Taking care of your business and more—at every stage

Whether you own a new, growing, established, or transitioning business, one thing is certain … your business, employee, and personal needs will continue to evolve. Yet, research shows the number one thing preventing owners from planning for the financial health of their business is their day-to-day responsibilities.[1] Working together, we can help you prioritize your needs and implement solutions that are right for you at every stage.

Top 5 **priorities vs. realities** for SMBs[1]

See what other business owners consider their top priorities—and how they've acted (or not) on those priorities:

1 | Business protection (47% have)
2 | Health & wellness solutions (75% have)
3 | Succession planning (55% have)
4 | Income protection (45% have)
5 | Non-medical & voluntary benefits (73% have)

To get started on your planning needs and goals, identify which stage your business is in:

New business: 1 – 3 years

- Becoming established in the market
- Putting profits back into the company
- Managing outstanding loans and lines of credit

Growing business: 3+ years

- Still establishing market share
- Large expenses (new equipment/hires, etc.) can lead to outstanding loans and lines of credit
- Growing revenue stream
- Growing staff may result in the need to meet state and federal requirements for benefits

Established business: 10+ years

- Consistent cash flow and revenue
- Experienced management team
- Strategies in place to address business transition
- Established client base and relationship management team

Transitioning business

- Reviewing benefits and protection strategies for new owners
- Strategies in place to maintain and grow the business as ownership transitions
- Plans in place to retain strong management team

[1] Principal Business Owner Check-In survey was conducted by Dynata and included 1,018 online interviews conducted between January 10-21, 2022.

Contact your financial professional and check out these resources:

- **Benefit Design Tool** to learn how your employee benefits compare to businesses like yours.
- **Business Needs Assessment Tool** to pinpoint the specific needs and goals of your business.
- **Informal Business Valuation/Buy-Sell Review services** help uncover your business protection, business succession, retirement, and estate needs.

Pinpointing your priorities and solutions for today and as your business evolves

	New business	**Growing** business	**Established** business	**Transitioning** business
HELP PROTECT YOUR BUSINESS				
Business protection due to disability or death of owner(s) and key employees	Consider key person insurance	Implement key person insurance	Review key person insurance coverage needs	Review coverage needs for new owners/ key employees
Business continuation planning (e.g., buy-sell agreement)[2]	Consider implementing a buy-sell agreement	Request a complimentary review of your buy-sell agreement	Request complimentary review; help ensure funding for retirement/ exit, death, or disability	Review/update buy-sell agreement & ensure proper funding
Determine business value for buy-sell funding needs [3]		Confirm value	Update value	
Plan to cover business expenses (e.g., rent, utilities, salaries) due to disability or death of an owner		Help ensure business expenses get paid	Help ensure business expenses get paid	Update all plans to reflect new ownership
Implement recruiting and retention solutions	Consider key employee benefits	Consider key employee benefits	Are your benefits meeting expectations?	Review plans; consider adding participants
HELP PROTECT YOUR EMPLOYEES				
Provide financial protection upon death or disability for employees	Offer individual life & disability insurance	Offer individual life & disability insurance	Offer individual life & disability insurance	Offer individual life & disability insurance
Protect against lost survivor income and personal wages, and provide dental and vision benefits	Consider foundational group benefits	Implement group benefits	Consider expanding group benefits	Review group benefits
Help owner(s) and key employees make up for lost benefits in employer-sponsored group benefit plans		Consider supplemental life & disability insurance	Implement or review key employee benefits package	Consider key employee benefits for retention
Help employees save for retirement	Consider a qualified retirement plan	Consider a supplemental retirement plan	Implement or review supplemental retirement plan(s)	Review all retirement plans
HELP PROTECT YOU (THE OWNER) AND YOUR FAMILY				
Retirement planning for owner(s)	Participate in retirement plan or IRA	Maximize participation in plans	Request a Business Owner Retirement Analysis	Request a Business Owner Retirement Analysis
Legacy and estate planning		Ensure wills & trusts are current; address estate tax concerns	Review wills & trusts; address estate tax concerns	Review wills/trusts of new owner(s)
Survivor and income protection benefits for owner(s)		Review personal life & disability insurance needs	Review personal life & disability insurance	Review new owner(s) life & disability insurance needs

[2] Principal offers complimentary buy-sell review services.

[3] Principal offers complimentary informal business valuation services. An Informal Business Valuation is not a substitute for a formal valuation nor does it establish a value for tax purposes.

Insurance products issued by Principal National Life Insurance Company (except in NY) and Principal Life Insurance Company®. Plan administrative services offered by Principal Life. Principal Funds, Inc. is distributed by Principal Funds Distributor, Inc. Securities offered through Principal Securities, Inc., member SIPC and/or independent broker/dealers. Referenced companies are members of the Principal Financial Group®, Des Moines, IA 50392.

Disability insurance has limitations and exclusions. For costs and complete details of coverage, contact your Principal Life financial representative.

The subject matter in this communication is educational only and provided with the understanding that Principal® is not rendering legal, accounting, investment, or tax advice. You should consult with appropriate counsel, financial professionals, and other advisors on all matters pertaining to legal, tax, investment, or accounting obligations and requirements.

Not FDIC or NCUA insured

May lose value • Not a deposit • No bank or credit union guarantee
Not insured by any Federal government agency

Principal®, Principal Financial Group®, and Principal and the logomark design are registered trademarks of Principal Financial Services, Inc., a Principal Financial Group company, in the United States and are trademarks and service marks of Principal Financial Services, Inc., in various countries around the world.

BB11226-05 | 08/2022 | 2348258-082022 | ©2022 Principal Financial Services, Inc.