grow, and thrive... and when we were hit with the economic fallout from covid-19, the Clatsop SBDC stepped up as the regional leader for our local business community. Through webinars and online interaction, they helped many businesses (including my own) take a critical look at our operations. This allowed small business owners to make informed and effective decisions in response to the rapidly shifting marketplace. They are a tremendous asset to our region, and one that I will proudly partner with for years to come. The Clatsop SBDC was impressively dedicated to not only educating small businesses about SBA lending options, but also educating businesses in using those funds to the best of their ability and setting up our operations for long-term success. Much like the proverb "You can give a person a fish and they will eat for a day, or you can teach a person to fish and they will never go hungry," the staff and advisors at the Clatsop SBDC are dedicated to teaching local businesses how to succeed. With their continued dedication and investment in our community I truly believe that North Coast small businesses will never have to "go hungry" again."

To contact the Clatsop SBDC for a free and confidential appointment (currently through ZOOM) email sbdc@clatsopcc.edu, call 503-338-2402, or check out the SBDC website at bizcenter. org /Clatsop to request a meeting or sign up for the upcoming Business Boot camp series kicking off in mid-July: FREE!

If you can measure it, you can change it

By Jessica Newhall
Clatsop Community College
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Business, by design, is full of uncertainty. Markets are unpredictable, consumer tastes are ever evolving, and new competition is always on the horizon. Reflecting recently upon the challenges business owners are facing as they ride the waves of this pandemic, the concept of using data to build confidence came to mind and I was taken back to a mantra I learned from my grandfather many years ago.

Grandfather Timmer was a pragmatic, practical man born in Chicago to first-generation Dutch and Scottish immigrants. His formative years were during the heart of the Great Depression, where every household penny was accounted for. Following his time in the Army during World War II, he had a successful career as an engineer and rose to be president of an industrial parts company. In retirement he was always creating new things including designing and installing his own solar powered pool heater (in the 70s!) and programming computers. He was an avid golfer, relished playing cards and actively traded in the stock market. When I once asked my grandfather what he attributed his life's success to, he shared his mantra with me: "if you can measure it, you can change it."

Peter Drucker, the renowned business management expert with 39 books under his pen, said something similar: "If you can't measure it, you can't improve it."

When looked at through the lens of small business, what both my grandfather and Mr. Drucker were suggesting was that by constantly monitoring key performance metrics, you can gain control of the uncertain and more adeptly design and implement plans to improve your chance at achieving your goals, whether they be long term or short.

For small business owners, luckily there are some well-established, straightforward methods for evaluating business performance, starting with

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understanding your company's financial position.

It is not always an easy process to gather and assemble the information or comfortable experience to do the initial analysis (kind of like stepping on the scale after the holidays!). Yet, once you have it together and can gain some confidence in the process (and let go of the self-judgment!) there can be a "light-bulb" moment of clarity where you can see where you are and can begin to develop plans of action with more confidence.

Whether you are a business owner new to this process, or simply need a refresher, here are three steps you can take to gain a bit more control and confidence in your decision-making right now:

1. Get your financial statements together.

Ideally, you will have a profit & loss, balance sheet, and cash-flow statement — but if your books are not up to date you may want to start with a simple 12-month cash-flow forecast. Do not know how to read your financials or build a forecast? Ask for help from a knowledgeable bookkeeper or an advisor at the Clatsop SBDC. This will be hands down the most pivotal step you can take to ensure your business will be around for the future.

2. Get personally invested.

Make performance measurement meaningful to you. Ask yourself what you want: More take-home income? Fewer hours devoted working in the business? A vacation? Want to grow the value of your business for retirement? Of course, in times of extreme challenge, you may be just looking for confidence you can make it through the next 30-60-90 days.

3. Identify what you need to do to get there.

Are you charging enough for your products? Can you trim the costs to produce your products? Are your gross profits high enough to support an employee to help you? Do you need to trim expenses to take more income home? Do you need to do more marketing to sell more products or services? Do you need to launch a new product or service to generate new streams of income?

Once you understand where you are, where you want to be and how you will get there — all with a solid foundation of data behind you, you will be able to more confidently move forward. As Eleanor Roosevelt once said, "It takes as much energy to wish as it does to plan." Grandfather Timmer would have certainly agreed, with an added emphasis to measure your progress along the way!

If you want to learn more about how to read your small business financials, consider registering for the Clatsop SBDC's free Virtual Summer Small Business Bootcamp, offered live and on-demand. For more information visit www.bizcenter.org/ Clatsop.

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