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Increases

Recent legislation in thirteen states to raise the minimum wage, various increases in some cities across the country, and news that an executive order may soon mandate an increase on federal contracts, means small business owners will face yet another challenge to build, sustain and grow their business in a difficult economic environment.

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Recent legislation in many states to raise the minimum wage, various increases in some cities across the country, an increase on minimum wage for federal contracts, and ongoing pressure on legislatures to enact more increases, means small business owners face a constant challenge to build, sustain and grow their business in a difficult economic environment.

As November elections get closer, expect to hear a great deal more on the subject. Small business owners can take steps to mitigate the impact.

According to the National Federation of Independent Businesses (NFIB), the small-business sector has historically created two-thirds of net new private jobs in the U.S. economy, however, this sector has been slow to recover in recently due, in part, to a series of government policies. For instance, higher taxes, increases to health-care costs, more costly regulations, and minimum wage increases impact small businesses' ability to recover and grow.

Historically, economists have been divided on the impact of raising the minimum wage on businesses, and consequently on the minimum wage job market.

Last year a University of Chicago poll of economists found that it will be much more difficult for people to find these jobs, suggesting a reduction in employee hiring or

hours. On the other hand, consumer spending and employee retention efforts may

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costs.

5. Be sure to employ time and cost saving tools to standardize back office tasks. Consider outsourcing to easy affordable services that allow you to focus on growing business not administrative functions.
6. Research competition and adjust pricing accordingly.

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