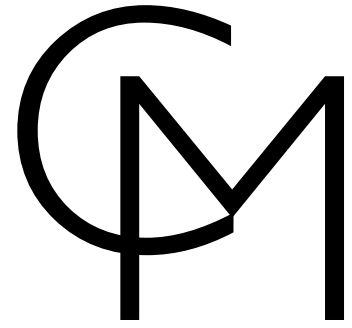


# The California Merchant

*News for the California Merchant Safety Association*



## Stretch those dollars!

In today's unpredictable financial climate, small businesses are often operating on a thin margin. Rising costs, supply chain disruptions, and economic uncertainties necessitate innovative strategies for cost-saving. Here are several practical ways small businesses can save money and maintain financial health.

### Optimize Operational Efficiency

Improving efficiency is one of the most effective ways to cut costs:

- **Automate Processes:** Utilize automation tools for tasks such as invoicing, payroll, and customer relationship management. Automation reduces manual errors and frees up time for more critical activities.
- **Streamline Workflow:** Analyze and optimize workflows to eliminate redundancies and improve productivity.
- **Outsource Non-Core Activities:** Outsourcing tasks like IT support, accounting, and marketing can be more cost-effective than hiring full-time staff.

### Reduce Overhead Costs

Overhead expenses can quickly add up, so it's essential to find ways to minimize them:

- **Negotiate with Suppliers:** Regularly review contracts with suppliers and negotiate better terms. Consider bulk purchasing or forming buying groups with other small businesses for discounts.



- **Remote Work:** Encourage remote work where possible to reduce office space and utility costs.
- **Energy Efficiency:** Implement energy-saving measures such as LED lighting, programmable thermostats, and energy-efficient appliances to lower utility bills.

### Leverage Technology

Technology can be a powerful ally in reducing costs:

- **Use Free or Low-Cost Software:** Many software solutions offer free versions with essential features. Explore open-source options for accounting, project management, and communication tools.
- **Cloud Computing:** Switch to cloud-based services to save

Please see SAVINGS , page 2

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## In This Issue

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*Does your business have the right insurance?*

*When an employee doesn't get the promotion*

*Heat wave! Take care of your workers in extreme heat*

**... and more**

# Savings: Find grants, loans, and other programs

Continued from page 1

on hardware costs and maintenance. Cloud computing also offers scalable options that grow with your business.

- **Online Marketing:** Utilize social media, email marketing, and content marketing to reach customers inexpensively. Digital marketing often provides a higher return on investment compared to traditional marketing methods.

## Improve Inventory Management

Effective inventory management can prevent excess stock and reduce carrying costs:

- **Just-In-Time Inventory:** Adopt a just-in-time inventory system to reduce storage costs and minimize the risk of overstocking.

- **Use Inventory Management Software:** Track inventory levels in real-time to avoid over-purchasing and identify slow-moving products.

- **Negotiate Return Policies:** Work with suppliers to negotiate favorable return policies for unsold or excess inventory.

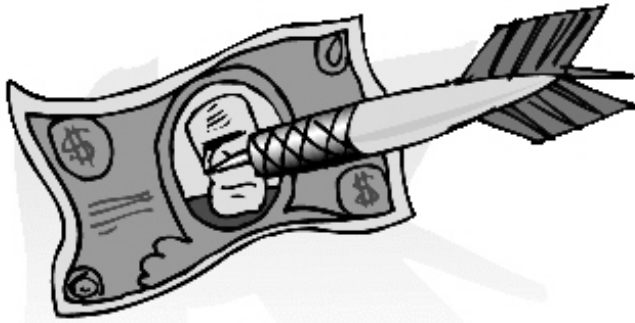
## Reevaluate Your Business Model

Sometimes, cost savings require a more fundamental reassessment of your business model:

- **Diversify Revenue Streams:** Explore new revenue streams that require minimal investment, such as digital products or services.

- **Adjust Pricing Strategies:** Regularly review and adjust pricing strategies to reflect market conditions and maximize profitability.

- **Focus on Core Competencies:** Concentrate resources on



areas where your business excels and consider phasing out less profitable products or services.

## Seek Financial Assistance

Take advantage of financial support and incentives available to small businesses:

- **Government Grants and Loans:** Research and apply for government grants, low-interest loans, and other financial assistance programs.

- **Tax Incentives:** Consult with a tax professional to identify tax credits and deductions your business may qualify for.

- **Crowdfunding:** Explore crowdfunding platforms to raise capital for specific projects or new product launches.

## Implement Cost-Effective Marketing Strategies

Effective marketing doesn't have to be expensive:

- **Social Media Marketing:** Leverage platforms like Facebook, Instagram, and LinkedIn to engage with customers and promote your products or services.

- **Content Marketing:** Create valuable content that addresses your customers' needs and positions your business as an industry expert.

- **Referral Programs:** Encourage satisfied customers to refer new clients by offering incentives such as discounts or free services.

## Invest in Employee Training

Well-trained employees are more productive and can help identify cost-saving opportunities:

- **Cross-Training:** Train employees to handle multiple roles, which can reduce the need for temporary staff and increase operational flexibility.

- **In-House Training:** Develop in-house training programs to enhance skills and improve efficiency without the high costs of external training.

## Monitor Financial Performance Closely

Regularly review your financial performance to identify areas for improvement:

- **Budgeting:** Create and stick to a detailed budget, adjusting as needed based on actual performance.

- **Financial Analysis:** Use financial analysis tools to monitor cash flow, profitability, and other key metrics.

- **Regular Audits:** Conduct regular financial audits to ensure accuracy and identify potential savings.

In the current financial climate, small businesses must be proactive in seeking ways to reduce costs and improve efficiency. By optimizing operations, leveraging technology, and making strategic adjustments to their business models, small businesses can not only survive but thrive despite economic uncertainties. Implementing these cost-saving strategies will help maintain financial stability and position your business for long-term success.

# Summer vacation: Staying safe and healthy

Summer vacations are a time to unwind, explore new places, and enjoy the great outdoors. Whether you're traveling abroad, camping in the wilderness, or embarking on a road trip, it's essential to prioritize safety and health. Here are some tips to ensure you have a fun, safe, and healthy summer vacation.

## Traveling Abroad

When traveling abroad, preparation is key to staying safe and healthy. Before you depart, research your destination thoroughly. Understand the local customs, laws, and any potential health risks. Make sure your vaccinations are up to date and consider any additional vaccines that may be recommended for your destination. It's also wise to purchase travel insurance that covers medical emergencies, as healthcare costs can be high in some countries.

Pack a first-aid kit with essential items such as bandages, antiseptic wipes, pain relievers, and any prescription medications you may need. Always carry a copy of your medical history and contact information for your primary care physician. Stay hydrated, especially if traveling to a hot or humid climate, and be cautious about the food and water you consume. Stick to bottled water and avoid street food unless it's from a reputable source. Protect yourself from the sun with high-SPF sunscreen, hats, and sunglasses, and be aware of the signs of heat exhaustion and dehydration.

## Airplane Travel

Airplane travel can expose passengers to various health risks, including infectious diseases, dehydration, and deep vein thrombosis (DVT). Taking proactive steps can help minimize these risks and ensure a healthier journey.

Airplane cabins have low humidity levels, which can lead to dehydration. Drink plenty of water before, during, and after your flight. Avoid alcohol and caffeine, as they can exacerbate dehydration. Bringing a refillable water bottle can help you stay hydrated

throughout your journey.

Airplanes can be a breeding ground for germs. Use hand sanitizer regularly, especially after touching commonly used surfaces like tray tables, seat belts, and bathroom handles. Wipe down your seat area with disinfectant wipes before settling in. Avoid touching your face, particularly your eyes, nose, and mouth, to reduce the risk of transferring germs.

Strengthen your immune system by getting enough sleep, eating a balanced diet, and taking vitamins if necessary. Consider foods rich in vitamin C and antioxidants, which can help bolster your body's defenses against infections.

Sitting for long periods can increase the risk of DVT, a condition where blood clots form in the legs. To prevent DVT, take short walks around the cabin when it's safe to do so. Perform simple leg exercises while seated, such as ankle circles and leg lifts, to promote blood circulation.

Wearing a mask can help reduce the spread of airborne viruses. This is especially important during flu season or in situations where contagious diseases are a concern.

## Camping

Camping is a wonderful way to connect with nature, but it comes with its own set of safety concerns. Choose a campsite that is well-maintained and has a good reputation. Make sure you have a reliable tent and that you know how to set it up properly. Check the weather forecast before you leave and prepare for all possible conditions, bringing appropriate clothing and gear.

Pack plenty of water and know how to purify water from natural sources if necessary. Store food securely to avoid attracting wildlife and always clean up your campsite to prevent encounters with animals. Be cautious with campfires, ensuring they are fully extinguished before leaving them unattended. Familiarize yourself with the local wildlife and know how to avoid potentially dangerous animals and plants. Keep a well-stocked first-aid kit handy, and make sure someone knows

your camping location and expected return date.

## Road Trips

Road trips offer the freedom to explore at your own pace, but they also require careful planning to stay safe and healthy. Before hitting the road, ensure your vehicle is in good working order by checking the tires, brakes, and fluid levels. Pack an emergency kit that includes items such as a spare tire, jumper cables, flashlight, first-aid supplies, and plenty of water and snacks.

Plan your route and make note of rest stops and potential overnight accommodations. Take regular breaks to stretch, hydrate, and avoid fatigue. Driving while tired is as dangerous as driving under the influence. If traveling with children, ensure they are properly secured in car seats or seat belts and keep them entertained with games, books, or electronic devices.

Stay aware of your surroundings and keep your vehicle locked when unattended. Avoid leaving valuables in plain sight and be cautious in unfamiliar areas. Carry a paper map in case you lose GPS signal and ensure your phone is fully charged. It's also a good idea to share your itinerary with a friend or family member.

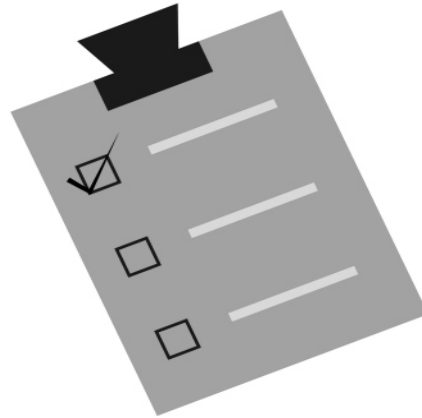
## General Health and Safety Tips

Regardless of your vacation type, always prioritize your health and safety. Maintain a balanced diet, stay hydrated, and get plenty of rest. Practice good hygiene, especially hand washing, to prevent the spread of germs. Stay informed about any travel advisories or health alerts for your destination and have a plan in case of emergencies.

By taking these precautions, you can ensure that your summer vacation is not only enjoyable but also safe and healthy. Whether you're exploring a foreign city, camping under the stars, or driving through scenic landscapes, a little preparation goes a long way in making your trip memorable for all the right reasons.

# Do you have the right amount of insurance?

Insurance is a critical component of protecting your small business. The right coverage safeguards your assets, employees, and operations against unforeseen events. However, navigating the complexities of business insurance can be daunting. This article outlines the types of coverage small businesses need, tips for choosing an insurance company, strategies for getting the best price, common blunders to avoid, and resources for further education.



## Types of Coverage Small Businesses Need

1. **General Liability Insurance:** This is a fundamental policy that protects your business from claims of bodily injury, property damage, and advertising injury. It covers legal fees, settlements, and medical costs if someone is injured on your premises or due to your business operations.

2. **Property Insurance:** This covers damage to your business property, including buildings, equipment, and inventory, caused by events such as fire, theft, and natural disasters. If you rent or lease your business space, consider renters insurance to cover your equipment and inventory.

3. **Business Interruption Insurance:** Also known as business income insurance, this coverage compensates for lost income and operating expenses if your business is temporarily closed due to a covered event like a fire or natural disaster.

4. **Workers' Compensation Insurance:** Mandatory in most states, this insurance covers medical expenses and lost wages for employees who are injured or become ill due to their job. It also protects your business from lawsuits related to workplace injuries.

5. **Professional Liability Insurance:** Also called errors and omissions (E&O) insurance, this covers claims of negligence, mistakes, and failures to perform professional services. It's essential for businesses that provide professional advice or services.

6. **Commercial Auto Insurance:** If your business owns or uses vehicles, commercial auto insurance covers damages and liability resulting from accidents involving those vehicles.

7. **Cyber Liability Insurance:** This coverage protects against data breaches and cyberattacks, covering costs such as legal fees, notification expenses, and credit monitoring for affected customers.

## Choosing an Insurance Company or Quote

1. **Assess Your Needs:** Identify the specific risks your business faces and the types of coverage required. This will help you determine which policies are essential.

2. **Compare Quotes:** Obtain quotes from multiple insurers to compare coverage options, limits, and premiums. Ensure that you're comparing equivalent coverage to make an informed decision.

3. **Evaluate Financial Stability:** Choose an insurance company with strong financial ratings. Reliable insurers are more likely to have the resources to pay claims promptly. Check ratings from agencies like A.M. Best, Moody's, and Standard & Poor's.

4. **Review Policy Terms:** Read the fine print of each policy to understand the terms, conditions, exclusions, and

coverage limits. Clarify any ambiguities with the insurer or your insurance agent.

5. **Seek Recommendations:** Ask fellow business owners, industry associations, and professional networks for recommendations on reputable insurance providers. Customer reviews and testimonials can also provide insights into an insurer's reliability and customer service.

## Getting the Best Price

1. **Bundle Policies:** Many insurers offer discounts for bundling multiple policies, such as general liability and property insurance. This can save you money and simplify management.

2. **Increase Deductibles:** Opting for higher deductibles can lower your premiums. Ensure that you can afford the deductible amount in the event of a claim.

3. **Implement Risk Management:** Proactive risk management, such as installing security systems, conducting safety training, and maintaining a clean work environment, can reduce the likelihood of claims and lower your premiums.

4. **Regularly Review Coverage:** Periodically reassess your insurance needs and coverage levels. Adjust policies as your business grows or changes to avoid paying for unnecessary coverage.

5. **Work with an Independent Agent:** Independent insurance agents can provide unbiased advice and help you find the best coverage at competitive prices from multiple insurers.

## Blunders and Pitfalls to Avoid

1. **Underinsuring Your Business:** Failing to carry adequate coverage can leave your business vulnerable to financial losses. Ensure your coverage limits are sufficient to cover potential risks.

# Credit where it's due: What should a manager do?

**A**s a manager, fostering a positive and collaborative work environment is crucial. One challenge that can disrupt this harmony is when an employee takes credit for someone else's work. Such behavior can lead to decreased morale, mistrust, and a toxic workplace culture. Addressing this issue promptly and effectively is essential for maintaining a healthy team dynamic. Here's a guide on how to handle this situation:



## 1. Recognize the Signs

The first step in addressing the issue is recognizing that it has occurred. Signs may include:

- **Changes in Team Dynamics:** A noticeable tension among team members.
- **Decline in Performance:** The original contributor's motivation and productivity may drop.
- **Direct Complaints:** Other employees might bring the issue to your attention.

## 2. Investigate the Situation

Before taking any action, it's important to gather all the facts:

- **Speak to All Parties Involved:** Have a private conversation with the employee who is suspected of taking credit, as well as the one who may have been wronged.
- **Collect Evidence:** Look at documentation, emails, project logs, and any other relevant materials.
- **Observe Patterns:** Determine if this behavior is a one-time occurrence or part of a pattern.

## 3. Address the Employee Privately

Once you have a clear understanding of the situation:

- **Have a Private Meeting:** Discuss the issue privately with the employee who took credit. Ensure the

conversation is constructive, not accusatory.

- **Explain the Impact:** Help them understand how their behavior affects team dynamics and trust.

- **Encourage Honesty:** Give them a chance to explain their perspective. Sometimes misunderstandings or communication gaps can lead to such situations.

## 4. Set Clear Expectations

Clarify your expectations regarding team behavior and credit:

- **Define Roles Clearly:** Make sure everyone knows their responsibilities and contributions.
- **Promote Transparency:** Encourage open communication about who is doing what in the team.
- **Implement a System for Acknowledgment:** Use tools like project management software to track contributions visibly.

## 5. Foster a Culture of Recognition

Creating a culture where everyone's contributions are acknowledged can prevent future issues:

- **Regular Team Meetings:**

Use these to highlight individual and team accomplishments.

- **Public Recognition:** Acknowledge contributions publicly through emails, meetings, or a recognition board.

- **Reward Systems:** Implement a system for rewarding collaborative behavior and outstanding contributions.

## 6. Provide Training and Development

Sometimes, such behavior stems from a lack of understanding or skills:

- **Offer Training:** Provide training on teamwork, communication, and ethical behavior.
- **Mentoring Programs:** Pair employees with mentors who can guide them on appropriate professional behavior.

## 7. Take Disciplinary Action if Necessary

If the behavior persists despite your efforts:

- **Follow Company Policy:** Adhere to your company's disciplinary procedures.

**Please see CREDIT, page 8**

# When you have to pass someone over

Promotion decisions are among the most challenging aspects of management. While promoting an employee is a rewarding experience, passing over a team member can be difficult and sensitive. How you handle this situation can significantly impact morale, motivation, and team dynamics. Here's a comprehensive guide for managers on what to do when passing over an employee for promotion.



## 1. Prepare Thoroughly

Before making any announcements, ensure that your decision is well-documented and justified. Review the criteria used for the promotion decision, including performance metrics, skills assessments, and feedback from other leaders. Be prepared to explain why another candidate was selected without undermining the contributions and potential of the employee who was passed over.

## 2. Communicate Transparently and Respectfully

Honesty and respect are crucial when delivering the news. Schedule a private meeting with the employee to discuss the decision. Avoid discussing the matter publicly or in a group setting, which can cause embarrassment and resentment.

## 3. Deliver Constructive Feedback

When explaining the decision, focus on providing constructive feedback. Highlight the employee's strengths and contributions before discussing areas for improvement. Be specific about the reasons for your decision and avoid vague statements. For instance, instead of saying, "You didn't meet the criteria," explain, "We selected Jane because her experience with client negotiations directly aligns with the requirements of the new role."

## 4. Create a Development Plan

One of the most effective ways to

handle the situation is by helping the employee understand what they need to do to advance in the future. Develop a clear, actionable development plan that outlines the skills and experiences they need to acquire. Offer support through mentoring, training programs, and opportunities for growth. This shows your commitment to their career development and helps them see a path forward.

## 5. Acknowledge Their Emotions

Being passed over for a promotion can be disappointing and demotivating. Acknowledge the employee's feelings and provide space for them to express their concerns and frustrations. Listen actively and empathetically, demonstrating that you value their perspective and care about their well-being.

## 6. Maintain Open Lines of Communication

Encourage ongoing dialogue and check in regularly to discuss their progress and address any concerns. Open communication helps to rebuild trust and ensures that the employee feels supported. It also allows you to address any issues promptly before they escalate.

## 7. Recognize and Reward Their Contributions

Ensure that the employee's hard work and contributions do not go unnoticed. Continue to recognize and reward their

efforts through other means, such as bonuses, special projects, or public recognition. This helps to maintain their motivation and morale despite the setback.

## 8. Monitor Team Dynamics

Passing over an employee for promotion can affect team dynamics. Monitor the team's mood and address any signs of tension or disengagement. Foster a positive and inclusive environment where all team members feel valued and appreciated.

## 9. Be Transparent About Future Opportunities

Clearly communicate that the promotion decision does not close the door on future opportunities. Explain that while they were not selected this time, there will be other chances for advancement. Encourage them to continue striving for excellence and assure them that their efforts will be recognized and rewarded.

## 10. Reflect on Your Decision-Making Process

Finally, take time to reflect on the promotion process. Consider whether there are any improvements you can make to ensure transparency and fairness in future decisions. Solicit feedback from your team on how promotions are handled and be open to making changes that enhance trust and clarity.

Passing over an employee for promotion is a challenging but necessary part of management. By handling the situation with transparency, respect, and a focus on development, you can mitigate negative impacts and foster a supportive and motivated team environment. Your approach to these difficult decisions reflects your leadership style and can significantly influence your team's morale and cohesion.

# SAFETY ... IT PAYS



## Heat wave! Keep your employees safe

**H**eat waves are becoming more frequent and intense due to climate change. Rising global temperatures, driven by increased greenhouse gas emissions, contribute to more extreme weather patterns. As the planet warms, the atmosphere can hold more moisture, leading to higher humidity levels and more severe heat waves. Additionally, deforestation, urban sprawl, and other human activities disrupt natural cooling mechanisms, further increasing the frequency and severity of heat waves.

Heat waves pose significant health risks, particularly to vulnerable populations such as the elderly, young children, and individuals with pre-existing health conditions. Prolonged exposure to extreme heat can lead to heat exhaustion, heat stroke, dehydration, and respiratory problems. Heat waves can also exacerbate chronic conditions like heart disease and diabetes. In addition to health risks, heat waves can strain energy grids, leading to

power outages, and cause damage to infrastructure, including roads and railways.

During a heat wave, it's crucial to take steps to stay cool and hydrated. Here are some tips:

- **Stay Indoors:** Spend as much time as possible in air-conditioned buildings. If you don't have air conditioning at home, visit public places like malls, libraries, or community centers.
- **Hydrate:** Drink plenty of water throughout the day and avoid alcohol and caffeine, which can dehydrate you.
- **Use Fans and Shades:** Use fans to circulate air and keep blinds or curtains closed to block out direct sunlight.
- **Cool Showers:** Take cool showers or baths to lower your body temperature.

### Business Responsibilities During Extreme Heat

Businesses have a responsibility to protect employees from extreme heat. This includes implementing heat safety protocols and being prepared to adjust operations during severe conditions. Here's what businesses can do:

- **Provide Cool Spaces:** Ensure that work areas are air-conditioned or provide cooling stations with fans, water, and shade.
- **Schedule Breaks:** Implement mandatory breaks to allow employees to cool down and hydrate. Adjust work hours to avoid the hottest parts of the day if possible.
- **Educate Employees:** Train employees to recognize the signs of heat-related illnesses and understand the importance of hydration and cooling

measures.

- **Monitor Conditions:** Regularly check weather forecasts and heat advisories. Use this information to make informed decisions about work schedules and conditions.

### When to Shut Down

In extreme heat conditions, it may be necessary to shut down operations to protect employees' health and safety. Indicators for shutting down include:

- **Heat Index:** If the heat index reaches dangerous levels, consider halting outdoor or strenuous activities.
- **Health Incidents:** If multiple employees experience heat-related illnesses, it's a sign that conditions are too hazardous to continue.
- **Inadequate Cooling:** If air conditioning fails or cooling measures are insufficient, it may be necessary to close the business temporarily.

### Running a Business During Extreme Heat

If operations must continue during extreme heat, businesses should:

- **Implement Remote Work:** Encourage employees to work from home if possible, to avoid exposure to high temperatures.
- **Adjust Schedules:** Shift work hours to early morning or late evening to avoid peak heat times.
- **Provide Hydration:** Supply ample water and encourage frequent hydration breaks.
- **Enhance Ventilation:** Use fans and ventilation systems to improve air circulation in workspaces.

## OSHA CORNER

Please visit the following address on the web to download helpful safety posters, guides and pamphlets for a safer workplace.

<https://www.osha.gov/publications>



# Insurance: Regularly update your coverage

Continued from page 4

2. Ignoring Exclusions: Understand what your policy excludes. Common exclusions can leave you exposed to risks you assumed were covered.

3. Choosing Based on Price Alone: While cost is important, selecting the cheapest policy can result in inadequate coverage and poor service. Balance price with the quality of coverage and the insurer's reputation.

4. Not Updating Coverage: As your business evolves, so do your insurance needs. Regularly update your policies to reflect changes in operations, new equipment, or increased revenue.

5. Overlooking Cyber Risks: Cyber threats are a significant risk for businesses of all sizes. Don't neglect cyber liability insurance, especially if you handle sensitive customer data.

## Resources for Further Education

### Books:

- "Small Business Survival Guide: Practical Insights for Starting and Growing Your Business" by David E. Gumpert
- "Business Insurance: 50 Essential Forms and Checklists" by Barry Zalma
- "Cyber Liability & Insurance: Managing the Risks of Intangible Assets" by Peter Davis and E. John Sebrechts

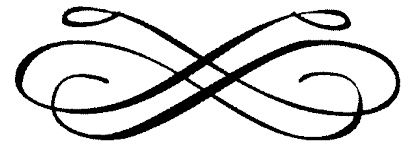
### Websites:

- Small Business Administration (SBA): <https://www.sba.gov/> Provides resources and guidance on small business insurance.
- Insurance Information Institute (III): <https://www.iii.org/> Offers educational materials on various types of

business insurance.

- National Federation of Independent Business (NFIB): <https://www.nfib.com/> Provides insights and resources for small business owners, including insurance advice.

By understanding your insurance needs, choosing the right insurer, and avoiding common pitfalls, you can ensure that your small business is adequately protected. Use these strategies and resources to make informed decisions and safeguard your business against potential risks.



# Credit: Acknowledge their work, offer recognition

Continued from page 5

• Document Everything: Keep detailed records of all discussions, warnings, and actions taken.

• Be Fair and Consistent: Ensure that any disciplinary action is fair and consistent with how similar issues have been handled.

8. Support the Wronged Employee

Ensure the employee whose work was taken credit for feels supported:

• Acknowledge Their Work: Make sure their contribution is recognized and appreciated.

• Provide Emotional Support: Check in with them to ensure they feel valued and heard.

• Offer Professional Development: Give them opportunities for growth and development to restore their confidence and motivation.

9. Monitor the Situation

After addressing the issue, keep an eye on the team dynamics:

• Regular Check-Ins: Have regular check-ins with the team to ensure the issue is resolved and the environment remains positive.

• Feedback Mechanisms: Encourage ongoing feedback to catch any early signs of similar issues.

Dealing with an employee who takes credit for someone else's work is a delicate yet essential task for maintaining a positive workplace environment. By addressing the issue promptly, setting clear expectations, and fostering a culture of recognition and transparency, managers can prevent such behavior from becoming a recurring problem. Through these efforts, you can ensure that all employees feel valued, respected, and motivated to contribute their best work.

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