



Helping Businesses Grow & Succeed



Guide to BUSINESS RESILIENCY IN TIMES OF DISASTER



Cash Management



Pricing and Cost Containment



Supply Chain Management



Marketing

The VI SBDC was established in 1985 as a Provider of Small Business Assistance



Cash Management

- Prioritize who to pay first.
- Have conversations with vendors to ask for longer payment terms or partial payment.
- Have financial records in one, easily accessible place and review them daily.
- Review financial information and forecast cash needed to operate the business. Know your financial data well. Don't rely on your CPA to tell you how the business is going.
- Address problem areas where costs are out of line.
- Regularly review customer accounts and have solid credit policies in place.
- Place slow pay customers on COD or pre-payment.
- Require cash payment at time of sale.
- Talk to lenders about renegotiating existing loan terms and interest-only payments for a while.
- Keep payment promises (Don't make promises you can't keep).
- Work with federal and state government agencies about payment of past due and coming due taxes.
- Don't ignore collection letters from federal and state government agencies. They can freeze your bank accounts, cutting off access to cash.
- Have a line of credit in place, review it annually and adjust as needed.
- Sell unproductive assets now. Don't wait until a crisis.
- Consider business credit cards, but understand the risk.
- While no one enjoys laying people off, have a plan to reduce labor if needed. Check with the Virgin Islands Department of Labor about unemployment programs available to business owners in distressing economic times.
- Reduce embezzlement opportunities by limiting check signing to the owner or requiring two check signers. Examine payroll records for accuracy and reconcile bank statements and credit card registers daily.





Price & Cost Containment

- Reduce unnecessary expenses like travel, entertainment and other areas that do not contribute to revenue generation.
- Review personnel requirements. Are vacant positions are really needed? Can duties of vacant positions be divided among other employees or performed by part-time workers or temporary workers? A lean workforce before a crisis, will help you survive.
- Eliminate discounts and giveaways.
- Review pricing and value. Don't cut prices in panic mode.
- Discuss rent reduction with your landlord.
- Consider renting unused space to other business owners.
- Negotiate discounts with vendors/suppliers, when possible. Remember, trying times impact them too. They may be willing to offer short-term discounts they otherwise wouldn't.

Contact the VI SBDC office for assistance with any of the items in this guide. With 2 locations, 1 office per district, there is an office near you.



[VISBDC.org](https://www.visbdc.org)



Supply Chain Management

- Review inventory levels regularly. Conduct inventory at least monthly.
- If your POS system has an inventory management feature, enter products as they come in. Your POS system will provide daily inventory information.
- Eliminate slow sellers when reordering and liquidate products that have been in inventory beyond 90 days.
- Consider adding items with faster turn times.
- Look for vendors/suppliers that provide a just-in-time option for ordering products.
- Stay engaged with your vendors/suppliers. Don't wait until a crisis.
- Assess operations and capacity. Adjust as needed.



Marketing

- Identify key target customers and consider a “niche focus.”
- Reassess your marketing strategy.
- Consider redistribution of marketing expenditures.
- Communicate regularly with customers to keep relationships:
 - Customer support, business hours, services, special order needs, promotions*
- Strengthen digital communications and online presence:
 - Use multi-channels to reach your audience: social media, email, website, text, etc.*
 - Develop/update online profiles*
 - Update your website*
- Use Technology to expand services:
 - Facebook Live, video, e-commerce sites, payment and services apps, video conferencing, chat box, networking, etc.*
- Watch for new trends and look for opportunities to provide solutions.

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About the VI SBDC Network

The Virgin Islands Small Business Development Center (VI SBDC) provide the tools, resources, and expertise to help businesses grow and succeed.

Our professional staff support and provide resources for entrepreneurs and small business owners to help them achieve success.

The VI SBDC offers no-cost confidential consulting and affordable training services and seminars for entrepreneurs and small business owners.

The VI SBDC’s one-on-one consulting emphasizes education and guidance for identifying practical solutions to business problems.

The VI SBDC has access to industry information and access to research as an extension of the UVI School of Business.

Contact the district office nearest to you:

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