

Small Business: The Resources You Didn't Know You Have

Mon, 4/5 2:54PM 26:31

SUMMARY KEYWORDS

people, business, small business development, chamber, toledo, cost, small businesses, jill, customers, understand, businesses, reach, pandemic, restaurant, starting, employees, thinking, center, year, depends

SPEAKERS

Jill Badger, Halie Morris

H Halie Morris 00:01
Hello, everyone, and welcome to our mini season of Everyday Business Solution. And I have with me today, Jill Badger. Jill Badger is part of the Toledo, Regional Chamber of Commerce. I'm trying to say it right and the Small Business Development Center. So we brought Jill on today. Because as we're shifting forward in this time, we're seeing a lot of people embark on their entrepreneurial dreams, or starting a small business or taking a small business that already exists. And taking it to the next level where it's becoming like a brick and mortar, it's becoming more set. And there's a lot of things to being in that place. Or even if you're in a place where you're starting to take over. You're starting to change location or doing things like that there's a lot of things to consider. And so Jill is going to help us really break down what her organization does for small businesses. And then those things that we really need to consider we have in place as you're moving forward as a leader in today's world. So, Jill, if you don't mind, can you introduce yourself?

J Jill Badger 01:58
Thank you. I'm Jill badger with the Small Business Development Center at the Toledo Regional Chamber of Commerce. The Small Business Development Center is a national program in all 50 states. In Ohio, we have 30 centers or so ours at the chamber is covers

Lucas and wood County. But we are a no cost center, you do not have to be a chamber member in order to utilize our services. We help anyone that is considered a small business and under the SBA, that's like under 250 employees. So it covers quite a few businesses. with anything from being a startup with an idea on a napkin to being second or third generation and you need assistance getting some sort of financing. We help a lot of people try to figure out, do you want to be a sole proprietorship, LLC and S corp, figure out how to get your Ei n number or a vendor's license. Sometimes we will go out to locations and help you figure out if this is the right place to put your business. We are not attorneys, but we will look at leases with you and try to help you understand if this is something that's normal, or you need to seek an attorney to look over those fine print and make sure you're signing something and you understand all the legalities to that. But coming to us prior to signing that lease or purchasing that building is always a good idea. Just to have somebody else with an opinion, you know, point things out that maybe you haven't thought about in the past.



Halie Morris 03:29

So when do you typically see businesses actually come to you in all stages?



Jill Badger 03:34

I mean, I've gotten the people who have already signed the lease, and now they want to start their business. I have people who just have an idea on a napkin and want to do every single step with us. It varies. I have third generation business owners that want help doing strategic planning, or they're new to marketing their business, like they've always had customers, and they've never really had to solicit for them. So now they need help figuring out a sales plan. Sometimes it's as simple as just helping them find the right banker to get a new piece of equipment. It varies.



Halie Morris 04:10

It's kind of it's kind of cool to see that they are actually making use of you throughout different stages of the business lifecycle versus just at one. I'm really curious, as far as we've obviously seen a lot of shifts and changes in the last year. And it's literally been just over a year now since this whole mayhem with a pandemic and shutdowns and everything else started. Have you seen an increase in people have utilized your service?



Jill Badger 04:34

Yes, it feels like at least double the amount of clients we usually see in a year. And part of

that is brand new businesses, like you said are people that have either been laid off or chose not to go back to their nine to five job that have decided to take a hobby and turn it into a business or people who were in business for themselves for years but are trying to figure out how to survive the pandemic. You know, they may have done really well to start, but now we're like you said a year in. So supply chain is difficult right now, understanding how to fill out PPP or EIDL or any of the federal loan programs, grants that are out there. They just don't know what to do, how to do it, where to find it?

H

Halie Morris 05:18

Well, it's one of those things, I think, when some of this stuff started happening, and they were talking about, okay, we're getting loans. We're doing all this stuff, it was a huge question of, Okay, well, how do I make use of it, and a lot of it was directed towards small business. But then you were hearing about, like, more of the franchisees and companies like that making use of it, because they had, like corporate coming in, and they could train and give advice, and they had the information, but a lot of small businesses were like, in the dark.

J

Jill Badger 05:47

We've tried to do a lot of marketing to let people know we're out there, because people still don't know we exist. So finding us can be a challenge. But once they do, we've been able to help with all those different loan programs, grant programs, stuff like that. Yeah,

H

Halie Morris 06:01

it seems I think, too, when we get into, you know, running a business or our day jobs, and we're really focused, it is hard to sometimes see even the resources that are right around us. So I could understand how that would get hard

J

Jill Badger 06:13

on some people just don't want to ask for help. Like, you know, I'm the entrepreneur, I'm the head of this company, I should know how to do this, not realizing that one, it doesn't cost them anything to ask a question. And to because we're part of the chamber, we're one of the only sbdcs nationally that are located at a chamber of commerce, we have over 2000 chamber members at our disposal. So if somebody asks a legal question, I can usually get an answer fairly quickly for them. If they ask an HR question, or an accounting question, it's easier for me to get the answer than for them to get it and probably a lot more cost effective for me to get it.



Halie Morris 06:49

And cost and time because now you know how to utilize your resources. I mean, that's what you do,



Jill Badger 06:54

right? But something that could take them a week to research or, you know, making several phone calls to call the right person could take me five minutes. So it's worth their time and effort to just reach out to us and have us do the legwork.



Halie Morris 07:07

I'm really curious, how did you know how you guys ended up within the Toledo chamber?



Jill Badger 07:13

We've been a part of the Toledo chamber since the SBDC existed in the state of Ohio. Wow. So it's been over 35 years.



Halie Morris 07:21

It's a unique, you know, I would say I when I first started talking and having this conversation with our Gil over here at web solutions, I was thinking that you guys kind of derived out of the chamber at first. And I didn't realize I think how far reaching You know, it actually is. And there is this, I think this realization, I'm coming to that there's so much help for small businesses out there. And yet, most of them feel like they're floating on an island by themselves, because they either one, like you said don't reach out because they're scared to ask for help. Or they kind of got picked up in that idea. There is no help, because of the people who don't want to ask. And so they just chug along and try to make the best of



Jill Badger 08:04

I feel like there's not a great roadmap to show you all the different resources, but there's actually quite a lot of resources for entrepreneurs in our city. So if they reach out to any one of us, we can help direct them to the right resource depending on what their needs are. But there are a lot of resources for small businesses and the chamber has just always felt like the Small Business Development Center fit because we are a membership based organization. And if we're not here to help small businesses, then you know, what else are

they doing? The purpose of for the chamber is to help their members and they can utilize our services well, whether they're a chamber member or not, but the chamber offers a lot of other services, we you know, advocacy, we have a brand, the Toledo brand, we have epic, which helps with you know, what I'm thinking of epic is our young professionals division. And then we have an internship program Summer in the City. There's just a lot of different ways in which the chamber helps small businesses.



Halie Morris 09:04

I feel like I'm seeing a lot of stuff too that the chamber does, whether it's through epic or some of the other things like events they put on right before the pandemic I think the year before we did the town dash



Jill Badger 09:16

that's what the interns every year.



Halie Morris 09:18

Yes, a lot of fun. That was so much fun. I mean, getting to know our downtown area and it seems like it's so much more vibrant than when I moved up here and people are so excited to go downtown. Our neighbors just opened up a place down there. I'm hearing more businesses moving down there or restaurants popping up in it it's kind of becoming its own like HubSpot people know what they want in a downtown area now. So now with you guys connect to like other area chambers are tried to for from the small business side of it,



Jill Badger 09:53

not from the Small Business Development Center. I mean, we have, like I said, another 30 centers in the state of Ohio. So I can connect them to another Small Business Development Center. Typically, it's not necessary for me to connect them to another chamber. Yeah. It depends on what they're looking for a lot of the smaller chambers, like a Sylvania chamber or perrysburg chamber, they're going to work just within their community. Unless, I mean, I've never worked with the Sylvania chamber, but they're focused on building up the city of Sylvania ran, where the Toledo Regional Chamber, we have a much larger reach, right? It's not just Sylvania, or just perrysburg. But it's the whole region, which is kind of like the Small Business Development Center, we cover both Lucas and wood County, so we have a larger reach. But if somebody was in another county, I could connect them to that Small Business Development Center, or if they're in another county, and they want to come up to us, I can still work with them.

H Halie Morris 10:48
Okay, that's pretty good. I was wondering from like the perspective of somebody came to one of those other chambers within one of these two counties. How easy it would be for them to connect to you from there. If they didn't want to do

J Jill Badger 10:58
yes, they can definitely connect to us, no matter where they're at.

H Halie Morris 11:01
That's good. That's good to hear. I'm from Sylvania.

J Jill Badger 11:06
Yeah, no, you do not have to be in the city of Toledo to work with us. I don't know how much the other chambers referred to our program, but you can be in anywhere in the region and work with the Small Business Development Center, and I have some clients outside our area. Somehow, I ended up working with a whole lot of childcare centers. So sometimes I get outside our little Lucas and wood county to assist in childcare.

H Halie Morris 11:29
Okay, so what is for you? Is there like huge difference with the different types of business, whether it's a restaurant, or it's a childcare center, or it's another type of business maybe doing? Like clothing or something like that? Is there a large difference between how you work with those different types of owners? Not really,

J Jill Badger 11:51
it all starts in the same place, you know, establishing what type of business they want to be, whether it's a sole Prop, LLC, S corp, making sure they have their E i n number, getting them a business bank account, working on a break, even analysis, so that they understand how many customers they need every single day, they're open in order to pay the bills, the analysis is still along the same lines, obviously, if they're an online business, you're gonna have different needs than if they're a brick and mortar. But the starting point is usually the same, the way you would market them or help them create their budget is drastically different. Okay, I

- H** Halie Morris 12:26
was wondering, and then do you guys have a lot of, I'm curious about like, how many online business owners you've worked with, just because I when I pictured I do picture the brick and mortar. I think that's just like, you know, the cliché.
- J** Jill Badger 12:40
I mean, you can have, we have quite a few online retailers that I've worked with, I helped a makeup companies start and they're completely virtual, but there was still so much legwork. I mean, they had their r&d facility, they had to find their packaging company, they had to find their fulfillment company. And we went to all the different locations here in Toledo to make sure everything was locally sourced. But we were still going from fulfillment center to fulfillment center, trying to figure out where their product would be stored, how you handle shipping, all of that fun stuff.
- H** Halie Morris 13:13
Yeah, thinking about all that, the background of that kind of thing.
- J** Jill Badger 13:17
I mean, it just depends on where they're starting. If they're on Etsy, they might have all their product delivered to their home. But if they're selling on Amazon, chances are their sales are too high to keep everything at home and for them to be processing everything themselves. So it just depends on where they're at in the process.
- H** Halie Morris 13:33
Yeah, that is a very interesting thing. And then as they grow, something that might have been based out of home might have to grow into something else.
- J** Jill Badger 13:41
Right. So we do help them figure out where that transition point is. Where in your budget, can you now afford for somebody else to take on that process?
- H** Halie Morris 13:51
That's very interesting. And I'm sure you see the a lot of people that go from like one or

two people running a business to start to grow and take on employees. What is it like walking somebody through that stage?



Jill Badger 14:02

That can be a handful? Because you're going from having owners to now employees? So understanding, are you comfortable taking on payroll? What does that look like? Are you hiring a payroll company? Do you understand worker's comp, because in the state of Ohio, it's required on all employees, making sure that you know, all the different ways in which you have to support that employee.



Halie Morris 14:25

So with walking through the newer part of the process, and things like that, what are those interactions? Like if somebody comes to you and they're like that very beginning napkin phase? Oh, for how often do you typically work with them? Are you meeting weekly? Are you talking almost daily?



Jill Badger 14:46

It totally depends on the client. I mean, we have the capacity to do whatever they need. It just depends on the client. Some people if they're still at that napkin idea, chances are they still have a nine to five job. So it could depend on their work schedule on our client load right now, since we're seeing probably double what we're used to every day might be a little bit much, but it just depends on what they need help with. And there's usually time I call it for homework, you know, when they meet with us, we give them a list of things that they need to do. So chances of meeting every single day are probably a bit much, but weekly is definitely doable.



Halie Morris 15:22

Okay, that's very interesting, just because obviously, like, somebody who's already running a business and feels like a chicken with their head cut off that everything is crashing and burning. And I think the biggest excuse my, I don't have time for that. Write, it sounds like you know, the time that they meet with you. And even maybe the homework that you get, they're going to have time for it's not actually like this huge thing to do a bit of the background, or at least get the ball rolling and realize where you need to do the work. So that you're not running around like a chicken with your head.



Jill Badger 15:55

Say, hopefully it saves them time and gives them a focal point so that they understand the process and where they need to go in order to get where they want to be.



Halie Morris 16:04

It shouldn't be afraid to ask them questions, it always makes it it takes me back to my middle school years, where I was very bullheaded, and I was like, I can do it myself. So that's what it makes me think of is like, back then. But the truth is we carry that bullheaded with us, like throughout our lives. Yeah, it is tend to be your pride and joy when you when you create a startup when you're running a business and things like that. And I'm sure you've seen a lot of people are their pride and joy is at risk within the last year because things pivoted so drastically, that even if they weren't handling, like a supply crisis or something like that, just the large changes in how they had to deliver their service or just completely rethink their strategy, we're probably really tough to handle.



Jill Badger 16:51

Being able to pivot is probably the number one benefit, you know, if if a company was able to pivot, they probably survived the pandemic more than their neighbor. Because the people who thought they could just keep continuing to do things the way they've always done are struggling?



Halie Morris 17:08

Well, I think too, we see businesses that think that they can just keep with the same original strategy for the entire duration, tend to hit a point where they start to struggle anyways, whether it's caused by an external factor or not, because your customer changes, and technology changes. And now the world is so social media based, yeah, that it's like, Okay, what people are seeing different things is a really huge impact on customers, when their worlds can change overnight, because something happens in a country that is completely like it's an ocean away, but it impacts people's thoughts and impacts the conversations that are happening, sometimes it impacts what they want, like, there's people who go vegan, and all of a sudden, because of things that they find out and learn on social media. So what happens if you're a company that sells a lot of meat, and most of your customers are on social media? So it's very interesting. How do you see, from your perspective, how do you see businesses impacted by changing technology and things like that?



Jill Badger 18:15

We saw in the pandemic, a lot of businesses struggle to apply for any grants or any assistance because they didn't have technology, they didn't know how to turn on a computer, they didn't know they didn't have a computer, trying to teach them how to apply for anything on their smartphone, trying to teach them how to turn on a computer if we gave them one. But any there were a lot of businesses impacted because they didn't know how to apply for any of the assistance available that or they never, they're used to taking a shoe box to their accountant at the end of the year. They don't keep internal financial statements. And so when they needed to apply for any of the assistance, they couldn't do so because they didn't have financial documents that were required for applying for those types of grants.



Halie Morris 19:00

And those are probably I are those typically like the older businesses that have been around or do you see people start out that way now.



Jill Badger 19:06

Now, there are businesses that start today that don't ever consider how they're going to do their bookkeeping. Wow, or why it's necessary. Like, logically, I



Halie Morris 19:15

know that people like it's it's spot that they'll forget, because they don't have training in that spot. But like, it's so crazy to think of not having that side of it down like, well,



Jill Badger 19:26

you get, like, for example, an artist who's worried about selling their piece of art, they're not worried about how to track its expenses and how to figure out I mean, they put a value on that piece of artwork, they're not comparing it to somebody else to establish, am I charging enough for this? Am I covering all my costs? Am I tracking those costs? So I mean, it doesn't matter how old or young you are or what industry you're in, there's always people out there that are not necessarily doing all the business side of owning a business.



Halie Morris 19:58

Well, I think too, I think of my friend With her crochet business again, she's actually very

good at thinking, Okay, how much time is this going to take? What are the materials, things like that, because she just tends to do it on a order by order basis, people ask for specific things, she goes out, gets the supplies and makes it and then it and it'll cost more than like, if you buy from a shop on Etsy that's pre made three or four or 20 of the same briolette they can get the cost down because they bought the yarn in bulk. And then they're selling it to multiple people. So she does on custom, which people like, but then people forget custom orders. He called custom costs. Yeah, exactly. And she'll get things like she knows the types, like certain types of things are going to be about the same, same amount every time. And she does that based on the discount she gets as a teacher and all this other stuff, because she has a day job. But you know, thinking of even that, of someone who's maybe a little more diligent about it probably doesn't think when she starts have this actually becoming something she could do full time. But some people do take that hobby full time. And they just keep doing it the same way. I'm sure



Jill Badger 21:10

right. Sometimes it's hard to get you out of Well, I've always done it this way.



Halie Morris 21:15

Oh, isn't that the big poison? Well, I've always done it this way. Okay, but the world's not always that way.



Jill Badger 21:21

Well, if you're doing it differently, yeah, or you were doing maybe one a week, and now you're doing one or five a day. So you need to track that in a different manner than when this was a hobby, because as a hobby, you maybe weren't paying taxes, or you weren't tracking it as a revenue source. And especially when people start to consider this their full time job, and they might need some form of capital, they might need a loan for something, a new piece of equipment, whatever the case may be, if you're not tracking your expenses and doing your financial statements, how do you prove to the bank, you're making enough money for them to loan you any kind of capital?



Halie Morris 21:58

Exactly, I'm on a lot of people I'm sure to will see that they do it at the break, even when it's a hobby because they don't need the extra money. But just for fun, it's for fun. But then they want to maintain some of the same people who bought from them, that still give family free pieces or free whatever they're doing. But now they need money in there. Like

they need money to sustain the business, they profit to keep growing and going and paying themselves being in the night. So there's a whole lot of elements to that, like, especially in that growth phase makes a game change.



Jill Badger 22:28

Well, we even saw a restaurant one time we who was trying to figure out why they weren't making any money. And when we looked at their expenses, we thought that their food costs were at like 80%. And we couldn't figure out why. Because for a restaurant, your food costs should only be about 30%. Until we realized, like if you sat there and watch their customers, they were allowing their family to eat every single meal there every day without paying anything. Nothing for the cost of the food. So we're, we were like, well, it's okay if you want to help out friends and family, but you need to at least charge them what it costs you to prepare that meal. And even if you're discounting your personal labor, which you shouldn't do, it's like you at least have to cover your own food costs. Because now you're cutting into the like, you're basically paying to feed your family because they're not paying at least the food costs.



Halie Morris 23:17

Feeding your family becomes a restaurant expense. Yes, it's



Jill Badger 23:20

a huge restaurant expense, it kept them from earning any money in the business.



Halie Morris 23:24

Yeah, and it's one of those things, you know, it's always hard to tell family like you have to pay.



Jill Badger 23:29

This is not a free service.



Halie Morris 23:31

It has to sustain itself. I have to sustain me and my employees, but like, yeah, and then I've also seen like the flip side where you Okay, they've gotten the cost down, they do charge, you know, I've worked at a restaurant where Okay, you get 50% off when you're

working 30% off when you're not working as an employee. But you know, no more than that, except for maybe like the little condiments and things that are a little easier to go by. But then the turnaround becomes Okay. Are you bringing in the customers?



Jill Badger 24:02

Is somebody coming with you to eat that meal?



Halie Morris 24:06

Because I've seen somewhere they've got those big menu, and it's super cool, because they have a big menu and you can choose lots of things. But then, which are going



24:13

fast, efficient?




Halie Morris 24:15

Yeah, is it cost efficient to have all those ingredients, all the different types of food for your staff to know how to make that much food because sometimes they don't actually understand comprehensively what they're doing. They're just tossing things together, so the food's not as good, which means you get more complaints and less customers returning. And I've seen a couple of people do that which isn't sustainable in the long term. You know, they get some loyal customers and loyal customers keep aging coming customers. So I've seen that too. It's very interesting, but I'm sure you from your perspective are going through all of those phases with all kinds of different people.





Jill Badger 24:51


Well, it's amazing because like at a restaurant, a menu matters. You have to get certain health department approval for your storage and for your menu and You know, there's a lot of different obstacles. So making your menu large doesn't just benefit you because you think you're appealing to a wide variety of people. There are obstacles, like you said, there's more food you have to keep on hand, there's more things you have to get approved by the health department. There's more for your staff to be trained on. There's always more.


 Halie Morris 25:18
And then if you want to serve liquor,

 Jill Badger 25:21
well, that just threw in a whole new

 Halie Morris 25:23
complication, right? It's kind of funny because it's like one little element, which I really thinks restaurant goes with liquor, right? You got wine or you got something or another you got a bar attached. And you're like, a whole new ballgame when it comes to being a business owner. Right. So all right, well, I think that's a good place to wrap up, because we really talked about what you do and what the Small Business Development Center can do. What is the best way if somebody is listening or watching this, that they can reach out to your team?

 Jill Badger 25:55
The Toledo Regional Chamber of Commerce has a website ToledoChamber.com, you can find us on there. My personal email address would be Jill.Badger@ToledoChamber.com.

 Halie Morris 26:07
Alright, and we'll tag that and all of our stuff. So that if you want to reach out to Jill, you can we've got a couple more episodes for this mini season coming up, where we're going to break down some of the common things that people in a starter business or at some of the earlier phases in our business might face and that you should be considering. So thank you, and have a great rest of your week. Thank you, Jill.

 Jill Badger 26:27
Thank you.