

Small Business Profit Trends Fall; Pressure to Pivot Grows

With more small businesses seeing falling profits, operational changes and funding strategies are moving to the forefront of survival conversations.

HOUSTON, TX, UNITED STATES, July 15, 2025 /EINPresswire.com/ -- Leading invoice funding company Charter Capital says more small businesses are reporting declining profits, creating more pressure to boost revenue, reduce inefficiencies, and strengthen financial planning. Additional insights are shared in "[Top Strategies for Maximizing Profitability](#)," now available at CharCap.com.



Top Strategies for Maximizing Profitability

The release comes on the heels of a recent National Federation of Independent Business (NFIB) report, which shows a downward trend in the frequency of reports of positive profit trends, five points worse than the previous month. Small business owners citing declining profits attribute the shift to weaker sales, higher materials costs, and labor expenses.

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*Joel Rosenthal, Co-founder
and Executive Manager at
Charter Capital*

“The gap between businesses reporting rising profits and those seeing declines is widening,” explains Joel Rosenthal, Co-founder and Executive Manager at Charter Capital. “Business leaders must continuously reevaluate how profitability fits into their broader strategy, especially as cost pressures and cash flow constraints collide.”

Rosenthal notes that, for some, that reevaluation means cutting unnecessary expenses or shifting pricing models.

For others, it means doubling down on their most profitable clients or service lines while pausing on lower-margin opportunities.

What ties these decisions together is a growing focus on efficiency and resilience. As profit margins tighten, small business owners must look beyond top-line growth and reconsider what it takes to maintain long-term financial stability.

“Timing and access to capital can impact profitability, too,” Rosenthal adds. “Even with a sound business model, inconsistent cash flow can undermine execution.”

He says that delays in receiving revenue don’t always show up on a profit and loss statement right away, but because they can affect how and when businesses are able to act, they can erode profit and slow growth over time. This means businesses must work to maximize profitability and also ensure they have access to capital as needed.

Invoice factoring, he notes, is often a part of this strategy because it can be leveraged on-demand to accelerate cash flow, giving businesses fast access to capital while controlling costs. Those who would like to [learn more about factoring](#) or request a complimentary quote may do so by calling 1-877-960-1818 or [visiting charcap.com](http://visiting.charcap.com).

About Charter Capital

Headquartered in Houston, Texas, Charter Capital has been a leading provider of flexible funding solutions for the B2B sector for more than 20 years. Competitive rates, a fast approval process, and same-day funding help businesses across various industries secure the working capital necessary to manage daily needs and grow. To learn more, visit charcap.com or call 1-877-960-1818.

Keith Mabe

Charter Capital - Factoring Made Simple

+1 877-960-1818

marketing@charcap.com

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