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# A Look Back and 4 Musts for Business Leaders in 2016

While 2015 ushered in an optimistic start, our Vistage members' confidence didn't stay as positive as the year progressed—mostly due to the state of the national economy.

As we look back at the 2015 results of the WSJ/Vistage Small Business CEO Survey, a few patterns materialized that we can learn from. University of Michigan Economist Dr. Richard Curtin helps us debrief 2015, and plan for 2016.

## **Our members end the year strong**

Most of the small business owners we surveyed fared better than they speculated the national economy was. Dr. Curtin believes this is because small business owners know their businesses. They have first-hand information on the ins and outs of their business—their costs, revenues, and customers—and are using that knowledge to smartly invest back into their business.

## **Business leaders adapting to “new normal”**

Business leaders are seeing the growth rate gradually weakening, and are adapting to this scenario by accepting what Dr. Curtin says is a “new normal.” Those who expected exponential growth were most likely disappointed this year, but for the most part Dr. Curtin believes that coming out of the recession, most firms scaled back their expectation of growth and were therefore satisfied with the results. Additionally, the CEOs who were around for the recession of the '80s and '90s are feeling optimistic about any forward progress, rather than the previous declines in the midst of the recession.

## **2015: A series of surprises**

According to Dr. Curtin, neither the national nor the global economy has yet to stabilize. With events like the August stock market crash, the Paris terrorist attacks and a generally weak economy overall, Vistage companies are still overcoming a few shocks.

### **Question:**

***How can our members and small business owners prepare themselves for success in the New Year?***

Because of the changes we can already anticipate in 2016, it's important for small businesses to ready themselves. “Those firms that are the best prepared and have the best plans in advance will benefit the most,” Dr. Curtin says.

## **4 Musts for Small Business Owners in 2016**

### **1. Prepare for opportunities**

In order to capture opportunities and be prepared for new business, you need to think ahead—for example, buying and installing new equipment or hiring employees before the initial wave of new business makes a larger impact.

*Resource: [How to prepare your company for explosive growth](#)*

### **2. Know how to be competitive globally**

Dr. Curtin doesn't think the strength of the dollar will continue to fluctuate, but that means exporting will become more challenging. This will potentially make you less competitive in export markets. So if you're exporting something to another country, you'll need to position your product as having a superior quality or a greater service.

*Resource: [How to turn your business into a transnational enterprise](#)*

### **3. Hang on to your best talent**

Just as in the previous years, it will be crucial to properly hire, manage and maintain your staff. Once you hire a great team, retention becomes a key element. Remember: it's much cheaper to retain an experienced employee than it is to hire a new one.

*Resource: [How to nurture your future generation of workers](#)*

### **4. Know the power of peer advantage**

One crucial element for leading with certainty in 2016? Having a group of likeminded peers to support you and your business through the inevitable shocks and surprises throughout the year. With an advisory group like Vistage, business leaders find an unbiased sounding board, a place to vet new ideas, work with challenges, and discuss new opportunities.

*Resource: [How you can experience peer advantage](#)*

