



Supporting Small Business resilience and mental health in a COVID impacted world.

There is great ingenuity, innovation, resilience, and courage in the small business community, but they have never been more challenged. The road ahead is not the same road and businesses must be supported in developing the skills and understanding of the pathways they need to take to come out the other side. They must also be guided and advised of the steps they need to take to protect their own mental health as well as that of their staff and families as they do so.

Many small businesses are looking at the economic downturn and determining what to do with both their business and their staff. Many are confused on whether to make staff redundant or battle on through in the hopes of surviving. Staff is not a word to them. In many cases they are friends that have worked with them for years. The mental health stress of dismissing a friend in the knowledge there is no work available is a massive challenge and one where it is common for business owners to sacrifice their own incomes first. They will often take less to avoid the issue and they and their businesses become unviable as a result.

Staff too, commonly believe that the owner makes mountains of cash. They rarely understand the cashflow, loans and risk that underpin the business and fear the boss is going to cut them back or make them redundant. Few will see the stress the owner is under because they are justly worried about themselves and their families too. Nevertheless, the owners have leases and contractual obligations that do not recognise downturns and must still be met.

This is a time when most business people are stressed and may not be able to make good rational decisions. There are a substantial number of small businesses that have already used their cash reserves and cannot afford to pay redundancy payments? They have drawn down on their super, begged and borrowed from their own savings or from family and friends, and they are hanging on by their fingernails.

So, what do we do? Fundamentally, you cannot address the mental health of the business owners without addressing the business itself. The two things are not independent. That does however mean that if you do address the business issues, you will take a quantum leap towards addressing the resultant mental health issues.

This is not an issue to address in concert with other business owners. This is personal. In fact, business itself is personal. The owner sees their business as part of who they are and customers. They do not need a workshop or high-level business planning advice that will



require the development of a whole new business plan. They need bite sized pieces. Simple steps which initially may only result in minor steps forward. What that does create is momentum and a perception of progress. If you are overwhelmed, you just need to see one less item on the list to do.

Critical to the support process is to get real people with industry specific knowledge into the business space to help triage and identify the opportunities and threats. The advice needs to be borne of knowledge and couched in sensitivity. Critically, to provide support from those the owner deems as having less experience than they have themselves is counterproductive, so the advisor must be seen as wise and without ulterior motive. The aim should be to provide an ear that listens and a shoulder on which to lean. Advice borne of experience and wisdom but with the ability to listen and hear the business owners' story

While not a palatable aspect, the ability to sensitively review must also include exploration of a dignified exit for some business owners and recognition of the inherent short- and long-term mental health issues that will accompany such an exit. Support in consolidation of debt, access to grants where available and low-cost legal assistance will be critical in the lead up and access to post exit support will be important in the months that follow

Most small businesses will be looking at re-structuring. Some will explore working from home as a longer-term solution, almost all are working with reduced turnover. Many will see less need for commercial space. Landlords are also going to face difficulties if they evict tenants, only to find, there are no businesses prepared to take new leases for the space. They too are small businesses and may need support. Mediation support through the Small Business Commission will be pivotal in supporting both sides but will need to then flow through to on the ground advice and support on how to move forward.

It is clear that the mental health of the small business owner is directly aligned to the health of their business, however this also suggests that early intervention may prevent the mental health challenges in the first place. Early access to assistance needs to be available, easily accessed and personalized. Such support from trusted skilled business people, mentors and advisors may allow the business to pivot to avoid the challenge that the business expects to come. Government funded support is a low-cost pre-emptive measure that could save countless businesses and many lives. Knowing that support from a recognized local professional will be provided through Government funding would mean they could reach out and be assisted earlier. As a result, the viable businesses will be given the support to stay open and the non-viable business are given to support to close with dignity early, calmly and before the weight of debt destroys both their business and their mental health.

The issues we face today are the proverbial tip of the iceberg. Governments recognise that the financial impacts to the budget will be for decades. Imagine as a small business with children to feed and a mortgage to pay, coming to that same realisation. Support must be long term. It has to look at how we prevent the short, medium- and long-term impacts that will result in



business loss, income loss, house loss, divorces, abuse, alcoholism, drugs, theft and more. To give short term advice with no follow up, or a workshop that begins and then ends at its conclusion, is putting a band aid on a chainsaw injury. We need to work with businesses and give them the comfort of knowing that they won't be deserted after a few sessions. They fear that when the program ends so does their support. We must reflect that if we do not provide ongoing free support, the problems of today may become the tragedies of tomorrow.

The steps:

Key to supporting small business that may be impacted by mental health challenges is recognising:

- that you can't fix them without fixing the business and
- You can't get them to engage with that process unless you get them to understand that they will be supported.
- They don't want to talk about mental health
- They want a silver bullet
- That even if the news is bad, once spoken it is able to be addressed. It can't be until it is revealed

Small businesses do not want, or need, another help line. They need to get their support from those they would seek out for advice. This includes, bookkeepers, accountants, lawyers, mentors, advisors, chambers, associations. As such, these are the people and organisations that need to be upskilled to support the small business owner. This does not mean they become clinicians. Nor does it mean that they talk directly about mental health. It means they are trained to understand the triggers and mitigate the core issues and then and only then, possibly introduce a mental health support aspect. The reality is that if we fix the triggers a large percentage of small business owners will be well along the path of fixing themselves.

It has not been access to support that has been a problem for small business. There is a lot out there. It is fear. They fear revealing themselves and their failures. Their triggers are many, health, family, competition, pride, expectation that others won't help, won't understand and can't do anything anyway. So, let's address the issues rather than introduce more services.

Who: The who is broken into a few categories. The small businesses (impacted), the Government, the business support businesses, the chambers and associations. Each require support in understanding the coalface issues and also assistance in the promotion of the services or support they offer.

The who, should also include the who not. Respectfully, small businesses do not want to come to Government, to publicly declared mental health organisations, or the ATO. They are already scared and vulnerable. They need to speak to a real person that has walked in their shoes.



They need to know they will be listened to. They assume they won't be, and that they will be told or instructed instead. They need to be empowered and respected and to do that, they need someone that can listen and will praise their courage while subtly steering towards the problems and potential solutions.

Services needed: Beyond Blue, Black dog, Heads up, Salvation Army, Red cross etc all do a wonderful job but none are, or ever have been, small businesses. As such they do not understand the underlying issues and cannot address the fix the business/fix the person dynamic. They need to be advised on who the small businesses are and why they feel as they do. After they understand that, they can offer hope in that space

Train the trainers: *Most agencies recognise their strengths and weaknesses. They would value training on the small business challenges and the way small businesses react to the monsters under their beds. This offering should be made to any and all that offer support services to small business. This includes:*

- *Mental health agencies*
- *VSBC. Particularly those that deal with online/phone inquiries*
- *SBV Hotline staff*
- *Better council managers in each council and their staff or coalface support people*
- *Local chambers and associations*
- *Bookkeepers/lawyers/insolvency lawyers/accountants*

Triage: Critical to engagement with small business is the creation of trust. Without the business respecting the person that seeks to help, they cannot and will not have the relationship needed to take the small business to the next step. Clearly, there is a very valid reason why mentoring is the first step. A business traditionally has actively sought help when engaging a mentor. They are invited into their homes and businesses because they are already trusted. They are not government/ATO/Beyond Blue, so they will not seek to lock them up/charge them/pursue them/talk above them/treat them like they do not know what's best for their business and their family. I know this is harsh, and I know that none of the agencies mentioned seek to do what I have listed. That doesn't matter, it is the perception of the small business owner not the reality that does matter.

As such a Mentor is often uniquely placed to triage a business and assess what are the clear and present dangers.

- Is the business survivable? Should it close sooner rather than later: A Mentor can assess then steer to accountant, lawyer, bookkeepers etc.
- Should the business pivot? Explore new directions, markets, products, services. While this may be seen as outside the brief on mental health, it is exactly the opposite.



- Remove the triggers, give them light at the end of the tunnel and we are directly resolving the issues that are triggering the mental health issue in the first place.
- Can the business relocate: Just exploring the opportunity to reduce overheads or change the model can again help reduce the stresses
- Are the owners at risk to themselves and others? Being an ear that listens is a critical trust element that may allow the introduction of medical or psychological support.
- Are they alone and could they be better supported if they joined likeminded others through joining a chamber, association or industry group?

Funded support: Support the businesses to:

- Identify and join groups such as their chamber, association or industry group
- Access online workshops/zoom sessions on resilience and exploring opportunities for the road ahead.
- Access mentors to do an assessment on the business and identify strategies
- Get free or subsidised: finance software, accounting support, bookkeeping, doctors, psychologists, mental health agencies

Marketing of support:

Regardless of intent, a program of support is only valuable if there is awareness within the sector it seeks to support. The small business sector is the most difficult of sectors to target. Only 38% of all small businesses are members of a chamber or business association. Therefore 62% aren't. Of the 38% there is a huge percentage that do not engage with the association and often ignore emails. From the 62% there will be an even larger percentage that will not read an email or have the ability to find out what is available.

The end result is that it is a difficult audience to reach. This means that the awareness of support has to come from their face to face advisors and through the development of a social media campaign, all tiers of Government, Chambers, Agencies local committees and word of mouth.

Conclusion:

The road ahead is not the same road. That doesn't mean it is not one that leads to a thousand new opportunities. As a society we need small businesses to come out the other side, stronger, more resilient and more able than ever before to build the economy. Our opportunity is now. Our obligation is now. Our responsibility is now.



Small business is always touted as the backbone of the economy and if we hold true to that belief we need to ensure it is supported and strengthened at times of challenge.

The road ahead is not the same road, but it is a road that will be lined with small businesses who will look after their families and communities.

Businesses that will invent and inspire or provide the things that make us smile. For that and a thousand other reasons we owe it to the small business owners to support them in their time of need, celebrate their successes and be inspired by their passion