

Business Owners and COVID-19: Important Considerations For Entrepreneurs Making a Go-Forward Plan

Small businesses have been hit especially hard by the COVID-19 global pandemic. April data from the [ADP Employment Report](#) showed staggering declines in private-sector jobs, while business owners suggest heightened concerns around navigating the new normal. A recent [survey from WalletHub](#) reported 87% percent of small business owners are facing some challenges due to the pandemic. Further, in a survey of over 700 small businesses across the country conducted by [The University of North Carolina Kenan Institute of Private Enterprise](#), 80 percent of respondents reported “serious cash flow concerns.”

Small businesses are actively searching for forward-looking strategies to sustain the business, protect jobs and secure finances. Several weeks into the crisis, the immediate response has passed, and now is the time to consider a more long-term plan for keeping the business on track. Here’s what business owners need to know:

- **There are more resources available.**

The two rounds of government stimulus aimed at aiding small businesses garnered the majority of headlines, but there are other resources available to small business owners. The U.S. Small Business Administration outlines funding options for impacted businesses in a special resource section of its website. Further, over two dozen states are stepping in with their own grants for small businesses, as well as tax extensions and legislative moves that benefit employers, like extending paid sick leave and other benefits. The U.S. Chamber of Commerce Foundation published a helpful guide online that outlines state-by-state offerings where you can learn more on your state’s support.

- **Tax delays can be leveraged strategically.**

The tax filing deadline was extended until July 15, an unprecedented move that aimed to help ease the burden on businesses and individuals. This extra time allows additional time for planning and developing a strategy that works for the business and its owner.

- **Determining your business’ next steps will take thoughtful planning.**

Our team at MAI understands the importance of advanced planning; it’s what we do with our clients every day! Once you’ve addressed some of the financial aspects of the business, it is especially important to consider what’s next for your business from a talent and operational perspective. Considering factors like how you will transition staff back to the workplace, and what policies you might need to enact to protect everyone’s physical safety while accounting for the still-evolving environment are vital. These policies will be informed by your company’s structure and culture, as well as your state’s specific mandates. Check your state’s Department of Health for guidance on the safety and logistics of returning to work.



- **It's important to consider more than just your business finances.**

With small businesses feeling the strain, it is easy for business owners to focus all of their attention on the business' financial picture but it is just as important to consider personal finances, too. At MAI, we plan for a long time horizon, accounting for the factors we can plan for, like volatility, and the factors we can't, like a global pandemic. Speak with your advisor about your plan to ensure you remain on track.

As always, if you have any questions or would like to discuss any changes to your financial situation, please feel free to contact your Advisor at any time.

Please send your questions, comments and feedback to: info@mai.capital. The opinions and analyses expressed herein are subject to change at any time. Any suggestions contained herein are general, and do not take into account an individual's or entity's specific circumstances or applicable governing law, which may vary from jurisdiction to jurisdiction and be subject to change. Distribution hereof does not constitute legal, tax, accounting, investment or other professional advice. Recipients should consult their professional advisors prior to acting on the information set forth herein. In accordance with certain Treasury Regulations, we inform you that any federal tax conclusions set forth in this communication, were not intended or written to be used, and cannot be used by any taxpayer, for the purposes of avoiding penalties that may be imposed by the Internal Revenue Service.



MAI Capital Management, LLC
1360 East 9th Street, Suite 1100, Cleveland, OH 44114
216.920.4800 | www.mai.capital | 

Please send your questions, comments,
and feedback to info@mai.capital