

## Small Business Wields More Power Than Meets the Eye

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There's a reason everyone in Washington is talking about small business. Small business owners and employees make up the vast majority of the American electorate. Yet, big business seems to have all the influence. Too often, small business owners don't even bother getting involved in the policymaking decisions that affect their businesses.

That hesitance, experts say, is the reason small businesses are under-represented in government.

But small businesses wield more power than they might think. The key is knowing how and when to get involved. A light touch and a consistent message can be more effective than an anger-filled rant or idle threats. When it comes to lobbying elected officials, it might be best to take a lesson from the big guys.

"Politically connected firms have higher leverage in the form of [preferential loans](#), pay lower taxes, have regulatory protection, are eligible for government aid, and have stronger market power," said Mara Faccio, a professor of finance at Purdue University whose research was recently reported in the journal *Financial Management*. "They differ more dramatically from their peers when their political links are stronger."

But small businesses owners don't always know how to get their foot in the door of their government official's office.

"I have found countless numbers of [small business](#) owners who have built formidable profit-making enterprises who feel completely helpless when they want to influence state or local government," said Amy Handlin, a New Jersey assemblywoman who is also a business professor at Monmouth University.

In reality, Handlin said, businesses have a lot more power than they think.

"Business owners can more easily land state contracts, change local ordinances, get punitive business taxes waived or reversed, get variances to allow better operating policies, get more police protection against area crime, or change a zoning law to expand [commercial properties](#)," said Handlin, who recently wrote the book, "Be Your Own Lobbyist: How to Give Your Small Business Big Clout with State and Local Government" (Praeger, 2010).

[Read [Amy Handlin's top seven mistakes to avoid when lobbying your elected official.](#)]

## **Banding together**

One of the best ways to fight for change, or to prevent it, is to join together with other groups that have similar concerns.

William Corbett Sr., who owns a law firm in Floral Park, N.Y., created a consortium of 136 community organizations to fight the expansion of the Long Island Railroad in his town.

The expansion would have meant the long-term closure of the street on which Corbett's business sits and the elimination of the parking his customers use, according to Corbett.

After joining together with other groups, including churches, community groups, business organizations, politicians and Boy Scout troops, the organization's members circulated petitions, spoke at public hearings and made sure the media was paying attention by issuing press releases.

Working together gave the group clout it may not have had if the railroad expansion opponents had remained a splintered group.

The group's efforts paid off: The railroad expansion has been shelved for now, but Corbett believes they will have to fight it again and that's why the group continues to exist.

"Forming a coalition is easy," Corbett said. "Keeping it together is hard."

## **Lobbying for regulation**

In addition to forming your own group, lobbying can be effective when it's done on behalf of a group of businesses by a business organization. Whether the group is based on your location or is industry-specific, it will be key in helping to fight or create legislation.

"We had a choice as business to support or shun the regulation of our industry," said John Shegerian, CEO and founder of Electronic Recyclers International in Fresno, Calif.

Shegerian decided that supporting standardized regulation of the e-waste recycling industry was better than being forced to compete with firms that weren't voluntarily following generally accepted industry practices. The company got involved with the Basel Action Network, which works to set standards for e-waste recycling and conducts independent audits of companies in the business.

"We decided early on to support their efforts and for them to take the industry to a new standard," Shegerian said. That's how small businesses can get involved and change the world by getting behind a good nonprofit with right intentions."

## **Going it alone**

Sometimes, the best way to change things is to get involved in the political system yourself. Mark Grimm, owner of Mark Grimm Communications in Guilderland, N.Y., ran for his town board and won, beating out the incumbent.

“Small businesses get a raw deal because they are too busy building their business to get involved in politics,” Grimm said. “But they have to get more involved. They either have to run themselves or recruit and support candidates that will run.”

“I am a small business owner who realized the only way to change politics is to change it myself,” Grimm told BusinessNewsDaily.

Effecting change on the local level is especially important for small business owners, Grimm said. “The things that affect you the most are in the things that happen in your town.”