

“Small Business - Big Opportunity” Finding Solutions to Small Business Challenges

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On May 18, 2011, the Travelers Institute hosted the second in its series of small business advocacy symposia “Small Business – Big Opportunity.” The event convened small business owners as well as government and community leaders to raise awareness of, and identify solutions to, modern entrepreneurial challenges. The Travelers Institute held the event in Atlanta, Georgia, an important economic center where 97 percent of all businesses employ fewer than 100 employees and two-thirds of job growth comes from small business, according to the Metro Atlanta Chamber of Commerce.

At the symposium, panelists discussed the recent Travelers Institute “Small Business – Big Opportunity” report highlighting regulatory challenges and opportunities facing small businesses today. Held just days prior to the official start of hurricane season, and following a round of devastating weather, panelists also addressed the issues of disaster preparedness and business continuity. The Travelers Institute launched the series to facilitate discussion of the issues facing small business owners across the country. The panel was moderated by Joan Woodward, Travelers Executive Vice President of Public Policy and head of the Travelers Institute.

Participants included:

- Mark Berson, Regional Advocate, U.S. Small Business Administration, Office of Advocacy (SBA)



The Honorable Tom Price (Georgia 6th District)

- Bob Brody, Senior Vice President, Global Operations, Claim and Risk Control, Travelers
- Karen Leone de Nie, Community and Economic Development Research Director, Federal Reserve Bank of Atlanta
- Bernie Meineke, Atlanta Director, Small Business Development Center (SBDC) at Georgia State University
- Marc Schmittlein, President and CEO, Select Accounts, Travelers
- Naheed Syed, Founder and CEO, Global Resource Management Inc. and a Board Member, U.S. Pan Asian American Chamber of Commerce, Southeast Region



L to R: Naheed Syed, Global Resource Management Inc.; Bernie Meineke, Small Business Development Center, Georgia State University; Mark Berson, Small Business Administration; Joan Woodward, Travelers Institute; Bob Brody, Travelers; Karen Leone de Nie, Federal Reserve Bank of Atlanta

Mark Berson, who leads the SBA Office of Advocacy’s initiatives in the region, noted the importance of providing small business owners with the resources and education to tackle daily problems, while effectively managing business operations. Berson noted that the SBA tries to keep onerous and burdensome rules and regulations off the backs of small businesses, while providing tailored economic research for them exclusively. Berson also mentioned that access to capital is a top concern of entrepreneurs in the Atlanta region, and reminded attendees of the importance of business continuity planning before disaster strikes. Berson directed attendees to the SBA’s website, where additional resources are available for entrepreneurs. www.sba.gov/advo



Attendees listen to the “Small Business – Big Opportunity” panel discussion at the Georgia Aquarium

Naheed Syed discussed the challenges she faced in expanding her company, Global Resource Management Inc., an IT, data warehousing, business intelligence, knowledge, content management and cloud computing firm. She advised business owners to embrace strategies that align with their growth and expansion. Syed also noted the importance of record-keeping, business continuity planning, and recognizing when to implement change.

Syed said one of the biggest risks for business owners is not having adequate liability insurance and a key person to manage insurance for the company. She pointed out that most entrepreneurs don't have any realization of the liability that they have in this environment.

Karen Leone de Nie, who serves as the community and economic development director for the Federal Reserve Bank of Atlanta, focused on the issue of access to capital. She reiterated that there are a number of programs that are being instituted right now, and highlighted new and expanded SBA programs as one opportunity to increase sound small business lending as well as small business loan demand.

Facilitating sustainable community development practices throughout Atlanta and the region was another focus for Leone de Nie. She said that small business has been an anchor for a lot of communities in Georgia and nationwide, and encouraged attendees to look at grassroots issues to improve entrepreneurial ecosystems for employment growth strategies. The Federal Reserve Bank of Atlanta publishes a quarterly small business survey and a monthly trends report through its Small Business Focus website. <http://www.frbatlanta.org/research/>

Bob Brody, Travelers Senior Vice President, Global Operations, Claim and Risk Control, discussed the importance of implementing a broad-based risk management program. Referring to “front-door management” he noted that an effective approach begins when a business owner takes steps to hire the right employees, and stressed the importance of conducting background checks as one key strategy in this process. Brody encouraged business owners to take time to identify day-to-day risks and potential hazards that go otherwise unnoticed but which can lead to losses from employee and customer injuries. He also stressed the importance of developing a business continuity plan, which includes addressing potential threats and identifying critical business functions in order to quickly recover from both natural and man-made disasters. Brody further added that knowledge and understanding of risk, good planning and preparation, combined with federal regulation compliance, are the keys to small business success. While noting that insurance agents and carriers can often provide valuable resources, many safety and risk management tools can also be found at www.travelers.com/riskcontrol.

Bernie Meineke, who leads Georgia State University's Small Business Development Center, discussed the resources business owners can access through SBDCs, a national network of professionals funded through the US Small Business Administration and local universities. Meineke stated that, “SBDC has two major programmatic ways that we help small business: the first is providing no-cost, confidential consulting available to business owners and those who are serious about starting a business.” The second is wide range of training programs targeted to different stages of a company's growth and evolution. These programs include short courses covering specialized topics and more in-depth programming for leaders of growing businesses.” Business tools for entrepreneurs through the SBDC are available online.



Joan Woodward, Travelers Institute



L to R: Bernie Meineke, Small Business Development Center, Georgia State University; Mark Berson, SBA; Joan Woodward, Travelers Institute; Bob Brody, Travelers

Marc Schmittlein, President and CEO, Select Accounts, Travelers, closed the panel discussion, stressing Travelers' commitment to identifying solutions to the many challenges facing entrepreneurs. Schmittlein also noted that as one of the largest insurers of small businesses in the United States many Travelers customers are themselves small business owners, not to mention Select Accounts' countrywide network of more than 10,000 independent insurance agents many of which are small business owners.

"We think about the needs of small business owners every day," said Schmittlein, who oversees Travelers small business insurance division. He also stated that the mission of Select Accounts is to promote the prosperity of small business owners by providing solutions that help manage risk and protect valuable assets. He spoke of the role Travelers plays in this process. "It is our goal to initiate conversations about the challenges facing small business and to collectively find solutions to overcome the obstacles prohibiting small business owners from prospering."



Attendees enjoy the Beluga whales before the start of the program at the Georgia Aquarium

After the discussion, U.S. Rep. Tom Price (R-Georgia) gave closing remarks by highlighting some of the many obstacles facing entrepreneurs. A long-time advocate for small business owners, Price noted that the symposium underscored the need for government at

all levels to evaluate the impacts of regulatory and tax policies on job creation and economic opportunity. "All of the uncertainties with small business regulation cause most individuals in the business arena to either pull back, or, those that are thinking about getting into the arena, refrain." Price also said that our nation's small businesses are our most prolific job creators and greatest drivers of the American economic engine.



L to R: Marc Schmittlein, Travelers; Mark Berson, SBA; Naheed Syed, Global Resource Management Inc.; Bernie Meineke, Small Business Development Center, Georgia State University; Joan Woodward, Travelers Institute; Congressman Tom Price; Bob Brody, Travelers; Karen Leone de Nie, Federal Reserve Bank of Atlanta

In conclusion, panelists agreed that in light of recent severe weather, risk management and business continuity planning are vital to the long-term success of small businesses. They also encouraged entrepreneurs to plan ahead and work closely with accounting, legal and insurance professionals to ensure consistency and protection of their assets. Finally, they urged business owners to adapt their strategies as they expand, while seeking enhanced access to capital.



Marc Schmittlein, President & CEO, Travelers Select Accounts The Travelers Companies, Inc.



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