It’s always a good time for small business owners to reassess their company’s financial health and their relationship with their bank. The American Bankers Association offers the following tips to help small business owners enhance their current banking relationship or choose the best bank for their needs.

Many small business owners have been wondering what it takes these days to get a bank loan. One way to influence your bank’s decision is to establish a personal relationship with your banker that shows him or her just how valuable your business is.

Banks value long-term, profitable business banking relationships. Bankers reward these firms by extending credit with the most favorable interest rates. These businesses and their bankers understand that developing a meaningful relationship is a two-way process—your banker has a role to play and so do you.

So how do you know if you have a meaningful and valued relationship with your bank? To find out, take the following “relationship test.” Respond to the seven statements below with “true” or “false.”

1) My firm has a bank relationship manager assigned to our account and we have contact (by phone or in person) at least once per quarter to update the bank on recent developments at our firm and within our industry.

2) Our bank relationship manager understands our industry, our position in the industry, our firm’s value proposition, where we are today and where we’d like to be in the future.

3) We provide our banker with updated financial information (historical and projected balance sheet, income statement, cash flow information to include projection assumptions and commentary on actual performance) regarding our progress toward achieving our goals on a timely basis.

4) Our senior management team meets annually with our relationship manager and his/her boss to discuss our firm’s financial performance and challenges and to understand the bank’s perception of our performance.

5) Our relationship manager proactively brings us ideas to help us achieve our goals.

6) We understand how the current economic crisis has affected our bank and our relationship with the bank (i.e., the availability of credit to our firm and the safety of our deposits).

7) Our firm makes sure that our banker is aware of all of our business with the bank (e.g., both business and personal) and that it makes money on our total banking relationship. In addition, our firm provides our banker with referrals to other profitable businesses.

If you were able to respond “true” to all seven of these statements, you have positioned your firm well with your banker.

If you answered “true” to five or six, you still have room for improvement in developing a meaningful dialogue with your banker and benefiting from his or her advice and counsel. If you answered “true” to four or fewer, you have not positioned your firm well with your banker and are putting your firm at a competitive disadvantage in terms of:

- receiving the funds you need to grow and prosper;
- obtaining the best rates available for the financial products and services your business needs to operate; and
- receiving “ideas and advice” to help you achieve your desired business goals.

Your firm should seek a bank that rewards a relationship approach to doing business with them, and a banker who is able to give your firm the financial advice that it needs to survive and thrive in today’s ever changing economy. In return, your firm should reward this bank with your business and loyalty.

The American Bankers Association represents banks of all sizes and charters and is the voice for the nation’s $14 trillion banking industry and its two million employees. Learn more at aba.com.
How Small Businesses can Effectively Navigate through Obstacles

As the economy recovers from the Great Recession, businesses are still dealing with some turbulence in the market. There has been a slight increase in hiring but wage and productivity growth remain stagnant. In addition, the Fed has signaled it will raise rates later this year to combat inflationary pressures. Southern California’s Silicon Beach expansion – the Some promise as the technology sector is recovering from the Great Recession, businesses are remaining cautious. In this uncertain economy it is difficult to assess if they know what the risks are and in this uncertain economy it is difficult to assess these risks. In the California economy there is some promise as the technology sector continues to be the shining star. Southern California’s Silicon Beach expansion – the area between Santa Monica and El Segundo – is just one example of growth in the technology sector in this region. This is something that is likely to spread given California’s rich technology sub-culture, the availability of venture capital and the key universities in the area that grow the best and brightest in this field.

Regardless of industry, there are two big obstacles facing Southern California businesses. The first is finding good talent. Having the right team in place is crucial for a company that is trying to generate a consistent product and grow. The second is regulation and tax costs in California. This has led to many companies being unable to expand in Southern California. In order to navigate through these obstacles, businesses should choose banks that understand their business and are able to advise the company and structure banking products to fit their needs. A good banking relationship ensures that the business will have a reliable source of credit and the right treasury management tools in place to best manage the company’s finances. Any company that wants to grow successfully needs consistent support from their bank.

Community Bank provides that support by creating one-on-one personal relationships with our clients. Our customers know their banker who becomes a trusted advisor offering banking solutions to fit each client’s needs. In addition to having a banker readily available to assist them, our clients also have access to the Executive Management team. Charles and Howard Cook built Community Bank on these values that still define the Bank today. After World War II Charlie was frustrated with dealing with large banks so he decided to open his own bank. From its inception the Bank focused on middle-market companies and providing excellent customer service. As the Southern California economy grew, the need for more sophisticated financial tools grew. Today, Community Bank provides virtually every financial service needed by business in Southern California. It is important that businesses get the right financing to help the business succeed. Small- to medium-sized businesses can take advantage of the Small Business Administration (SBA) programs through Community Bank. In fact, Community Bank consistently provides nearly $100,000,000 in SBA loans each year throughout Southern California. The benefit of SBA loans is that they typically offer a much lower down-payment for commercial real estate purchase, debt refinancing, equipment financing and business acquisition than a traditional loan. The SBA has recently implemented a few programs to make financing more affordable and easier to obtain - especially for U.S. Military Veterans and businesses that are involved in export activities. For Veterans all SBA fees are cut in half. Any loan under $150,000 has zero guaranty fees. For businesses that export, the SBA increased their guarantee which gives a lender a little more latitude. These changes have helped business owners throughout LA County overcome the objections most lenders have had in the past.


Information for this article was provided by Community Bank. For more information, visit www.chank.com or call (800) 788-9999.

---

Drawing Investors as a Small Business Owner

By MADELINE JUAREZ

The value of any asset is what someone is willing to pay for it. Usually valuation is presented as an objective analytical process to measure value. While financial analysis is important, decisions, even financial ones, are primarily emotional. Analysis and logic serve to justify emotional decisions.

Many of us experience this when purchasing a home. We must justify paying more for a home because we want a particular design, location or quality of workmanship. We may pay a higher price even though a more analytical measure, such as cost per square foot, may indicate that we are paying too much.

Likewise, when business owners are asked what they are willing to sell their company for versus the price they would pay for their company, the answers are very different. Would you like to guess which number is higher?

So what can you do as a business owner to generate excitement and maximize the valuation of your company in the private market?

Private Market Players

The private market is composed of three major groups: financial investors, buy-out groups and strategic investors.

A financial investor prefers to invest with the existing management team. The investment is made as a principal investor (an “angel”) or may be an institutional venture capital fund. These investors do not want to manage or control the company’s operations.

Buy-out groups, however, do want operating control and will replace existing management.

A strategic buyer invests because of perceived “synergies” or overlaps between companies. A franchisee acquiring another franchise would be an example of a strategic buyer.

Valuation Yardstick

In the private market, your company’s EBITDA (earnings before interest, taxes, depreciation and amortization), is a common yardstick for establishing a value. Your company’s value will be a multiple of EBITDA.

Private market multiples are seen in the following ranges:

1) Concept
2) Management
3) Unit Economics
4) Systems
5) Historical Performance

First, your concept is the value-added service you bring to your customers. Hopefully, this success formula can be articulated in 10 words or less, like Boston Market’s “Quality of eating at home with a convenience of eating out” or Arrow Prescription Center’s “cost-effective delivery of pharmaceutical services.” Investors like concepts they can understand. Make it simple and intuitive.

Second, you need to demonstrate why your management team is up to the task of fulfilling your plan. This is not the time for rambling resumes. Make the key management team come alive and drive home that they have succeeded, an will continue to succeed in replicating your success formula and building future value.

Compelling unit economics for franchised concepts can translate into 25 percent or higher return on capital. You need to get beyond EBITDA margins at the unit level and analyze volume, cash flow and investment.

Systems are necessary because “retail is detail.” Appropriate and timely customer and cost data is one of the cornerstones for growing your business.

Finally, you want to show how your historical performance validates your success formula. Your approach to your business should give confidence that you can achieve your business plan. This may sound simple until you try to do it, especially before an unfamiliar audience or on the telephone. Remember, the key is to generate excitement and to push an investor’s emotional “trust button.”

Madeleine Juarez is a freelance writer and business investment consultant.
A world class City with a robust commercial base, Pasadena is home to a premier cluster of finance, engineering and technology businesses.

- Central to regional labor market
- Fun, walkable, and safe commercial districts
- Immediate access to light rail and freeways
- Delicious variety of café’s and fine dining spots
- Great Class A and creative office inventory
- International recognition

cityofpasadena.net/economicdevelopment
Lessons Learned: Looking at Small Business through the Lens of a Banker

BY RUSSELL MOORE

Entrepreneur Magazine estimates that small businesses account for 60 to 80 percent of all U.S. jobs. Looking around our neighborhoods, it's easy to recognize the economic role small businesses play here in Southern California. As a banker, I see first-hand how the capital flows from lending sources to those who put funds to work to build, expand and retool their businesses, employing thousands and paying local taxes in the process.

I've been in banking for 30 years so I realize some small business owners feel uncertain approaching a bank. I've heard owners say they feel bankers don't give them the attention they deserve because their businesses aren't big enough. It's true; some banks aren't structured to serve smaller businesses in an individualized way. That's unfortunate because the relationship you form with your banker can be invaluable as your company evolves and grows. I'm here to tell small business owners: you and your business matter!

So, here's an inside perspective on how to make the most of your banking relationship. Consider a recent Small Business California survey which found that a majority of small businesses seek financing under $500,000 and most are looking for an operating line of credit. To most of us that's a lot of money.

But it's worth noting that some banks consider it 'small,' depending on their lending philosophies and profitability standards. That's why some banks turn to a cookie-cutter approach or ignore businesses of a certain size. As a business owner, you know one size doesn't fit all. If you think $500,000 is substantial, as I do, it gets back to a basic philosophy. If you believe small business is the backbone of our economy, then it's our job as bankers to actively assist companies needing loans of all sizes.

If you're in the small business space, how do you get the attention you deserve? What should your banker reasonably expect of you?

First of all, don't underestimate your value. You deserve a banker with the ability and availability to serve you well. If a banker isn't sincerely interested in understanding your business, that's an important sign. Beyond that, your banker should be able to converse intelligently about your company structure, balance sheet and capital needed to reach your goals.

A knowledgeable, experienced banker can provide more than loans, serving as a resource for your business. With a team of financial experts to draw on, he or she should offer solutions to streamline the way you work.

How much guidance can a small business reasonably expect?

It's fair to expect your banker to meet with you at least annually to see not only how your company is doing, but also how well the bank is meeting your needs. This should be a relaxed visit during which your banker truly listens to your perspective. A banker can learn a lot by visiting your facility that may lead to additional solutions. Ideally, he or she will also meet with you, your accountant, attorney, risk manager and other key external partners periodically to help guide your business.

What should your banker reasonably expect of you?

Bankers are historians. We look at past performance as a guide to future expectations. Knowing this can help you prepare for your first meeting and those to follow. Bankers look at financial trends and work to understand them. If your company has experienced a year of growth, for example, your banker will examine why and explore whether that trend will continue.

Bankers are interested in your industry expertise and how long you've been in business, often using the past two years as a baseline if you're seeking financing. A consultative banker looks for ways to help businesses gain capital, not excuses for denying it. That can mean providing alternative solutions.

If you've been turned down for financing, your banker should be able to explain why. It may not be you. Banks often must set limits on how much credit they extend in a particular business category. If the decline has to do with your financials, a good banker should be able to advise you on steps to improve your position. Experienced bankers will respect your time and not delay your opportunity to seek alternative financing if they know their institution is not prepared to meet your immediate needs.

Of course, meeting with your banker well before you need financing helps ensure that you have the facilities in place when you're ready to grow your business or take advantage of a market opportunity.

Russell Moore is Business Banking California Team Leader for AmericanWest Bank. AmericanWest Bank is a business-focused community bank. You can reach Russ directly at russell.moore@awbank.net or (909) 256-8671. Member FDIC. Equal Housing Lender.
Get a $150 credit* for your business for each smartphone line.

Plus, qualifying Small Business Customers can receive a Corporate Service Discount of 10% or more.**


Get the coverage, speed and reliability your business needs on the largest, most reliable 4G LTE network. Experience why more small businesses choose Verizon than any other wireless carrier†

†Results based on third-party study.
Account credit applied within 2-3 billing cycles. Credit will be removed if account is suspended or changed to non-qualifying plan or plus after activation. Offer expires 5/7/2015. Activation/upgrade fee/line: $40. IMPORTANT CONSUMER INFORMATION: Corporate Subscribers Only. Subject to Major Acct Agreement, Calling Plan, & credit approval. Up to $350 early termination fee. Offers & coverage varying by svc, not available everywhere, see vzw.com. While supplies last. Taxes & other fees may apply. © 2015 Verizon Wireless.

1.800.VZW.4BIZ | vzw.com/business-bill-credit | vzw.com/storelocator
“We recommend AmericanWest to our franchisees because we believe they need a personal banking relationship. Not an automated banking relationship.”

– Ken Clark, President & Chief Operating Officer, Farmer Boys Food, Inc

SALUTE TO SMALL BUSINESS

Startups and Coworking Space: the Perfect Match

Renting a small office could cost you hundreds or thousands of dollars per month. Coworking spaces can cost a fraction of that amount and with very flexible terms—you can use it every day or only as you need it.

Coworking spaces also provide the added benefits compared to traditional office space. Many provide members with a shared receptionist that takes calls and greets guests at the door. You may also have access to necessary amenities, such as printers, conference space and a professional atmosphere to meet.

Finally, Coworkers are surrounded by like-minded individuals who can increase the potential for collaboration, partnerships and future business clients.

The Pasadena area has a rich history of creative incubator spaces from Idealab, the Pasadena BioScience Collaborative, Chef’s Kitchen (restaurant incubator) and the Business Technology Center. Most recently Pasadena has seen new developments in Coworking space.

Cross Campus recently completed a 20,000 square foot campus on Raymond Avenue in Old Pasadena. The new campus features enterprise-class connectivity and audio/video capabilities, a highly intentional design aesthetic that has become a trademark of the Cross Campus brand.

“Pasadena has a pedigree and the people to be a leading entrepreneurial ecosystem. It is already home to world-class institutions such as Caltech, NASA Jet Propulsion Lab, and Art Center College of Design. With great public transit and a density of food, retail and entertainment options, Pasadena has the raw materials to grow, and we’re excited to help catalyze this growth,” said Ronen Olshansky, Cross Campus Co-Founder and CEO.

Epic Spaces just signed a 6,500 square foot lease at the new Playhouse Plaza in the Playhouse District. Epic Spaces is on schedule to open late summer.

BlankSpaces will open a fourth space in Pasadena. BlankSpaces is expected to have flexible plans for a variety of sizes for any work styles. It is anticipated that BlankSpaces will open their Pasadena location by the end of the year. Not only is the Pasadena location close to community comforts such as Urth Cafe and Tender Greens, but it is anchored close to Caltech in order to serve as a magnet for the area’s deep academic/tech talent.

At any stage of a business, the City of Pasadena Economic Development staff is available to assist. From Coworking spaces to traditional office space, the City staff can help you find the perfect location. In Pasadena, the team is open for business and here to help! Check out the website for more information on how to reach them. They are waiting to hear from you.

For more information, contact the City of Pasadena’s Business Concierge Team: Ruth Martinez-Baenen (martinezb@cityofpasadena.net); Robert Montano (montanor@cityofpasadena.net); Eric Duyshart (duysharte@cityofpasadena.net) at (626) 744-4660, or visit www.cityofpasadena.net/economicdevelopment

UPS Offers Ten Tips for Small Business Success

It’s hard to believe now, but UPS started as a small business more than a century ago. Today, as the world’s largest package delivery company, the shipping organization understands how important it is to win contracts with companies, and knows that the bottom line counts.

Here are 10 tips offered up by UPS for small businesses to consider for success:

1. Get certified as a minority- or woman-owned business and get involved in local organizations.
2. Like customers who are committed to supplier diversity.
3. Know how to sell your company by pitching what you alone can bring to the table.
4. Conduct advance planning and research about the company.
5. Understand what makes the company tick.
6. If your product or service is not a good fit for a company, know when to cut your losses and focus energy elsewhere.
7. Pick the right point-of-entry by contacting the appropriate buyer.
8. Be able to answer this question: “If I buy your product or service, how will it help my company gain a competitive advantage?”
9. Seek mentor relationships to bolster weak areas.
10. Practice the three Ps: patience, persistence, and perseverance.

We’re banking on the businesses.

AmericanWest Bank

Call us in Los Angeles at 323.935.6132 or visit us at any of our 9 area locations.
“The tools in the Business Plan Center are golden for anyone who’s looking to grow their business.”

Carolyn Miye
Oodles 4 Kids, est. 2012
Portland, Oregon

Our complimentary Business Plan Tool can help you focus on the things that will make your business thrive.

Like most small business owners, Carolyn Miye* was so busy running her business that she found it hard to organize ideas for her company’s future into a business plan. Using the Business Plan Tool from Wells Fargo, she gained valuable insight to help her focus on what to do next. It’s just one of the complimentary resources in the new Business Plan Center. To learn more, visit WellsFargoWorks.com.

*Wells Fargo rewarded Carolyn Miye $10,000 to help with her marketing plans.
© 2015 Wells Fargo Bank, N.A. All rights reserved. Member FDIC. (2253128_14991)
A Closer Look at VEDC: Changing the Way Small Business Lending Gets Done

VEDC is a leading non-profit small business lender that is changing the way small business lending gets done by making it more available and impactful.

From their headquarters in the Greater Los Angeles area, VEDC has supported small business owners for 38 years with the goal of creating and sustaining jobs and businesses in underserved communities by providing high-quality small business development services. They provide loans and micro-financing options to small businesses, particularly those owned by women and minorities, that don’t qualify for traditional bank financing.

VEDC believes that the major barrier for today’s small business is access to capital. Without adequate financing, many small businesses are prevented from thriving. That is why VEDC focuses its efforts on lending and guiding small businesses to achieve growth and sustainability. Their interest is to get loan funds in the hands of minority and low-income borrowers so that businesses can be created, maintained, and expanded. In fact, VEDC has been instrumental in helping to create economic opportunities for those who want to improve their financial standards and build stronger communities. The organization has helped create and retain over 25,000 jobs and open more than 1,700 new businesses.

Historically, 75 percent of VEDC clients are located in low-to-moderate-income areas and 65 percent have been minority and women entrepreneurs.

Taking access to capital one step further, VEDC has formed the National Microfinance Fund to expand their small business loan portfolio to include lending to other micro-lenders across the country. VEDC seeks to continually increase access to microloan capital and intends to meet this growing need by acting as a national intermediary lender.

This new program will not only support the efforts of microloan organizations in markets VEDC currently serves, but also improve the economic impact of non-profit, mission-driven lenders across the country. These newfound connections will greatly support a large number of new and existing entrepreneurs across diverse industries in achieving business growth through access to capital and financing.

It has been proven that a combination of technical assistance, access to capital and partnerships with local workforce and business assistance agencies are critical to entrepreneurial success which is why VEDC offers training and financial services. The renowned Entrepreneur Training Program is an intensive 8-week business training program for start-up and existing businesses. Alumni from this program have proven to have a higher success rate for business retention than the national average. VEDC has assisted more than 95,000 businesses and graduated 2,907 individuals from this program have proven to have a higher success rate for business retention than the national average. VEDC has assisted more than 95,000 businesses and graduated 2,907 individuals from the Entrepreneur Training Program.

The VEDC Business Services Division offers entrepreneurs the tools they need to succeed in business. With the access to consulting and training to business owners and VEDC loan clients as part of an ongoing strategy not only to help people start a business but to assist them with capacity building and growth strategies.

In support of small business, VEDC offers a wide range of services to entrepreneurs in the Los Angeles area including:

- **Business Loan Programs**
  - Microloan Programs in amounts ranging from $1,000 to $50,000
  - Small Business Loan Programs in amounts ranging from $50,000 to $500,000
  - SBA 7(a), including Community Advantage, in amounts up to $2,000,000
  - SBA 504 Commercial Real Estate Loan Program

- **Business Services and Training Programs**
  - SBA Sponsored Women’s Business Center in Van Noy, CA
  - Two City of Los Angeles Business Source Centers – Pacoima and Reseda
  - Microenterprise and Entrepreneurial Training Programs
  - Travelers Small Business Risk Education Program

Each year, VEDC serves more than 5,000 small businesses with financing, training, and direct business assistance. As a result, VEDC has been instrumental in helping to create economic opportunities for those who want to improve their financial standards and build stronger communities.

To learn more visit www.vedc.org or call (818) 907-9977.

We help medium- and small-sized businesses grow and succeed.
Small Business.  
Big Dreams.

At East West Bank, we offer you the products and services of a big bank and the personal attention you expect from a local bank. We have supported Southern California business owners and entrepreneurs for over 40 years. Let us do the same for you and make your dreams a reality.

To learn more about how East West Bank can help your business, please call: 888.245.1756

www.eastwestbank.com/SBA
Five Financial Cleaning Tips for Small Businesses

By MARLA CLEMOW

I t’s spring cleaning season and not just time to clean out your closets or mop the floors. It’s the right time of year to get your small business to get organized. From de-cluttering business expenses, to cleaning up plans, every small business owner can benefit from a spring cleaning. Below are four tips that we’ve observed from small businesses that excel at spring cleaning and can help you stay on track this season:

1. De-clutter Your Business Expenses: As a small business owner, you’re likely responsible for filing your taxes on a quarterly basis. With the April 15 deadline in the rearview mirror, you’ve probably had a chance to review your business expenses. Now it’s time to think about next quarter and changes you can make today to better prepare. If you don’t already do this, keep your business and personal expenses separate. Business checking and credit accounts that are separate from personal accounts can help you maintain accurate and complete records of all business-related income and expenses. For the next tax period, you’ll have separate statements and records to establish business income and expenses — without having to take the time to break them out from co-mingled personal financial business.

2. Dust off your Business Plan: Every small business should have a formal business plan to help with business decisions and strategic planning. If you have one already, now is the time to do a quick review and consider updates to reflect your current business needs and goals. If you don’t have one, set aside time to draft this important document.

3. Spruce up your Transition Plan: As a small business owner, you’re probably not thinking about selling your business or retiring, but it’s never too early to start planning for the future. It’s important to avoid falling into a routine of devoting resources toward particular business expenses without re-evaluating if those expenses are still adding value. Your business’ needs are constantly changing so make sure your expenses are aligned with your goals.

4. Reduce your Cash Flow Burden: From start-up to succession planning, a business plan serves as a guide through the entire lifecycle of a business. An effective plan can help business owners prioritize how to spend their time and money, and set measurable goals. It also can help identify current or future obstacles so you can better anticipate and avoid potential risks. A business plan also may help you obtain business financing. For example, for an SBA loan and some larger business loans and lines of credit, lenders may require a formal business plan before extending credit.

As a small business owner, you’re probably not thinking about selling your business or retiring, but it’s never too early to start planning for the future.

Generating Capital for Your New Business

By ANDREA SANDOR

A s an entrepreneur, you will have to confront the realities of financing your business concept. But if you have the proper knowledge — you can get the funds you need—and on the terms you prescribe.

Tips on Forming a Banking Relationship

If you haven’t been able to form a relationship with a bank before applying for a business loan, investigate the bank you’ve chosen. Call up and make an appointment with a loan officer. Tell him or her that you are thinking of seeking financing through their institution and you would like to know more about them. While you’re there don’t be afraid to talk to the bank president and manager, as well as the loan officer—if you can—to get a feel for their operations and their treatment of smaller customers.

Describe your credit needs, ask what the bank can do for you, and try to determine whether others in your field are applying for the same type of loan. If possible, make sure your banker understands your business—at least to some degree—and “talks your language.” Before leaving the bank, get some literature, if you can, on the different types of loans available. Learn about the benefits of getting a line of credit for these and other types of loans, and decide which you want to apply for.

When you’ve picked your lender, call up and make another appointment, this time to apply for the loan. Plan for a long, thorough meeting. Earlier we discussed the preparation of your business plan, including a detailed estimate of the amount of money you need, and a personal financial statement. Take these documents with you. Also, prepare a one-page summary, including what the money is to be used for and how you plan to pay it back. Back up with facts and numbers, so have lots of both. And do your homework to be prepared to answer any questions. If you like, take your accountant or lawyer with you, but plan to do most of the talking yourself.

Becoming a Great Boss at Any Size Company

Bearing in mind the importance of good leadership to business, consider the following lines of thinking, strategies and attributes:

1. Be Inclusive. With a smaller operation, it’s essential that everyone feels like an equal and involved part of the team. A good employer is certain to treat each employee fairly, not only in terms of salary and other forms of compensation, but also in how that employee is involved in the daily function of the business. Encourage feedback, innovation and creativity so employees feel genuinely engaged. You need to create an environment of trust, integrity and respect to make absolutely certain that everyone is treated fairly, regardless of the differences they may have or how long they’ve been with your business.

2. Mission, not just money. Many of us have had bosses who would be right at home with a galloping new taste in their desk calendars. Make one mistake on the job and feel free to slip your noggin right beneath the table. Conversely, an effective boss encourages his or her employees not to be gun shy about an occasional snafu along the road toward better job performance.

3. Nothing to fear but fear itself. Many of the people who work for you are looking to help you navigate and advance their careers. As a result, it’s not all about money. But it is all about making your employees see how to improve and create meaningful careers for themselves. If an employee has a goal of becoming a manager or running his or her own business someday, nurture that goal. Tell them the traits they need to work on to achieve their ultimate plans.

4. Mada, not necessarily born. One final aspect of being a good boss is recognizing that much of what goes into being an effective leader is, in fact, learned behavior. Of course, there always have been and will be bosses who seem to have a flawless touch in leading and motivating. But for every natural talent, there are just as many top-flight bosses who got that way by attending management classes and seminars, reading books on leadership and attending workshops. This is just as important, understanding that a good employer naturally attracts first-rate employees.

Information provided by the Small Business Administration.
Five Small Business Social Media Tips to Attract Customers

1. Know the customers
   Take time to know your customers through social networks. Stand in their shoes. Learn more about their business. Ask the question: “What are their needs?” Find them, and Search their social media updates. Learn more about the customer’s business, the more products and services the business can ultimately offer to them.

2. Connect with customers
   After determining who the customers are, a business must take the logical next step: Connect or Follow them! Once connected, most social media networks share a live news feed of the following user’s updates. Thus, when a business is logged in, they see latest news stories about their customers. Reading what’s going on provides greater understanding of the customers’ current situation, needs and events.

3. Engage with customers
   Reading the customers’ updates and gaining further knowledge about them are important first steps. Next step is to begin engaging with the customers. The best way: Reply to their updates and Ask questions. When a business responds to what their customers are saying, and begins a conversation, that’s when engagement begins. Social media is all about “live” conversations. Besides replying publicly, a business can also ask direct questions to solicit a response, reply privately or send a direct message for further intimacy.

4. Promote customers
   Often times, owners and marketers forget that social media marketing is not so much about promoting their own business; rather, it’s more about promoting their customers. This simple fact changes how well engaged the customers are. When the company takes on the onus of promoting their customers, the returns are tangible and immediate.

5. Ask for referrals from customers
   After establishing a solid relationship with customers and prospects on social media, a business can begin to transform this engagement into leads. Social media cannot be an off and on affair. It has be always on campaign. Hence, a business must frequently login to social media networks and engage with their clients on a daily basis. When the time’s right, ask the customers for new referrals and share with them new offers.

Using social media, a business directly informs their clients about what’s going on, promotes new offers and services, and provides customer service; the clients freely express with the company their experiences, ask questions and provide direct feedback in a public setting. This level of intimacy and engagement hasn’t been achieved before.

Through Covered California for Small Business, you could be eligible for a tax credit. You set the budget you can afford, your employees choose from a variety of health plans to find the one that’s right for them. What a healthy approach to business. Contact Covered California or a certified agent today.

(844) 332-8384 | CoveredCA.com/small-business