Economy breeds continuing concerns
By Terry brodie
August 4, 2011

Economy keeps weighing on small businesses

More evidence that small businesses are still struggling with concerns about the economy: Eighty-eight per cent of the owners of U.S. small firms expect a flat or recessionary economy in the coming year, the highest figure in two years, according to the latest 2011 mid-year-end economic report released by the U.S. National Small Business Association, a lobby group.

And 45 per cent of the 400 business owners surveyed said they expect no growth opportunities in the coming year, up from 40 per cent in December.

As well, 68 per cent cited economic uncertainty as the most significant challenge to their business, 36 per cent said they are not confident about the future of their businesses, and nearly one in three named the U.S. debt situation as the top challenge facing their business, the survey, released twice a year, found.

When asked to compare today's economy with the one of six months ago, 47 per cent of respondents said it is worse, up from 29 per cent who expressed that sentiment in December.

There were a few positive signs: businesses reported modest gains in employment and there was an uptick in the number of businesses projecting hiring in the next year, the survey found.

Still, "this negative outlook is causing a growing lack of confidence among small-business owners," said NSA president Todd McCracken in the release about the report.

Small businesses embrace the season

The sun has been sizzling, and small businesses are embracing the season.

Almost half -- 48 per cent -- of U.S. small business owners plan on taking a vacation and 64 per cent are offering flexible summer hours, according to a survey of 1,004 small and medium sized businesses by Office Depot.

As well, 66 per cent said they were able to do their jobs out of the office, with 85 per cent working from home and 22 per cent working from a summer vacation spot.

But that doesn't mean they aren't taking care of business. More than 40 per cent of those working remotely reported putting in the same hours as they do at the office, while 21 per cent said they were actually working longer hours.

"This survey reveals that many small businesses are embracing summer as a time to unwind and relax, but still keeping their operations up and running," said Office Depot chairman and chief executive officer Neil Austrian, in a release accompanying the results.
Better ways to reward employees

You'd think that money would speak loudest to employees, but a new study from World at Work, Hay Group and Loyola University Chicago human resources professor Dow Scott finds that they are not the only ways in which employees perceive whether they are being fairly rewarded. The top concern is career development opportunities, and while merit increases and base pay amounts are also in there, so, too, are non-financial recognition and employee development and training opportunities.

That got Rieva Lesonsky, founder and president of GrowBiz Media, thinking and in this Small Business Trends piece, she suggests ways that small businesses can answer to employee concerns about being treated fairly.

Among her suggestions: Career development and training opportunities are easy offerings for small businesses, she suggests. Cross-training, adult education programs and affordable training opportunities, such as on-line webinars offered by industry associations and trade groups may be some of the ways to go.

Another idea: Profit-sharing, whereby employees who come up with new ideas that take off share in the profits that their ideas produce.

Five social media mistakes to avoid

With so much action on the social networking front, many small business owners are still making errors with how they handle their social media efforts. In this piece, Entrepreneur offers up five of the biggest mistakes and how to avoid them.

Among them is having a one-way conversation, posting status updates that fail to engage and encourage consumers to talk back to you. To change that up, tag people in posts and ask them questions.

Another social media boo-boo: not knowing when and how to translate the efforts into business. The writer follows a "3/3 rule," talking to someone no more than three times and for no more than three minutes each time, before trying to turn the other side into a client. Check out all five, and how to handle them.

EVENTS AND KEY DATES

Entrepreneurs heading to G20 summit

The third annual G20 YES (Young Entrepreneur Summit) will take place in Nice, France, from Oct. 31 to Nov. 2.

The three-day gathering, organized alongside the G20 summit, will bring together 400 entrepreneurs between the ages of 18 and 45 from the G20 countries.

Canada will send a delegation of 30 entrepreneurs, chosen from about 200 applications; names of those selected will be released in early September, said Kate Lamonica, director of marketing.
and communications for the Canadian Youth Business Foundation (CYBF), which is organizing the delegation and which hosted the G20 YES in Toronto in June, 2010.

The group will exchange ideas, network with other entrepreneurs from around the world, and come up with a list of proposals to present to the G20 leaders on ways to encourage small business.

EDITOR'S PICKS FROM REPORT ON SMALL BUSINESS

A solar-powered keyboard, a wheel-less mouse, a widescreen webcam, and a very sexy laptop -- these are some of the latest top tech gadgets for small businesses. Check them all out here, along with a photo gallery here.

FROM THE ROSB ARCHIVES

With summer more than half over, those small business owners who still haven't gotten it together to take a seasonal break might benefit from reading a few tips we passed on in this June piece on how to take time out and keep business running smoothly. It's still not too late to put some of them into action.