

Small Business Matters

i Want more information and resources on this week's topics, ideas and events? Go to www.cose.org/smallbizmatters.



BIG IDEAS

The Medici Effect Author Shares His Insights on Innovation and Success

Frans Johansson, best-selling author of *The Medici Effect* and *The Click Moment*, writes about what he is passionate about. And in writing his books, he has shattered assumptions about how great ideas happen and the idea that in business you can strategize, plan and analyze your way to success. Johansson will share his insights as the featured speaker at COSE's next *think spot* event. We recently had the opportunity to ask Johansson a few questions about how he got his start, his advice for entrepreneurs and what to expect at his upcoming *think spot* appearance.

What can the audience expect from your *think spot* presentation?

Innovation will be the underlying theme of my talk. I will focus on how we come up with a great idea and the different approaches we take in response to it – whether innovative or ordinary. Your best chance for groundbreaking innovation is at the intersection where diverse concepts, disciplines, cultures and industries collide. I'll talk about ways you can tap into your community and your life to make unique connections that can bring about breakthroughs.

Tell us a bit about *The Medici Effect* and *The Click Moment*.

My first book, *The Medici Effect*, is named for the phenomenon that happened in Florence hundreds of years ago when diverse concepts, cultures and disciplines intersected, leading to one of Europe's most creative eras, the Renaissance. I started thinking about what happens if you combined architecture and termites, bikinis and burkas, and techno music and Martin

Luther King. How and why are those combinations possible? You would assume that they aren't. But out of these seemingly random combinations have come groundbreaking ideas that have created whole new industries. I discovered that the unexpected outcomes in every life journey can have the biggest impact on the fortunes of others. You can have that same effect in your organization or business if you can figure out a way to bring about diversity.

My next book, *The Click Moment*, delves into how to harness serendipity to stand apart. It's a study of randomness and luck. I say that if a good idea is a light bulb going off over your head, a true click moment is a supernova exploding at 100 billion degrees. There is no cheat sheet for life. No one can say, "Follow these three steps and you will be



Frans Johansson

the *think spot*

where **big ideas** come to life

Thursday, June 24, 2015

5:30 - 8 pm
Renaissance, Cleveland

Register at
www.cose.org/thinkspot

successful." Success comes in many different forms, but it virtually always comes from the unexpected. This book uncovers ways to capitalize on those unexpected moments.

i Read more of our interview with Johansson as he discusses the best advice he ever received and offers his own advice for entrepreneurs at www.cose.org/news.



ASK THE EXPERT

Offering Workplace Banking as an Employee Benefit

Economic recovery can be a mixed blessing for small business owners. Certainly, business owners welcome and benefit from increased demand for services. At the same time, economic recovery can also create additional stress for businesses. More business can mean increased demand for qualified employees, particularly those with experience in high-demand segments. Therefore, employee recruitment and retention remains a top of mind issue for most business owners.

Owners have numerous options to incent and reward their employees. They can boost wages, provide or improve health insurance benefits, or establish retirement benefits, such as matching a percentage of employees' 401ks. These tactics are all valuable, but are also expensive.

However, there are other ways for small business owners to offer valued employees additional benefits. Workplace banking programs are one example of a benefit employees



Matthew Wyner,
KeyBank

appreciate that owners can offer without any cost to them.

A recent MetLife survey showed 45 percent of employers surveyed said it is important to them to provide financial education to employees so employees can become financially secure. The study shows that employees who are more financially stressed than their peers believe they are less productive at work.

Workplace banking programs benefit employees in several ways. Banks offer financial education to business clients' employees, assisting

them with everything from managing cash flow and improving credit scores to retirement planning. In addition, many workplace banking programs offer reduced pricing on banking services. This may include checking accounts and reduced rates on loans, including mortgages.

Many workplace banking programs are able to complete account applications at the work site so employees don't have to remember to enroll online from home or make a special trip to a bank branch. Typically, a small business owner can expect a workplace banking program to offer access to a licensed investment manager as well as financial education information.

Investing in employees by offering them workplace banking can pay off big for many business owners. A more financially secure and confident employee is often a more loyal and productive employee.

MATTHEW WYNER,
Senior Vice President, Retail Banking,
East Ohio Region, KeyBank



52 TIPS FOR YOUR BUSINESS

#23: Keep the Cash Flowing

Cash flow management is crucial in effectively managing your business finances. Having a positive cash flow shows lenders, investors and vendors that your business is in good financial health; a negative cash flow puts your business in serious financial risk. The difference between positive and negative cash flow can mean the difference between a successful year and bankruptcy.

Creating prolonged periods of positive cash flow goes much deeper than just reviewing your monthly bank statements. True cash flow management is a delicate balance, stemming from your ability to hold onto your cash for as long as possible while keeping a steady stream

of money coming in. "What often happens is that a small business owner will focus too much on their checkbook

balance and not on who owes them money or who they may owe," says Rion Safier of Rion Safier Accounting. "It's important to pay better attention to the whole process of billing, collecting and payments."

Most businesses at some point will experience negative cash flow, but that is not necessarily a sign of failure. Accounts receivables are almost always to blame – nearly 70 percent



of businesses have accounts that are greater than 60 days past due. Other contributing factors include normal cyclicity or seasonality in business operations. If you can anticipate that someday down the road you may fall short on cash, arrange for a line of credit to cover operating expenses for when things get tight. If you wait until that day arrives, chances are you won't get approved.

PRESENTED BY



council of smaller enterprises

June 8

By The Numbers Small Business: Job Creators



Small businesses have generated more than **65%** of the net new jobs since 1995.

SOURCE: U.S. CENSUS BUREAU

Connection Calendar

COSE WEBED SERIES: ENGAGING YOUR EMPLOYEES: HOW TO GET YOUR STAFF TO CARE AS MUCH AS YOU DO

Practical advice from Charlie Colon, global channel manager for Employee Engagement for Gallup, on how to change how leaders view their work, employees and customers.

JUNE 16

11 AM – NOON

Cost: FREE

Register at www.cose.org/events.



TECH GROWTH: LESSONS FROM THE DEAL

Cleveland's own OverDrive, Inc. recently sold for more than \$400 million, a fantastic success by any measure. CEO/Founder Steve Potash shares inside details on the company's early days, growth and lessons learned from the very fruitful selling of the company.

JUNE 18

11:30 AM - 1 PM

Lockkeepers, Valley View

Cost: OHTec and COSE members \$25; non-members \$40

Register today at www.cose.org/events.



RNC SUPPLIER FORUM

Find out how to become a supplier for the estimated \$100 million spend for the 2016 Republican National Convention.

JUNE 24

3:30 – 4:30 PM

Renaissance, Cleveland

Cost: Free

Reserve your seat at www.cose.org/mc.



Check out www.cose.org/events for all the latest happenings.