

NAVIGATING DISRUPTION

3 Smart Steps to
Keep Your Business
Moving Forward





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Owning and operating a business always has its ups and downs, but these days, the journey is especially fraught with challenges and — let's just say it — some pretty significant curveballs. From ongoing labor shortages and supply chain issues to mounting cybersecurity threats, your organization is facing an ever-growing number of pressures as a result of events happening in the U.S. and globally. Disruptions indeed feel as though they're around every corner — and likely will be for some time.

Part of living and working during the pandemic these past couple of years, however, included recognizing our own resilience, ingenuity, and resourcefulness — we've all witnessed, and experienced first-hand, what we as business owners and individuals are capable of when we're forced to think differently and adapt.

It's this perseverance mindset, coupled with these three key moves — **gathering good data, implementing good tech (and training), and creating a good plan** — that will help you and your organization move forward as confidently as possible, no matter the disruption you're facing.

Let's talk through each of these areas of your journey and how you can begin moving in this direction today.



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GATHER GOOD DATA

You know your business inside and out – or do you? If you haven't looked closely lately at your organization's data – everything from operational costs, strategic overviews, and customer details to in-depth reviews of organizational performance – now is the time to prioritize this essential component of running a successful business.

Keep in mind:

- It's nearly impossible to make changes and enjoy growth if you're not on top of what's impacting your operations.
- Having and understanding real-time data will help you know what needs to change within your company and what the best course of action is, based on the challenges you're facing.

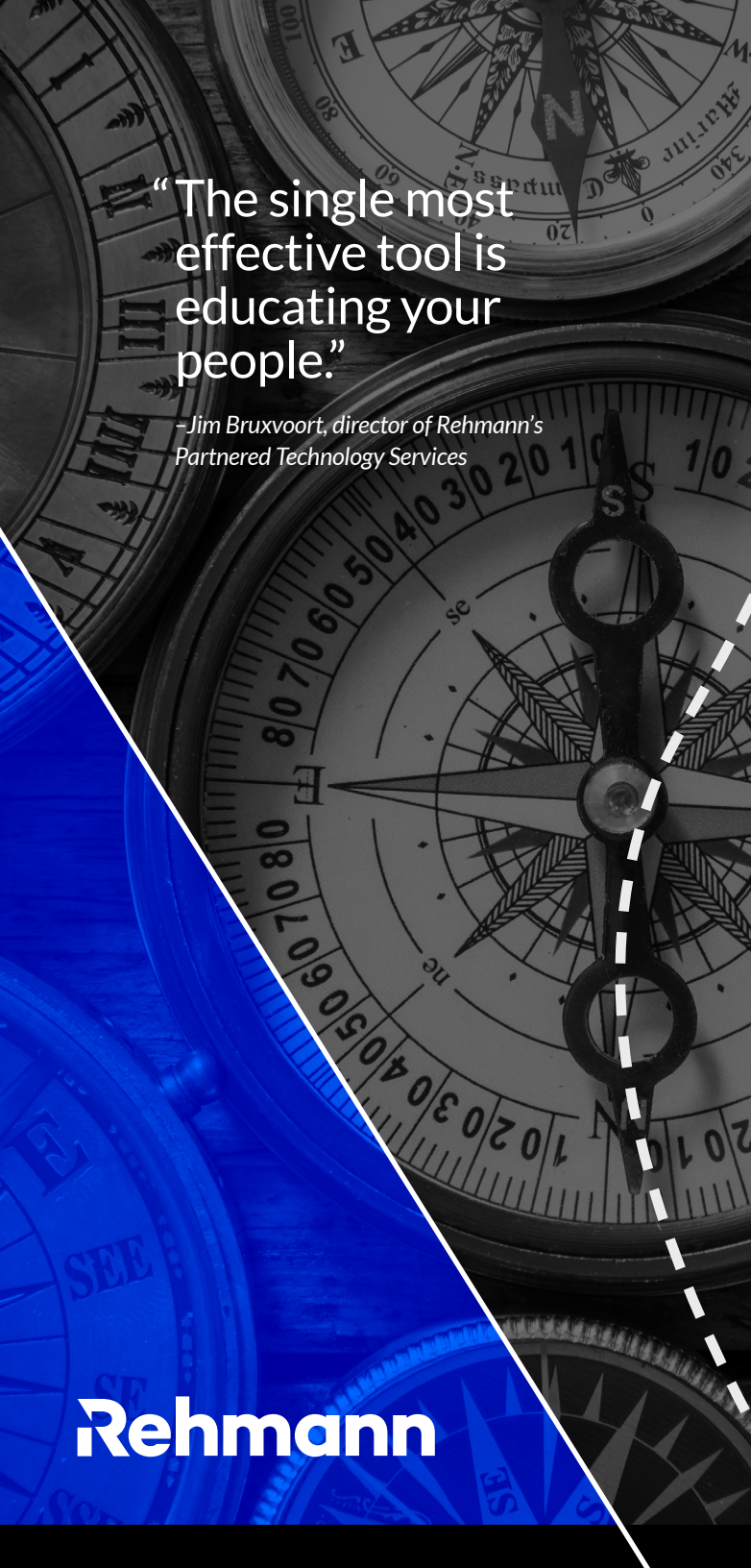
Furthermore, take stock of what's needed to experience sustainable growth by considering the following resources that must be in place:

- **People.** Trained staff and technical expertise that's available to support the business needs.
- **Technology.** Current technology to mitigate risk and provide accurate, timely information.
- **Processes.** With automated, efficient processes with proper controls that meet your reporting needs, you'll be able to react quicker and make more effective decisions.

Resources from Rehmann:

- **ARTICLE:** [How to leverage inventory cost management to improve your company's profitability](#). Inventory cost management plays a vital role in successfully managing growth based on your business strategy. With an effective system in place, you'll find it much easier to capture appropriate costs, including your overhead expenses. This information will allow you to make better decisions related to inventory levels and sales-pricing strategies that improve your company's profitability and growth.
- **ARTICLE:** [Core vs. context](#). During turbulent times, it's natural for a business to stop and re-examine its structure and processes. Where can we become more efficient? When a business wants to tackle questions such as this, considering "Core vs. Context" is a great approach.

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“The single most effective tool is educating your people.”

– Jim Bruxvoort, director of Rehmann’s Partnered Technology Services



IMPLEMENT GOOD TECH + TRAINING

As you examine and assess your real-time data, be sure to explore how you could be leveraging your technology more to benefit business. It’s common for organizations to buy new tech software and systems, in the hopes of these tools making big, positive impacts on operations. But companies too often aren’t leveraging the capabilities of this technology. Another common problem: not recording or analyzing the data that is provided by these tools. Now more than ever, with a cyberattack occurring every 39 seconds and more than 40% of cyberattacks targeting small businesses, organizations must prioritize cybersecurity.

Here’s what we suggest:

- **Determine best tools – for your operations.** Each business is unique. A technology tool that may work for one organization might be a less-than-ideal choice for another. Work with a trusted consultant, partner, or advisor to determine the tools that make the most sense for your company.
- **Know your risks.** It’s critical to understand just how secure your organization truly is, and to identify solutions that will protect your company, data, and daily operations.
- **Train your team.** People are your organization’s first and best line of defense to reduce the frequency of successful phishing attacks designed to capture sensitive information or infiltrate your network with malware. Consider these stats:
 - 85% of breaches involved the human element
 - 31.4% of untrained users will fail a phishing test
 - Once trained, only 16.4% of users failed within 90 days of completing their first training

Resources from Rehmann:

- **TOOL:** Are you cyber ready? [Our Cybersecurity Review](#), conducted by Rehmann’s highly trained and experienced risk management team, will help you understand your security profile and identify solutions to protect your organization. We also provide a security awareness training solution.

“Having a plan in place does not equal a right decision or that it costs less — it does give you a guide and a pathway toward making better decisions.”

—Tara L. Bollinger, Rehmann principal



CREATE A GOOD PLAN

Armed with real-time data, you'll be able to determine the best use of your organization's resources and what gives your business a competitive advantage. Then, you can truly focus on what makes your business successful — and possibly consider outsourcing the rest, which can provide you with access to experience and depth, around-the-clock availability, and flexible resources. Most importantly, you can create a good plan. Here are ways to create a pathway of successful decision-making:

- **13-week Cashflow Model.** A critical step in monitoring cashflow, a 13-week cashflow model is a dynamic planning tool used to bring actuals and forecasts together. Maintained on a rolling basis, it can help you with:
 - **Visibility** – Longer outlook supports management decisions/actions
 - **Planning** – You can project sources and uses of cash, monetize the impact of decisions, and monitor and adjust
 - **Engagement** – You'll receive essential input throughout the organization (sales, purchasing, production)
 - **Focus** – An end result is being able to prioritize and execute tasks to achieve the cash
- **Financial Model.** Better decisions are made with better information – this helps you manage the “why” behind your business operations. This model consists of a full financial statement, allowing for:
 - Forecasting, projecting, and budgeting, and smarter decision-making over time
 - Using with financing and for investor purposes
 - Determining impact of adding/closing a location/product line

Resources from Rehmann:

- **ARTICLE:** [Smarter, Better, Faster: outsourcing solutions for more efficient operations](#)
One strategy worth considering: outsourcing for accounting, human resources, and IT, allowing your company to be more efficient. Companies that work with outside help can experience a reduction in capital requirements, access to world-class capabilities, improved quality and company focus, and revenue and margin growth.
- **ARTICLE:** [The fractional CFO relationship](#) What does a fractional or outsourced CFO relationship look like? These relationships can work on an hourly, as-needed basis or a flat monthly fee based upon a block of hours. Many companies integrate this role into their company's management team and key meetings. The combination of scalability, flexibility, and access to high-level skillsets allow manufacturers to budget and plan to meet their organization needs.
- **ARTICLE:** [Planning for inflation](#) Coupled with factors like supply chain and manufacturing issues, inflation is quickly becoming something that affects us all — from consumers to business owners.



If you missed our webinar, [Disruptions Around Every Corner: How to Navigate Cybersecurity Threats, Supply Chain Issues, and a Changing Workforce](#), or would like to share the recording with colleagues and friends, you can watch it on-demand [here](#).

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Questions? Reach out to your Rehmann advisor or contact us [here](#).