth issues.
5. Provides a well-thought out road map to maximize performance.
6. Helps improve a leader's ability to address conflict and reduce tension that leads to unproductive behaviors.
7. Uncovers key indicators to allow a company to identify areas of impact and benchmark performance.
8. Educates individuals on financial literacy concepts which can address the statistic that 71% of employees become disengaged from the company within 6 months after joining.
9. Provides critical financial management training that encourages managers to focus on empowering employees, leading to employee retention.
10. Allows people to get to the truth of all issues.
11. Become more focused on how to exceed customer success which will mitigate the chances of customer's migrating away.
12. Improve staff satisfaction and productivity.
13. Find closure from past issues.
14. Discover the next best thing to do that will increase performance.
15. Identify real issues based on factual, non-emotional insight through the use of self-diagnostic tools and assessments.
16. Creates a graphical overview of a company's vision for improvement, keeping key initiatives fresh and accessible.
17. Provides a step-by-step process to engage entire company in the planning process once key initiatives are created and shared with employees.

If you would like to learn more about the Profit Zone™ please contact Ken Keller at 661.645.7086