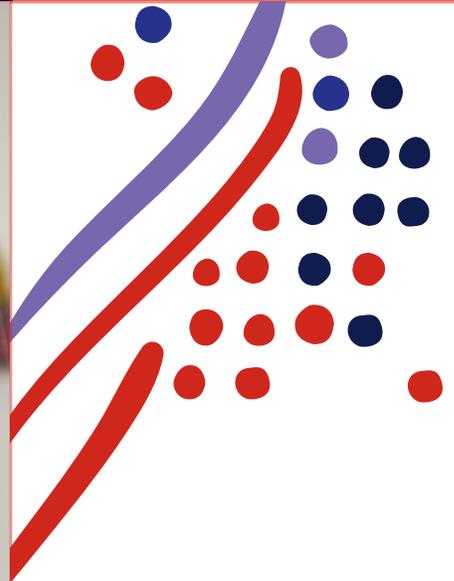


A guide to early-stage business success

Navigating the path to survive,
thrive and grow



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Introduction

You started a small business: Now what?

As an entrepreneur, you have taken a big step by deciding to start your own small business. Starting a small business is both an exciting and challenging journey. While it can be an incredibly rewarding experience, it can also be overwhelming and stressful. There are many tasks to complete, decisions to make, and risks to take. However, with careful planning, hard work, and the right guidance, you can overcome these challenges and build a successful business.

This guide, created by ADP® and Experian, will help you navigate the path to early-stage business success. We will provide you with practical tips and strategies for **hiring, retaining** and **paying top talent, building business credit**, and **maintaining a strong credit profile**. By prioritizing these key areas, you can set your small business on the path to survive, thrive, and grow.

What are some common challenges faced by early-stage small businesses?

Early-stage small businesses are typically characterized by a high level of uncertainty and risk. They are often in the process of developing their brand, establishing their customer base, and figuring out how to make their business profitable. This phase is critical for the future success of the company, as it sets the foundation for long-term growth and sustainability.

During this early-stage period, small businesses face many challenges, including insufficient resources, limited capital, finding top talent and a lack of established systems and processes. These challenges can be daunting, but with the right guidance and support, early-stage small businesses owners can overcome these obstacles and set themselves on a path towards long-term success.

This guide provides practical information concerning the subject matter and is provided with the understanding that ADP is not rendering legal advice or other professional services. Please contact your accounting or legal professional for circumstances pertaining to your business.



Key area 1: People

Hiring and managing your team

Building and maintaining a strong team is critical to the success of your early-stage business. As a business owner, it is essential to prioritize creating a positive work culture by hiring the right people, managing and motivating your team, resulting in retaining top talent.

Hiring the right people is the first step in building a strong team. Start by defining the roles and responsibilities of the positions you need to run and grow your business. Use clear and concise job descriptions to attract the right candidates and post them widely, especially if you can support remote workers. When interviewing potential hires, ask behavioral questions that reveal their work ethic, communication style, and ability to work under pressure. If you can, offer the most popular benefits and perks packages. In today's work climate, while competitive pay is important, perks like flexible work schedules and employee discount programs can go a long way towards "sweetening the deal." Last, don't forget the importance of onboarding. Utilize an employee handbook to streamline the process and clearly communicate workplace expectations.

Once you have a team in place, it's essential to manage and motivate them to perform at their best. Regular check-ins and feedback sessions are critical to ensure everyone is on the same page and working towards the same goals. Provide opportunities for growth and skills development and recognize and reward high-performing employees.



"Small businesses can attract the right candidates to their business by clearly defining the responsibilities in their job descriptions and by offering competitive perks and benefits that today's workers really wants."

Laci Buzzelli

Senior Vice President,
Small Business, ADP





How to retain top talent

According to the ADP Research Institute® January 2023 SMB Client Pulse Study, finding qualified employees is one of the biggest challenges for small businesses, as they often have limited resources to offer competitive salaries and benefits. Retaining employees and high turnover can have a significant impact on business performance and costs, so it is essential to prioritize creating a positive work culture and building a strong team. There are several strategies that early-stage small businesses can use to retain their top talent:



Offer growth opportunities.

Early-stage small businesses should provide opportunities for their employees to grow their skills and advance their careers. This can be done by offering training and development programs, cross-functional opportunities, and mentorship programs.



Create a positive work environment.

A positive work environment is crucial for retaining top talent. Early-stage small businesses should create a workplace culture that values collaboration, communication, and employee well-being.



Recognize and reward employees.

Recognizing and rewarding employees for their hard work and contributions can help them feel appreciated and valued. This can be done through bonuses, incentives, promotions and recognition.



Foster work-life balance.

Early-stage small businesses should consider offering flexible work schedules, remote work options, and paid time off in an effort to promote a healthy work-life balance for their employees if possible.



Communicate effectively.

Open and transparent communication is key to retaining top talent. Early-stage small businesses should create a culture of communication, where employees are encouraged to share their ideas and feedback. And leverage your tools, like your employee handbook to help everyone understand your expectations.

By prioritizing these strategies, early-stage small businesses can build a strong and productive team that can help the company grow and succeed.



Key area 2: Credit position

Building a strong credit profile

Your credit profile is essential for your early-stage business to gain access to capital and build credibility with suppliers and customers. It can determine your ability to secure future financing, rent commercial space, and negotiate better terms with vendors.

To build business credit, some early-stage small businesses will start by obtaining a business license or incorporating your business and obtaining a tax identification number. Additionally, you can open a business bank account and apply for a business credit card. Make sure to pay your bills on time and keep your credit utilization low. Establish relationships with vendors who report to credit bureaus and monitor your credit profile regularly to ensure there are no errors.

How to build business credit

Gaining access to capital can be challenging for early-stage businesses. Consider applying for a Small Business Administration (SBA) loan or seeking investment from venture capitalists or angel investors. Whatever route you choose, be sure to have a solid business plan and financial projections in place to demonstrate your ability to repay the loan or provide a return on investment.



Apply for a business loan.

Taking out a business loan can help you build credit while also providing you with the necessary funds to grow your business. Make sure to choose a loan that reports to business credit bureaus and pay it back on time and in full.



Apply for a business credit card.

A business credit card can help you build credit while also providing you with a convenient way to pay for business expenses. Make sure to choose a card that reports to business credit bureaus and use it responsibly.



Keep your personal and business finances separate.

It's essential to keep your personal and business finances separate. This means opening a business bank account, using a business credit card, and paying all business expenses from the business account. This will help you establish a clear credit history for your business.



“The number of small businesses being started is 40% higher on average every month than it was 6 years ago. And the barriers to start a business have never been lower. Therefore, the tools you use along with the things you do as an early-stage small business are becoming even more critical.”

Brian Bond

Senior Vice President, Product and Marketing, Experian



Establish credit accounts with suppliers and vendors.

You can build your business credit by establishing credit accounts with suppliers and vendors. Make sure to pay your bills on time and in full to establish a good credit history.



Monitor your credit score.

One of the most important steps in building business credit is to monitor your credit score regularly. By keeping an eye on your credit score, you can ensure that you are making timely payments and taking the necessary steps to improve your score.

Maintaining a strong credit profile is critical for long-term success. Monitor your credit profile regularly, pay your bills on time, and keep your credit utilization low. If you encounter any issues, work with creditors and credit bureaus to resolve them as quickly as possible.





Key area 3: Payroll

What to look for in a payroll platform

Managing payroll and tax filings can be a time-consuming and challenging task for small business owners. Whoever you choose for your payroll provider, it's important to look for a platform that:

1. Simplifies payroll and makes paying your employees faster and easier than ever before.
2. Includes features that let you run payroll online/from your phone anywhere in minutes.
3. Helps you set recurring payroll on autopilot.
4. Automatically calculates, deducts and pays taxes for you and your employees.
5. Offers the support profile you require, such as 24/7 access.

Payroll is a critical aspect of running a successful early-stage small business, and ADP, with more than 70 years of operations understands that. Our payroll and HR solutions are designed to help you process payroll efficiently, so you can focus on growing your business.

We understand that managing payroll and tax filings can be a daunting task for small business owners, which is why we build in intelligent technology that flags possible errors, giving you peace of mind. ADP's RUN Powered by ADP® ("RUN") solution also offers 24/7 support from certified payroll experts, knowing that today's small businesses need help on their schedule.



"Managing payroll and tax filings can be a time-consuming and challenging task for small business owners. With the right features and solution, wrapped up in an easy-to-use product, you'll have more time to focus on what matters most for your small business and gain the peace-of-mind that your business is in compliance with State and Federal regulations."

Matt Farwell

Senior Vice President of Service and Operations, Small Business, ADP



How to manage your employees' payroll and tax filings



Run payroll online from anywhere, at any time.

With ADP's RUN mobile app you can run payroll in minutes from anywhere or put recurring payroll on autopilot to save time and effort.



Be at ease about tax filing.

The best platforms will calculate, deduct, and pay your taxes for you, to help you anticipate and manage compliance challenges.



Take advantage of intelligent tech.

Look for providers using intelligent technology to flag possible errors before they happen, to help avoid costly mistakes that can impact the accuracy of your payroll.



Get 24/7 support from certified payroll experts.

Look for providers who offer support from certified experts around the clock, so you always have the help you need to manage your payroll process.



Offer your employees convenient digital tools and meaningful perks.

Today's workers are looking for flexible pay options and an easy-to-use app that your employees will use to change their own financial information, saving you time and helping improve accuracy.



Enjoy even more benefits.

Offering benefits that help your employees with financial, health and mental wellness is possible for small businesses. ADP offers a range of additional services and features, such as HR support, and employee benefits management, and time and attendance solutions, to help you manage your business more effectively.

With the right infrastructure, you'll have the time to focus on your business

There are many challenges that come with managing employees and payroll on your own. That's why early-stage small business owners can benefit from support for payroll and HR.

Paying your employees on time and accurately is expected, and if you make a mistake, your employees may become upset and question your ability to run the business. When choosing your payroll and HR provider, look for:

- A provider who offers the right tools and advice to help you manage today's workforce.
- A provider who can help your business with compliance challenges presented by changing regulations and trends.
- 24/7 support, digital tools, and meaningful perks, like flexible pay options and an easy-to-use app.

Conclusion

In this guide, we have covered three key areas that are crucial for early-stage businesses to prioritize: People, Credit Position, and Payroll. Optimizing these three areas can help give you advantages over your competitors and can have a direct impact on business success. We encourage you to explore [ADP](#) and [Experian's](#) resources for early-stage businesses, and to prioritize these key areas to achieve long-term success. **Good luck!**

About ADP for Small Businesses

At ADP, what we do is about people. Although we have a strong history of providing solutions for human resource challenges, we strive to do more than that, challenging ourselves to anticipate, think forward and take action in a way that empowers us to shape the changing world of work. For over 70 years, we've led the way in defining the future of business solutions as a comprehensive global provider of cloud-based human capital management (HCM) solutions that unite [HR](#), [payroll](#), [talent](#), [time](#), [tax](#) and [benefits administration](#), and a leader in business outsourcing services, analytics and compliance expertise. Our unmatched experience, deep insights and cutting-edge [technology](#) have transformed human resources from a back-office administrative function to a strategic business advantage.

About Experian

Experian is the world's leading global information services company. We empower our clients, small businesses, and consumers to manage their data with confidence. We help individuals to take financial control and access financial services, businesses to make smarter decisions and thrive, lenders to lend more responsibly, and organizations to prevent identity fraud and crime.

Experian's Business Information Services partners with organizations to establish and strengthen customer relationships, enabling them to mitigate risk and improve profitability. The company's business credit database provides comprehensive, third-party verified information on U.S. companies of all sizes, with the industry's most extensive data on the broad spectrum of small and midsize businesses. Our mission is to promote greater financial health and opportunity among small business owners by enabling them to [understand, manage and protect](#) their business credit information.



For more information on how to navigate the path to early-stage business success, check out the following resources:

[ADP Small Business Services](#)

[Review Your Business Credit Report](#)

[ADP and Experian](#)

