

The New Regular™

**How to
Survive and Thrive
in the
Post-Pandemic Economy**
(Because normal went missing in 2020)

Jim Blasingame

Prepared exclusively for



The New Regular_{TM}
How to Survive and Thrive
in the Post-Pandemic Economy

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The New Regular



Contents

<u>Introduction</u>	<u>5</u>
1 <u>A Big Black Bird Is Coming at You.</u>	<u>9</u>
<u>Are You Prepared?</u>	<u>9</u>
2 <u>Your 2020 Attitude: Surviving Is Winning</u>	<u>15</u>
3 <u>Keeping the Coronavirus Pandemic and</u> <u>Our Response in Perspective.</u>	<u>22</u>
4 <u>Your Cheese Has Been Moved</u>	<u>28</u>
5 <u>Your Pre-Pandemic Paradigms Are Shifting</u>	<u>36</u>
6 <u>It's Time for America to Go Back to Work</u>	<u>43</u>
7 <u>In the Wake of the Coronavirus Pandemic</u>	<u>50</u>
8 <u>Reboot to the Prime Fundamentals</u>	<u>57</u>
9 <u>Technology at the Speed of Your Humans</u>	<u>64</u>
10 <u>Beware the Compounding Effect</u>	<u>71</u>

11	<u>The Three U's of the Apocalypse</u>	<u>78</u>
12	<u>When Small Business Brain Became COVID Brain</u>	<u>85</u>
13	<u>Putting Lipstick on the Bankruptcy Pig</u>	<u>92</u>
14	<u>The Power of Post-Pandemic Brainstorming</u>	<u>99</u>
15	<u>There Will Be Many New Niches</u>	<u>106</u>
16	<u>The Small Business Standup Act</u>	<u>112</u>
17	<u>The Coronavirus Inconvenient and Inevitable</u>	<u>119</u>
18	<u>Your Post-Pandemic Business Plan</u>	<u>126</u>
19	<u>What Really Matters During a Pandemic</u>	<u>133</u>
20	<u>Small Businesses Need IP “Corpsplaining”</u>	<u>139</u>
21	<u>Claim This Powerful Pandemic Present</u>	<u>146</u>
22	<u>Prepare for Conflicts of Customer Expectations</u>	<u>154</u>
23	<u>The Future Will Be More Redundant</u>	<u>161</u>
24	<u>The Marketplace Is More Than Fear and Greed</u>	<u>168</u>
25	<u>New PPP Rules You Need to Know</u>	<u>176</u>
	<u>About the Author</u>	<u>184</u>

The New Regular



Introduction

The chapters in this e-book represent a collection of articles I wrote in 2020 about dealing with the one-two punch of the coronavirus pandemic and the associated political response to it, from shutdown to financial assistance. Both the pandemic and the multi-faceted response had different effects on our lives and businesses.

While reporting on my radio program with my China experts beginning in early February, it became obvious that something

wicked and unprecedented was coming our way. Consequently, I published my first piece – the Black Bird article – on February 14, 2020.

The word “normal” has always bothered me because there isn’t much normal about running a small business. So when people lament what has been lost, while yearning for that unicorn, the “New Normal,” I did what any heretic worth his salt would do: I began a tough love campaign called “The New Regular.”

This series was my way of focusing more realistically on what we’re dealing with and where we’re going by pointing out that, whatever normal we had in the past, was being replaced by something so unprecedented that it shouldn’t be referred to by anything sounding so benign.

How to use this book

Some folks like to start in the beginning of a book and read to the end. So, if you don’t have anything in particular on your

mind, Chapter 1 was invented for a reason. But if you're more of a strategic reader, each chapter title on the Contents pages has a handy hot link to that chapter inside the book. Just click on the title that strikes your fancy at that moment.

Because each offering herein represents my thoughts on what was going on at the time regarding the economy, the pandemic, government assistance, and operating a business in the middle of that mayhem, some elements of certain chapters may seem dated. But I think you'll find that those same articles will also include timeless fundamentals – perseverance, leadership, management – that will be worth your time long after your PPP loan has been forgiven. Anyway, each chapter is only about 900 words, so they won't take long to read.

Regardless of how you use this book, I think you'll identify with the ideas that came from my heart and experience as a fellow business owner dealing with the same issues

as you, and from my experience and work as a thought-leader whose job it is to help you navigate these challenging times.

This book is my way of helping you navigate between The New Regular reality unfolding in front of our eyes right now and the next Black Swan, like COVID-21, or POLITICS-22.

In the meantime, good luck and keep on being the heroes of Main Street that the rest of the country admires and depends upon. You make a difference.

Your partner,
Jim Blasingame

The New Regular



1

A Big Black Bird Is Coming at You. Are You Prepared?

What do a rock, a flea, and a plate have in common with a small business? Hint: They're all associated with surprise and danger. Any ideas?

Here's another hint: a bird is sometimes used to refer to them. Anything yet? Okay, I'll stop.

The rock is the dinosaur-killing asteroid that slammed into what is now the Gulf of Mexico 65 million years ago. The flea contributed to wiping out half of Europe

during the Dark Ages. The plate was the tectonic kind that slipped on Boxing Day 2004, creating the south Asia, 9.3 megathrust earthquake and tsunami.

And that small business? Patience, grasshopper. I'll get to that in a minute.

As CEO, it's your job to prepare for the impact of a Black Swan event.

But first, about that bird ...

Actually, it's a swan – specifically, a black one. In nature, an adult

black swan is considered so extremely rare that it's now the metaphor for an outlier that produces a shocking disruption, if not a catastrophe. A Black Swan event.

How disruptive does a surprise have to be to qualify as a Black Swan? Well, each of the things in the foregoing list qualifies: mega-disruptors on a scale and velocity that makes them hard to prepare for.

During the second half of the 14th-century, a flea-borne bacteria caused the Black Death pandemic, which killed 40 million Europeans

and changed the course of western civilization.

The south Asia tsunami killed hundreds of thousands as they ran for their lives.

And, of course, that Cretaceous comet t-boned our planet and sent T-Rex to the extinction hall-of-fame.

But in the third decade of the 21st century, where Moore's Law has compounded technology into talking paint, it's not easy to surprise us anymore, is it? "What about a close encounter of the third kind," you ask? Don't we already know we're not alone in the universe?

So, going forward, can we stipulate that a Black Swan event is less about something we've never imagined and more about being prepared for a disruption at least somewhat out of our control? For example, some are already calling the coronavirus a Black Swan.

But after the SARS outbreak of 2003-04, which also originated in China, we may be worried, but we shouldn't be surprised. And yet, even if the disease expands to a

major epidemic, but is confined primarily to China without becoming a pandemic, global economic implications alone could promote the coronavirus to Black Swan status.

Now, back to small business. Every Black Swan event in history was an equal-opportunity disruptor of nature, people, businesses, and economics. But there's an associated term that small business owners should contemplate: The Black Swan Theory. This is what eggheads like me noodle about as we attempt to prepare others for the next big disruptor.

As the CEO of your business, should you noodle about the Black Swan Theory?

Well, what if tomorrow morning a herd of noisy D-9 Caterpillars serves notice that the government is redirecting traffic miles away from the long-dependable thoroughfare in front of your business? Would that become your personal Black Swan? Quick! What's your contingency? Could you have avoided being surprised?

Arguably, the last Black Swan, the financial crisis of 2008, hit all businesses hard. But the collateral damage to small businesses was more profound, resulting in what I call Main Street's Lost Decade (2008-2016).

So, if tomorrow checks in with news that Wall Street has run off the rails – again – we can't feign surprise. But if we're not prepared to sustain our business during a 2008 Black Swan redux (pun slightly intended), we'd have no one to blame but ourselves.

Technically, if it can be imagined, it isn't a Black Swan. Earthquakes, government guano, digital greed, and pandemics are part of our history.

But an inevitable Black Swan impact on your business is where the theory comes in handy. It's your job to prepare for being impacted by the next Black Swan – whether local or global – and develop a contingency plan.

The good news is, such a plan would serve against any number of business broadsides,

because it would surely be heavily weighted toward financial firewalls like reducing debt or broadening your customer base. Or, providing life insurance on yourself, in case a Black Swan lands on your head and takes you out.

Whether a global Black Swan or your own personal big black bird, it's your job to imagine and prepare for the next one.

Write this on a rock ...

The Black Swan Theory:

It's not a matter of if, it's a matter of when.

The New Regular

(Waiting for the “new normal”
is a fool’s errand.)



2

Your 2020 Attitude: Surviving Is Winning

In response to the coronavirus pandemic, I’ve written recently about Black Swans, maintaining perspective and anticipating government assistance. Today, it’s all about attitude.

Not since the convergence of two deadly, cataclysmic events over a century ago – when a World War teamed-up with a Spanish Influenza pandemic – has there been a comparable time of pain, fear, and uncertainty as today. We’ve watched the

novel coronavirus expand from a regional outbreak in China to a textbook pandemic, on its way to causing a global economic crisis.

When the Enter key was pushed to send my “Perspective” column exactly three weeks ago, less than 200 Americans had succumbed

The 2020 Small Business Survival Attitude: This year, I’m going to win by surviving.”

to COVID-19. In the blink of 21 days, that number is now over 16,000.

No one was prepared for the sheer velocity of the human and financial toll as, incredibly, the coronavirus infected the planet. It’s now abundantly clear that this is one mean disease – tough and angry.

Out here on Main Street, the pandemic economic reality is landing differently on each small business. In our recent mid-pandemic polling, just over half of small businesses reported they can last a few weeks to a few months – which is actually an encouraging response.

But simultaneously, the other half of the sector, which includes 1099ers and represents millions of firms and families, are in jeopardy of financial collapse next week, if not today.

The financial toll is no small thing to someone who's invested years of toil and treasure in an enterprise now in jeopardy of failure through no fault of their own. But business worries dissolve into irrelevance when loved ones are susceptible to a COVID-19 infection or are already diagnosed and fighting for their lives.

Still, the anxiety every small business owner is justified in having – whether for tomorrow or six months from now – betrays an essential entrepreneurial trait: pathological optimism. Think of Pollyanna playing the “glad game,” or the handy glass-half-full attitude.

It's in our entrepreneurial DNA to claim Admiral Farragut's battle cry, “Damn the torpedoes, full speed ahead.” And we get frustrated when something like a pandemic

rudely interrupts and threatens our plans. Or when a governor presumes the authority to order us to close our businesses and our customers to stay away. Talk about mixed emotions.

As we sound the troubled economic waters in front of us, a strong will and long-game perspective are more critical to survival this year than any other since 2008-09.

Just as I encouraged you during the aftermath of that financial crisis, let's assume a survival attitude that we can default to, especially during the most difficult hours. The unit is intentional because, while large business CEOs may wonder if they'll survive the year, right now too many Main Street CEOs are wondering if they'll survive the next hour.

So, for strength during those dark moments – which this small business owner has known too well – consider The 2020 Small Business Survival Attitude: “This year, I’m going to win by surviving.”

But lest you think I've spun up a cotton candy slogan, here are four pandemic survival building blocks to get you started, as you lay the foundation for whatever is next.

Inventory organic resources

These include leveraging pre-pandemic credit options, staying close to customers (especially those on your accounts-receivable list), communicating with vendors, being creative about converting inventory into cash, negotiating rent adjustments with the landlord, (your idea here). Remember, surviving isn't elegant or pretty, and it's only noble if you live to fight another day.

As you lay this survival block, memorize these two passages:

1. From THE book of Proverbs, "Pride goeth before a fall."
2. From Blasingame's book of Proverbs, "There is no shame in surviving."

Blend resources

The pandemic oppression will be over sooner than later. In the meantime, blend

your own financial resources with assistance offered by the government (the money should start flowing this week). Accept the help and let it keep you in business and connected to employees and customers. Consider your business as part of the national strategic reserve – because it is.

Believe in yourself

No entrepreneur arrives at any level of success without surviving the marketplace trial-by-fire, during which, emerging intact on the other side can sometimes seem an impossibility.

When diminished options make you think “Who could survive this?” at that moment there is only one force that will deliver you to fight another day: belief in yourself. Surely, believing in yourself is the nucleus of entrepreneurial sustainability. It runs deep and quiet, but you have it in you.

Believe in others

When the turtle was asked how he got situated on top of a fence post he answered,

“Obviously, not by myself.” The marketplace is an awesome dynamo powered by the intention of humans. Just now, the good intentions of all of us believing in each other will restart this awesome machine sooner than later. And that is not playing the “glad game.”

“Surviving is winning” is not emotional – in 2020 it’s fundamental. There is no shame for small business owners to consider 2020 a success if they can open for business on January 1, 2021. And don’t be surprised – if we lay these blocks well enough – if that goal post gets moved to October 2020.

Write this on a rock ...

Believe in yourself as we believe in each other.

Surviving is winning.

This, too, will pass.

The New Regular

(“Normal” checked out
in February.)



3

Keeping the Coronavirus Pandemic and Our Response in Perspective

Perspective: The capacity to view things in terms of their true and relative importance.

Four stock market crashes, seven recessions, three wars, three pandemics, one global financial collapse, one Y2K – and 9-11.

This scary list identifies the varied major crises which have taken place during my long career.

In the aggregate, they’ve ground a perspective lens through which I view momentous moments, like the pandemic

of COVID-19 disease caused by the novel coronavirus.

Of all the things on my list, we're likely to agree that the two most frightening and destructive are the 9-11 attacks and the 2008 financial crisis.

But you might be surprised to learn that the challenge providing me with the best perspective on the coronavirus pandemic is the Y2K event. Not for what happened,

***We should approach
our future courses
of action against the
pandemic the way
we assaulted Y2K.***

but because of what didn't happen.

Y2K was a 20th-century digital defect – think of it as a time bomb ticking inside

computers and digital programs for decades.

For those who weren't around then, or don't remember, just Google "Y2K causes." It won't take long to get the gist – I'll wait here.

By 1997, it was clear that we were headed for a date-certain digital explosion.

It was believed that if we didn't remediate the six-should-be-eight-digits date defect – 123199 to 12311999 – before the turn of the millennium, the now-heavily-digitally-connected population of Earth would suffer devastating economic and societal implications.

Sound familiar?

When the calendar ticked over to January 1, 2000, nothing bad happened. (I stayed up to watch.) Zero. Non-event.

Servers kept serving, banks kept banking, elevators didn't drop out from under us, planes flew when they were supposed to, and your new PC was just peachy.

So, since the modern world rolled on as if there had never been a computer bomb, was the unprecedented effort, hundreds-of-billions in expense, and not a little Y2K hysteria an overreaction?

Well, that's the kernel of my coronavirus analogy: It turns out, we'll never know if we overreacted to Y2K.

So, now we have this ugly reality coming more into focus, and perhaps you're like me – torn between which to be most afraid of: the pandemic or our response to it.

Medical experts think the only known defense to prevent the COVID-19 disease from becoming a redux of the Spanish influenza pandemic of 1917-18, when 20 million Earthlings died – including 700,000 Americans (100,000 in one month) – is to practice an unprecedented discipline called “social distancing.” If we “flatten the curve” of the spread of the virus, they say, we have a better chance of defeating this thing.

Sounds reasonable.

Then perspective kicks in when you consider that, as of this writing, less than 200 Americans have died from the coronavirus during the season when 16,000 have died from the common flu (68,000 in 2018).

Overreacting?

And don't we have a right to feel a Constitutional twinge when governors and

mayors think they can order a small business owner to lock up for longer than they can afford, or tell customers they can't patronize that establishment? Unprecedented.

But then that pesky lens refocuses agnostically on the increasingly apparent fact that the Wuhan coronavirus is more virulent, more resilient, more transmissible and indeed deadlier than the flu. Almost as if it were weaponized.

Consequently, it's becoming clearer that we should approach our next and future courses of action against this pandemic the way we assaulted Y2K. Solve this problem so utterly and urgently – time, energy and resources – that we never know if we overreacted.

This week we polled my online audience about their perspective on the leadership response to the coronavirus pandemic. The results came in at 57% for completely justified or mostly justified, and not a small minority leaning toward panic, overreaction, and hysteria.

Perspective: The capacity to view things in terms of their true and relative importance.

Write this on a rock ...

Whose perspective is correct? If we do this right, we'll never know. And that isn't unprecedented.

This book is an



exclusive

The New Regular

(Normal just joined a support group for the chronic whiner.)



4

Your Cheese Has Been Moved

These are rough days on Main Street. Business owners are experiencing extreme stress and anxiety, unprecedented in cause, abruptness, velocity, and impact.

Just now we're dealing with a one-two punch to our lives and livings. The first blow was from a novel coronavirus pandemic and the second from the shutdown response to it.

The shutdown punch – however necessary and politically-variable – has dealt a devastating financial blow to millions of small firms.

And as the arc of the disease danger seems to be descending, business owners are increasingly struggling with an unprecedented internal conflict I've termed "Owner's Choice." Having to daily reassess the risk of a deadly disease against ongoing damage to their family's financial future.

From today forward, that "whatever is next" thing is what should be on the mind of every business owner.

It's somewhat cathartic to allow that we – and our leaders – are not supposed to have all the answers

in dealing with this novel adversity. But that sentiment is productive only if it helps focus our energy away from blame and toward whatever is next.

From today forward, that "whatever is next" thing is what should be on the mind of every business owner.

Specifically, do you believe there's a chance that you'll still be serving customers on January 1, 2021?

Since you're still with me, I'm going to take your answer to be, "Yes. I'm going to win by surviving."

In focusing on what's next for our win-by-surviving strategy, I'm reminded of the book *Who Moved My Cheese?* by legendary business philosopher Dr. Spencer Johnson. Let me to connect the author's dots to ours.

Johnson's book stands out these days because of how it presents change: dramatic, abrupt, even existential. Sound familiar?

He introduces us to four mouse characters who showed up every day at the same spot where they'd always found cheese to eat.

Then one day – literally overnight – their cheese wasn't there. Not a crumb. OMG! What happened next is our post-pandemic lesson.

Two of the characters continued their former cheese-acquisition practices and kept returning to the old spot, even though no cheese was ever found there again. You can imagine what happened to them.

The other two immediately accepted that things had changed – cheese acquisition was never going to be the same. And so, they set off in search of the new place where cheese might be found.

Notice that the last two characters didn't go looking for new cheese. They looked for the new place where they could find cheese. Consequently, they survived because they adapted to change that first revealed itself as adversity. Oh, by the way, it turns out that the cheese in the new place was better than the old stuff.

Dr. Johnson's story has never been more relevant and powerful than today. Going forward – post-pandemic – there will be two kinds of businesses:

1. The kind that will fail because they'll try to operate next December just like they did last December – in the old place; and
2. The kind that will survive and thrive, because they accept that their

marketplace has been turned on its ear, causing new food-acquisition practices to be necessary.

There are two expectation questions you must ask yourself today about the future of your business:

1. Do I expect to be in business in 2021? You already answered that one. Remember?
2. What will post-pandemic customers expect from my business? Or, as Dr. Johnson might have put it, how/where will customers move my cheese?

My catchy term for this new-cheese-in-a-new-location era is the “New Regular.” (From my perch, the concept of normal was ejected from our orbit around March 1, 2020.)

One of the cool things about Main Street capitalism is that there’s an almost infinite number of ways to do business – niches of niches. So, there’s neither room nor words to cover all the variations in our post-pandemic New Regular.

But the good news is that, regardless of what customers purchased pre-pandemic, they're still likely to need/want those things. As the expert on your niche, you know what those things are. However, the trail signs to your new cheese place will be less familiar, because of how customer expectations and behaviors will be altered by the pandemic experience.

So, consider these New Regular breadcrumbs that, hopefully, will lead you to survival and beyond.

- Customer expectations for how you connect, communicate, and call on them will be different. Conform and comply – quickly.
- How they expect you to deliver goods and services will be different. Make adjustments and charge for customization.
- Marketing and advertising responses will be different. Testing will be essential.
- Prospects and customers will have new technology and online expectations.

Investment and training for these are non-negotiable.

- Customers will favor companies that didn't ghost them during the lockdown. Make contact today with thought-leadership and support. In most cases, selling comes later.
- Businesses that demonstrated character, leadership, and values during the pandemic will be rewarded. Ecclesiastes: "Cast your bread upon the water, and in time it will come back to you."
- The post-pandemic personal safety behavior of customers will range from fearful to cautious. Be prepared in all interactions from meetings to delivery.
- Emotions, feelings, and sensitivity will be more on the sleeve. This will be hardest for grizzled old operators, like me.

Over the next 12-18 months, these factors and others will transmogrify into the New Regular.

If you continue to operate with pre-pandemic practices and strategies, you'll find your cheese-acquisition efforts limited. You will become irrelevant.

But if you make necessary adjustments, based on New Regular customer expectations and behaviors, you'll survive and thrive.

And who knows? Maybe you'll even find some new opportunities that could only exist post-pandemic.

Write this on a rock ...

Post-pandemic customers have your cheese, and they're moving it to a new place. Seek. Find. Survive.

The New Regular

(Normal just asked, “Did you get the license number of that truck?”)



5

Your Pre-Pandemic Paradigms Are Shifting

You’ll hear those twin-terms – pre- and post-pandemic – more and more, perhaps for the rest of your life. Like December 7, 1941, the date that lives in infamy as it marked a global generation, the events of 2020 will bisect memories and lives for decades.

In thinking of that pre/post bisect, another book comes to mind: *Paradigms: The Business of Discovering the Future* by my friend Joel Barker, one of the great futurists of our time. Joel didn’t invent the paradigm concept,

but his landmark book and companion film reestablished it in our modern consciousness.

Barker: “A paradigm is a set of rules – written or unwritten – that establishes boundaries within which we learn how to be successful.”

The marketplace is pregnant with paradigms – almost infinite in number and most of them handy. Some paradigms are fundamental and as old as human interaction, like the handshake, or the business paradigm:

Tiny paradigms will shift daily, so staying relevant means staying close to customers.

buy low, sell high, keep track. And some were born this morning – we’ll get to those in a minute.

So, how does it work to have so many paradigms? It doesn’t always – and there’s the rub. Few paradigms last forever, even our most beloved ones, like what we sell and how we sell it. When the life of a paradigm is spent, it almost never dissolves, erodes, or atrophies. It shifts. And when a paradigm

shifts, Barker says, “... everything goes back to zero.” Zero is another word for irrelevant.

As we pass through this mid-pandemic wormhole into whatever is next, that bisect will shift paradigms all around us.

“Back to zero” is the New Regular reality every business owner should overlay on whatever they did and how they did it, pre-pandemic.

And then ask the team, “How is what we know and love shifting? Will the product/process/practice we used last February still be relevant post-pandemic – as in tomorrow, or next February?”

You’re the expert on your precious paradigms, but allow me to identify two examples to watch on the poles of the New Regular’s paradigm-shifting spectrum:

Tiny Shifts – there will be many

Granular service and operating paradigms will shift because of changes in customer behavior and new expectations. Expect rude shifts in many of the nostalgic ways you love

serving customers and the way they once loved being served.

Early in the New Regular, tiny paradigms will shift daily, so staying relevant means staying close to customers. Watch, ask, listen, and confirm what looks different. Tiny paradigm shifts require tiny adjustments – make them fast and often. When tiny paradigms are shifting, perfect is not your friend.

A Major Shift – Where/how we work

Decades before it was cool, I was a remote worker when my technology was an Underwood 5 manual typewriter and carbon paper. In 1989, I started my business from home with a Macintosh and a Hayes modem dial-up to nowhere. But even after thirty years of digital innovations making remote-working easy and productive, giant cranes continued to erect giant office buildings.

Then, in little more than a fortnight, politicians responded to a deadly virus by mandating that we abandon our not-

so-beloved commutes and work from our beloved homes.

As we watch in real time, the commercial office paradigm is now shifting in global proportions. And the energy driving this shift comes from two associated paradigms – management and money.

Management: In conversations with CEOs of firms (including outside the U.S.) with dozens to hundreds of employees – all working remotely, HQ now abandoned – the productivity is surprising them. Indeed, some say it's better.

Hidebound managers who once would have had to be netted and tranquilized to allow people to work from home, now acknowledge that the alloying of a pandemic shutdown with digital innovations has rendered their former practices impractical.

Money: In mid-pandemic C-suites, hearing a chorus of crickets and shifting paradigms, those same managers have discovered a post-pandemic potential windfall within the

physical plant line-items on their operating statements. This is an exact quote, and it's the sound of a tectonic paradigm shift: "Tell me again why I'm spending \$5 million a year in rent?" You can remove the net now.

The combination of newly discovered remote-work productivity with the potential for found money will shift periodic remote-working as a perk into a default employment practice. No global paradigm has ever shifted with such velocity and drama that you can watch, as if it were a ten-week mini-series. And the title of that show is: "Back to Zero."

The following essay question will be on the test for every business – B2B and B2C:

As remote working becomes a pervasive and default practice across the marketplace, what adjustments will you have to make to connect with, serve, deliver to, and maintain a relevant business relationship with customers?

Our response to the novel coronavirus is bisecting the marketplace with paradigm

shifts, tiny and not so much. How you did business pre-pandemic is now in the rear-view mirror. In the windshield are these alternatives: You'll either ride familiar and beloved paradigms into irrelevance (zero) or make the shift and find relevance with new paradigms – in the New Regular.

Write this on a rock ...

When a paradigm shifts, everything goes back to zero.

This book is an



exclusive

The New Regular

(Normal is still looking for
the Zoom mute button.)



6

It's Time for America to Go Back to Work

America's small business sector is currently on an emotional roller coaster. Let me tell you a story about how far back we have to go – over 240 years – to find comparable unprecedented circumstances imposing similar anxiety on Main Street.

During the Revolutionary War (1775-1783), colonial business owners, who were also American Patriots, were up against that conflict's ebb and flow as it overlaid their marketplace.

In any given month, the Continental Army would be dominant in a region, allowing the Patriot's business to operate with its owner's politics on display. But when the British later occupied that region, patrolling Redcoats would create a different atmosphere, as the King claimed military and political dominance.

During that unprecedented period, the life of any Patriot entrepreneur became extremely complicated. As they attempted to claim liberty, they simultaneously had to balance the risks of their business with a very

Today, three of our most precious possessions are in jeopardy: our health, our financial estate, and our liberty.

real threat to their lives and beloved families. And as they contemplated these factors, surely they had to allow for the possibility that the

revolution might fail.

On the subject of risk management – more safety or more liberty – Franklin offered this

immortal truth: “Those who trade liberty for safety deserve neither.”

Just as our Patriot entrepreneurial forebears managed the personal and financial risk imposed by a determined occupying force, contemporary stewards of Main Street are today faced with managing a comparable risk scenario: essentially an occupying force in the form of a virus-turned-pandemic-turned-economic-collapse, plus the unprecedented political response to an unprecedented crisis.

Again, just like those revolutionaries, today three of our most precious possessions are in jeopardy as they sit on our risk-balancing scales:

- Our health – and life – and that of our loved ones.
- Our financial estate, including the future of our business, into which we’ve poured more sweat and investment than we could have imagined the day we first opened.
- Our liberty.

For a small business owner, these mutually inclusive possessions weave an ultra-fine, almost imperceptible seam between each other. Working backward, without America's unique form of liberty – rule of law, pursuit of happiness, etc. – there is no business. And without our business, the health and well-being of our family are, well, fill in the blank.

Freedom is from God. Liberty is an earthly, analog contract we give to each other – both explicit and implicit. America has flourished because of the secular, red-letter ideals of liberty, explicit in the U.S. Constitution, codified by blood and promulgated by over two centuries of devotion.

Generations of small business owners have carved implicit liberty – from our venerable Bill of Rights – into the right to open their businesses. Even during a pandemic. But in the spirit of extending implicit liberty to others, this year millions of Main Street business owners have complied with recommendations of political authorities to help flatten the curve

of this pandemic. Even when those “orders” were as quasi-constitutional as they were financially disastrous.

With any process, there’s a beginning, a mid-point, and an end. As we surely find ourselves in the middle of this pandemic process, small business stakeholders are beginning to view more threats to those three precious possessions coming from the political response to the pandemic than from the disease.

Make no mistake – everyone understands that coronavirus is one mean organism, and COVID-19 is a deadly disease. But like no big business CEO, Main Street chief executives manage risk almost at the molecular level – they know its gritty texture and subtle scent. It’s time to let us get back to managing our risk, which we’re actually pretty good at.

Even with \$Billions of government assistance, we’re still losing thousands of small businesses every day, many of which will never reopen. Alas, we won’t be able to

calculate the extreme cost to these heroes for some time, but we know the number will be enormous and, sadly for many, prohibitive. If you remember nothing else from me, remember this: When a small business collapses, a family collapses.

Consequently, it's time to tell presumptuous politicians we need a day/date – sooner than later – when businesses won't be hassled by opening their doors, and customers won't feel threatened to come in. Because as Main Street owners continue to compare COVID-19 health risks to the economic damage the political response has caused their businesses, more and more are just going to call that day/date themselves. Sooner than later. And that might look like a revolution.

Very much like our Patriot forebears, we won't think of it as civil disobedience, because in the spirit of liberty we've allowed authorities to impinge on our liberty – up to now. We'll just think of our next move as balancing another risk while we pursue

our lives and liberty, just as we've managed dozens of other business-eating risks, on any given day, every day that we unlock our doors.

The world is a dangerous place. Most people were unaware – and no businesses were closed –when two years ago, 68,000 Americans died from the common flu. COVID-19 is the newest risk we now have to manage as we return to pursuing our lives and work. And we shouldn't be surprised if COVID-21 kills thousands of Americans next year. When that happens, will we shut down the economy again?

Coronavirus will be with us for a long time. We can't out-social-distance it forever and we can't wait on a vaccine. It's time to re-open the economy.

Write this on a rock ...

To paraphrase Moses in his plea to Pharaoh, let our people go back to work. Because we know the way to the Red Sea and Mt. Sinai.

The New Regular

(Normal was arrested for being the first to enter a bank wearing a mask.)



7

In the Wake of the Coronavirus Pandemic

In the quest to identify the implications of a pandemic shutdown, a book came to mind that perfectly reveals the power of gaining 2020 perspective clarity from the 20:20 hindsight of history. *In the Wake of the Plague* by the late Norman F. Cantor chronicles the bubonic plague pandemic of the Middle Ages.

Don't leave – you'll thank me later.

As hateful and scary as the novel coronavirus is, this pandemic won't rival the most devastating natural assault on humanity

in recorded history. But the valuable common thread between our current adversity and the Black Death is found in Cantor's title.

Cantor reports that in the five years from 1347-52, the plague killed more than 20 million humans across Europe.

He then establishes a greater perspective on that astonishing number by reporting that

The impact and implications of this pandemic will bisect our lives and livings for generations.

it represented half the population of western civilization at that moment in history.

And here's the energy source of Cantor's wake: no respecter of class, the Black Death took down peasantry, nobility, and clergy in proportionate numbers.

For centuries, the nobility and clergy shared dominance over people and ideas in the western world. And, as a result of their numbers and influence diminishing so greatly with such velocity, three new forces and one killer app emerged to change the course of humanity.

The wake of the plague gave birth in the 16th century to the Reformation (1507), then the Renaissance, and later the Enlightenment. But before those, in 1453, Guttenberg's immortal printing press. Way to go, Johannes.

The bacterial pathogen *Yersinia pestis* exacted a catastrophic bargain in order to change life on the planet for the better. Now, to the future.

Unlike Cantor's story, the wake of the 2020 coronavirus pandemic won't be driven by deaths, but rather unprecedented economic deceleration and financial decimation.

This wake was created over a period of weeks when the once-accelerating global economy was T-boned by a political pandemic response. As noted last time, the impact and implications of this economic disaster will bisect our lives and livings for generations.

Now, in the spirit of Cantor, let's focus on what we may find in the post-pandemic marketplace that either didn't exist before or will only now be revealed.

As actual examples, and perhaps more valuable as metaphors, use these three marketplace indicators to gain perspective clarity in the wake of the coronavirus pandemic.

Business model resets

There are already Main Street reports of business owners who – pausing their hand wringing long enough to make New-Regular lemonade from pandemic-response lemons – have reset their business models out of survival necessity.

But in the wake of the pandemic, many will discover that the new model will not only work better for them and their customers, but also, incredibly, will be more profitable.

No business model – not yours or mine – will be immune to the implications of the pandemic-created shutdown.

While you're necessarily focusing on survival, keep your antenna up for how you can do business better by doing it differently – in the wake of the pandemic.

Demographics

This implication is a touchy subject because your humble reporter is chronologically aligned with a certain demographic cohort: millions of Baby Boomer business owners, wise and worldly in their 60s and early 70s.

As recent as February 2020, a strong economy tempted this group to continue to “slay the dragon” indefinitely. But unfortunately, now considering the time and effort of a post-pandemic recovery, many will declare victory and retreat to whatever retirement means to them.

Who will fill the resulting marketplace vacuum? The next generation of dragon slayers with their antennas up and prepared for the implications of what could be an unprecedented demographic business shift in the wake of the coronavirus pandemic.

Technology

Just when you thought we had maxed out digital leverage (seen any new killer apps lately?), the post-pandemic, global-economy

reset will produce innovations that correspond to the new marketplace reality. Some will be brand new, while others will be pandemic-driven variations. You will become either a creator of these innovations, an early adopter, or irrelevant. Antennas up!

In my last column, I pointed out that today hundreds-of-thousands of CEOs are discovering mid-pandemic that, thanks to awesome digital tools, their teams can work productively from home, potentially cutting a boatload of physical plant expense. What will be the implications of this shift for the thousands of business models that once served the 20th-century “corner office” paradigm?

But the big tech story arises from the work-from-home shutdown exposing the lack of big pipes out to last-mile America. The 21st-century economy is increasingly conducted over white fiber and less over blacktop. Meanwhile, millions of owners and employees live in low-density places with slow or no broadband Internet connectivity over

which to conduct continuous, dependable, and secure remote work.

But beyond work, Internet deserts also hamper or prevent remote education and telemedicine for the most vulnerable. America will have to address this infrastructure deficiency in order to deal with COVID-21 – or 25. We will not shut down the economy again.

Focus on the implications that are manifesting in the wake of the coronavirus pandemic. Antennas up!

Write this on a rock ...

Believe in yourself as we believe in each other.

Survival is winning.

This, too, will pass.

The New Regular

(“Normal” curled up
in a whimpering,
fetal position months ago.)



8

Reboot to the Prime Fundamentals

At last, we’re squeezing through this coronavirus shutdown wormhole as, state-by-state, Americans break out of coronavirus hell to pursue our lives and work.

For many business owners, unlocking their doors to customers for the first time in weeks will feel like a bear digging out of hibernation into a world reset. Emerging into the sunlight, they’re anxious to find familiar – anything that looks like what they left.

But take heart in this: some things haven’t

and won't change. Just as your computer has default settings, so does operating a business in the marketplace. I'm talking about rebooting and resetting to the fundamentals. They are your business's operating True North.

While sorting out what part of "Old School" you should shed (like running a business that isn't mobile-ready), and "New School" trends to adopt (like doing more remote business), remember this about fundamentals: they're neither Old School nor New School. They are THE School. And in THE School, all other fundamentals, forces, and factors are subsets of three Prime Fundamentals which are as immutable post-pandemic 2020 as they were

Post-pandemic customer expectations and behaviors will be anywhere between somewhat different to unrecognizable.

a year or a century ago.

Volumes have been written about these fundamentals, but we're going to

look at them in terms of getting your business reset in the New Regular, post-pandemic

reality. Now, as we emerge from our pandemic dens, let's reboot to what everything in business defaults to the Prime Fundamentals: Customers, Cash, and Profit, in that order of priority.

Customers

When you summit Mount Marketplace and ask the Oracle of Ownership, "Oh, Great One. Where do I find truth?" she will say: "Customers."

Then, in response to your befuddled face, the Oracle will hit you with this razor, "Ask them what they want."

Whatever you're supposed to be doing or selling today, tomorrow or next January is in the heads of customers – right now.

When you ask customers what they expect from your business and then deliver that, your chances of surviving into next year will greatly increase. If you don't, you'll become irrelevant, which means: "Out of business."

Since no one living has been through a pandemic-driven economic shutdown before,

be prepared to reset what you once knew about customer expectations. Ask specific questions of specific customers.

Post-pandemic customer expectations and behaviors will be anywhere between somewhat different to unrecognizable from what you knew last January.

Here's the dividend of the Oracle's wisdom: When you get the Customer Prime Fundamental right, it pays a double.

Contact – communicate – ask questions. Rinse and repeat. Today. Now.

Cash

Clearly the original operating fundamental is cash management. For millennia, cash was King; post-pandemic, it's the Emperor.

Once, I would have bragged on you for being an executive delegator.

But today, and for the foreseeable future, you cannot delegate cash management. You must treat it like it's the most precious thing inside the four walls of your business.

Everything your business does – every

twitch – must follow these two post-pandemic non-negotiables:

1. If you spend a nickel on Monday in support of sales, you need it back on Friday - this Friday
2. When cash is used for expenses, it has to be for what you must have, not what you want. Only customers get what they want. For the foreseeable future, your business gets only what it needs.

One of my mentors gave me the best cash advice 35 years ago, and it's even more relevant in the New Regular: "Look after the pennies and the dollars will take care of themselves."

Profit

If cash is the oxygen of your business, profit is nourishment, making your business strong, resilient, and sustainable.

But for the rest of 2020, focusing more on the middle line – gross profit – than the bottom line is the high-percentage play.

You can survive into 2021 if you don't

produce net profit between now and December 31. But if you don't generate enough gross profit to cover your operating nut, well, you likely won't open your doors next January 1.

Gross profit begins with pricing. You can't price products successfully until you know your gross profit margin (percentage). And if you don't know your gross profit number, you also don't know that you're already out of business.

Feeling vulnerable and anxious to get sales coming in produces the understandable temptation to discount. But that's stealing from gross margin, which is stealing from yourself.

In the next 12 months, there will be three great Prime Fundamental tests of your skills:

1. Can you manage against gross profit?
2. Do you have the courage to set post-pandemic pricing that delivers that number and the cash you need?
3. Can you sell your post-pandemic value proposition so it converts your price

into value that customers can't live without?

Finally, here is the essence of The Prime Fundamentals in one sentence: The more you love-up your customers by meeting their New Regular value expectations, the more gross profit you produce, and the more cash you have to manage.

And remember, getting the customer fundamental right pays double.

Write this on a rock ...

Reboot to THE School Prime Fundamentals and customers will come and play in your backyard as if no one ever heard of coronavirus.

The New Regular

(No one's seen "Normal" since COVID-19 took it out months ago.)



9

Technology at the Speed of Your Humans

Last week, we covered the concept of business fundamentals being neither Old School nor New School, but rather THE School.

To help restart your business in the New Regular of the post-pandemic economy, let's continue that theme with two more THE School fundamentals. One is primal and one is, relatively speaking, a new kid on the fundamentals block. But both now as inextricably linked as they are completely different.

First, allow me to introduce two really smart dudes.

Over a half-century ago, one of the 20th-century tech immortals, Gordon Moore, CEO and co-founder of Intel, famously prophesied that the transistor capacity of a circuit board will double approximately every two years.

Today, after compounding over two dozen times, the manifestation of what became known as Moore's Law has accelerated virtually all aspects of life and work on Earth

***Never ask a customer
to use your technology
unless there's something
in it for them.***

to the speed of light.

Less than a generation later, the other smart

guy apparently felt compelled to contribute a humanity grounding rod to Moore's Law.

In his seminal work *Megatrends* (1982), futurist John Naisbitt proffered this cautionary prophecy: "The more high tech we have, the more high touch we will want." Write that down – it'll be on the test.

What I've presumptuously named Naisbitt's Razor describes what happens when the binary codes of two completely different dimensions collide: the 1s and 0s of digital technology (the new kid) with the XX and XY of human protoplasm (the primal).

Even as Moore set the stage for what became our digital future, and Naisbitt reset our expectations for future digital adoption, both were focused on two truths.

Moore: Humans will always seek a new, better, and faster way to do things – now with digital leverage.

Naisbitt: All humans, even high-adopters of digital leverage, will always be analog.

One common denominator of any successful endurance of the coronavirus sequestration and the post-pandemic economic recovery is our array of tech tools, at once powerful and handy.

Surely, even Moore would have blinked incredulously if you had described a cute little device held by human fingers being more

powerful than the 1965 brute IBM delivered on a truck – the System 360.

While Moore told us technology would get faster and smarter, Naisbitt reminded us that humans would not.

And where those two binary codes collide, there's the rub.

With the coronavirus shutdown nightmare moving farther back in our rear-view mirror, many business paradigms are shifting and being reset by the current evidence of Moore's law – faster, cheaper, more productive, and more virtual technology.

Indeed, now increasingly granularized for Main Street businesses, this technology will be essential to your business surviving the transition back to an expanding New Regular economy.

Thank you, Mr. Moore.

But in adapting your business model to these seductive solutions, one immutable, primal fact must be held sacred: half of that collision of binaries is represented by your

two most important stakeholders, 100% analog employees and customers.

Thank you, Mr. Naisbitt.

So, what if we could get Mr. Moore and Mr. Naisbitt together to help us reboot post-pandemic? The issue on the table would be the two non-negotiables: high tech and high touch. This is what it might sound like:

Moore: Customers will increasingly serve themselves with new technology, now granularized for Main Street volumes, and incrementally priced for small budgets.

Naisbitt: What's cool and sexy to you might be clunky and annoying to customers. Never ask a customer to use your technology unless there's something in it for them.

Moore: There will be more virtual meetings, sales calls, demos, and proposal presentations. This method of interaction will prove so efficient and productive that, long after we've stopped worrying about COVID-19, virtual and remote business will increasingly be preferred.

Naisbitt: Never deliver a virtual interaction without knowing how it lands on customers. Your technology must still deliver small business special sauce, which requires your involvement with and direction to digital developers, plus training, monitoring, and measuring employees on both high-tech performance and high-touch sensitivity.

Moore: In order to be more productive in prospect identification and development, you'll increasingly use artificial intelligence applications, again granular and incremental for a small business.

Naisbitt: AI is sexy digital leverage, but it can become creepy to the object of the algorithm – analog humans. Big corporations often get away with encroachment on the lives and privacy of customers and prospects, but your small business won't. On Main Street, creepy is not cool.

Moore: Customers' expectations will require you to offer faster and handier technology. Gear up.

Naisbitt: Even in the 21st century, no one will ever say customers do business with algorithms they know, like and trust.

Finally, remember that the only binary code capable of leveraging trust and ethics is the one made of protoplasm. If your digital leverage is to be trusted, ethical, and an extension of your special sauce values, analog humans must put it in. Good stuff in – good stuff out.

Write this on a rock ...

Your success in the New Regular, post-pandemic economy will be determined by how well you manage the intersection of the two binary codes. High tech AND high touch. That will be on the test.

The New Regular

(No one's seen normal – old or new – since March 15.)



10

Beware the Compounding Effect

Today we start with two quotes. The first is from a certified genius, and the second ... not so much.

“Compound interest.”

Reputedly, that was Albert Einstein's answer to the question, “What's the most powerful force in the universe?”

And now a maxim coined by your humble correspondent, from years of experience operating a small business.

“When it starts going bad, it all goes bad.”

This isn't hyperbole or pessimistic, just sobering.

“The Compounding Effect” is my term for that maxim, and it, too, can be powerful. Except, unlike compound interest, not in a good way.

No one predicted the unprecedented political response to the deadly coronavirus.

It's when the difficulty created by one disruption is compounded by another when they

either show up at the same time or at least overlap.

The compounding happens when that timing effectively creates stress levels greater than the sum of the disruptive parts.

Here's a small and annoying example of The Compounding Effect:

It's 7 a.m. and you get an “I'm sick” text from your delivery employee. Ten minutes after you inform the warehouse manager he'll be delivering today, he texts you to say the brakes are out on the truck.

Of course, all of this compounds into a very unhappy customer who needs what now is not going to be delivered on time.

Oh, by the way, that delivery was going to be C.O.D., and you need that cash for payroll.

And then there are Compounding Effect examples that transcend annoying to potentially existential:

It's 6:30 p.m. on a Friday. You're working late on a proposal for a business loan you need – the appointment with your banker is already set for 9:00 a.m. on Monday.

Then you get two emails that, as a pair, exist nowhere else, except in your inbox.

The first email is from your most important customer notifying you that they have a new plan, but unfortunately, you're not part of it.

An hour later, still reeling from the loss of that customer, the second email arrives. It's from the state D.O.T, notifying you of road construction that, starting next week, will reroute traffic away from your storefront for the next 12 months.

How are you gonna spin that compounded news in your loan proposal?

Out here on Main Street, when it starts going bad, it all goes bad. Even on the weekend.

“When,” not “If,” is the first word of the title of a professional CEO’s plan to deal with The Compounding Effect.

Prior to 2020, the plan would have been set in motion when any one of the usual suspects showed up, like an illness, an accident, or revenue interruption from a storm, power outage, cyber-attack, or a customer decision that goes against you.

Elements in that business continuation plan include cash reserves, retained earnings, strategic insurance, operational safeguards, organizational cross-training, and avoiding customer concentration. Believe it or not, that last one is often the hardest. Thank you, Mr. Pareto.

Alas, as we’ve now learned, sometimes the suspects, usual or unusual, not only travel

in pairs, but they can make an ugly baby. Like this year, when The Compounding Effect manifested in truly brutal form.

The smartest among us did forecast the potential for a global pandemic delivering a deadly virus that could kill our loved ones.

But even those geniuses didn't predict the unprecedented political response to the deadly coronavirus.

As March dissolved into April, our troubles began compounding when federal recommendations and state/local government "mandates" effectively separated us from our customers.

Even in Bizarro World, businesses were never "forced" to close and customers "ordered" to stay home.

Consequently, no 2019 Earthly contingency plan anticipated such a compounded disruption.

In a recent article for MarketWatch.com, Steve Goldstein reported on the work of a team of analysts at Deutsche Bank. They projected

a 56% chance that in the next decade planet Earth could be visited by one of these four:

1. a major flu pandemic killing more than two million people,
2. a globally catastrophic volcanic eruption,
3. a major solar flare,
4. a global war.

Six months ago, those warnings would have been foreboding and scary.

However, now having paid dearly for being T-boned by the compounding of a deadly virus and a devastating economic shutdown, we'll refer those researchers to what we've learned about the binary – possibly trinary – implications of The Compounding Effect: When it starts going bad, it all goes bad.

Which brings us back to that professional CEO designation.

In the post-pandemic economy, where the unimaginable and unprecedented have become our reality, every CEO from Main Street to Wall Street knows he or she must establish

and fund risk mitigation in anticipation of the next close encounter with The Compounding Effect – now more powerful than compound interest.

Write this on a rock ...

Buckle up and pull the straps tight.

We've been warned.

This book is an



exclusive

The New Regular

(Normal is learning
Mandarin online.)



11

The Three U's of the Apocalypse

In barely more than the lifespan of a housefly, we've been extruded through a pandemic wormhole, from a place called normal into a new reality devoid of that concept. Along the way, the orbit of our lives has been altered by the rude gravity of what I call the "Three U's of the Apocalypse":

1. an Unprecedented coronavirus pandemic,
2. precipitating an Unprecedented economic shutdown,

3. necessitating Unprecedented direct government assistance.

Regarding that last U, it's time for a 90-day update, including new rules and offerings.

On March 27, as the CARES Act was being signed, you saw my first report before there was a Paycheck Protection Program (PPP). Since then, you've had chances to apply for at

If certain conditions are met by the borrower, PPP funds will be converted into a grant – fully forgiven.

least two financial assistance options.

Note: qualifying rules are different for entities like S Corps and LLCs

than for sole proprietors and freelancers (millions in each category).

Since the end of March, Congress took two passes to appropriate over \$600 billion for the heroes just mentioned.

In between, the Treasury Department and the SBA created the PPP structure, which was then executed by thousands of banks across America.

The result was 4.5 million small business loans totaling over \$500 billion (yes, there is some left, see below). The average loan was \$113,000, but almost 80% were for less than \$100,000, and eight-of-ten of those were under \$50,000.

That was the equivalent of 29 years of SBA loans.

Unprecedented.

Explicit in the name, PPP funds helped small employers make payroll during the shutdown/stay home firewall imposed between businesses and customers.

And the sprinkles on this cupcake is that if certain conditions are met by the borrower, the loan will be converted into a grant – fully forgiven.

Happy birthday.

Now, let's bring things current.

More money

If you haven't availed yourself of a PPP loan, there currently is money sitting in the pot waiting for you, at least until August 8.

Contact a community bank near you – they’ll help you and treat you like family.

More flexibility

As policy made the acquaintance of reality, by June 1, the government learned that the PPP time strictures were not reasonable in the real world of operating a small business during a pandemic.

Consequently, the PPP’s “75% for payroll and 25% for other expenses spent over eight weeks” requirement was adjusted to 60% and 40% respectively, with the application of funds window expanded to 24 weeks.

The interest rate is still 1%, but the term went from 24 months to 60. More sprinkles.

More time

The PPP forgiveness intention hasn’t changed, but the process has. In early June, forgiveness forms were sent out to early participants when eight weeks was the qualifying period.

The first forms were 11 pages long and looked like homework only a CPA could

love. But then everybody got a cherry on their sprinkles with a homework reprieve when the forgiveness period was extended to 24 weeks.

New forms

The 3508 EZ Loan Forgiveness Application Form (replacing the homework) is less than three pages (thus the “EZ”). Even I can complete it (I won’t – I have people.)

This one is for PPP borrowers who did NOT reduce employee compensation or hours.

The other form, 3508 (non-EZ), is for those who DID change those two payroll parameters. This one is only five pages long, but it’s still homework for your CPA.

You should be able to find both forms on your bank’s website.

Relax

For now, don’t get your tidies in a twist about submitting the forgiveness documents. You have more time and, according to my bank sources, even if you submitted a completed 3508 today, apparently banks currently don’t

have “a conduit through which to submit your form to the SBA.”

But stay tuned and stay close to your banker (six feet, please).

EIDL grant

The Economic Injury Disaster Loan Emergency Advance program was a funded SBA legacy program years before anybody heard of coronavirus. So, when the first pandemic distress signal was raised, EIDL was the first responder.

For now, an EIDL grant is still available, based on \$1,000 per employee with a max of \$10,000. Apply at [SBA.gov](https://www.sba.gov) and if you qualify, bada-bing-bada-bam, these funds will be deposited straight into your bank account.

Please note that your ultimate forgiveness number will not exceed your PPP loan amount. So, if your PPP loan is fully forgiven, you'll have to pay back the EIDL advance.

EIDL loan

Subsequent to the EIDL grant, there's now an expedited EIDL loan offering direct from

the SBA. You choose the amount – within the number the SBA sets for you – and then pay it off at 3.75% interest over 30 years.

If you're already an EIDL applicant, you may receive this offer by email. You can see the array of SBA assistance, including EIDL options (read the terms), at <https://disasterloan.sba.gov/ela>.

Finally, when I started my small business 31 years ago, I didn't have white hair and was three inches taller. I've been around a long time and have seen a lot of things. But never anything like the Three U's of the Apocalypse: Unprecedented coronavirus pandemic – Unprecedented political, economic shutdown – needing Unprecedented government bailout of small businesses.

And I pray none of us ever do again.

Write this on a rock ...

From this laissez-faire true believer: Let the government show you the money.

The New Regular

(Normal went MIA
around March 15.)



12

When Small Business Brain Became COVID Brain

Recently on my radio program, one of our many smart Brain Trust members, Jim Schreier, introduced us to a new condition being studied by neuroscientists. Markers of this syndrome include, but are not limited to:

- Being stressed out
- Feeling you can't keep your head above water
- Trouble sleeping
- Struggling with decisions about if/when to pivot

- Worrying that the next decision could bankrupt you

Veteran small business owners will laugh at these, recognizing them as a short list of what

they eat for breakfast every morning. Stress? Worry? Struggle? Is that the best you got?

The levels of adversity Main Street operators take in stride every day would kill most civilians.

The levels of adversity Main Street operators take in stride

every day would kill most civilians (anyone with a regular paycheck). But on top of all the risks and rough edges small business owners learn how to manage, the pandemic-caused, unprecedented, economic shutdown that separated us from customers, frankly, is a new item on our business breakfast menu.

Even those of us who've slayed marketplace dragons and lived to tell the stories are recognizing that, just now, in this moment, things here are different. It turns out, this is in fact, our first pandemic rodeo.

Make no mistake, pre-pandemic, business owners did get overwhelmed, regardless of which goat roping they participated in. Just don't wait around for one of them to admit it.

But this year is different because we're suffering an alien attack, compounded by the response to the alien.

No one will be judged weak or uncompetitive for admitting to themselves or out loud that their mental and emotional wagons have never been so overloaded.

Which brings us back to that condition mentioned earlier.

Neuroscientists Hilke Plassman and Benjamin Kessler, both with INSEAD Knowledge, have coined the term "COVID Brain" to describe this as a 2020 phenomenon. These experts say that when faced with a threat, our brain "scours its long-term memory system for comparable experiences" we can use to deal with it.

That "comparable experience" process is exactly what fires inside the head of a

small business owner every day. And as we add dragon-slaying entries in our ownership logbook, the next threat is taken more in stride. We'll call that "Small Business Brain." But alas, there are no coronavirus-comparable logbook entries.

So, how do we deal with COVID Brain? Well, since it resides in the six inches of real estate between our ears, that's where we must mount our defense. In fact, the neuroscientists say the challenge is not so much the stress itself, but how you think about it.

Words matter. Especially the ones you say to yourself. So, think about your pandemic-amplified stress by having a word with yourself. Specifically, three words: ownership, expectations, and belief.

Ownership

Claim what I call the Small Business Ownership Attitude: "As I face challenges in my business today, the only thing in question is how well I'll respond to each one. And the future of my business depends upon the

answer to that question. I must own the good, the bad, and the ugly.”

Expectations

The concept of expectations is at once powerful and under-appreciated. You can't get and keep a customer if you don't understand their expectations and focus your performance accordingly.

To deal with COVID Brain, you have to establish your own business survival expectations and laser-focus performance on them. That's right – you can have more than one, but they must be prioritized. Here are three to get you started:

- Prime expectation: “In 2020, surviving is winning.” Any questions?
- Second expectation: “I understand and accept that survival will be uncomfortable and messy.”
- Third expectation: “This expensive survival lesson must eventually pay dividends, like when COVID-22 shows up.”

Belief

When the Compounding Effect has had its way with you; when the Three U's of the Apocalypse have stampeded over you; when a governor puts the kibosh on customers, in that darkest of moments when you feel absolutely alone, there will only be one force, one last lever still available to you: Belief.

You must believe in yourself.

Out here on Main Street, if you don't believe in yourself, all the capital and all the luck and all the customers won't sustain you.

And you won't arrive at that moment until there's nothing and no one else you can call on. When it will just be you and your ability to reach deep inside yourself and believe.

Here are some affirmations that I use when I'm having a dark moment word with myself. The first two are of unknown origin and the third is attributed to Henry Ford:

- This is no hill for a climber, and I'm a climber. (My favorite.)

- If it is to be, it is up to me. (This became a book.)
- If I think I can, or if I think I can't, either way, I'll be right. (This one sold lots of cars.)

Claim one – mine or yours – and say it to yourself, out loud.

There is one other dark-moment belief that many have learned from a legendary warrior. King David knew something about being up against it. His coronavirus was named Goliath. Surely, the powerful wisdom and refuge in David's 23rd Psalm sprung from one of his dark moments.

I say it out loud to myself, very slowly. "The ... Lord ... is ... my ... shepherd ..."

Write this on a rock ...

In the New Regular, own your reality with focused expectations and belief in yourself.

The New Regular

(Normal was just sighted in
a homeless shelter in
the north of France.)



13

Putting Lipstick on the Bankruptcy Pig

The subject today is a serious and troublesome one. No amount of lipstick will make the bankruptcy pig pretty. But as we roll into the post-pandemic era, we should improve our understanding of it.

You can be technically bankrupt without being legally bankrupt.

At some time in their existence, most businesses will experience an upside-down state of negative net worth, where liabilities exceed assets. It's likely that such a condition will pass unnoticed, possibly even by the

owner, because the business might not be insolvent.

Insolvency is a pre-bankruptcy state of financial distress when near-term payment obligations exceed cash-generating ability.

Blasingame's 2nd Law of Small Business: It's redundant to say undercapitalized small business."

This condition is not only noticed, it's consuming. If you dig yourself out of insolvency and avoid bankruptcy,

that becomes a badge of honor. Yes, your humble correspondent knows something about that.

Blasingame's 2nd Law of Small Business states: "It's redundant to say undercapitalized small business."

With limited financial resources and surrounded by risks ranging from annoying to existential, the potential for bankruptcy is always hard by to small business owners as they push their chips to the middle of the table almost every day.

To gain a better understanding, let's look at some bankruptcy numbers, facts and, believe it or not, even a little lipstick.

U.S. business bankruptcies over the past five years have averaged 23,000 annually. Since small firms represent over 95% of the business sector, you can do the math on the break out.

In 2020, we're suffering the wages of the coronavirus shutdown(s), causing various industries to report staggering permanent closure numbers.

And since bankruptcy can include legal protection for the personal assets of a debtor, no doubt thousands of Main Street business owners will seek it over the next 12 months.

Consider these two references to frame that projection.

1. In 2009, the first full operating year following the September 2008 financial collapse – our last comparable experience with a national economic crisis – business bankruptcies tripled

that five-year average at over 60,000.

2. In our recent online poll, we asked small business owners what they knew about bankruptcy law reforms benefiting small businesses. Half of our respondents thought they might need to know more. A year ago, that number would have been less than 25%.

Here's the essence of the three business bankruptcy options:

Chapter 13 is the reorganization option for individuals, which includes sole proprietors, contractors, and freelancers, whose businesses, by definition, have not been formed as a legal entity separate from the owner. This option combines protection of certain assets with a re-payment plan established by the court.

Chapter 11 allows legally formed business entities, such as a corporation, a Limited Liability Company (LLC), or a partnership, to reorganize while continuing to operate, and if successful, eventually "exit" bankruptcy. Historically, this has not been a feasible

option for most small firms.

Chapter 7 is the extreme option for individuals and businesses – asset liquidation. All assets are sold and the court doles out the cash to creditors, after which there is no further obligation or contact between debtor and creditor.

If there is such a thing as bankruptcy good news, here it is: This year, there's new bankruptcy lipstick serendipitously available just as the pandemic hit.

As a result of the 2020 Small Business Reorganization Act, that reorganization feasibility issue for small businesses has been reformed. The new law makes it easier, quicker, less expensive, and less risky for small businesses (remember, reorganization means you keep your company).

Chapter 11 Subchapter V now includes, but is not limited to these improvements:

- It reduces the risk of a creditor forcing the company into Chapter 7.
- Shareholder equity is less in jeopardy.

- A petitioner (debtor) can “cram down” a reorganization plan over the objections of creditors.
- The process is faster, thus cutting expenses and allowing the debtor to focus on successful reorganization and live to fight another day.

Consequently, small businesses finally have the same reorganization ability large businesses have had, like GM, Chrysler, several banks, most of the airlines, and dozens of large retailers.

As in 2008-09, through no fault of the petitioner, the coronavirus shutdown will result in a spike in business and personal bankruptcies in the coming months. But even though pretty isn't an option, America's bankruptcy laws were created to be more about second chances and less about shame.

One of the reasons Europe is less entrepreneurial than the U.S. is because every risk taken there comes with the burden that failure by the parent accrues to the children.

But part of the foundation of America's greatness is something these famous people learned about the entrepreneurial alloy forged from risk and redemption: Abraham Lincoln (1830s), R.H. Macy (1855), Henry Ford (1901), and Walt Disney (1923). Of course, we knew about them after they filed for bankruptcy.

You can recover from bankruptcy – in time. But make no mistake. Taking bankruptcy is an extreme legal and financial step that should not be taken lightly – it will always be part of your record.

If you think you're in financial trouble, you probably are. Don't wait too long to contact an attorney about your asset protection rights and reorganization options under the law (don't trust this make-up artist). Because the only thing worse than taking bankruptcy is being forced into it.

Write this on a rock ...

Information is power even when – especially when – you're up against it.

The New Regular

(You can catch normal in a bit part on the revival of PBSs “Downton Abbey.”)



14

The Power of Post-Pandemic Brainstorming

Whatever your business looks like going forward, it won't be what you used to call normal.

The easy part is that, as the recovery plays out over the next year, what you're supposed to be doing will be revealed to you by customers.

The hard part will be making that transition personally and organizationally. In other words, getting out of your own way.

Since it's likely that how you serve customers this December will be drastically

different from how you did it last December, there's no better way to "get out of your own way" than through brainstorming. It's a leadership practice that helps shed the hidebound baggage – "Well, that's how we've always done it" – your business can no longer afford in the New Regular.

Brainstorming has always been powerful. But now that we've been keelhauled by the coronavirus shutdown, it's essential. Plus, it's the best way to get organizational creative juices flowing. And creativity is the mother's milk of a powerful tool without which you cannot brainstorm: adjectives.

Brainstorming could be the essential difference between surviving and, well, you know.

How dull would our world be without adjectives? You know, those handy words we use, as Webster says, to modify a noun.

Without the descriptive power of an adjective, a noun is broccoli without hollandaise, a sandwich without mustard, or an idea without energy.

If someone offered you a soybean, you'd probably turn away to check your Twitter feed.

But if they said, "Would ya look at that beautiful thing?" you'd want to see such a bean. A change of attitude powered by an adjective.

As you relaunch your business post-pandemic, brainstorming could be the essential difference between surviving and, well, you know. And since adjectives are essential to your brainstorming sessions, let them fly.

As with anything that's powerful, brainstorming is a process with parameters. Use these guidelines to start your team's brainstorming.

Free-wheeling

Restrict the restrictions. If you're discussing changes to the showroom and someone asks "What if we stick an elephant in the middle?" give that person a raise.

As you'll see in a minute, often partial

ideas – even crazy ones – can become golden later on.

Adjective alert: “Are we talking African or Indian elephant?”

No criticism

Sometimes the rude truth is delivered by an adjective. When working under duress, as we are now, if the Emperor is naked, it must be said. That means everyone must feel the environment is intellectually safe, and all constructive brainstorming contributions will be taken as such.

Adjective alert: “What if that part of our 2019 business model won’t be viable in 2021?”

Combine and improve

This is where your brainstorming foundry creates alloyed ideas forged from those that previously seemed incomplete. After this kind of synergy clicks the first time with your group, buckle up. Your brainstorming will blast off with new energy.

Adjective alert: “Sue’s idea about cutting costs made me think: What if we did that, but in reverse?”

Prioritizing ideas

Which new ideas will you work on first? It’s more triage than culling because, again, the unused ones from today may be for ready for primetime next week. Like seeds, every idea germinates differently.

Adjective alert: “Let’s start with John’s approach – it delivers better bang for the buck.”

Quantity

This is where the power of adjectives really comes into play. A brainstorming session must have lots of ideas complete with even more powerful, clarifying adjectives. Write them all down – every one. Because, as we’ve learned, ho-hum today becomes essential tomorrow.

Adjective alert: “Huh! Never thought of blue. Is that reflex, slate, royal, baby, periwinkle?”

Don't forget the customers

Remember that easy part about post-pandemic customer expectations? This only works if you apply three non-negotiables: You have to ask them, then listen to them, and then believe them. Even when – especially when – it hurts. If you have the guts, ask your most loyal customers to contribute to a brainstorming session. And help them get granular with the adjectives.

Adjective alert: “Mr. Johnson, we’ve been working on delivery improvements. Looking ahead, would you prefer ‘hot-shot’ delivery when you need it – for a fee? Or scheduled deliveries that we help you plan for?”

Diversity

In his book *The Wisdom of Crowds*, James Surowiecki reports better brainstorming results when PhDs and high school graduates are put together.

Cast an organizational cross-section – top to bottom – in each brainstorming session. Do you know how we got the awesome McFlurry?

My money's on the Nabisco janitor.

Adjective alert: “Hey, boss, can’t we do something with all these broken Oreos? We sweep up tons of cookie pieces every night.”

The written word

The immortal Adam Smith (*Wealth of Nations*, 1776) identified the written word as one of the three greatest human inventions. Besides the brainstorming power you’ll generate, never underestimate the power of having your inspired, adjective-energized ideas looking back at you from paper, whiteboard, or screen.

If you say it, write it.

Write this on a rock ...

Use brainstorming to unleash the power of adjectives and reinvent your business for the post-pandemic New Regular. And let customers – and the janitor – help you get out of your own way.

The New Regular

(Normal hasn't been seen since
Corona was just a beer.)



15

There Will Be Many New Niches

Do you like baklava – that pastry so luscious it's served in little pieces? Who doesn't? But what does baklava have to do with operating a business in a pandemic-induced panic? Well, as scrumptious as it is, the connection isn't about how it tastes, but rather, how it's made.

Cutting a baklava square in half reveals that it's constructed of multiple layers of buttery, cinnamon, honey-drenched, walnut-laden sheets of phyllo dough baked into an elegant and rich eating experience.

Slicing into the marketplace you'll see it looking increasingly like baklava: multiple layers of innovation-drenched effort baked into elegant choices and rich experiences.

But zoom in closer. Just as each wafer-thin sheet of baked baklava breaks into more layers of cookie-inside-a-cookie, the marketplace stratifies into finer layers of even greater variations, nuances, and elegance.

Those finer layers are called niches. (My snooty friends say “neesh,” I prefer “nitch.” Tomato, to-mah-to).

A niche is defined as being “perfectly suited for the person or thing in it.” And if there were ever two things perfectly suited for each other, it’s the niche and small business.

Whatever you did last year cannot be presumed to work the rest of this year or next.

It’s a beautiful thing to watch an entrepreneur discover a new niche and fill it, and later identify and fill a niche of that niche.

On Main Street, a niche is your customers' evolving expectations looking for a home. And it can be even more granular than a stand-alone business model, like a finely-tuned strategy designed to provide a home for those customer expectations.

Just as many layers make the baklava eating experience richer, niches do the same thing by delivering elegant customer solutions, which customers like – a lot.

Humans are different from other members of the family Animalia in that, beyond what we need, we also want. What customers want – businesses customers and consumers – is customization, which is anything from a little bit more to everything.

And along that customization continuum, you find niches. Lots of niches.

The reason it's important to think about niches right now, as our businesses are being extruded through an unprecedented pandemic portal, is because the next 12 months will produce unprecedented layers of new niches.

The good news is, you'll identify each one the old-fashioned way: by observing and listening to customers. It worked like a charm in ancient Babylon, and it will work in the post-pandemic third decade of the 21st century. You've no doubt been successful doing this, or you wouldn't have made it this far.

But here's the big post-pandemic question: Going forward, as you re-start your niche discovery process, can you shed 2019 niche paradigms that have become baggage?

This will be on the test: Whatever you did last year cannot be presumed to work the rest of this year or next.

And anything that appears to still be relevant will likely morph into a variation on that theme – a new niche. Give each one its own name, because it will have its own purpose.

For consumers, look for niches in how customers take delivery, apply, and consume what they need and want post-pandemic. Like

making baklava, as you lay down a new layer of your business strategy, answer these two questions:

- How are customer expectations different now from last year?
- How do we make the shift to deliver whatever that is?

Every consumer expectation also applies to business customers, but with one extra degree of difficulty: your business customers are having their own niche challenges. So, one of your niche strategies should be to help business customers identify and fill the niches of their customers.

When you can lay down an elegant layer of helping your customers help their customers, you'll have customers you can't run off. And that's when success will come and play in your backyard.

It's cold comfort to know that most new-niche pressure that's been thrust upon you this year was already coming at you in the future

– like greater demand for online resources and support, remote working, Zoom sales calls, etc. The pandemic has accelerated those shifts from next year into next week. But in the middle of the greatest economic upheaval in modern history, if you can make the shift to these new niches, it will set you apart and set you up for the New Regular and the next acceleration.

Finally, your niche strategy should be profitable. As desserts go, baklava is expensive because it's worth it. So, don't be afraid to charge for filling a niche, because the finer and more elegant the customer expectation, the more it's worth to them.

Write this on a rock ...

Grow your business in the New Regular by observing and listening to customers as they reveal your next niche.

The New Regular

(Normal tested positive and has been quarantined indefinitely.)



16

The Small Business Standup Act

Most comedians and all entrepreneurs write their own material for when they stand up in front of their respective audiences. Other than that, what does your small business have to do with a comedy act?

It's true that even when operating a business is fun, it usually isn't funny (except when we laugh at ourselves). But perhaps we can learn something from the simple truths that are foundational for all good comedy. And who better to model our simple truths after than Jeff Foxworthy and his one-liners.

Foxworthy's shtick made him rich because audiences understood its cause-and-effect simplicity: "If you have more than one car jacked up in your front yard, you might be a redneck." "If your mother can cuss a state trooper without taking the cigarette out of her mouth, you might be a redneck."

Perhaps we can channel Foxworthy as we perform our post-pandemic Main Street material before a tough crowd of COVID-challenged customers and a rude marketplace. Who knows? Maybe a little levity will help us focus on business elements that need attention. Since I promised Jeff I'd stay out of his lane, instead of redneck, our hook will be relevance. And as you consider this handful of one-liners from my material, start writing your own.

If the coronavirus shutdown has you holed-up inside the four walls of your business, you might become irrelevant.

This is about high touch – building and maintaining relationships. And today, you

have to manage the many ways prospects and customers prefer you to “touch” them: voice, email, text, social media, etc.

The tricky part is that everyone has their own unique combination of connection preferences (generational differences apply). Learn their currently preferred platform(s), which quite likely have changed since March.

Pandemic ghosts become irrelevant. And don’t make all contacts about selling something.

If you aren’t keeping up with customer expectations for delivery and service, you might become irrelevant.

This is a real cause-and-effect truth. With many customers and prospects still working remotely – and will likely continue to do so indefinitely – shopping, purchasing, delivery, and consumption expectations have shifted heavily to online platforms.

And yes, in many ways Walmart, Target, and Amazon have a tech advantage. But the good news is customers and prospects

still enjoy the intimacy of your small room act. And unlike the Big Boxes, who have to conquer the world with their ecommerce act, you don't.

You can get booked for a return engagement by combining the most updated online capability you can afford with your small business special sauce shtick.

If you cut too much of your digital marketing material, you might become irrelevant.

Like connection preferences, marketing is increasingly about delivering your message on the digital platforms prospects and customers prefer to use as they learn about stuff they need and want.

You can break through without breaking the budget with micro-targeting tools to test what works with both demographics and individuals.

The good news is that there are also micro-marketing tracking tools that are perfect for small business because they're granular in application and budget.

If your marketing goes dark digitally, you'll bomb on that lonely stage called irrelevance.

If you're still making cold calls on business prospects, you might become irrelevant.

Cold calling was never a high percentage play. And today, in the third decade of the 21st century, in the middle of a global pandemic, no one allows a salesperson through the "front door" unless they have The Key – a referral.

Conducting higher-quality prospecting through referrals takes longer, but the relationships built from this method also last longer. Referrals build bridges, cold calls burn them.

A referral will get you a standing ovation. A cold call will get you booed off the stage.

If you don't have a close relationship with a community bank, you might become irrelevant.

Since before you ever heard of Jeff Foxworthy, I've encouraged – begged – small business owners to have a primary, joined-at-the-hip, BFF relationship with an independent

community bank.

Following the 2008 financial crisis, that advice was proved when community banks stepped up every day to help Main Street with mid-crisis loans, while big banks quite literally stepped aside.

And in 2020, when the meanest economic smackdown in a century hit us, community banks again had our back during the Paycheck Protection Program funding. And they'll finish the job in the upcoming forgiveness process.

Even though the combined assets of America's 5,000 community banks is barely more than that of the top two big banks (JPMorgan, BoA), according to the ICBA, Main Street lenders made almost 58% of all PPP loans.

Boom! Mic drop!

Any questions?

Community banks will keep your business relevant because they get your Main Street material.

It's okay to fall in love with what you do, but if you fall in love with how you do it, you might become irrelevant.

What you sell may never become irrelevant – shoestrings, shrubbery, and shellac will continue to be in-demand. But how customers want to buy, take delivery, and use them is changing all the time.

Just like Jeff Foxworthy, don't fall in love with old material.

Write this on a rock ...

Cause-and-effect small business truths from the world of standup. Who knew?
Thanks, Jeff.

This book is an



exclusive

The New Regular

(Normal has assumed the stage name “Abnormal” and is now touring in a traveling freak show across the Australian Outback.)



17

The Coronavirus

Inconvenient and Inevitable

When you think about it, there’s not much new about change in the past 5,000 years, just variations on old themes.

Electrification is lightning in a bottle and your PC or Apple Watch are battery powered Antikythera Mechanisms (circa 2100 BCE).

But there is one thing new about change: its velocity. Change is happening faster.

As analog has been supplanted by digital, we’ve witnessed an unprecedented compression of time between model

generations, from hardware to software to associated behaviors and practices.

And out here on Main street, that velocity – not the change – is what’s taking our breath away. Now, let’s apply that truth to both the

***The pandemic
caused a disruptive
disturbance
in the force.***

coronavirus pandemic and our response to it.

There are many adjectives to describe the novel coronavirus

on our lives: hateful, unprecedented, deadly, etc. But in the marketplace, the adjective is disruptive.

The pandemic has certainly caused a disruptive disturbance in the force. But if you expect to be in business next year, meeting those disruptions effectively is your prime directive for survival. And the best way to survive and thrive in the New Regular is to distinguish between the cause and the effect. In this case, the inconvenient from the inevitable

Let’s say that another way: The coronavirus

pandemic – the cause of the disruption – appears to have been avoidable. Anger is justified here, so let's go ahead and get that off our chest right now. “#@?*&% you, COVID-19!” Feel better?

But now, we must deal dispassionately and separately with the disruption effect.

We must accept that many of the operating adjustments we're having to make today due to the pandemic-associated disruptions were, in fact, inevitable.

Like forcing a tulip to bloom out of season, the pandemic accelerated by a year or five many innovations, behaviors, practices, and expectations that were already coming at us.

If you're looking for a silver lining in all that's happened this year, ironically, you'll find it in that accelerated velocity of change that's been taking our breath away.

As disruptive as the coronavirus response has been, thanks to digital leverage, millions of Earthlings have worked productively from home for several months.

Indeed, the cliché pic for the cover of the catalog of pandemic-accelerated practices and behaviors would be of a teleworker.

Teleworking – aka telecommuting, remote working, or fencing the north 40 out of the line shack – is a concept that’s been around a long time.

In fact, decades ago, for several years I managed a large territory for a Fortune 50 corporation out of my home office. My analog technology was an Underwood Five, carbon paper, an answering service, and pay phones.

Since then, and for most of the 21st century, as broadband availability increased and became augmented by mobile networks, it’s common for employees to work from home a few days each month.

And don’t forget how the burgeoning gig economy works.

Even though the pandemic didn’t create the teleworking shift, essentially overnight, it rudely accelerated it into an unprecedented workplace diaspora.

But post-pandemic, we'll settle into an infinite number of teleworking combinations, with each organization and individual seeking a comfort level for management and performance.

Our experience this year has exposed three factors that prove ubiquitous remote working was a paradigm shift waiting to happen:

1. New and improved digital video technology makes remote work fall-off-a-log easy.
2. CEOs report that their now-remote organizations have been surprisingly effective and productive.
3. Out of the mouths of CEOs everywhere: "Tell me again why we're paying all this for empty offices."

Look for Factor 3 to cause the marketplace to quickly embrace other pandemic-accelerated disruptions. As is the case for many changes in life and business, the answer is "Money." What's the question?

But before we get too excited about the tilt toward teleworking, some aspects of this shift must be addressed.

- All office space reduction savings won't drop to the bottom line. The company will have to contribute to employee remote work environments and practices, including – especially – cyber-security.
- Remote working won't work for all employees. Some Boomers won't thrive as a teleworker, and younger employees may have difficulty working alone, away from the feedback of the hive.
- Here's the telework sleeper issue: How do you create, instill, and maintain that powerfully essential intangible – corporate culture – with a remote workforce? Especially with new remote-working employees who were never imprinted with the high-touch of the mothership.

Forgive me for playing Pollyanna's glad game, but if the pandemic had to happen, it

turns out that 2020 was a good year, instead of, say, 2000. A year from now we'll marvel at how well the pandemic-battered marketplace, and rudely disrupted workplace, held together thanks to the change-accelerating leverage of digital technology.

And we accomplished that both because of, and in spite of the pandemic.

Write this on a rock ...

You'll survive – and feel better – if you stick your finger in the eye of the coronavirus by differentiating the pandemic inconvenient cause from its effect on the inevitable.

The New Regular

(Normal was caught stalking
Dr. Fauci and arrested for
not wearing a mask.)



18

Your Post-Pandemic Business Plan

Every Main Street business owner had a business plan when they opened for business in January 2020, from a fancy, multi-page model, to thoughts printed on the owner's brain. Regardless, these two operators have one thing in common: They're both going to need a new one. A post-pandemic, New Regular business plan. Stay with me – you'll thank me later.

Emerging out of a government-mandated shutdown, we're finding a marketplace shrouded in a fog of uncertainty. But the good

news is the fog will lift once you find answers to three questions:

1. What do customers want right now?
2. How has the competitive landscape changed?
3. How far out of alignment is my business from these two?

These aren't new questions, but in the span of several weeks, the answers are.

You can achieve more clarity with assumptions and projections, with the former driving the latter.

They've morphed from a little different to unrecognizable since February, and here's the foggy part: they're still changing.

Would you like some fog-clearing clarity? Getting what's in your head out and looking back at you from a screen or paper will produce powerful illumination.

And there's no better source for such marketplace sunlight than a business plan.

The most successful small business CEOs

create and operate with a real plan they can refer to regularly. Let's get you on that track.

It isn't complicated. A business plan is an idea for a venture that develops from facts and figures structured and applied into a forecast of what you intend to do, how you intend to do it, and how you project those moving parts will successfully coalesce in the future.

The first part of your plan is about the present: What do you know? What do you have? Who's on your team? What do you need? How are you going to get it?

You already know the first three, and the last two will come from post-pandemic research. The answers to these questions are the narrative part of your plan. Write it all down.

After the words, focus on the future. And in the New Regular, the future we care about spans from tomorrow to the end of 2021.

Here's a handy way to think about it: The future is in the financials. And you can achieve more fog-clearing clarity with these

two financial elements: assumptions and projections, with the former driving the latter.

Assumptions: These are the building blocks of the financial section of your plan. They represent the real numbers you know, like the rent, and those you don't yet know, like future revenue.

Combining experience with post-pandemic research, take your best shot at determining financial assumptions: How much can you sell (revenue)? How much it will cost to produce sales (cost of goods sold)? How much will it cost to operate (expenses)? How much will be left over (profit/loss)?

In an electronic spreadsheet, populate a single cash flow column – like a line-item budget – with your assumptions.

Projections: Then project your budget assumptions to the right for 12 columns (months).

This powerful and dynamic spreadsheet will become your business plan dashboard, full of gauges that recalculate as you update

assumptions based on what you need, what you learn, and ultimately, what happened.

Once you get addicted to your spreadsheet – as I have been for decades – you’ll manage your business with it like a carpenter uses a hammer and nails.

With every passing cycle (day, week, month, year), you’ll replace assumptions with real numbers and re-project into the next cycle. As Tim Berry (galactic guru of business planning) says, “plan vs actual.”

To help you get comfortable with forecasting, remember this: assumptions are often wrong, and projections are always wrong. But the more you work with them, the less wrong they will be.

Arguably, the most important product of your spreadsheet is projecting cash flow – positive and negative – months in advance.

A negative cash surprise is more dangerous than a governor with a coronavirus shutdown mandate.

Surprises are for birthdays – not cash.

Now that you're oriented around the planning steps, reset your 2019 assumptions with answers to those first New Regular questions:

1. What do customers want – right now?
This answer will drive your revenue line, but perhaps more than ever, it will influence operating expenses. Expect customer service – especially your technology – to become a bigger expense/investment than before.
2. How has the competitive landscape changed? Post-pandemic, things here are different. In any other time, we'd want to make the competition worry about you. But the Big Boxes – especially Big Tech – have gained an advantage that's heavily influencing customer expectations. Plus, your New Regular reality may include the absence of some former competitors.
3. How far out of alignment is my business in the post-pandemic marketplace?

This is your prime planning focus. Well-researched answers to the first two questions will reveal this answer on your spreadsheet.

Space prevents more business planning detail. But these two – the words and the numbers – are the foundation. Our purpose here is to get you started. So, get started.

Here are two outstanding business planning resources: Tim Berry's bplans.com and Crowdspring.com/business-plan. You're welcome.

Write this on a rock ...

Without a New Regular plan, your post-pandemic business is driving down a one-way street, the wrong way, at midnight, in a rainstorm, with no lights, and it isn't buckled.

The New Regular

(Normal is now as relevant as an employee-of-the-month parking space during the shutdown.)



19

What Really Matters During a Pandemic

As we find ourselves in the throes of a coronavirus pandemic threatening our lives and the economic shutdown attacking our livelihoods, my thoughts keep coming back to something emphasized earlier in this series: Perspective.

Part of the New Regular is keeping what's happening to us this year in perspective. With that in mind, I'd like to tell you a couple of stories.

Many years ago, I was a consultant to small business owners. One day a client popped

into my office without an appointment. That wasn't uncommon, but on this day the client walked right through my building, into my office, and slumped into one of my wingbacks.

He didn't say a word, but his body language was loud and clear: He was afraid.

"Hey, John, what brings you in today? How can I help you?" I queried in my most professional yet unassuming tone, as I sat in the other wingback.

***If your children
are okay, isn't
everything else BS?***

Struggling for the words, he finally said, "I'm about to lose my

business," as he stared straight ahead – at nothing.

A small business consultant often assumes the role of a psychologist, and I could tell that now wasn't the time for a technical question.

So, after pausing for a few seconds, I asked, "How're your kids?"

With a brow furrowed more than you would have thought possible, John almost shouted, "WHAT?"

Whereupon I repeated my question slower and a little more emphatically, “How...are... Susan...and...Johnny?”

It was plain to see that John was in no mood for questions.

Waving his frustrated hands, he complained, “I’m about to lose my business. I’ve come to you for help and you keep asking me about my kids. What the hell, Jim?”

To which I lowered my voice a little and asked the second question in a similar meter.

“Does...anything...else...really... matter?”

Then, unfurrowing his brow to reveal a different kind of confusion, John said, “Huh?”

So, I asked the question another way. “If your children are okay, John, isn’t everything else BS?”

As John answered, “Well, yes. I guess. No, of course, you’re right,” his body and mind released two tons of tension, which was a human response you don’t often witness.

And he almost smiled.

It turns out that we eventually solved John's potentially business-ending issues.

It's amazing how productive you can be in solving challenges when you achieve and maintain perspective. Any wisdom from me that day came from my own ownership challenges of learning how to keep business problems in perspective with what really matters. Perhaps, just now, that approach could be beneficial to you. So, how're your kids?

The second story, like Labor Day, is also timely this week.

Rock star malcontent, Warren Zevon, died of lung cancer 17 years ago this week at the too-young age of 52.

If poets were punctuation, Zevon was a great, big, bold, in-your-face exclamation point, living in a world with too many pedestrian periods.

Zevon penned songs like the now ironic, "Life'll Kill Ya," the classic "Roland the Headless Thompson Gunner," and my

favorite, the immortal “Werewolves of London.”

See if this sounds familiar: Zevon worked without a net, passionately creating products for customers he hoped would appreciate and pay for his unique offerings. Yes, as a singer, songwriter, and producer, Zevon was a small business owner, like you.

Facing down death, Zevon found perspective. With less than a year to live, and everyone knowing his days were numbered, Zevon made his last of many appearances on David Letterman’s late-night program.

These two had developed a kinship over the years, so it was appropriate for Letterman to ask his friend what he’d learned about life.

Sitting up on the edge of his chair, Zevon answered by looking through the camera lens straight into every soul watching, and said, “Enjoy every sandwich!”

He didn’t mean life is short, get more sales. The man whose life’s work was the definition of sardonic was saying, “Breaking News:

You're not going to get out of this alive!"

In a year that now defines unprecedented, we risk losing our grip on what really matters. Saving our business is important – but it shouldn't be #1 on the important list. And all the dragon-slaying in the marketplace can't begin to move the concern-o-meter needle when weighed against having joy in our lives.

Finally, to help maintain New Regular perspective even during – especially during – a pandemic, here are those two questions from your humble correspondent, followed by what I'm calling "Zevon's Razor."

How're your kids? Does...anything...else...really...matter?

Enjoy every sandwich.

Write this on a rock ...

Warren was lucky; he knew how much time he had left. You don't.

The New Regular

(Normal was just inducted into the Irrelevance Hall of Fame, joining payphones, VHS tapes, and, sadly, fellow 2020 inductees, the hug and the handshake.)



20

Small Businesses Need IP “Corpsplaining”

There are innumerable ways that the small business sector is better than Corporate America, and all are ingredients of the legendary Main Street special sauce, regularly chronicled here.

But in at least three disciplines – human resources, marketing, and intellectual property (IP) – most small business owners should sit still for some corpsplaining from the big guys.

Corpsplaining – “You say you know, but let’s review anyway” – is my latest coinage.

It's like what ladies call "mansplaining," only not as cute.

Saving the first two Big Business advantages for another day, let's discuss intellectual property in terms of operating your post-pandemic business in the New Regular marketplace.

Stay with me because your small firm eats IP by the gigabit. In fact, you couldn't function without it.

Small business survival requires thinking more like Corporate America about leveraging IP.

Historically, the strongest cavemen, the biggest horses, the fastest ships,

the largest factories, and most inventory all had an advantage over punier competitors.

But a pair of 20th-century surveys conducted twenty years apart revealed the timing of an unprecedented historic shift in how businesses use assets as leverage.

Conducted in the late 1970s, the first survey discovered how businesses used the two major asset classes to drive their business

model: physical stuff, like machines and rolling stock; and intellectual property (IP), like patents and trademarks.

The results showed 80% of leverage came from physical assets, with IP powering the rest. A generation later, when Internet access was called “dial-up,” that same question was asked again.

This time the results indicated the two numbers had almost inverted: 73% IP and the rest tools and trucks. Less gasoline and more gigahertz.

If you’re wondering why respondents to both surveys could answer asset leverage questions so specifically, it’s because they were all big businesses, where such metrics are tracked regularly.

Alas, not so much out here on Main Street, and that’s where the corpsplaining comes in handy.

Small business survival requires thinking more like Corporate America about leveraging IP.

It took humans 10,000 years to go from mammoth to mainframe, and only a couple of generations to go from mainframe to mobile. So, in 2020, we shouldn't have to take a survey to see the increased velocity of business leverage conversion from analog-to-digital, physical to intellectual.

Unfortunately, even though IP is essential to success in the marketplace, most small business owners just don't think about it much. For example, how conscious are you that your business uses two types of IP?

To help get IP more on your radar, the Blasingame Mint has struck two new acronyms: OPIP and YPIP.

OPIP stands for Other People's Intellectual Property. Examples include handy digital tools your business leverages to serve customers, like Microsoft Word, Google Chrome, Intuit QuickBooks, and the 186 mobile apps on your phone.

As your technology leverage increasingly ramps to meet New Regular customer

expectations, train your people how to blend OPIP with the second IP category.

YPIP stands for Your Proprietary Intellectual Property. If you've never patented an invention, created an app, or wrote a book, you may deny owning YPIP.

But what about your company name? Have you registered that trademark? What about a service offering you've branded and promote in the marketplace? Have you registered a service mark? If you post content – written, audio, or video – on your website or anywhere else, have you identified it with a copyright? All of that is YPIP.

Now let's get closer to our daily involvement with the hardest working form of IP, especially out here on Main Street: the trade secret. Think Colonel Sander's "11 herbs and spices," and Coke's secret recipe (it's not just caramel and fizz).

Your customer lists – names, contact information, purchasing records, etc. – are regular and valuable YPIP. But the many

things you know about the habits of those customers, including new, post-pandemic expectations compared to past behavior, are your trade secrets. How about your delivery routes, which you've created over the years based on customer specifications, traffic patterns, vehicles, and staff? Yep, that's YPIP in the form of trade secrets.

The pandemic has punched into overdrive the already accelerating shift to more IP leverage. Main Street businesses that survive and thrive will blend OPIP and YPIP to create strategic, unique, and maybe secret alloys.

OPIP will be easier to quantify because it's packaged and delivered off the shelf, ready to eat. But start being more conscious of and intentional about YPIP. And like the Colonel and Coke, keep your trade secrets secret until someone pays you big bucks for it.

In the post-pandemic, New Regular era, your small business has an advantage: You can create that OPIP-YPIP alloy and blend it with Main Street values to create the

legendary special sauce customers love. With all their money, neither Amazon nor Walmart can do that.

And they have to conquer the world – you don't.

Write this on a rock ...

Operating in the New Regular economy, you can't afford to wait for a competitor to corpsplain either OPIP or YPIP to you.

The New Regular

(When normal tried to pass as “new” on Twitter, the cancel culture came apart and the account was immediately suspended.)



21

Claim This Powerful Pandemic Present

10,000 years ago, protomarket was born when Og and Gog dropped their clubs and said, “Let’s stop fighting and do business.”

At that same moment, something else was born that became the second most powerful human force: Trust. Only a mother’s love is more awesome. Everybody knows that.

Fast-forward to 2020 and trust is still the abiding nexus of every human interaction. Arky Ciancutti, M.D., my friend and co-author of *Built On Trust*, says, “We are a society in search of trust.”

In life, the expectation of trust is non-negotiable. Humans may be illogical about love, but we're not confused about trust – we require it.

As a small business owner, you've accrued a rare pandemic present arising from the increased velocity of the New Regular economy: Trust is now more valuable, and therefore, more powerful than ever.

In the marketplace, trust isn't just doing the right thing – it's a best practice.

And since small businesses are the best at delivering trust, this greater emphasis may become your only advantage over Corporate America. Happy birthday.

But the trust advantage isn't self-actuating – you have to claim it, protect it, and leverage it.

Not long ago, when we were merely in the Digital Age, everything was under extreme pressure from the breathtaking, speed-of-light velocity of change. No big deal, right?

A new social media platform popping up every other day? Bring it on.

An explosion of online buying? We got this.

More prospects doing business on a mobile device? No prob.

Ama-Kong and Wal-Zilla chomping giant gouges out of the Main Street marketplace? Do your worst.

But then, we were visited by an unprecedented pandemic.

No one living has ever witnessed so many abrupt shifts, most of which aren't foreign or unfamiliar, just thrust upon us one or five years early. And almost all those shifts are associated with technology. Digital leverage. High tech.

Naisbitt's Razor: "The more high tech we have, the more high touch we will want."

Guess what customers call high touch? Bingo.

And the faster the velocity of change, the more valuable trust becomes. Or, as Arky

says, “The harder trust is to find, the more precious it is.”

Here’s how your coronavirus gift works: As we continue to discover pandemic-altered and accelerated customer expectations, seeking trust will become less subconscious and more intentional because their acquisition process has become much easier.

A customer, to herself: “I can get exactly what I want, at pretty much the same deal, from three different companies. Now, which one do I trust ... the most?”

This hyper-handly process allows customers to focus on the last remaining consideration, which happens to be the only thing you offer that isn’t a commodity. Yep, it’s that trust thing.

More Arky wisdom: “An organization in which people earn the trust of others has a competitive advantage.”

In the marketplace, trust isn’t just doing the right thing – it’s a best practice. The more

customers trust you and your business, the less likely they are to seek options elsewhere – that’s always been so. But post-pandemic – especially in the B2B sector – customers will increasingly narrow their vendor list to the most trusted, not the least expensive.

Here’s the ROI of your trust gift: the more customers trust you, the more they will pay you, which means higher margins. And that trust justifies your margins because delivering it saves customers time and drives quality to their customers, which defines value.

So, what does trust look like to a customer?

Trust looks like ethics.

In his book, *In Search of Ethics*, my friend, Len Marrella wrote, “Ethics is devotion to the unenforceable.

Bill to you: “It looks like that last deal point I wanted was left out of the contract we signed last week.” You to Bill: “Well, I agreed to it, so let’s put it back in and make it so.”

Trust looks like integrity.

From French Nobel Laureate, Albert Camus, “Integrity has no need of rules.”

One of your employees to Mrs. Johnson:
“It looks like the manufacturer’s warranty has expired, but don’t worry. You bought that from us, so we’ll take care of it.”

Trust looks like consistency.

From Socrates, “Be in reality what you appear to be.”

Two-and-a-half millennia later, trust doesn’t hide behind algorithms. Your instructions to website developers: “We don’t abuse customers whether they come in our front door or our online doors.”

Customers expect trust to be seamlessly integrated into every contact with your business, not just from you. And since trust isn’t self-actuating, organizational trust cannot be presumed or taken for granted. You have to say it out loud to your team.

Train employees on how to demonstrate trust in ethical situations, do what was promised even if it was only implied, and consistently deliver on the values you say your brand stands for – even when it hurts.

Here's a quick trust training list to get you started and to use in role plays.

- **Tell the truth:** Even delivering bad news is a form of trust. The truth is not only moral, it's efficient and simple.
- **No surprises:** In the marketplace, surprises erode trust. Surprises are for birthdays.
- **Distribute trust power:** Empowering trust all the way down the organizational chart – trust responsibility and authority – creates customers you can't run off.
- And this one's for you: Like leadership, trust illuminates itself. **Walk the talk.**

Last thoughts from Arky: “The competitive advantage that trust gives your small business is waiting to be harvested. It's not even low-

hanging fruit – it's lying on the ground.”

Write this on a rock ...

Trust is now more prominent and precious, and it's the single most powerful advantage your small business has. Claim this rare pandemic present and let the cha-chinging begin.

The New Regular

(Recently placed in the placebo group of a COVID-19 vaccine study, it's not looking good for Normal.)



22

Prepare for Conflicts of Customer Expectations

Once upon a time, in a land far, far away, only wizards and fairies had magic wands and customer expectations were easy to anticipate.

Now, come back to the rude reality of post-pandemic 2020 and things here are different.

Let me tell you a story that plays out across Main Street markets every day. This one takes place in Peoria.

A couple is driving through town when John says, “I’m hungry for pizza.”

Sue agrees, “As long as it’s pepperoni.”

What happens in the next 60 seconds is a dramatic example of the difference between doing business today compared to not that long ago – especially this year.

Raising her magic wand, Sue commands, “Pepperoni pizza in Peoria near me,” whereupon her virtual pixie, Siri-Alexa, dutifully delivers a stack of links.

The value metric is being redefined by growing digital expectations and Covid-19 safety expectations.

Since Sue turned on her magic GPS, on top of the stack are links to the websites of handy Peoria pizza purveyors. The first link goes to a company that makes

fresh sauce and dough every day and has the best prices. The second link is to a restaurant that ships in all ingredients and is more expensive.

Touching the first option with her manicured index finger takes Sue to the web address of the homemade ingredients and

best prices. But wait. Within five seconds, she clicks out of that site before she discovers their advantages. What happened?

This business failed what I've named "The Moment of Relevance." Its website wasn't mobile-ready, and consequently, appeared very small in the small screen in Sue's small hand. Not cool.

Moving on, Sue selects the next link, which takes her to the pizza company with the shipped-in stuff, and higher prices. But this online experience was more relevant to Sue because their online offerings fit perfectly in her screen and to her eye.

And then, as if with digital pixie dust, this business pulls off the relevance hat trick by allowing their new customer to order a pepperoni pizza, pay for it, and schedule it for car-side pick-up in 20 minutes, all with the power of Sue's magic wand. And in another layer of relevance, this transaction suits John because now he doesn't have to put on a mask and go inside.

Did you catch that? In addition to their pizza preferences, our story also includes a 21st-century phenomenon I'm calling "expectation conflict." This is when a prospect is balancing multiple expectations around a purchase decision, including an expectation other than the product.

For Sue and John, the expectations of a mobile-ready transaction, plus the health-safety factor, conflicted with the immortal value proposition of "quality + service + price = value."

By any classic marketplace measure of meeting pepperoni pizza expectations (insert your product/service offering here), the better quality/lower price business has the winning value proposition.

But remember, in an increasingly mobile-centric marketplace, in the middle of an unprecedented health/economic shock, things here are different.

That value metric, the gold standard for millennia, is being redefined in the 21st

century by growing, multi-faceted digital expectations, and just this year, black swan Covid-19 safety expectations.

In our story, the digital and pandemic expectations of these pizza prospects combined to conflict with and take priority over the classic pizza value proposition. And here's the scary part of failing the Moment of Relevance: the losing business was ruled out without ever knowing the prospect existed. They never had a shot.

But a story might as well be a fairy tale unless you have facts to back it up. So, consider what's contributing to this evolution of expectations.

Half of the humans on planet Earth – 3.5 billion – use a smartphone every day. In a globally-connected marketplace, with international consumer payment systems becoming increasingly ubiquitous, could you use some of those prospects? Our team has made several international online purchases this year.

In the U.S., 2020 smartphone-users total 276 million, on the way to 290 million in 2023 (Statista). It's easy math to see that's essentially all U.S. adult consumers, not counting millions of businesses. How many of these magic wand-waving prospects would it take to drive your growth into double digits? Twenty? Fifty? Do you have a shot with Sue and John?

And this stat puts a finer point on digital/mobile relevance: Over half of all smartphone owners – again, easy math – connect to the Internet exclusively on their smartphones (WARC). Does your website fit Sue's eye?

BREAKING NEWS – The coronavirus pandemic has contributed to redefining the value proposition by accelerating e-commerce expectations by five years. Meanwhile, the retail sector is off over 70% this year, but e-commerce is up over 90% (IBM U.S. Retail Index).

Quick – what's your web developer's email?

Today, most prospects shop for what's on their mind before they make contact with relevant businesses. Admit it – you do, too. So, even if you don't offer e-commerce capability, you at least must have a mobile-ready website. This is non-negotiable.

If the losing pizza parlor in our story had a mobile site, Sue likely would have lingered long enough to discover their classic value proposition of wholesome products and low price, which might have intervened in the expectation conflict. At least that business would have had a shot.

Write this on a rock ...

In the post-pandemic, New Regular economy, with magic wands and conflicting expectations, customers and prospects are redefining the value proposition. At that Moment of Relevance, do you have a shot?

The New Regular

(Normal just checked into
a halfway house for the
pathologically nostalgic.)



23

The Future Will Be More Redundant

Redundant. What comes to mind when you hear that word?

Dictionary.com reports that it means, “no longer necessary or useful, superfluous, needless, unessential.” For example, it’s redundant to say, “undercapitalized small business.”

As business managers, we convert Wiki’s words into “expensive, inefficient, and unproductive.” In fact, we’re on a continuous quest to root out waste and the likely offenders are anything redundant.

One of the markers of the 2020 coronavirus pandemic is its disruptiveness, both on society in general and the marketplace in particular.

In the third decade of the 21st century, in

The pandemic has shown that if a good or service is essential, businesses must demonstrate supply chain redundancy.

the New Regular economy, these disruptions have illuminated the need for more redundancy.

Consequently, I'm forecasting that we'll not only regard the word and concept with more respect, but redundancy will increasingly become a business best practice and a customer expectation.

Let me put a finer point on that: Expect to see proof-of-redundancy request letters from customers and in RFP specifications. Start budgeting for redundancy today, even if you don't yet know how you'll spend it.

Now, let's focus on four areas of redundancy that will impact your business sooner than later.

The goal here isn't to cover the redundancy landscape (maybe my next book), but rather, to foster a better rap for redundancy. To see it not as an inefficient profit-eater, but as a prudent practice in playing the long game.

The Supply Chain

This is a marketplace structure as old as the division of labor.

Alas, as a primordial mechanism of commerce, the ubiquity of the supply chain has caused it to be taken for granted, like electricity or oxygen.

But the pandemic has illuminated weak links in the global supply chain continuum, from the macro movement of all goods and services across the global economy to the micro fulfillment of a small business's e-commerce order.

During the pandemic, virtually everyone could have benefited from better supply chain redundancy.

For decades, Wall Street has demanded redundancy-eradicating practices to drive

profits to the bottom line; certainly, no crime there.

But the pandemic has shown us that if a good or service is essential – like antibiotics or microprocessors – businesses must demonstrate supply chain redundancy for when, not if the primary source is eliminated.

Consider this headline from a new NCSC report: “Supply chain exploitation by foreign adversaries a growing threat to America.”

In the New Regular, the only thing more expensive than supply chain redundancy is finding your business – or your country – without an essential source because of a black swan or bad actors.

Energy

How we power the marketplace is a practical and political hot potato these days. Practical for business efficiency and political due to both the hysteria and denial of climate change.

It’s ironic that both sides of this debate use redundant examples in their arguments.

Businesses seek solutions in natural gas, LP, and more efficient electric, while the green side promotes wind, solar, and thermal. And yet a redundant blend to seek middle ground and make progress continues to be elusive.

Until innovation delivers carbon's replacement (magnets? hydrogen?), budgeting for redundant power should mean both/and, not either/or.

Cyber and Data Security

In case you didn't know, your network is pinged hundreds of times a minute by cyber-criminals, using any number of breaching methods and weapons. Their MO is to get you to click on a cyber-tripwire so they can penetrate the firewall and creepy-crawly across your network and devices.

Once inside, they seize control of your system and lock it up until you pay a ransom. Of course, you must train your people to recognize and avoid cyber-crime attacks. But prevention is only half of your defense because the odds are in favor of the bad guys,

and this is where redundancy rules.

At a minimum, maintain real-time data redundancy in the cloud as well as regular off-line backup on a peripheral. At a maximum, maintain a redundant, parallel-universe network. The grim truth is your default cyber-security goal should be to establish redundancy options for when – not if – a breach happens. Put it in your New Regular budget.

Broadband Connectivity

If data is the new oil, fiber is the new asphalt. One of the illumination surprises of the pandemic is the inadequacy of high-speed, broadband Internet distribution to America's last-mile customers. The pandemic didn't create remote work, distance learning, telemedicine, or e-commerce, but it did accelerate by years our inevitable transition to them, which exposed America's inconsistent broadband infrastructure.

So, if it's agreed that we'll be doing more living, working and business online going

forward, then we must also subscribe to the goal of redundant high-speed broadband connections when important things are required to be done. If your business only has one carrier to access the Internet, how will you serve customers when that connection is down.

One easy step toward redundant networks is to configure all laptops with both WiFi and a mobile network connectivity (my organization practices what I preach). If Comcast goes down, you've got redundancy with Verizon. Budgeting for broadband redundancy is an investment in uninterrupted customer service. What's that worth?

Finally, to deal with future disruptions as a nation and as citizens, we must invest in multi-faceted redundancy and expect it from those we count on.

Write this on a rock ...

In the New Regular future – like tomorrow – redundancy will have a better rap. Budget for it.

The New Regular

(“Normal” is a term used by those who haven’t made a pandemic payroll.)



24

The Marketplace Is More Than Fear and Greed

Fear and greed. Individually, they represent two of the purest primal emotions of modern humans. The headwaters of both spring from the emotion-dwelling part of the brain called the amygdala.

When used together, it’s appropriate that fear is first because it represents a primitively instinctive and less reasoned response. When an unexpected blast occurs, we duck first and determine the caliber of the cannon later. A very primitive emotion.

New Regular expectations will require a more righteous set of marketplace specifications.

Unlike fear, as an emotion, greed is a wholly-owned human franchise. When people progressed to produce more than was

needed for survival, the luxury of greed was born. Greed is a modern human emotion.

But as different as these two emotions are, humans have leveraged them in tandem for 10,000 years to form the paradoxical pendulum that created and continues to power one of the most important human creations: the marketplace.

No doubt you've heard the maxim "Fear and greed drive the marketplace." Delivering the most meaning with the fewest letters, these two words are a model of efficiency any manager could love. But brevity often paints with a broad brush, which can create unfortunate impressions.

Unfortunate because that handy maxim is increasingly fostering negative marketplace

connotations, to the extent of disparaging capitalism as one of the bad “isms.” Alas, marketplace history is replete with episodes that tend to support such an unfortunate assessment. Consequently, as we move into the post-pandemic economy, New Regular expectations will require a more righteous set of marketplace specifications – beyond fear and greed.

So, as we participate in and influence the “ism” debate, Main Street operators should promote the fact that there are many kinder and gentler emotions and motivations that drive our marketplace.

Security

Being warm-blooded, Homo sapiens come with the physiological need to eat regularly, if not daily. Plus, as the hairless weenies of the family Animalia, we require protection from the elements.

A friend of mine expresses his appreciation to customers with, “Thanks for the food and shelter.”

The desire for security – to possess or have available the essentials of life – is a strong human emotion and important marketplace motivator, and civilization is the better for it.

Family

Unlike birds or reptiles, human babies take a long time to fledge from the nest. And it's just as well because they're so darned cute and cuddly (at least until about 14). So, on behalf of family, our parental instincts motivate us to hunt and gather in the marketplace.

To paraphrase Adam Smith, the invisible hand of providing for family contributes to a marketplace that serves the world. No other “ism” does that.

Self-respect

If nothing else, humans are social beings. But creating and living in communities comes with a price paid in a currency we call responsibility. Our ability to think in the abstract produces self-awareness, which when blended with responsibility creates self-respect.

Many a marketplace opportunity has been created, and the world benefited when self-respect wouldn't let someone quit. And a variation on the self-respect emotion serves an increasingly prominent New Regular expectation: a motivation to help the less fortunate.

Ambition

Motivating us beyond mere survival, ambition is perhaps the closest kin to greed. But unlike greed, ambition blends well with other emotions. Consequently, when ambition is forged with self-respect, a uniquely human alloy is born: the quest for excellence.

The quest for excellence represents the intellectual infrastructure upon which productive organizations and markets are built. Successful ambition seeks the attainable, excellence, not the fool's errand, perfection.

Innovation

Many things separate humans from other life forms, but perhaps the most interesting is our primordial tendency to tinker. To

any innovator worth his or her protoplasm, nothing is ever quite right. Surely, one more try will produce a stronger model, a better flavor, or another route.

Without the innovation obsession, Mr. Edison might never have created the light bulb and Mr. Kellogg would never have discovered the cornflake. Can't imagine where civilization would be without marketplace innovation and these two life essentials.

Creativity

It's the fraternal twin of innovation, but creativity wells up from a deeper visceral spring.

Unlike innovation, which is born of need, creativity is its own reward. In terms of purity, this marketplace motivator may be the most sublime because it typically disregards compensation.

The security emotion causes the artist to sell her work, but that's not why she paints. Diet Coke is an innovation of the 19th-century creation, Coca-Cola.

The marketplace continually renews itself because creativity is the impertinent, free-spirit emotion that asks the two marketplace-building questions: “why” and “why not.”

Creativity is to the marketplace what water is to life: you could have one without the other, but not for very long.

Curiosity

This is perhaps the only emotion on the list that we share with other sentient beings – everyone knows what killed the cat.

But curiosity is different in humans in that we do something with the evidence found in our inquiries. And that “something” almost always strengthens the marketplace and benefits participants.

Finally, fear and greed are the original, marketplace-founding emotions. But be prepared to remind the uninitiated – who don’t make payroll – that there are other powerful, productive, and more redeeming marketplace emotions and motivators. Because they enjoy better PR.

Write this on a rock ...

In the New Regular, post-pandemic economy, be prepared to defend the marketplace and capitalism with the full list of emotions and motivations.

This book is an



exclusive

The New Regular

(Normal “put a lid” on itself around the end of March and hasn’t surfaced since.)



25

New PPP Rules You Need to Know

Earlier this year, to capture what small businesses were going through, I coined the Three U’s of the Apocalypse: an Unprecedented coronavirus pandemic, precipitating an Unprecedented economic shutdown, necessitating Unprecedented direct government assistance. What follows is a report on changes to the terms of that assistance.

As the CARES Act was signed into law by President Trump on March 27, I posted a preview of the most likely way your business

would be impacted by it. A few months later, I updated that information with the new terms of the Paycheck Protection Program (PPP).

So, it's now time to update that update, with new PPP forgiveness and repayment rules.

We'll span from the old rules to the new, including what you're expected to do and when you're expected to do it.

My purpose here is to make you better informed when talking with your banker

Since March, the PPP rules have changed several times – in your favor.

and financial advisor to wrap up these transactions. But first, 60-seconds of history.

Since the end of March, Congress appropriated \$659 billion for the PPP, which was executed by thousands of banks. The result was 4.9 million much-needed small business loans totaling over \$521 billion.

The average loan was \$113,000, but almost 80% were less than \$100,000, and

eight-of-ten of those were under \$50,000. That was the equivalent of 29 years of SBA loans. Unprecedented.

Explicit in the name, PPP funds helped small employers make payroll during the government shutdown/stay home firewall imposed between businesses and customers. The sprinkles on this cupcake is that if the small business borrower meets certain requirements, the loan can convert into a grant – fully forgiven.

Since March, the rules have changed several times in your favor. More sprinkles.

More Money?

If you didn't get a PPP loan, that window closed on August 8 with \$130 billion unclaimed. In a recent online poll, we asked small business owners if they needed another round. Less than half, four-of-ten, said they did.

Negotiations in Washington continue for another round of PPP (\$130 billion is still there), plus more term adjustments,

deductibility changes, and targeted help for certain industries.

The Economic Injury Disaster Loan program (different from PPP) is still available. For EIDL info, search for “SBA Disaster Loan.”

More Flexibility and Time

By June 1, the original CARES Act rules had made the acquaintance of reality, as the government learned its PPP strictures were unreasonable in the real world of operating a small business during a pandemic. Consequently, the original parameters were adjusted.

- The initial requirement of spending 75% of PPP funds for payroll and 25% for other expenses was adjusted to 60% and 40% respectively.
- The window to spend these funds expanded from 8 weeks to 24.
- Unless forgiven, the PPP loan amortization now begins 10 months (this is new) after the initial 24-weeks –

essentially 16 months after the date on your loan document.

- Also new is an option to ask your banker for a payback period of up to five years for unforgiven funds. The interest rate is still 1%.

Forgiveness Breaking News

The PPP forgiveness intention hasn't changed, but the process has.

- Your forgiveness grace period is now that same 16 months as described above.
- Lenders have 60 days to review your forgiveness documents and the SBA has 90 days. The forgiveness system is now working – PPP loans are being forgiven and the SBA is repaying banks.

Three New Forms

The first PPP forgiveness form – 11 pages of grueling homework for you, or candy for your CPA – was replaced with two newer forms in June, and just now a brand new one. Find all forms on your bank's website or [sba.gov](https://www.sba.gov).

- The 3508 EZ Loan Forgiveness Application Form (replacing the homework) is less than three pages (thus the “EZ”). Even I can complete it (I won’t – I have people.) This one is for PPP borrowers who DID NOT reduce employee compensation or hours during the 24 weeks.
- Form 3508 (non-EZ), is for those who DID change those two payroll parameters. This one is only a five-page snack for your CPA.
- Form 3508-S is the new kid on the block. At barely one and a half pages, it’s for businesses seeking PPP forgiveness for amounts less than \$50,000.

An EIDL Grant Reminder

Your ultimate forgiveness number will not exceed your PPP loan amount. So, if you received an EIDL grant (not the loan) based on \$1,000 per employee, and your PPP loan is fully forgiven, you’ll have to pay back the EIDL advance.

Don't Get Excited

Don't twist your tidies because you haven't yet submitted forgiveness documents. Even the gray-tie bankers I've talked to see no hurry in processing forgiveness documents. Besides the extra time, there are technical reasons to hit the forgiveness pause button.

According to the NFIB, discussions and lobbying on the PPP continues in Washington, to include another round of funding, a more liberal forgiveness process, and possible deductibility of forgiven expenses. So, patience, grasshopper. And enjoy the sprinkles.

Write this on a rock ...

Take your PPP forgiveness filing cues from your banker – they want your loan to be forgiven as much as you. But remember – delivering forgiveness documents to the bank in time is still your responsibility.

Other Books by Jim Blasingame

The 3rd Ingredient[®]
The Journey of Analog Ethics
into the World of Fear and Greed

The Age of the Customer[®]
Prepare for the Moment of Relevance

Three Minutes to Success
52 Classic Small Business Lessons
You Can Read in 3 Minutes

Small Business Is Like a Bunch of Bananas
You Have to Remove the Peels
to Get to the Good Stuff

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exclusive

The New Regular



About the Author

Jim Blasingame is one of the world's foremost experts on small business and entrepreneurship. As a marketplace futurist, for over 30 years Jim has helped Main Street connect the dots and appraise the implications of the challenges and opportunities coming at them.

He is president and founder of Small Business Network, Inc., a multimedia company dedicated to serving small business.

Jim is the creator and award-winning host of The Small Business Advocate[®] Show,

the world's only weekday radio talk show dedicated to small business. On November 17, 2020, Jim celebrated the 23rd anniversary of his radio program – no small feat for an independently syndicated weekday show.

He conducts over 1,000 live interviews annually with his Brain Trust, the world's largest community of small business experts, policy makers and entrepreneurs. Jim reaches a national radio audience, plus worldwide listeners on his Internet simulcast and the 2,600 podcasts produced annually from the radio show (SmallBusinessAdvocate.com). Jim was podcasting six years before it had a name.

Jim has been a syndicated columnist since 1999, contributor weekly to newspapers and magazines, plus online publications, including Forbes.com, American City Business Journals, and Nasdaq.com. He has published The Small Business Advocate NEWSLETTER every Sunday since November 14, 1999 without missing an edition.

He is the multiple-award-winning author of four books: *The 3rd Ingredient®: The Journey of Analog Ethics into the World of Digital Fear and Greed* (5 international awards), *The Age of the Customer®* (2 international awards), *Three Minutes to Success*, and *Small Business Is Like a Bunch of Bananas*.

For his leadership, Jim has received significant national awards and recognition, including:

- In 2009, the American Chamber of Commerce Executives presented Jim with the coveted Champion of the Chamber Award.
- The New York Enterprise Report honored Jim with their 2009 Small Business Advocate Award.
- The Association of Small Business Development Centers recognized Jim with the 2008 Champion of Small Business Development Award.
- The U.S. Small Business Administration

recognized Jim as the 2002 Small Business Journalist of the Year.

- Talkers magazine recognized Jim as one of the most important talk show hosts in America.
- FORTUNE Small Business magazine recognized Jim as one of the 30 most influential small business experts in the U.S.

As a high-energy keynote speaker, Jim talks to small business audiences about how to compete in the Age of the Customer, and he teaches large companies how to speak small business as a second language.

When He's Not Working

Jim has been a Rotarian for over 30 years (past president, Paul Harris Fellow), an ardent supporter of Chambers of Commerce, and he taught an adult Sunday School class for over 30 years.

His greatest successes are his two children: a daughter, Jenny, who's a Registered Nurse (Jim calls her "Super Nurse," says she has

the cape and everything). His son, Craig, is a police lieutenant, SWAT team leader, and ex-Marine with 2 tours in Iraq. (Jim says, “You can always tell a Marine – but you can’t tell ’em much.”). Both of Jim’s children have provided him with two grandsons each: Hurricane, Tornado, Crash and Train Wreck. Jim teaches a clinic on how to be an obnoxious grandfather.

In addition to being the anchor of Jim’s personal and professional universe, his awesomely beautiful wife and keeper, Davonna, teaches clinics on how to work with and remain married to a certified control enthusiast. Vegas still offers a line on this match, but the odds change daily.

Jim was proud to wear the uniform of the U.S. Army for 15 years before resigning his commission at the rank of captain, having commanded an airborne unit for three years in the Reserves. He’s a licensed pilot with instrument and multi-engine ratings.

Unlike most men, Jim got confused and

retired from golf so he could work more.
He plays the guitar for his own amazement,
likes his rock-n-roll loud and his blues pure.
He collects art, is a wine enthusiast and an
aspiring gourmet. Word is, he's pretty good.

And don't ask Jim why he bought a full
size backhoe.

The New Regular™

How to Survive and Thrive in the Post-Pandemic Economy

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The New Regular™

**How to
Survive and Thrive
in the
Post-Pandemic Economy**
(Because normal went missing in 2020)

Jim Blasingame

Prepared exclusively for

