

August 2019

The Main Street Accountant

...For all your main stream needs



As we wind down the last full month of summer and prepare for the fall, it's important to make sure that the fundamentals of our small businesses are in order and ready to handle the dynamics of the second half of the year.

In this issue of **The Main Street Accountant**, we're going to share with you a variety of valuable business tips and advice that will help you stay (or get started) on the right path to business success.

You'll learn mindset techniques, tips for financial literacy, and management ways to ensure successful meetings, how to get the most out of your next networking event, and more.

With the information shared in this issue, there's no doubt you'll be ready to knock out the rest of this year with a bang! Happy Reading!

Alvin Caballero, CPA



Develop The Entrepreneurial Mindset

Becoming a successful entrepreneur requires the right mindset. The *Forbes* magazine website spells out these traits every business person should cultivate:

- **Taking advice.** Learning to trust your instincts doesn't mean never asking experts for advice. Know your blind spots, and develop a list of contacts in various areas — finance, labor law, etc. — you can turn to when you're unsure of your next move.
- **Self-promotion.** Don't spend all of your time bragging about how great your business is, but don't keep the good news hidden away. Always be ready to talk about what you're doing so people know what you've got to offer.
- **Maximizing your strengths.** You can't do everything, but you have to know what you're good at so you can put your skills to their best use — and delegate other tasks to people who are better qualified to carry them out.
- **Networking.** You should have a circle of contacts you can call on for support and advice. Stay in close contact, and don't call only when you need help. Don't limit yourself to your own industry — seek out a wide range of people with different experiences so you can get the best ideas.
- **Goal setting.** Your business should have a single overarching goal, not half a dozen. Having a single goal helps you focus with a laser like intensity on what you have to do to succeed.

Reward Workers Fairly And Objectively

If employees suspect that your reward program is unfair, they'll resist it and resent co-workers who earn bonuses and recognition through it. The solution: Set up a task force of team leaders, supervisors, and employees to determine when rewards are appropriate. They should consider such factors as:

- **Job performance.** All employees should be meeting basic expectations. Decide on a measurably higher performance level that will trigger a bonus (the number of widgets produced in a week, combined with the lowest number of defects, for example).
- **Customer satisfaction.** Monitor the number of complaints and the instances of praise each employee receives from customers. Other metrics can include customer problems resolved, percentage of repeat business, or the number of customers served (just be careful not to reward rushed, sloppy work).
- **Cost awareness.** Try rewarding workers for keeping costs below a certain level, or suggesting cost-cutting ideas with a measurable benefit.
- **Positive attitude.** This can be tricky to measure, but it can be done. Look at indicators like volunteering for committees, helping co-workers, going the extra mile for customers, and anything else that can be observed objectively.



Before Attending An Event Or Meeting, Make Sure You're Prepared

Before you go to an event, whether it's a party or a meeting, the key is to be prepared. Here are some steps to make sure that when you walk into a room, you have all the chutzpah you need:

- **Be positive.** If you truly don't want to go to the event, then don't go. People will know if you are feeling lousy and would rather not be there. Your eyes will tell the truth no matter what comes out of your mouth. So make sure you want to go before you make a bad impression that you can't erase.
- **Think of the benefits of attending the event.** Know why you are there. Are you there to get exposure, to meet people or merely because you "have to be there." If your attendance is required, that's fine to acknowledge to yourself, anything else would be dishonest, just make sure that you've gotten your positive attitude into gear before you walk on stage. If not, then you should stay home.
- **Prepare your self-introduction.** Your self-introduction will depend on the event you are attending. But keep in mind that any self-introduction should be short and pithy. Keep it under nine seconds. Make sure you use phrases that will help people remember who you are. Keeping your introduction basic and adding a bit of humor is usually the best bet.
- **Bring your business cards.** This is important. This is how people will be able to get in touch with you in the future. Make sure you bring enough for your event. If you want to give someone your card, but the person hasn't asked for it, you can ask for that person's card to get the person involved in card exchange. Take other



people's cards, and when you do, look at them, if possible comment on the card, then look back at the person. Acknowledge the givers, and they will see you as a good receiver. As soon as possible write

something on the card that will help you remember the person. Then file the card away where you will be able to find it. Don't throw it in the bottom of your purse or crunch it up in your wallet only to discover it months later in a state of degradation.

- **Prepare some light and entertaining small talk appropriate to your event.**

Try to come up with three pieces of conversation that people will appreciate. If you stand around saying nothing, you will make people uncomfortable. Remember to neither hog the conversation floor nor to say too little. Both are rude and unacceptable behaviors when you go to an event.

- **Make eye contact and give a warm smile.** This is important.

People will not feel you are sincere if your eyes are wandering about the room while you are introducing yourself. They'll just think you're looking for someone more important to talk to — and they'd probably be right. Be sincere. Really pay attention to the person you're engaging. Make that person feel like he or she is the most important person in the room.

- **Practice an appropriate handshake.** That means a handshake that is not too hard and not too soft, but just right. You want to generate just the right combination of warmth and strength — without overwhelming the other person.

Investment Advice From A Pro

John C. Bogle, founder of the investment giant Vanguard, knew a lot about investing. From *The New York Times* comes some of his best advice:

- **Hold your course.** "Wise investors won't try to outsmart the market. They'll buy funds for the long term, and they'll diversify."
- **Be skeptical of experts.** "Unless you need a financial adviser to help you get started in that routine, you probably don't need a financial adviser at all."



- **Keep your costs down.** "In investing, you get what you don't pay for. Costs matter. So intelligent investors will use low-cost index funds to build a diversified portfolio of stocks and bonds, and they will stay the course. And they won't be foolish enough to think that they can consistently outsmart the market."

- **Don't get too emotional.** "Eliminate emotion from your investment program. Have rational expectations for future returns, and avoid changing those expectations in response to the ephemeral noise coming from Wall Street."

Are You In Need of a Qualified Tax Pro?

If you are not my client and would like to explore whether we might be a good fit, please contact me. As a qualified tax professional, I not only know all the rules, but can also help you deal with the IRS and help you decide how far to push a dispute.



Do You Have A Tough Accounting / Tax Question You Want Answered?

I love hearing from my small business clients and friends who enjoy reading my monthly newsletter. I'm always looking to answer pressing questions you might have relating to small business.

If you have a question, tip or idea, please call me at (732)-902-2929 or email me at info@caballeroepas.com. Perhaps I'll feature you in a future issue!

Someone Important

The pope was visiting the U.S. and had been assigned a driver to take him around.

"If there is anywhere you want to go or anything I can do for you, just let me know," the chauffeur said.

"Well, now that you mention it," the pope said, "I've always wanted to drive again. Ever since I was appointed, I've been driven everywhere."

The chauffeur pulled over and switched places with the pope. Once behind the wheel, the pope stepped on the accelerator and began speeding down the road. He soon spotted the flashing lights of a police cruiser.

"Oops, I guess I was speeding," the pope said as he pulled over.

The officer walked to the car, but upon recognizing the pope in the driver's seat, he spun on his heel and walked back to his cruiser. He radioed in to the station:

"Chief, I just pulled over a VIP, and I'm not sure what I should do," he said.

"Is it the mayor?" the chief asked.

"No," the cop replied. "He's bigger than that."

"Is it the governor?"

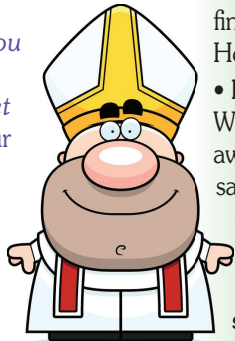
"No. This is someone more important than that."

"Oh, no," the chief said. "You didn't stop the president, did you?"

"No," the cop replied. "This is someone bigger than that."

"Bigger than the president? Who did you pull over?" the chief asked.

"I don't know," the cop replied. "But whoever it is, he has the pope as his driver."



Start Financial Literacy Early

Teaching children to save money when they're young can help them deal with financial emergencies when they're older. Here's how to get them started:

• **Encourage kids to save something.** Whether you've got a 10-year-old stashing away a dollar or a teenager opening a savings or checking account, get your children in the habit of saving no matter how small the amount.

• **Help kids balance treats and sacrifices.** Work with your kids to set and meet goals. Once those goals are met, allow them a little withdrawal to buy something for themselves.

• **Put loose change into an emergency fund.** Loose change can add up, so don't let kids discard pennies or leave them lying in the parking lot.

• **Set an example.** Children don't miss much. If they don't see you saving, they might wonder they have to save.

• **Keep kids away from credit as long as possible.** Credit card companies expand lots of effort on marketing to teenagers. Make sure your kids understand what credit pitfalls could lie ahead.

• **Schedule money meetings.** Meet with your child at regular intervals to discuss their emergency account, answer questions, and discuss money issues he or she might encounter.

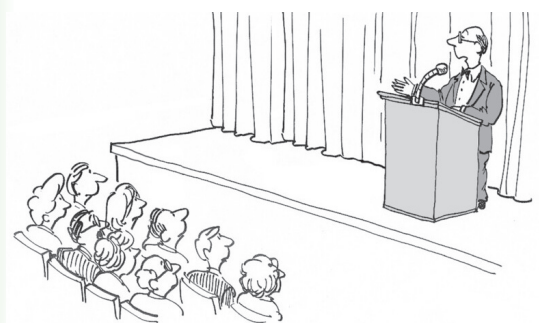
• **Help kids set up a real budget.** The earlier kids learn to manage a budget, the easier things will be down the line. Younger kids can start learning by jotting their pluses and minuses down on a piece of paper, while older kids can be introduced to budgeting on software and apps.



Your Financial Life Is An Expression Of Your Thoughts

According to millionaire businessman and self-help author, Brian Tracy, in his article "Develop a prosperity consciousness" on the Woopidoo!

Website, if you want to be a financial success, you have to develop a prosperity consciousness. In order to do this, Tracy says you have to really believe that you can achieve your financial goals. He says this is the first step on your path to financial independence. Tracy says you have to understand that all causation is mental, and that your life is an expression of the accumulation of your thoughts over time. He also says that you have to develop an awareness of the law of expectations. He says this is the idea that whatever you truly expect to happen will happen, so if you expect to be rewarded for using your talents in the world, then you will be. And this will become what your reality is. Tracy recommends that you stay positive about your personal success, and look for the good in every situation. Even when you experience setbacks and rough patches, trying to seek out what is valuable in the experience will keep you on the path of prosperity on which you have embarked.



"Welcome to the 'Use More Of Your Brain' Seminar. For you first timers, those doors with 'Exit' over them are the exit doors."

Quotes:



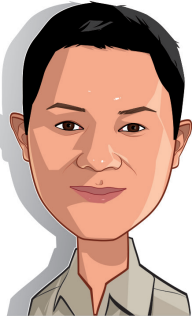
"The starting point of all achievements is desire, not a hope, not a wish, but a keen pulsating desire which transcends everything." — **Napoleon Hill**

"Science is the acceptance of what works and the rejection of what does not. That needs more courage than we might think." — **Jacob Bronowski**

"Great leaders are almost always great simplifiers who can cut through argument, debate, and doubt to offer a solution everybody can understand." — **Colin Powell**

"Curiosity about life in all of its aspects, I think, is still the secret of great creative people." — **Leo Burnett**





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See What's Inside...

- Develop The Entrepreneurial Mindset
- Reward Workers Fairly And Objectively
- Before Attending An Event Or Meeting, Make Sure You're Prepared
- Investment Advice From A Pro
- Someone Important
- Start Financial Literacy Early
- Your Financial Life Is An Expression Of Your Thoughts
- Why You Should Consider A Flexible Management Style
- Build Innovation Into Your Culture

Why You Should Consider A Flexible Management Style



If you and your company hasn't adopted a flexible workplace, you might want to ask yourself why not.

Previously a flexible workplace has been viewed as a perk to reward star performers or a way to help working parents manage the varied demands on their lives. But a new study, "*Business Impacts of Flexibility*," released by the Washington-based nonprofit Corporate Voices for Working Families, challenges that view of flexibility. In the study, 28 large American businesses report that flexibility is not just an accommodation, but also an important management tool that helps companies improve the bottom line. As a matter of fact, the study reports that flexible workplaces can impact business outcomes in several ways.

Here are four areas of business management that flexibility can impact positively:

- 1) Talent management.** Research shows that flexibility can help companies hold on to key talent. Flexibility saves millions of dollars for companies each year in preventing turnover of talent.
- 2) Human capital output.** Research shows that even small measures of flexibility in how and when work gets done creates greater job satisfaction, higher commitment and engagement — and lower levels of stress. These outcomes often translate into quality, innovation, customer-retention and shareholder value.
- 3) Financial performance.** Flexibility has been shown to increase financial performance and productivity.
- 4) Lower rates of burnout.** Employees who have access to flexibility tend to avoid burnout as opposed to those who do not have access to flexibility. The bottom line is that flexibility is a powerful management tool, and it helps companies reach their goals.

Build **INNOVATION** Into Your Culture

How can you build a culture of creativity and innovation in your organization? Vicki Huff of PwC, offers these suggestions on the Strategy + Business website:

- **Support a sense of pride.** Make sure your co-workers and employees know what good things your organization does for your customers and community. When they feel proud of their work, they'll try harder to find new ideas for improvement.
- **Don't punish failure.** As long as people are trying their best, don't make failure something to fear or be ashamed of. Let people know you want them to take risks and fail occasionally on the road to greater success.
- **Empower people.** Let them make decisions about how they work best. Encourage flexible scheduling and telecommuting to show you trust them to make their own decisions.
- **Put the customer first.** For every idea that comes up, start by asking, "How does this help our customers?" Focus on long-term value so you can create loyal customers who'll keep doing business with you for years.