

Long Island Business News

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Small business survival in a second wave

By: [Julianne Mosher](#) November 12, 2020

More than nine months into the COVID-19 pandemic, businesses that survived the first wave of the virus are preparing for the winter, a possible second wave and changes in policy due to the 2020 election.

“2020 has been an anomaly,” Leslie Tayne, founder and head attorney of Tayne Law Group, said. “You can’t really forecast right now, and 2021 can be an anomaly, too.”

Tayne sees the struggles faced by small businesses due to all the changes ahead. “There are going to be changes either way,” she said. “We’re encouraging them not to wait and to start preparing.” According to a recent survey from the National Endowment for Financial Education, 9 out of 10 Americans are experiencing financial stress due to the coronavirus crisis, Forbes reported. With unemployment rates continuously going down, many businesses across Long Island are closing up shop or moving to e-commerce because the rent is simply too high.

And while the horizon looks gloomy for many people, it’s prudent to take this time to plan and prepare. “Small business has been hit the hardest during the pandemic,” Tayne said. “And big business is impacted by the supply chain.”

Tayne said that there’s a way to get ready for whatever is yet to come. “Most small businesses are already flexible,” she said, “But you have to be even more flexible.”

At her firm, she is reminding clients to have ensure solid cash flow during the months ahead. She said that businesses should be aware of their debt. They need to be mindful and up-to-date on what’s going on.

“It’s a challenging year,” she said. “Place your business and credit in a good position.”

While some businesses are maxing out credit cards and using personal savings to pay their bills, Mark Meinberg, partner-in-charge of EisnerAmper’s Long Island office, said the business owner needs to sit down and evaluate what is truly best for them.

“If the first wave of the pandemic taught us anything, it showed us you need credit,” he said.

“Sometimes in a situation like this, the best answer is that you have to sit down and think about it,” he said.

Meinberg encourages small business owners to “know what you learned” during from this year. “We all learned something during this pandemic,” he said. “Bring that back with you.”

Traditional ways of managing your funds and paying the bills have changed, just as the world has adapted to the virus.



Joe Perry

Joe Perry, Marcum LLP national tax and business services leader based in Melville, said he thinks there will be a second wave due to the uptick happening across Long Island. But he said that it's important to remind oneself not to jump to conclusions just yet.

"Don't get in front of your skis," he said. "You want to be patient and measured."

He advises owners have a plan and to be nimble. "Cash is king," he said. "Control costs, don't overstaff and be flexible."

Perry added that these days, being informed is more important than ever. "Take advantage of the aids that are out there," he said. "Continue trying to figure things out."

But like Meinberg, Perry said it's important to remember what you learned. "There isn't any special silver bullet that gets you through it," he said. "You don't want to make mistakes again."

One major mistake many people fell into was relying on government funding like the stimulus package to cover their costs, Tayne added. She said in times like these, asking questions is key. "You never know what you'll get," she said. "Don't be afraid to ask questions, even if it's uncomfortable."

And like everything this past year, the future is simply uncertain. "Everything is up in the air," Tayne said. "Take everything day by day... If there's one thing we learned during the pandemic, it's take it one day at a time."