

Arkansas Business Navigator Podcast

Episode 10: Building Your Outside Team



Hola! Bienvenidos a la Arkansas Business Navigator Podcast, and today's episode we are going to cover the important professionals that you should have on your outside team or start relationships with and how to shop for their services. Then we're going to get into some questions and close out with some events.

Intro music

A lot of the people want business for legacy and to start to swim against the tide of generational poverty. A lot of families suffer in. Doing anything for the first time is hard, especially starting a business, even more so when you don't have any close references. Points when you take the risk of going into business for yourself, you are often isolated and typically are learning through your mistakes, unfortunately. And if you make too many your dreams and goals can die. To the best of your ability, you're going to want to develop social connections and business relationships that will help you become the best you can be as a business owner and you're going to want to keep the main thing the main thing. Believe it or not, there are people that want to see you succeed, and even though you feel alone, you don't have to be. All the pros within the Arkansas Business Navigator program are here to support your dreams and goals all across the state and the team is bilingual.

Hear this statement from NBA Hall of Famer Magic Johnson:

“Take what do I need to lookout for? Because I wanted to become a businessman after playing basketball and I got great advice from all of them. The last one was really important. That was Michael Ovitz. At that time, he was the biggest Hollywood agent on the planet. And he told me, he said, do you think you're the best basketball player? I said yes. That means that you have to then get the best people. Around you to help you achieve your goals and dreams. So that's when I fired everybody. And when I got the best money manager, the best accountant, best lawyer, and then he started helping me meet the right people that I had to meet to put me in a position to accomplish my goals and dreams.”

Let's build a team like magic! Like any good one, you will need people playing different roles. Let's talk through the roles and what you should be looking for. Not to your own horn, but a ASBTDC counselor should be on your team. They provide free services to most for profit businesses with revenue under \$5 million. Are lawyers. They will help you manage legal work and provide essential work like contracts amongst other things. An accountant is also essential to your team. They are going to help you manage your resources. An insurance agent is another person you should have a relationship with. This will be essential for risk mitigation. The next person you need on your outside team will be a banker or financial institution. This will be an instrument that will allow you to increase your business's capacity.

ASBTDC services you should be requesting are counseling and training. The network of ASBTDC is vast and many of the counselors have differing expertise that other counselors can get access to. From their

website, primary areas of assistance planning, financial analysis, market research, loan packaging, online and traditional marketing, growth and expansion, management, and profitability. Trainings this month cover everything from retaining employees through benefits to start your own business now. You should definitely tap in to some of the resources, on the website at least.

Lawyers are viable because they have so many roles and functions that can aid your business. Why do you need a lawyer, you may ask. Contracts risk mitigation, government regulations, taxes and lawsuits, just to name a few of the reasons these roles are very important. So you need to understand what your business needs are. And hire the correct lawyer to meet what you need. I would use interview tactics asking about their experience, how well they are connected, if they have clients in your particular industry. If they are a good teacher, do they have flexible billing and what type of returning they are? Consider if you actually like dealing with this person as well, importantly distinguishing. If they find the business. Manage the work that's getting done, or if they are the person that's actually doing the work.

Certified public accountants or CPA will help you file your taxes, deal with financial compliance, bookkeeping, consulting, forensic accounting, and payroll. If you are not disciplined in accounting, these services could save you a lot of time. There are popular accounting services like QuickBooks, Xero and Zoho that you use for day-to-day accounting, that could be a part of a bigger financial strategy masterminded by your CPA. Things that you are going to want to know going in or if this person has knowledge of your industry already, and how some of their clients feel about their work. That they have done for them.

Bankers will provide access to capital. Access to capital means expansion for most small business owners. Eventually, if you are doing well enough, you're going to want to seek some sort of financial assistance. So I would suggest starting where you do your regular banking at. And see where that takes you. Whether you're looking for loans or lines of credit, they can all play a role in your success.

Insurance agents can be a big boost for business owners for the products they offer, and from the social capital they possess. As a former insurance agent, everyone in some capacity needs the product and it never goes bad. The insurance agents are relationship experts and serial networkers. That are always seeking to connect with more clients because nearly everyone could be one. The process outlined by SBA is 4 steps. Number one, assess your risk #2. Find a reputable license agent #3 shop around #4 reassess every year the popular products of small business will need to consider outside of the required insurances. Are general liability insurance product liability insurance, professional liability insurance, commercial property, insurance, home based business insurance and business owners policy (or combine all the typical insurance options into one).

All these relationships add to your business and allow you to keep some stresses away from you. The ability not to worry about these outside factors is a privilege that comes at a cost. Like Eli Goldratt, the author of the theory of Constraints says it boils down to focus. Simplistically, if you can afford to focus on the things that make you money more, you'll be able to make more money. Out of the five professionals on your outside team really two, stick out, for a need to manage and mitigate expenses. Those are your lawyers and CPAs. The ASBTDC counseling is free, bank service is easier to gauge. Upfront due to financial laws and insurance expenses for the most part are computer calculated and are easily comparable. These latter three are very similar in the sense that you're going to get the most out of them with better relationships. With your provider and your ability to communicate your needs to these resource partners.

Let's answer this big question. How can I best control legal costs? Start out with the consultation appointment. Allow the lawyer to best estimate the service package for you. Have the attorney estimate the cost of each matter in writing. Learn what increments of time the firm uses to calculate its bill request monthly itemized bills. See if you can negotiate prompt payment discounts. Be prepared for meetings so you don't get charged and waste your time. Meet with your lawyer regularly asks about flat fee services and monthly return amount.

Questions you should ask an accountant or accounting firm during your first meeting? What are the upfront and continuing costs? For an accountant or the accounting firm, what is their availability and office hours? What is their experience working with businesses such as yours? What are their communication methods in the in case of an audit, can they represent you in front of the IRS and? Will I be working with the same person? Most of the time.

Transition music

Now let's get into some events. We have. Small business interest meeting Monroe County and surrounding counties. Happening on March 14th, doors open at. 5:30 PM the event is going to be held at the Brinkley Chamber of Commerce, Arkansas Business Navigator, in partnership with the Monroe County Extension Service, Brinkley Chamber of Commerce, Arkansas Apex Accelerator and East Arkansas Enterprise community and the SBA were bringing this event to you. We will talk about our efforts to support the small business community in Arkansas. I hope to see you there. Contact me at 5016711258 for any questions.

Next, we have Elevate your small business on arkansas.com. It's happening on March 21st at 6:00 PM at the Spring River Innovation Hub. Arkansas Business Navigator spoke is partnering with the Cherokee Village advertising and Promotion Commission to provide information and training on. Arkansas.com, the states premier online platform connecting visitors and travelers to communities and businesses in all 75 counties. Attendees will learn while the platform has been official, get an overview of features and have access to one-on-one. Assistance getting registered for the site. Contact Brandon Matthews at 501.671.2085 for any questions regarding this event.

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