

sbtcdc

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# ASSESSING FINANCIAL SURVIVAL FOR CHILDCARE PROVIDERS: FIRST STEPS

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# ASSESSING FINANCIAL SURVIVAL FOR CHILD CARE PROVIDERS: FIRST STEPS



sbt<sup>t</sup>dc



WAKE COUNTY  
Smart Start

# TODAY'S AGENDA

Welcome and Purpose  
SBTDC Introduction  
Cash Management  
Expense Management  
Marketing and Communications  
Reopening/Going Full-Capacity  
Planning and Thinking Ahead  
Q&A

WAKE COUNTY



Smart Start

The SBTDC is a business and technology extension program of the UNC System and is funded in part through a Cooperative Agreement with the U.S. Small Business Administration.



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# What is the SBTDC?

- **The Small Business & Technology Development Center (SBTDC)** is a statewide business advisory service for growing and developing businesses.
  - An extension program of the UNC System
  - Offices at the 16 campuses across the state
  - Operated in partnership with the Small Business Administration (SBA)
  - All counseling services are **free**.
- We provide personalized management counseling and education services to small and mid-size businesses to help them become more competitive, create new jobs, and improve the economy.



# What services do we offer?

- General Business Counseling:
  - ✓ Business Launch Initiatives & Support
  - ✓ Business & Management Advice
  - ✓ Financial Analysis and Access to Capital
  - ✓ Marketing Assistance
  - ✓ Marketing Research
  - ✓ Strategy Development & Implementation
  - ✓ Leadership & Employee Performance

*We help you make better business decisions, gain better information and data, understand how your business is financially performing, gain access to capital and markets, strengthen employee performance, and gain strategic direction for your future.*

# Specialized Resources

- Targeted Strategic Services and Counseling:
  - ✓ Government Procurement & Technical Assistance Center (PTAC)
  - ✓ International Business/Exporting (IBD)
  - ✓ Technology Development & Commercialization
  - ✓ Private Equity Initiatives
  - ✓ Strategy & Growth Services for Mid-Sized Businesses
  - ✓ Market Research Services



# Things to Consider

- This is an unprecedented time. It's ok not to have all the answers.
- Learn to manage stress and prioritize your mental wellness.
- Keep an open mind.
- Error on the side of action.
- Be prepared to pivot.
- This is temporary.
- You **will** survive.



# Cash Management

- Assess Cash
  - Review financial information and forecast cash needs
    - How much cash do I have?
    - How long will it last?
    - How can I get my hands on more if needed?
    - Create a cash flow projection
  - Have financial records in one, easily accessible place
- Find Cash
  - Grants, Loans, Income, Crowd-Sourcing
  - Sell unproductive/unnecessary items to free up cash
  - Obtain a line of credit
  - Collect outstanding fees/debts





# Expense Management

- Reduce or eliminate any unnecessary expenses that do not contribute to revenue generation.
- Reduce or eliminate discounts and giveaways
- Discuss rent reduction with your landlord
- Call service providers and try to negotiate payment terms
- Manage Incoming Cash
  - Developing a plan for how to use incoming cash
  - Prioritize who and what to pay first. (What roles are critical? What expenses are critical?)



# Marketing and Communications

- Communicate your value
  - Continue to share and engage your families and families in your target market
    - Communicate where you're at, where you intend to be and providing resources to your families
  - What differentiates your center?
- Reassess your marketing strategy
- Strengthen digital communications and online presence
- Use technology to expand services



# Reopening and Going Full-Capacity

- Put your reopening plan in place while still closed or at a lower capacity
  - What will cleaning and sanitizing your facility require? Cost? Resources?
  - How will you need to change your child care structure to meet NCDHHS guidelines?
  - How will you test kids and families? Who will be allowed on premises? How will you communicate changes?
  - How will you conduct pick up and drop off?
  - What will be the new sick policy for children?
- Stock up on necessary supplies now.
- Review NCDHHS Guidance from May 11<sup>th</sup>.



# Planning Ahead

- Diversify revenue streams
  - Skills, talents and abilities to monetize
  - Needs unmet in current market
  - Adjacent markets to serve
  - Leasing extra space
  - Create new solutions not yet developed
- Rethinking your business model
  - Fee structure and child care agreements
  - Diversifying markets
  - Virtual learning model



# Planning Ahead

- Utilize this time to invest in your business
  - Gaining or upgrading star-ratings
  - Investing in professional development
  - Upgrading your facility
- Look for partnerships and collaboration opportunities
  - Resource sharing
  - Cross-functional collaboration
  - Supply purchasing

# How can you get in touch?

- Wake County Smart Start
  - Carol Orji, Manager Early Childhood Initiatives
  - [corji@wakesmartstart.org](mailto:corji@wakesmartstart.org)
  - <https://www.wakesmartstart.org/families/resources/covid-19-resources/>
- To learn more about our services, please visit our website at <http://www.sbt dc.org/>.
- Sign up for a free counseling session by completing our online Electronic Request for Counseling at <http://www.sbt dc.org/erfc/>.

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# Q&A

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The SBTDC is a business advisory service of The University of North Carolina System operated in partnership with the U.S. Small Business Administration.