



Published on SavannahNow.com (<http://savannahnow.com/>)

Small business conference focuses on sustainability

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Created 2008-03-18 23:30

The current economic crisis is making consumers nervous, but it can be a nightmare for small-business owners.

To keep the dream of being your own boss alive, small-business expert George Cloutier advised entrepreneurs to act like generals rather than privates.

As the keynote speaker at the second annual Mayor's Small Business Conference on Tuesday at the Savannah Civic Center, Cloutier handed out tough love and take-it-to-the-bank business tips.

"Don't wait for the problems to come to you," Cloutier said. "Assume you'll lose 10 to 30 percent of your profits today and have a plan ready by weekend."

Even if hard times don't come, you'll have a leaner run, more nimble organization, he said.

As founder, chairman and chief executive officer of American Management Services Inc., Cloutier has forged more than 6,000 client relationships in 400 industries, realizing more than \$1 billion in savings for his clients.

In the process, he's grown from a one-man operation to a 150-plus employee company.

And he didn't do it by settling for mediocrity.

He shared his top five business tips with the crowd:

Take control and lead: Cut your own expenses, get rid of poor performers.

Pay for performance: Cut draws and salaries for sales force. Pay more to the most profitable staff.

Focus on sales and marketing: Train the sales force. Fight viciously.

Focus on cash flow/expenses now: Cut overhead; save cash now. Negotiate with vendors for longer credit terms or volume discounts.

Do a profit and loss statement every week. Know what's making money and what's losing money every week. Don't get caught off guard.

It's advice such as that handed down by Cloutier that Mayor Otis Johnson hopes to keep available to local business owners.

Along with Cloutier, a panel discussion by local successful business owners gave insight into sustaining business.

A representative from the U.S. General Services Administration gave a quick tutorial on federal procurement opportunities. And the U.S. Small Business Administration gave attendees information on access to operating capital and bonding.

Ron Higgins, owner of Savannah Movie Tours, attended the conference last year and gained resources to help him grow.

"I met Lynn Voss at the Small Business Development Center and she helped with marketing," he said.

Higgins has since added the Foodie Tour to his other two. He has plans to take his ideas beyond Savannah to other Southern markets.

That's the kind of results Johnson hopes to see.

The mayor's "three-legged stool" speech has become famous in economic development circles, but he thinks the repetition will help drive the point home.

Making sure small businesses have educational opportunities, available financing and advocates to mentor them is paramount.

"Much of the economic well-being of Savannah depends upon the economic well-being of her small businesses," Johnson said.

Even after he's been "rotated" out of office, Johnson said, he hopes his predecessor continues with his poverty reduction initiatives.
