

COVID-19 AND SMALL BUSINESS OWNERS: REPORT ON STAGE ONE FINDINGS

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1. INTRODUCTION

The impact of COVID-19 on the global economy has been significant (Rapaccini et al., 2020), with many small businesses finding the crisis difficult to manage. COVID-19-related government regulations have seen some small businesses temporarily or permanently close and others continue to experience significantly reduced demand (Kraus et al., 2020).

Unlike any crisis previously experienced, the COVID-19 pandemic has unusual properties (Ratten, 2020; Venkatesh, 2020). It is not limited geographically, physically or in time and, as a result, small businesses have little prior experience to rely on when constructing their response. The boundaries of the recovery period for COVID-19 are also fluid. We are observing the roll-out of vaccine programs globally, but the long-term efficacy and time to reach global saturation are unknown (Kraus et al., 2020; Venkatesh, 2020). This lack of a confirmed end-point to the crisis contests the commonly held dichotomous view of recovery (Marshall & Schrank, 2014).

Much of the existing research on crisis recovery has been conducted at an aggregate level without separating out the important small business segment of the economy. This is despite the fact that the size of these small businesses may result in a much more difficult struggle than that experienced by their larger counterparts (Herbane, 2010; Schrank et al., 2013). Even under normal trading conditions, small business owners (SBOs) are understood to experience significant stress. A 2017 report (Everymind & iCare NSW, 2017) reveals that concerning levels of depression, anxiety and stress are found among small business owners. The impact of crises on small businesses is considerable, and includes impacts on employees, sales volume and profitability (Herbane, 2010). Yet, we know

very little about how SBOs cope during crises in general (Doern, 2016), and during COVID-19 in particular. Arguably, COVID-19 has exacerbated many of the underlying stressors of small business ownership.

This report presents the findings of a qualitative, in-depth investigation of the experiences of SBOs during the second half of 2020. We examine the return-to-work activities of SBOs in businesses that were forced to close or significantly adjust their trading practices. In addition, we draw upon insights from employees and key intermediaries in the small business ecosystem. However, the voices in this report are predominantly those of the business owners themselves.

Our study responds to the lack of research regarding successful return-to-work strategies in the small business sector following natural disaster. There are studies that examine the impact of pre-crisis characteristics on recovery (Herbane, 2010), but these studies reveal inconsistent results and an inability to predict the success of recovery (Corey & Deitch, 2011).

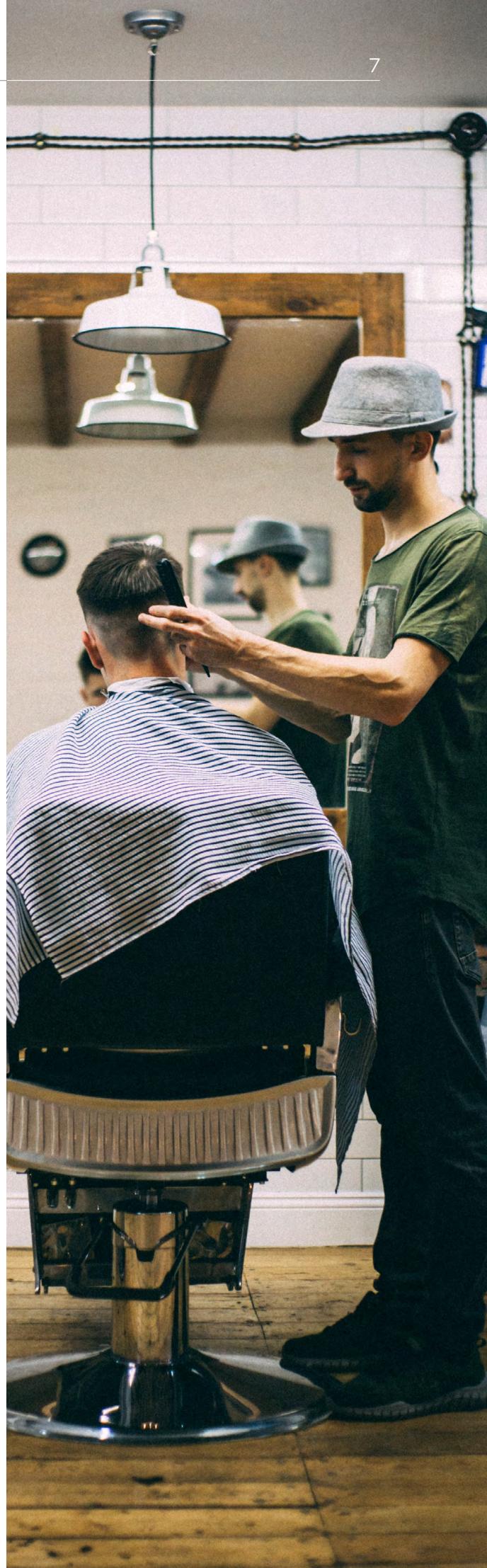
Recovery is also likely to be multi-faceted and non-linear (Jordan & Javernick-Will, 2013). It is not simply about assets but also about the impact on the extended family and their lives (Jordan & Javernick-Will, 2013; Marshall & Schrank, 2014). Early COVID-19 studies of small businesses provide some insights worthy of further exploration, including rapid response changes to products, services or modes of delivery (Kraus et al., 2020; Manolova et al., 2020; Morgan et al., 2020); changes to small firms' models, such as selling or producing high-demand products (toilet paper, masks) (Kraus et al., 2020); and improved digital communication, like digital meetings, workshops and expert consultation in an attempt to overcome physical isolation (Kraus et al., 2020).

Current business research in return to work and mental health focuses on the employee or the role of the employer in facilitating employee recovery. In addition, most return-to-work resources are aimed at the employee and how they can return to work, at the organisation as a whole, or at the business owner and how they can support their employees' return to work. This emphasis excludes the impact on the SBOs themselves and has largely been conducted in bigger organisations. Everymind and iCare NSW's (2017) white paper found that the majority of SBOs and all workers surveyed for their research believe that there is a need for more specialised support to address mental ill-health within the small business sector.

The findings from this multifaceted research project are intended to strengthen the understanding of SBOs' mental health, and to inform future policy and practice to better support the wellbeing of SBOs.

I hope and ... I think that they will do the right thing and they cannot leave people and businesses like this for three months without any additional support. But for now, we feel like we are left on our own.

(Hair and Beauty)



2. AN OVERVIEW OF KEY INSIGHTS AND RECOMMENDATIONS

2.1 Key Insights

Key themes extracted from the data collected during the interviews help to further understand how SBOs have been impacted by the COVID-19 crisis. In this section, we present a summary of the key insights as well as a synthesis of the findings and recommendations from the body of the report. Key insights are also highlighted in the body of the report.

The report commences with a broad background discussion of the impacts of COVID-19 as experienced by participants. Following this, four broad themes are unpacked. The themes summarised in this section are uncertainty, stakeholders, return to work and the personal responses of SBOs.

2.1.1 Uncertainty

The unique nature of this crisis has resulted in considerable and ongoing uncertainty for SBOs. This uncertainty was described by all interviewees as one of their key challenges, which, in many cases, resulted in considerable stress and fatigue. While government support enabled SBOs to continue their business operations during this time, more nervous SBOs expressed reluctance to spend money on what they saw as non-essential business costs, such as marketing, or even to grow their businesses despite observing increased demand. The provision of government funding was a key turning point for most SBOs, with the announcement of funding programs reducing the sense of precariousness for most.

Some SBOs felt that they had been **permanently changed** as business owners. The unexpected nature of the crisis and its

significant impact were a shock and SBOs became more aware that such shocks could occur. Exposure to COVID-19 left some SBOs feeling **more fearful of the future and more risk averse**.

Some of the SBOs explained that having lived through **prior personal and business crises** helped them cope with COVID-19. SBOs felt they could draw on the learning from and experience of these past events; having seen positive outcomes previously helped them to feel optimistic about the outcomes of COVID-19 for their business.

SBOs also explained that there was an expectation from employees and customers that they would have great insight about the pandemic. That is, SBOs were **expected to have greater clarity regarding the future**, irrespective of having to deal with considerable uncertainty themselves, in addition to a rapidly changing context and the potential threat of business loss.

In seeking advice and support from external stakeholders, SBOs expressed a need to learn new information and to seek **reassurance** that their own interpretations and implementation of regulations were correct. SBOs frequently indicated that **finding and interpreting COVID-19-related information was difficult and burdensome**. Those who did not feel their business fitted into an industry category found it particularly difficult to understand how COVID-19 regulations applied to their business. SBOs turned to professional service providers and other SBOs to validate their own interpretations of COVID-19 information. SBOs often described the uncertainty and constant changes, which produced a need to **check in with others that they were doing the right thing**.

2.1.2 Stakeholders

Although they often felt that they alone were responsible for the outcomes of their businesses, SBOs did **turn to others for advice and support** during COVID-19. SBOs repeatedly stated that support was most welcome when it was tangible, as well as emotional, and when it felt specific for them and their industry. It was also critical that **individuals providing support understood small business**.

- a. **Accountants and bookkeepers** assisted some SBOs wade through and interpret government information. SBOs relied upon these intermediaries most heavily in the early stages of the pandemic.
- b. **Other SBOs**, particularly within the same industry, were a key source of support for the SBOs in the study. SBOs found that informal groups accessed via online forums was a useful way to seek support from other business owners.
- c. Some SBOs found that their **industry body** was a significant support during COVID-19, providing interpretations of government regulations for their specific industry. Most, however, felt unsupported and unrepresented by their industry body. Some SBOs acknowledged that this was due to the unprecedented nature of the crisis, but others believed that their industry body was fearful of disrupting its relationship with government.
- d. SBOs described approaching various levels of **government** in various departments to seek advice during COVID-19. In some instances, SBOs felt government lacked sufficient understanding of the specific challenges that small businesses were facing. However, some SBOs described particularly helpful interactions when they were able to identify, and maintain contact with, a specific individual.

Government support in the form of financial aid, in particular **JobKeeper** and the mandatory **Code of Conduct**, was critical to the survival of almost all businesses in the study. Beyond the tangible support that government assistance provided, government financial aid was an important signal to SBOs that the government would protect them. This was particularly evident when SBOs described the period before the announcement of JobKeeper—the time during which they felt most panicked. The announcement of JobKeeper (and the announcement of other grants) was a significant relief for many SBOs. However, several raised concerns about the implementation of government support. These concerns included the process of implementation, which they felt had significantly enhanced their workload and stress due to the challenges of interpreting support/grant guidelines, and also because of the need to outlay employee wages prior to JobKeeper payments being made available.

Having to pay rent during COVID-19 was identified by many SBOs as a key financial strain and therefore a source of stress. **Negotiating with landlords** was highlighted as one of the most challenging and stressful aspects of COVID-19, and the introduction of the **Code of Conduct** was recognised as a significant support in these interactions. SBOs felt that 'the Code' helped to address the power imbalance in their negotiations. They indicated that commercial leasing was an area that required further consideration. Many remained anxious about paying rent in the future and believed that many small businesses would be fearful of entering long-term and inflexible commercial leases.

2.1.3 Returning to Work: Business Closure, Adjusted Trading and Navigating Business Reopening

Many SBOs described their experiences of working—or not working—through COVID-19 as extraordinarily unique in their time as a business owner. The early stages of the pandemic required a **sharp increase in working hours** for many SBOs. For some owners, the increased workload increased again as their businesses reopened. Applying for grants also required considerable work for some SBOs.

Some SBOs ran **businesses that were closed** due to government regulations. Some SBOs described feeling pressure about whether they should continue to operate during the time prior to government announcements. In making these decisions, SBOs considered not only their financial situation but also the safety of their employees and customers. Accordingly, some SBOs decided to close their business prior to, or outside of, government requirements. For SBOs, the **process of shutting down a business was new and operationally challenging** as they had no existing processes in place to do so.

Making the decision to close or being forced to close was personally devastating for many, at least in the first few weeks of the pandemic. Some SBOs viewed being shut down as a unique opportunity. Although some interviewees found it difficult to engage in productive activity during this time, others explained that the closure of their business afforded them an opportunity to work on business strategy, or have time away from thinking about their business—something they were rarely able to do in the past, even when on holiday.

Managing employee experience through shut-down and reopening required considerable effort for the SBOs. This included implementing new processes to maintain employee engagement and then also managing employee concerns upon reopening.

SBOs had **mixed feelings about reopening their businesses** and returning to work, including excitement, fear and nervousness. They described being highly concerned about whether they were appropriately adhering to COVID-safe regulations. Being back at work gave some optimism and an important sense of normalcy. For others, working under **COVID-safe regulations altered their experience of work**, particularly when it changed how they interacted with customers. A core part of returning to work was **ensuring that there was a job for themselves** and for their employees to return to. Accordingly, many were anxious about whether or not business demand would return and be sustainable.

2.1.4 Personal Responses of SBOs to the COVID-19 Crisis

SBOs experienced **different emotional responses** and their **feelings changed over time**. Most SBOs described feeling **shocked and personally devastated** in the early stages of the pandemic. The ongoing impact on their business and the community **fatigued** some SBOs, resulting in a reduction of active and productive business activity over time. However, some SBOs were able to **move through the initial shock to feel more positive**.

SBOs **compared themselves to others**, particularly other SBOs, to develop a sense of how their own business was faring. This was a **source of comfort** for most.

SBOs purposefully acknowledged the external drivers of their business situation, and that **others were in the same boat**, which lessened the sense of failure initially felt by some.

Across the interviews it was evident that SBOs experienced both **loneliness** and a need to be better equipped to manage the pandemic. They expressed a **sense of responsibility** for other individuals and businesses beyond the scope of their natural duty of care as a business owner. SBOs were conscious of the impact of COVID-19 on other small businesses in their community and many tried to find ways to **offer support**. **Employee experience, health and financial situation** were also a concern for SBOs, with some owners even providing financial support to employees who were unable to access government aid.

Many SBOs described feeling **unrepresented and forgotten**. For many this was something they increasingly experienced over the course of 2020, particularly as government regulations shifted or as the impact of COVID-19 varied across sectors. Some owners felt that their own industries were neglected in the adjustment to regulations because they were **less important to government** than others. Some SBOs felt particularly disheartened about what they perceived as a **lack of support from their representative industry body**.

This led to some SBOs feeling **alone and powerless**, because they perceived they were less important than large businesses and were therefore not considered in government decision making. However, **government directives** were viewed by others as important in **redistributing the perceived power imbalance** between themselves and larger organisations, particularly landlords.

2.2 Recommendations

Based on our findings, we present recommendations for consideration. Data collection in this study will continue during 2021, extending the insights upon which these recommendations have been formed. The intention is to further inform support and advice practices available to the small business community.

Below, we provide a brief list of recommendations arising from the study. These are discussed in further detail at the conclusion of the report.

1. Provide a human response
2. Help SBOs cope
3. Help SBOs feel in control
4. Link mental health support to practical outcomes
5. Connect owners with owners
6. Connect owners with those in different business life-cycle stages
7. Learn from the success of the Code of Conduct
8. Help SBOs return to work
9. Provide SBOs with reassurance and validation
10. Understand the power of supportive industry bodies

3. METHODOLOGY

The study commenced with a review of available literature to determine the key theoretical underpinnings. The literature review identified specific challenges relating to COVID-19, past crises in small and medium-sized entities (SMEs), return to work literature both generally and specifically for SMEs, and some early academic papers about the COVID-19 crisis. This review allowed the research team to understand the existing knowledge base regarding these topics and to devise a series of open-ended questions to examine the lived experiences of the SBOs, their employees and their intermediary supporters.

Subsequently, two rounds of semi-structured interviews were conducted. These rounds were approximately three months apart, with the first round commencing in July 2020. The semi-structured interviews were conducted via an online video conferencing system or by telephone. This approach was adopted to overcome the constraints of COVID-19 restrictions on the research team's movement, as well as on the movement of the interview participants. A total of 50 individuals were interviewed: 32 owner operators, nine individuals employed by small businesses and nine intermediaries (individuals providing advice and support to small businesses). Further interviews will be conducted throughout 2021 and reported separately.

Interviews were designed to explore the experiences of those working in the small business ecosystem during COVID-19. Basic background employment information was collected, including prior work experience and an overview of the interviewee's current workplace. This demographic information included length of employment, type of industry, number of employees and age of the business. Semi-structured interview

questions then focused on developing a deeper understanding of the lived experience as an owner, employee or intermediary. For example, interviewees were asked about:

- the impact of COVID-19 on their business;
- the key business-related challenges they faced through COVID-19;
- their personal responses to the impact of COVID-19 on their business;
- where relevant, the coping strategies employed by individuals;
- who and what supported them during COVID-19;
- their expectations for the future.

All interviews were recorded and transcribed verbatim. Transcripts were read and coded using qualitative data analysis software (NVivo) by one of the researchers. The coding approach was reviewed by a second researcher at various stages of analysis and interpretation.

This report draws primarily from the primary data collected in the two rounds of interviews. Further integration of these findings and existing understanding drawn from the literature is undertaken in the discussion in each sub-section.

Three of my kitchen chefs sadly are all various visa workers, so they had no access to any government funding. So I was feeding them and giving them a nominal amount of money each week just to buy the basics.
(Hospitality)



4. STUDY PARTICIPANT DETAILS

There are three participant categories in this study: SBOs, employees in small businesses, and intermediaries providing services and/or support to small businesses. This section provides some details of those captured in each of these subsamples.

SMALL BUSINESS OWNERS



Thirty-two SBOs participated in an initial, in-depth interview. In addition, at the time of writing, 26 follow-up interviews with the same SBOs had been conducted. The following demographics were collected for the 32 SBOs.

- **Tenure of experience as a SBO:**

- One to four years: nine
- Five to 10 years: eight
- More than 10 years: 15

- **State of location of business:**

- New South Wales (NSW): 28
- Victoria: two
- Queensland: two

- **Business location:**

- Major city: five
- Non-major city/Suburban: 18
- Regional: seven
- Two SBOs run businesses across both suburban and city locations

- **Industry:**

- Hospitality
- Tourism
- Personal services, such as beauty and hairdressing
- Trade services and mechanical services
- Retail
- Professional services

EMPLOYEES



At the time of writing, nine employees of small businesses had been interviewed. Some of these worked for the SBOs in the study, while others were recruited separately.

- **Industries represented:**

- Entertainment
- Marketing
- Tourism
- Healthcare
- Trade services and mechanical services
- Professional services

INTERMEDIARIES



Nine intermediaries had been interviewed at the time of writing. Interviewees were employees of intermediary services (such as government program facilitators), as well as SBOs themselves (e.g., owners of an accounting and/or bookkeeping businesses).

- **Professional services provided to small businesses:**

- Business coaching
- Financial services and advice
- Industry-specific consultancy

5. THE IMPACT OF COVID-19 ON THE BUSINESSES IN THIS STUDY

When interviewees were asked about how COVID-19 had affected their business, they described a range of impacts, including total business closure, reduced or altered trading, reduction in employee numbers and/or hours, changed supply conditions and business growth. Many identified a sharp and significant shock, including full business shutdown with very little notice or a drastic reduction in demand: 'We lost 65% of our business in three days' (Hospitality).

KEY INSIGHTS

- COVID-19-related regulations have resulted in a dramatic downturn in income and a significant increase in workload for some small businesses.
- The impacts resulting from the pandemic vary amongst the small businesses, but include temporary closure, reduced or altered trading hours and processes, loss of employees and business growth.
- The type of impact depends primarily on industry and business location.
- Some owners were anxious about how their business and other businesses in their industry would recover.



For many other SBOs, across various industries, the social distancing regulations brought about a significant reduction in their unrestricted trading capacity. For many, this meant that their businesses were operating purely to 'keep the doors open', making little to no profit and with only JobKeeper keeping them 'afloat'.

The whole venue that I'm contracted to can only now accommodate 300 people in a venue that can take well over 900 people if it was full capacity... So there's only so many we can do, so it's just dictated by all these laws and regulations based around this COVID. (Hospitality)

In addition to reduction of throughput, social distancing requirements forced some of the businesses to introduce additional safety measures, such as screens, and to designate or hire specific personnel to monitor customer activity. This additional infrastructure and staffing was not only costly, but was viewed by the SBOs as unnecessary and ineffective. They expressed frustration and felt they were an unfair target of policy that had failed to sufficiently appreciate the specific operational needs of a small business in their particular industry.

Even SBOs who felt they had fared relatively well described a slowing of processes, including payments, by other businesses: 'so I'm not sitting around, I'm busy all the time, but then people won't pay your invoices' (Business Services). This resulted in cash flow problems and reinforced their fear that things could take a turn for the worse for their own business at a moment's notice.

For many SBOs, as is widely recognised, COVID-19 drove a shift to online offerings. For some, this was a relatively easy transition, but for others, for example, those offering services and entertainment, it was a more significant change that required considerable work and a fundamentally new approach to their business model. For example, one interviewee explained that she had shifted from being primarily an events-based organisation, to selling products online:

And then when COVID hit, we couldn't trade our events, but people were happy to buy [our offering] online, so that kind of then became an online business, because you've got to change the model to what you're allowed to do at the moment.
(Retail)

All SBOs operating beauty, hospitality and tourism businesses expected that their industry would be permanently changed as a result of COVID-19. Moreover, they felt that many small businesses in their industry would never recover. For example, a respondent with a beauty-related business, who was observing online chat amongst peers in the industry, stated, 'this is definitely killing us' and expressed that the second wave of lockdown for those in Melbourne 'has basically eradicated us—that's it' (Hair and Beauty).

For SBOs operating in professional services, such as bookkeeping or IT, and construction, COVID-19 had resulted in significant growth. Faring better than many others was a source of guilt for some SBOs: 'so other than the fact that it's a terrible thing, a lot of people have gone hard, it's been good for our business' (Manufacturing).

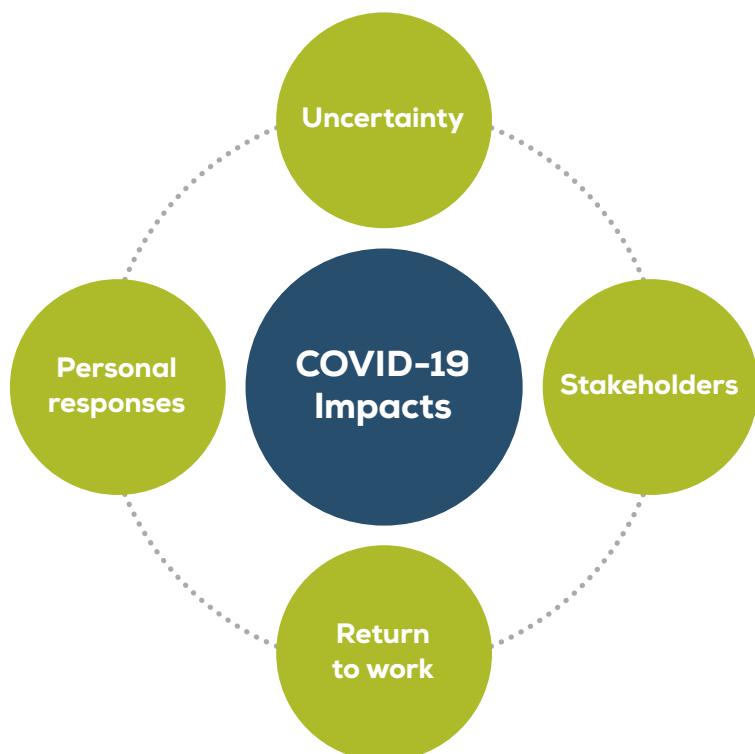
COVID-19 followed a difficult time for many in Australia because of other recent external crises such as devastating bush fires and drought. This compounded impact was noted by some of the SBOs in the study, and was particularly relevant for SBOs operating businesses in regional areas. Some moved into the COVID-19 crisis in an already compromised financial position:

the hard part for us is because we came straight off the... the bush fires pulverising us. Not like literally coming through and burning us, but like wiping out our events and our revenue in what is our normal peak time of the year. (Retail)

One SBO in particular explained that the ongoing trauma of running a business through drought and then COVID-19 in a regional area was, after over three decades in business, the 'toughest I've ever seen it, just absolutely the toughest; but not just in business, but also mentally, obviously there's a lot of other contributing factors as well' (Hospitality).

In the discussion that follows, we examine in detail four main themes (Figure 1) relating to the impacts of COVID-19 on the businesses in the study. Many of these themes have sub-themes that are also explored in more detail below. We examine the increased uncertainty in business; the impacts caused by and for stakeholders; specifics about returning to work in this sector; and the SBOs' personal responses to these impacts.

FIGURE 1:
MAJOR THEMES IDENTIFIED
IN THE STUDY



5.1 UNCERTAINTY

KEY INSIGHTS

- A sense of uncertainty was commonly identified as a primary cause of stress for SBOs.
- Uncertainty decreased over time for many SBOs, with government announcements around funding critical in reducing uncertainty.
- Uncertainty caused some SBOs to reconsider business growth and/or marketing spending.



A common theme for all SBOs interviewed was the difficulty in dealing with 'the unknown'. The unique nature of the crisis led to many unique experiences for SBOs, such as forced business closures, social distancing regulations and border closures. Across almost all interviews, SBOs described uncertainty as one of the most challenging parts of the pandemic:

We didn't know how long the lockdown was going to last and that kind of level of uncertainty in a business is pretty tough to deal with ... I think you can deal with most things if you have a solid plan to recovery or plan to whatever and if that has been tried and tested and it works, but this is a situation where no one has been through it before. (Tourism)

Coupled with uncertainty was a contraction of business activity, with SBOs indicating that they had stopped spending on what they deemed 'non-essential' business activity, such as marketing and even hiring employees to facilitate growth:

Do I grow my business... because I've got the opportunity to do that, but do I have the mental capacity for that? That's one thing I'm looking at, at the moment as well, because I don't promote myself and it means I could give people a job... I'd love to give a young person a job ... do I have capacity for that, mentally? (Business Services)

So the whole buying your stock for your business has changed... I buy basically two days' worth of stock at a time... because we've had to revise our menu and cut our menu down—and so if we

run out of something we just apologise, "I'm sorry but we can't afford to carry a week's worth of stock like we used to". (Hospitality)

The inability to plan was highly frustrating for many SBOs. For some, the uncertainty was worse than a potentially challenging future. SBOs wanted something that they could tangibly engage with in order to plan. The uncertainty reinforced the sense of powerlessness that many SBOs felt in being unable to actively engage with the future:

And you can't plan. You're really in a holding pattern. You can't plan any future, and I find that really frustrating... it stops you going forward, because you go, well what's the point? (Tourism)

I suppose the hardest part was not having an end date ... not knowing okay, cool this is where we need to get to or where we need to go and beg, borrow and steal some money to get to in order to come out the other side. (Education)

For some, the uncertainty reduced over time. As they learned from their own experience of the pandemic and saw how the community responded, their belief that they could more effectively cope with future outbreaks was enhanced:

In terms of overall stress levels, definitely a heightened period for four to six weeks. But once the level of variation and uncertainty started to reduce, then your level of adaptation to that also responds accordingly... You start to feel a little bit better about how everything's fitting together and how it's all going to work. (Professional Services)

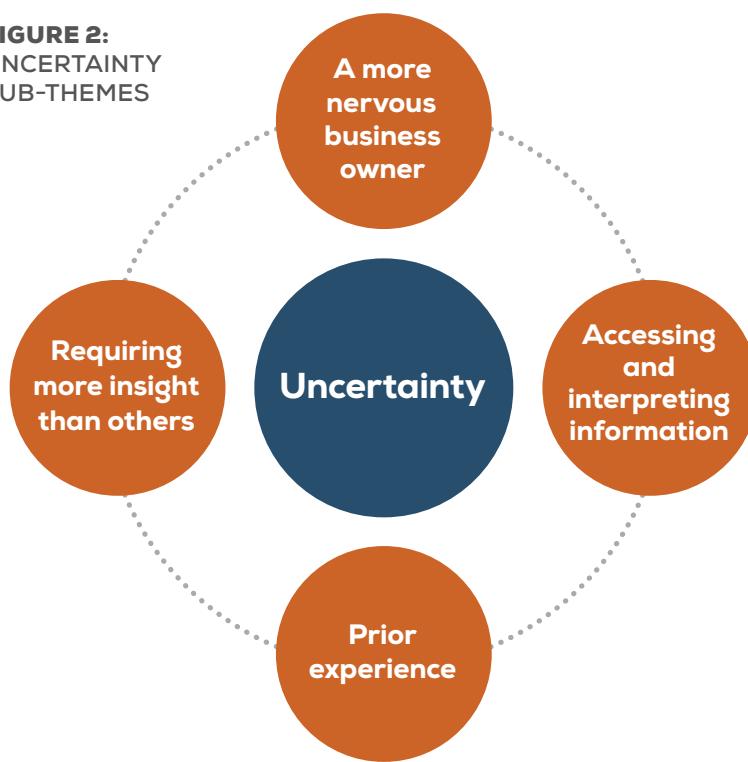
Government announcements regarding funding support, in particular, significantly boosted the sense of certainty amongst some SBOs. These SBOs saw the government as key 'certainty givers'. Other SBOs, on the other hand, felt that the process of government decision making was exacerbating the uncertainty:

the problem is you just can't... see... to recovery because you know that the politicians are just going to do whatever they want whenever it suits them and ... you can't make any plans or make any

predictions or do anything really because there's no point because you can do everything, build your business back up and then because somebody wants to get a press release out, they torpedo it again. (Tourism)

Evidence of the impact of this uncertain environment was found in four areas, as depicted in Figure 2. Next, we provide evidence of a more nervous business owner emerging; challenges in accessing and interpreting government information; the importance of past experience; and being expected to have more insight than others about COVID-19.

FIGURE 2:
UNCERTAINTY SUB-THEMES



5.1.1 A More Nervous Business Owner

KEY INSIGHTS

- When does funding end?
- SBOs have become more risk averse.

Uncertainty around when the government support 'tap' would be turned off remained a concern for many, leaving SBOs unsure about their future: 'I'm frightened of what happens when businesses lose JobKeeper' (Hair and Beauty).

Some SBOs stated that they had been changed as a SBO, and this was largely due to the level of uncertainty they had faced and continued to experience. They were more nervous about the future than they had been prior to COVID-19, explaining that they were more risk averse as business owners and believed they would remain so: 'Is something else going to happen ... instead of COVID, is it going to be something else that outbreaks next year, we don't know?' (Hospitality).

5.1.2 Issues with Accessing and Interpreting Information

KEY INSIGHTS

- Interpreting government information has been a key challenge for SBOs.
- A human point of contact within a government department has helped SBOs identify and interpret information relevant to their business.
- SBOs have turned to accountants, bookkeepers, industry bodies and online forums to assist in interpreting information.
- SBOs have sought reassurance from others regarding their own interpretation of regulation.

Dealing with uncertainty meant that SBOs sought more information from others. Locating and understanding business-related COVID-19 information was a key challenge: 'our brains just get scrambled' (Tourism). SBOs were required to understand the newly introduced, and then constantly changing, rules, which included whether they were allowed to trade, how they could re-open, whether they were eligible for JobKeeper and other grants, and how to implement COVID-safe rules. SBOs spent considerable time trying to make sense of each new announcement relating to COVID-19, particularly in the early period (March/April 2020) of the pandemic:

I would just go to ABC News and just read their... main facts afterwards to make sure we were getting the main facts and then cross-reference it with the government websites and then cross-reference it with our accountant and then put it all into plan and see if we could access any of the stuff.
(Education)

Keeping abreast of the constantly shifting landscape of COVID-19-related business rules added further difficulty and contributed to the sense of uncertainty among SBOs: 'There was, there was a lot of information. And it, and it, and it kept changing. Like, it kept changing all the time and it ... This is the restriction now and ... this has changed to that and ...' (Hospitality).

A common difficulty experienced among SBOs was interpreting how information provided by the government applied to their specific business context: 'the government website just became so confusing and so varied and we don't fit into a box' (Entertainment).

Several SBOs related that they had been greatly assisted in their search for information by a specific, helpful individual from a government department (such as Service NSW or their local council). Having a specific individual who could be contacted and who helped the SBOs wade through and interpret information was reassuring, instilling confidence that they were across what they needed to be, and at times, providing emotional support:

we were given a contact person from the State Government and she would call you... it might have been every two weeks in the beginning and now it's every three, and just say, "Now, hi, how are you going? Did you realise this grant was available? Did you realise that was available? Have you applied for that? Is there anything we can do to help you? Do you realise that there are wellness people out there if you're mentally not doing okay?" (Tourism)

Financial service providers were particularly busy during the early period of the pandemic, working to understand the new rules themselves as well as how they applied to their various clients: 'I need to be able to break it down, not dumb it down, but break it down into the chunks that my specific clients needed because there was a lot of information that they just didn't need' (Business Services).

Accessing industry-specific information via industry-body websites and through online groups and forums became particularly important during COVID-19 as SBOs needed to quickly locate, interpret and implement complex rules: 'The government stuff's really broad and murky, you've got to wade through a lot, whereas they would cut out our bit ... and if you want to look it up you go to this page or this website, this section' (Hair and Beauty).

In describing much of the support they sought and received, many of the SBOs identified that they were searching for reassurance, rather than new insight. That is, SBOs had often figured out 'the right thing to do', but still wanted reassurance from someone else, especially from a person with some formal authority:

it's also good just to... they're my get out of jail free card... all right, if we get something wrong, I know that I've got them. And some things in terms of standing down versus this versus that, it was good just to have point of reference to be able to go back and go, "I'm thinking it looks like this, you tell me this". (Retail)

5.1.3 The Importance of Prior Crisis Experience

KEY INSIGHTS

- Having operated a business through previous crises gave SBOs a sense that they had the tools and mental fortitude to survive through COVID-19.
- Having seen positive outcomes after prior crises helped some SBOs remain optimistic about their future.
- Some SBOs felt that the unique nature of this crisis was something that they were negatively affected by and would remain so in the future.



Many SBOs explained that they had already experienced personal and/or business-related crises and that this was important for reducing their uncertainty and increasing their ability to remain resilient through COVID-19:

I'm a pretty resilient guy, I've been through a lot... so to some degree as much as it... being an issue looking for support, it's as much as giving support as actually getting support. (Business Services).

SBOs felt that having experienced prior difficulties in their businesses gave them additional tools and insights for decision making and enabled them to effectively manage the stress of COVID-19:

In our case, we had gone through a little storm a few years ago. We had done a bad acquisition and then it had a lot of impacts and we had to deal with it. So I guess we learned a lot from that time and I guess we already knew. The good thing is that I kept the same management team since, so at least I had a management team who was already experienced, I guess, in dealing with a crisis and the stress associated with it. (Hair and Beauty)

For some SBOs, having worked through and seen the positive 'other side' of a crisis was important in maintaining an optimistic outlook. They explained that having lived through other major global or local crises, and having experienced positive outcomes

motivated their active engagement with the impact of COVID-19 on their business:

So I was in London in the GFC [Global Financial Crisis]. I was in London for 7/7 [London bombings], 9/11 [World Trade Centre attack] things like that, I saw how a recession worked. And I saw how good things and new things came out of the recession and how old businesses that didn't pivot and adapt went. So, in a way, that's kind of forming my philosophy as well. (Tourism)

However, not all SBOs were able to draw on prior crises to ease their stress. Many recalled prior business, or personal, challenges they had lived through, but still described owning a business through COVID-19 as the 'most gut wrenching' (Tourism) and an experience which they felt had negatively altered them.

5.1.4 An Expectation to Have Greater Insight than Others

KEY INSIGHTS

- Despite operating with the same information as others in the community, SBOs were expected to have greater insight than their employees.
- SBOs were often surprised at the lack of understanding their employees had about COVID-19.
- Customers also appeared to expect SBOs to have more clarity about the future.



SBOs explained that other stakeholders had expectations that they should have both a better understanding of the COVID-19 pandemic and insights into the future. Employees, in particular, expected SBOs to filter the uncertainty into something more tangible for their employees. Employees looked to SBOs for information and a sense of certainty about their future: 'and they're looking at you for answers and you don't have any answers' (Transport).

Many SBOs were shocked at their employees' lack of understanding of the crisis:

I found they were sort of looking towards us, but the information was everywhere. But they were just relying on us to pass on the information and... they didn't take much initiative in my opinion. I was pretty shocked that it was such a serious world-wide issue and they were just waiting till we passed the message on about what was happening and what may happen and, realistically, our predictions are just guesses really.

(Hospitality)

Customers also looked to SBOs for information and a sense of certainty. This was an added pressure for SBOs, who not only had to deal with their own uncertainty, but also had to try and reassure their customers:

She's like, "These parents are asking when COVID's going to be over". I'm like, "I know!". And not just one, heaps of them... "so, when do you think that is?". It's like, "I can't give you an answer, I can't give you answer".

(Education)

Several SBOs also experienced this expectation from professional service providers and their landlords. For example, one SBO expressed frustration that his financial institution had asked him to articulate his business future: 'My bank asks me for forecasts and I'm like, "Great, you tell me whether you're going to be working in your office next week and I'll give you a forecast!"' (Tourism).

5.2 The Role of External Stakeholders in SBOs' Experience of COVID-19

In this section, we identify the relationships between SBOs and key external stakeholders during the COVID-19 crisis. We begin by identifying these stakeholders. In particular, participants in the study spoke about their accountants or bookkeepers, industry bodies and other SBOs, and professional counselling or coaching services. Following this, four sub-themes are discussed: the importance of sharing the experience with others in the community; the importance of stakeholders' understanding of small business-specific issues; the role of government interventions; and relationships and interactions with landlords around commercial lease arrangements.

5.2.1 Accountants and Bookkeepers

KEY INSIGHTS



- Accountants and bookkeepers provided tangible support and reduced the 'mental load' for SBOs.
- Interaction with other SBOs was a key source of support.
- SBOs consistently articulated that emotional support was most helpful when it was linked to tangible, business-related support.

Both accountants and bookkeepers were consistently referred to by most SBOs as being critical sources of assistance in the early stages of COVID-19. These intermediaries were particularly important for the SBOs when navigating JobKeeper applications. Most SBOs explained that they were 'always in close contact' with these individuals during late March and April 2020. This was an important source of tangible help and a significant relief from the 'mental load'. As one SBO stated: 'My bookkeeper was the saving grace' (Health and Fitness).

5.2.2 Industry Bodies

SBOs described considerable variation in the support they received from their representative industry bodies. SBOs viewed industry bodies as helpful when they played a key role in interpreting government information for their specific industry and when they actively engaged with government representatives to clarify information and even advocate for businesses when decisions were not considered reasonable:

Again, there were very... everywhere there was an announcement, they were on top of it, they were enquiring about it and they were asking if we had any questions so they would take our questions to the right people and come back with the answer. It was pretty impressive.

(Hair and Beauty)

However, many SBOs were of the opinion that their industry body should have been more supportive. They described being disappointed in the lack of advocacy from their industry body, which contributed to their sense of feeling forgotten as a SBO:

'[Industry body Y] aren't doing their job like they should. Their job is to look after us and they're really not making the noise they should be' (Health and Fitness).

So industry bodies, people are now saying, well why were we ever part of IATA because they've not protected us at all? And I would completely agree with that a hundred percent. And I would love to get a hold of that AFTA Board and ask them what on God's green earth are they doing? (Tourism)

SBOs perceived that the lack of support and advocacy from their industry body was a result of the body not wishing to 'rock the boat' with government: 'Ours really just like sitting down and obeying whatever they get told' (Health and Fitness).

5.2.3 Informal Interactions with Other SBOs

For SBOs, talking to others in their industry and/or other SBOs was a key support, particularly in confirming their own approaches to COVID-19-related safety regulations and grant applications. These interactions were generally undertaken online, in industry-specific groups (but not formal groups developed through industry bodies), or via small business-specific groups and forums. SBOs explained that speaking with others in the same situation helped them interpret what they found to be complex rules. Consulting with other SBOs was an easy way to validate their own interpretations and subsequent implementation of regulations:

You know, for example, about COVID and hygiene and cleaning stuff, what does everyone do and what are [we] supposed to do? ... So people share resources and knowledge and links and things and say, "This is what you should follow. This is what I am doing. You can do this or that". (Tourism)

Many of the groups the SBOs referred to had been started by a SBO either prior to COVID-19 or as a result of a perceived need arising from COVID-19. That is, the SBOs felt that available offerings from formal groups (such as industry bodies) generally did not reflect their needs. One of the SBOs in the study started an online industry group because he felt there was nothing available for his specific needs.

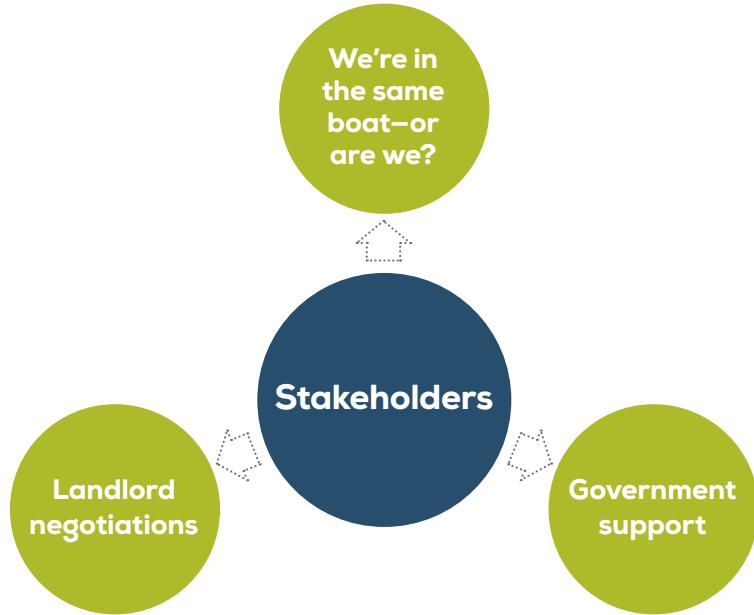
5.2.4 Professional Counselling Services

Only two of the SBOs interviewed reported that they had sought professional counselling or other formal mental health support. This low response rate may be due to non-disclosure, although some SBOs did reveal that they had chosen not to seek professional mental health support. As one SBO explained, she did not feel it would be worthwhile unless a health provider could alter her financial situation:

I've chosen not to do that because I'm not sure that they'll be able to tell me anything different. They'll talk to me about my stress levels and again, you can't take it away from me. It's going to be there. You can't find the magic bullet for me. (Tourism)

Figure 3 illustrates the four stakeholder sub-themes. We provide more evidence from the interviews regarding the importance of experiencing the crisis with others and the need for those providing assistance to understand the needs of small business in contrast to those of larger businesses; the role played by governments; and negotiation with landlords.

FIGURE 3: STAKEHOLDER SUB-THEMES



5.2.5 Community: We're in the Same Boat: Or Are We?

KEY INSIGHTS

- Experiencing the crisis as part of a community has helped SBOs cope with the negative impact of the crisis on their own business.
- Experiencing the crisis with others has helped SBOs feel less lonely.
- Over time, some SBOs have begun to perceive a divide between different business groups.
- It was important that support individuals understood the unique challenges of running a small business.

COVID-19 and its unique nature was reported by SBOs as highly challenging. One aspect of this uniqueness—that the impact was almost global—facilitated a more positive outlook in some SBOs:

This particular crisis felt different because from the beginning, we knew we were all in the same boat and it actually felt better than as a small business owner. You can feel very lonely sometimes, and when you go through storms and crisis, you can really feel... like you're just on your own and in this case, it felt better to... feel that there was also more solidarity.
(Hair and Beauty)

However, some SBOs identified that, although they felt the community was 'in it together' at the start of the crisis, they later perceived divergence of experiences across industries and between small and large businesses. Observing these increasing gaps made some SBOs feel increasingly forgotten and separate from the wider community:

I think the first wave... that cliché, "We're all in it together"—everyone felt like that. But now you've got pockets of people functioning, not functioning... So, it's not—"we're not all in it together". (Tourism)

In particular, some SBOs felt that large businesses were better supported by government and that the economic burden of the crisis had been unfairly placed on the shoulders of smaller businesses:

We're sick to death of hearing from the government how we're all in this together when we're clearly not. I mean, clearly, big

businesses are getting bailed out. Qantas got a bail-out, the banks got a bail-out, the media are getting a bail-out, all the friends of the politicians are getting a bail-out. The government are taking no pain whatsoever. They're all... public sector employment's gone up, wages are going up, they are not sharing any of the pain. It's all being borne by small and medium business. (Tourism)

On a personal level, SBOs consistently articulated the importance of individuals they turned to for emotional support 'getting' small businesses. Some felt quite alone, and avoided reaching out: 'I've never really had friends that were also business owners and no-one in my family is a business owner, so I never really had anyone as a sound board for different things' (Business Services).

Some SBOs expressed frustration at the lack of understanding within the general community, particularly regarding how COVID-19 was impacting small businesses. One interviewee reflected on a casual interaction in a social circle:

They [friends] just didn't get it... because they didn't own a small business. So... one guy did and he got it, he's like, "Far out, I've just laid off my whole team". I'm like, "I know man. It sucks you know". So he got it, but the others that worked for bigger corporations just had... no concept. (Education)

5.2.6 Government Grants and Support

KEY INSIGHTS

- Financial support from the government, particularly JobKeeper, was recognised by almost all SBOs as critical to the ongoing viability of their businesses.
- Government financial support was not only practically helpful, but provided an important signal that SBOs had back-up.
- The impending finish of JobKeeper made those SBOs still reliant upon the funding anxious about their future.

Financial support from federal and state governments was critical for the survival of most of the small businesses in the study. Thirty of the 32 SBOs interviewed were able to access JobKeeper for themselves and at least some of their staff. Just over half were able to access at least one other government grant.

The announcement of JobKeeper was recalled clearly, and it was a decisive moment in the SBO experience of the pandemic: 'When Scott Morrison came out and offered the JobKeeper, well we all just sat here and did a kumbaya moment and just went, "Oh, my God"' (Tourism).

According to SBOs, JobKeeper and the Code of Conduct were the two most important sources of government assistance:

If we hadn't got the JobKeeper, and if we were paying our normal rent, I would have been out of business two or three months ago. That's the truth. No way we would have survived. Thank God that hasn't happened. (Hair and Beauty)

Most of the SBOs openly acknowledged that without JobKeeper and the ability to pause their mortgages, their businesses and personal homes would almost definitely have been lost: 'I would have been toasted' (Business Services).

SBOs also explained that it was important that JobKeeper allowed them to retain staff. This was significant for SBOs both emotionally and practically, after having spent years building a strong team.

Other grants, for example, the Small Business Recovery Grant, were pivotal for some SBOs in maintaining their business during shutdown:

Big time, massively helpful, especially that Service NSW 10 grand as we were closed. Just paid off all the bills that kept going, like insurance and power and NBN ... With no income coming in and having them coming out it's not a great look for the account, so that 10 grand Service grant that they gave out literally paid all my bills while we were closed. It allowed me to also pay some of my staff too, because they weren't working either. So I managed to give them a little bit of a sum while we were closed. (Health and Fitness)

And for other SBOs, these grants facilitated a business 'pivot'. These pivots included business model adjustments to allow online services, business relocation and even a total business transformation to an entirely new offering: 'I applied for 10 which was the maximum. They only gave me five, but hello, \$5,000. So there's my new website, my marketing material for the new business' (Tourism).

Similarly, in the follow-up interviews that occurred as some of the businesses had begun to recover, SBOs explained that JobKeeper had become something which was now allowing the businesses to grow, or provide training and development to staff that would otherwise not have happened: 'JobKeeper's actually allowing us [to] grow, which we wouldn't have been able to' (Construction).

Government grants provided clear, tangible outcomes for the SBOs. In addition, government grants signalled to SBOs that they would not have to face the crisis alone. SBOs explained that as government support packages were announced, their confidence that they could survive as a business was boosted considerably. One SBO explained that, as soon as the government began alluding to 'support and assistance', he instantly felt more optimistic: '... it felt that okay, well, it seems like there's—the government's got our backs, that they will help out' (Hospitality).

With regard to the implementation of JobKeeper, SBOs raised several issues that had caused them additional workload and stress. For most, this included difficulty understanding eligibility criteria and also finding cash to pay workers prior to the start of government payments.

In addition, meeting the 30% drop in revenue was viewed as 'weird and arbitrary ... because when you are 30% down or 24% down you are still [ruined]. You are just slightly less [ruined]' (Hair and Beauty).

SBOs operating businesses in which COVID-19 had fully, or almost fully, interrupted demand were frustrated and found it difficult to keep employees engaged in productive work:

So we've always looked at JobKeeper really as an efficient way of the Government not overwhelming Centrelink. We had very little use for the staff. We've probably found more use as restrictions have lifted. But we had very little use for the staff suddenly in April and the second half of March/April, and probably the first half of May. (Tourism)

Many SBOs experienced significant difficulty in attracting the interest of potential employees to replace staff who had left during COVID-19, or to respond to increased demand. All SBOs in this position attributed this to the JobSeeker payment: 'We can't find new employees at all because JobSeeker is so high, no-one wants to work' (Tourism).

However, almost all interviewees were broadly positive about the government's response to COVID-19, in particular the support provided for small businesses.

5.2.7 Commercial Leases and Landlord Negotiations

KEY INSIGHTS

- Rent reduction via the Code of Conduct is vital for ongoing business viability for many of the businesses.
- Working through negotiations with landlords was identified as one of the most stressful aspects of owning a business during COVID-19.
- The Code of Conduct has helped SBOs address what they saw as a significant power imbalance with their landlords.
- Paying for their commercial lease in the future was a source of significant stress for SBOs.

Negotiating with landlords for rental relief was described by many of the SBOs as one of the greatest challenges they faced. After working through the initial shock of the pandemic and, for many, business closure, SBOs explained that undertaking negotiations with landlords was the next 'big battle' in their COVID-19 experience: 'So look, that's, I guess, the most difficult part at the moment, the most stressful part' (Hair and Beauty).

Some SBOs described having to 'push pretty hard' to obtain even small rent reductions. They explained that the Code of Conduct was critical in their negotiations and rectified what they saw as a significant power imbalance:

the mandatory code, that provided more a moral support in terms of you had something to go back to your landlord saying, "Listen! No you can't screw me. You can't do this", because that was the single biggest liability... that mandatory code just gave you that weapon. (Hospitality)

In addition to JobKeeper, many of the SBOs identified the Code of Conduct for commercial leases as vital to their ongoing business viability. This code provided them with a reduction or a pause on their leases:

The big one was rent though. The rent relief was the one that we needed because there was a while there it didn't look like they were going to give it to us ... They were pretty awful. So yeah, they only come through on the compulsory law that the government put through ... If they didn't put that through I don't know where we'd be now. (Health and Fitness)

However, some described very difficult negotiations with their landlords, even with the backing of the Code, finding it highly stressful to get landlords to 'come to the party'. This was a source of ongoing tension for SBOs who were concerned about how they would fare when the safety net of the Code was taken away:

And we are still facing landlords who don't want to accept this and refuse to re-negotiate the lease. So, as soon as the mandatory Code is going to end at the end of September, we are trapped in leases that don't reflect the new market. So... from a business point of view, it's one of our main challenges at the moment. (Hair and Beauty)

There were a few SBOs who described their landlords as helpful and even 'generous', which was a welcome relief and lifted a significant burden.

However, for most SBOs, the power imbalance was significant. Commercial leases were identified as an aspect that would require considerable attention in the future. SBOs felt that it would likely be the requirement to pay full rent too early in their recovery that would cripple their businesses. Negotiating with landlords about future rent payments continued to be an issue for the SBOs:

So yeah, where this ends up, that's my biggest single concern at the moment... if I paid them what they are asking I would most probably be better off to go into administration. So, that's not really a nice position to be in. (Hair and Beauty)

5.3 Closing and Reopening a Business: The Return to Work of the SBO

The need to return to work is not often experienced by SBOs. Not only did the SBOs in the study have to consider if and how they would return to work, they also had to lead temporary business closures and manage employee activity during partial and full business closures. This section outlines the changes in SBO workloads, and the experiences of SBOs in shutting down businesses, during business closure and reopening businesses (Figure 4).

FIGURE 4:
RETURN TO WORK
SUB-THEMES



5.3.1 Increased Workload

KEY INSIGHTS

- Additional work is needed to meet COVID-19 regulations.
- Interpreting and applying for grants created a sharp but short increase in workload for SBOs.
- Constantly shifting regulations magnified the additional workload and was a source of stress for SBOs.
- Reduced trading volumes impacted the ability to hire staff and SBOs had to take on the additional workload.



At least during the early stages of the pandemic, government regulations requiring changes to operations created increased workloads for SBOs. As one interviewee explained, not only did these changes require the SBO to work longer hours, they added an additional 'layer of complexity' (Manufacturing), which added further stress. Furthermore, SBOs were frustrated as there was 'a whole lot more work for less income' (Tourism).

Many SBOs explained that understanding and applying for government grants had required significant additional work, particularly during March and April 2020. This included locating and interpreting information and seeking advice from financial services professionals and government representatives: '... there's more admin relating to JobKeeper, all the budgets have to be changed; so I'd say workload was definitely massively higher for most of the period' (Tourism).

The shifting regulations were also a significant source of additional work: 'on some days ... I was on the phone to my accountant every day, because things kept coming out, and changing' (Hair and Beauty). Despite this, most SBOs acknowledged that since the government was 'working on the run', these constant changes and the resulting workload were reasonable.

For some SBOs, the lower trading volumes reduced profit margins and forced the SBO to do more work 'in the business'. For example, in describing her additional workload after reopening from forced closure, one interviewee explained:

I couldn't come back with the capacity of staff I had because I would be out of pocket and so I had to make the choice ... I had to take over the positions of basically three staff, so I'm back to doing the 14 [hour] shifts seven days a week ... yesterday was my very first day off since early June [12 weeks prior]. (Hospitality)

Overall, for SBOs, the additional workload generated as a result of COVID-19 contributed to the already burdensome experience of being a SBO:

It's been an extra load of work and stress because it adds in a lot of things to deal with on top of everything else that you usually have to deal with, and as a small business owner, you already felt like you had so many things. (Hair and Beauty)

5.3.2 Closing Down a Business

KEY INSIGHTS

- COVID-19 impacted the operations of many of the small businesses represented in this research, including through temporary business closure, a shift to working from home and other changes to trading practices required to respond to COVID-safe regulations.
- For many, forced closure was the first time they had experienced their business closing for more than a few days.
- Shutting down a business presented operational challenges for SBOs.



Deciding to close or remain open a challenging decision for SBOs

Businesses closed during COVID-19 both as a result of an autonomous and internal decision by the SBO and/or as a result of government requirements. Not all of the businesses represented in the study sample were forced to close. However, most SBOs whose businesses did close expressed that they had felt unsure about if and when they were required to cease operations.

This was mostly relevant in the early stages of the pandemic and predominantly was a result of SBOs being unsure of whether their business belonged to an industry that was required to close: 'It was really hard to know. I went by restaurants, because ... there wasn't really any directive for a co-working environment' (Business Services).

Many SBOs allowed government regulations to decide whether or not to close their businesses. For others, the regulations did not force a closure initially, or at all, and the decision to close, or remain open, was one the SBO needed to make outside of government regulations. In doing so, these SBOs considered not only their own financial situation, but the safety of their staff and customers. Decision making about closure varied. Some SBOs eventually closed their businesses because they felt their staff, or clients, were (or felt) unsafe:

So in the end, it came down to, well what's financially viable? And then for me, it actually became more about—even if it's financially viable—because we were still selling things ... my team didn't feel safe being there. (Retail)

However, for various reasons, not all SBOs made the decision to close even when they had some concerns about safety. Some remained open because they felt it would keep staff engaged and that remaining open was critical for the ongoing viability of their business. These decisions were not made lightly: 'I'm putting my girls in a position where you're handling sheets, towels, bodily fluids ... you're really in a really vulnerable position' (Tourism).

Ultimately SBOs were the decision makers for what felt like potentially serious health concerns at the time. They carried this responsibility particularly when government directions weren't clear, or if shutdown had not been explicitly required:

I felt you couldn't be a wuss about it ... you just had to make a decision on it and this is the decision of what we're doing and ... this is what we're going to go with. Everyone's on board, great. And if we get stung, we get stung. (Education)

Shutting down represented a loss of hard work and a future for SBOs

Whether or not the decision to close was a forced one, SBOs described the closure of their business as shocking and traumatic: 'It was ... devastating, we had, this place hadn't closed more than 4 or 5 days since we opened it' (Entertainment).

SBOs felt a considerable sense of loss, at least in the early stages of the pandemic and during initial business closures. This loss was not just connected to their current income, but also to the time and effort they had spent building a strong team of employees to develop a current and future focus for their business which they could 'hand on to their children'.

The operational challenges of shutting down

Even after the decision to close had been made, the process of doing so was unique and operationally challenging. It involved, among other things, navigating the reversal of supply relationships, processing large volumes of refunds and closing down machinery. As one SBO explained, this meant that, despite the business being closed, his team were very busy for several weeks:

If we're shutting down ... this particular apparatus and ... that piece of equipment needs to be shut down. And what needs to be done to do that and to ensure that it's still going to run when we turn it back on? And so, there was a lot of those sort of things ... the procedure of what to do and how to shut down, was new to every single ... one of us. It was like, it had never been done before and what are the consequences? (Entertainment)

SBOs not only had to learn and manage the operational side of shutting down, but were aware of their employees' personal finances and emotional responses as they closed: 'it was pretty tough though to ring because I feel ... a couple of them were quite worried because that was their major source of income' (Hospitality).

5.3.3 Being 'Shut-Down': A Unique Opportunity for SBOs

KEY INSIGHTS

- COVID-19 gave some SBOs time to review strategy, identify new product and business opportunities, and undertake training.
- Some SBOs enjoyed an unusual break from being constantly 'on', even when they were on holiday.



For most SBOs, forced closure or a dramatic reduction in the demand for their business due to COVID-19 was highly stressful. Many found it difficult to engage in productive work-related activity. However, some SBOs described being able to focus on activities which they felt would fortify their business in the future. These included:

- **a review of their overall strategy:**
'I look at COVID as probably my time where I've come back to the start ... I've overhauled all my reporting, all my things and I overhauled my website. I overhauled the way in which I work with my staff; the way in which I work with clients' (Tourism).
- **a focus on new product development and other opportunities to grow their business:**
'... like product development type work that sometimes as a business owner you don't always get the time to get around to. All of the things that you would like to if you are too busy focused on the operations' (Tourism).
- **training:**
'... we did tonnes of ... professional development' (Health & Fitness).

In addition to affording SBOs time to focus on business development, the COVID-19 experience also presented a rare and welcome opportunity for SBOs to take time away from their business. As one interviewee explained, even when she did take a holiday, she was never fully able to 'leave' the business: 'I still have to pay people. I still have to focus that I do have a salon back home ... Whereas I think COVID ... it just gave me that breathing space' (Hair and Beauty).

5.3.4 Returning to Work: Reopening a Business

KEY INSIGHTS

- SBOs expressed mixed feelings about reopening their businesses, including excitement, nervousness and fear.
- The safety of employees and customers was a concern upon reopening.
- SBOs felt anxious about whether they were accurately adhering to the COVID-safe regulations.
- SBOs fear that demand for their business might not return and be maintained, especially if further lockdowns occur.
- For SBOs, a core factor in returning to work is ensuring that there is a job to return to—for themselves and their employees.



SBOs whose businesses did close had mixed feelings about reopening. They were excited about being back at work, but many were also nervous because of confusion regarding whether they were reopening 'correctly'; concern that their employees and clients would be safe; uncertainty that they would be able to continue to remain open (due to ongoing COVID-19 transmissions); and, in particular, fear that demand for their business offering might not return. For SBOs, a core factor in returning to work is ensuring that there is a job to return to, both for themselves and for their employees.

Feelings about returning to work

SBOs described various feelings about returning to work after business closure. Being back at work gave some an important sense of normality and hope:

And so, I think that coming back to work, everyone was just so happy to be here ... There was this sense of relief. There's a sense of moving on, because the worst thing about COVID for everybody is the uncertainty of your future. The uncertainty of your choices being taken away from you. The uncertainty of your health. The uncertainty of how COVID actually will affect you long-term, because we don't know that. So, coming back to work shows hope, I guess.

(Hair and Beauty)

However, returning to work under changed trading conditions was something that made many SBOs feel uncomfortable. They explained that operating their business in a different way was challenging. This was particularly due to the need for physical distancing, which added human distance between the customer and the business. This was pertinent especially for businesses where a close relationship with the customer was an integral part of their operation. As one SBO stated: 'it's not normal' (Entertainment).

SBOs also explained that they had been, and continued to be, nervous about whether they were correctly adhering to COVID-safe rules: 'Am I doing the right thing? So I guess ... that part is pretty [scary], it's still scary' (Hospitality).

Along with some excitement about the prospect of reopening, SBOs were fearful that demand might not return:

A bit of both. I thought, I was excited to come back and be here, but I was nervous about what was going to happen. I just didn't know ... whether people would want it, would be too scared to come back.

(Business Services)

For some, the nervousness and fear surrounding demand continued even after reopening. This was driven largely by concern about how future fluctuations in COVID-19 cases might impact their business:

It felt strange, it just didn't feel right and it still to this day doesn't feel right ... I feel like for myself that I'm just waiting for a phone call or a news article to say we're closed again. (Hospitality)

In addition to working through their own concerns about business closure and reopening, many SBOs explained that they had received negativity from customers and via social media about their choice to close or remain open. Customers were disappointed at business closure or adjusted trading conditions and there was also public opinion via social media that certain industries should not be trading:

The hoops that I've had to jump through to get the thing across the line is really frustrating. That then people want to

get on social media and start giving you a hard time for running your business... That part frustrates me. (Retail)

Operational challenges of reopening

Returning to work and reopening their business after, for most, over two months of business closure, was difficult for SBOs and required considerable work. Additionally, the short notice period for reopening was acknowledged by SBOs as magnifying the workload:

We were given basically less than a week that we could reopen, but it's very hard after nine weeks of being closed to gather your team that are all round and about. But we've got to get them back in, we've got to restock, we've got to get supplies and we've got to clean the place because we had to thoroughly clean the place because it sat there idle for nine weeks. Yeah, it was a big job. (Hospitality)

Working in reopened businesses also required considerable additional work hours for some SBOs. For many, this was due to their inability to afford staff whilst operating under reduced capacity. For others, it was the result of a sharp increase in demand for their services, which was a significant contrast to having no work during shutdown: 'I was doing 12 hour days every day ... when we opened ... and that was a big shock' (Hair and Beauty).

Being responsible for employee experience during business closure or times of reduced demand

Many SBOs expressed concern for their employees' welfare and work experience, particularly those who had very little to do at work. Some SBOs explained that a key challenge of the pandemic was managing the employee experience during business closure, or during periods of significantly reduced demand and therefore workload. Motivating employees to engage in productive work during times of reduced demand and receiving JobKeeper was a challenge for some SBOs. Many SBOs explained that developing appropriate work schedules and keeping employees motivated took considerable time and effort. As one SBO explained, navigating business

closure times with some of his employees was difficult:

I think we struggled in how to approach the staff member to get some work or some effort out of them for the payment that they were being made. And we felt... as if we were asking something of them... it was just uncomfortable. (Entertainment)

Several SBOs described implementing regular 'check-ins' with employees who were working from home and identified new work for them to avoid boredom. Some SBOs also explained that they had developed activities for their employees to undertake that were altruistic in nature, such as purchasing coffee from other challenged small businesses. One SBO explained that her endeavours to engage her employees was with a clear intention of having a workforce that could be productive when business demand returned, as she observed a negative trend in staff morale as the impact of the pandemic continued:

There was still periods of time where ... the vibe was really low. So, we started doing things like mental health things in here like ... just get out and do something, because I noticed it all just sort of starting to spiral down. (Health and Fitness)

5.4 Personal Responses to COVID-19

KEY INSIGHTS

- Most experienced shock and a sense of personal devastation in the early stages of the pandemic.
- The ongoing impact on their business and the community fatigued some SBOs, resulting in a reduction of active and productive business activity.
- Some SBOs were able to move through the initial shock to feel more positive



Having examined one unusual consequence of COVID-19 for small businesses, that is, return to work for business owners, this section expands on the personal experiences of the SBOs in the crisis. In this section we first provide an overview of general responses, before taking a closer

look at the sub-themes: coping mechanisms; the use of comparison as a source of reassurance; SBOs' sense of responsibility; and their feelings of being unrepresented and forgotten (Figure 5).

Most interviewees described owning a business during COVID-19 as highly challenging. For many, it was the single most difficult thing they had dealt with as an owner. How SBOs were personally impacted by the crisis varied. However, for almost all, it was particularly difficult in the 'early stages'—the weeks of March and early April. This initial time was a shock for most, but the personal impact appeared to vary in subsequent periods.

In February, and in some cases even in early March, most SBOs expected COVID-19 to have little impact on their business. However, as the crisis unfolded in Australia, SBOs described feeling shocked, traumatised and overwhelmed.

Experiencing their business closing (mostly for the first time) was traumatic for many. SBOs described 'crying' for a week and feeling as though they were 'mourning' the loss of a loved one. They described the experience of having to 'let employees go' as 'horrible' and 'confronting'. Some SBOs explained that it was difficult to form 'coherent thoughts' about their experience in the first month of the pandemic.

It's just been absolutely soul destroying. You know, building up your business for so long and then ... yeah, soul destroying. (Hospitality)

Some SBOs experienced these particularly negative personal responses mostly in the first few weeks of the pandemic, but for others, the trauma extended over time, usually because of ongoing business closures which significantly reduced demand. Moreover, the fear of future impacts also exacerbated the sense of ongoing negativity: 'if we go to stage 4, what does that look like, and that's just going to extend all our trauma out for so much longer' (Tourism).

As the initial shock wore off, some SBOs were able to re-engage in positive activity and refocus their energies towards recovery. Others, however, found the ongoing impact on their business overwhelming. One SBO highlighted the constant decision making required and being unable to escape the effect of COVID-19 on his business: 'the mental struggle though, I reckon through that April, May, June ... was nearly a breaking point ... it didn't seem to stop' (Transport).

Many SBOs described feeling fatigued by the broader impact of COVID-19 on society: 'Just, I'm over it. I'm just over it. I'm over it. I know it's getting better ... when you look at what's happening overseas you know' (Business Services).

For others, the continued negative impact upon their business meant that coping with COVID-19 was 'getting harder. Because I think we would all agree, and we've discussed this in the office; we're actually losing our enthusiasm for it' (Tourism). This sense of fatigue meant that some SBOs were no longer effectively engaging with their businesses:

That first lockdown, I text everyone that had been in this year and everyone that wanted to, went on to what I called free skin chats. So which was Chrome or Zoom and just instead of their monthly facial appointment, it was to chat. "How's your skin going? How are you feeling? How are you coping right now?" ... "By the way, I've got a range of masks and exfoliants to do your facials at home". So we did our best. But this time round, I have really been lethargic about texting people and booking people in for their chats again. It just hasn't really happened because ... [I] haven't really felt up to it. (Hair and Beauty)

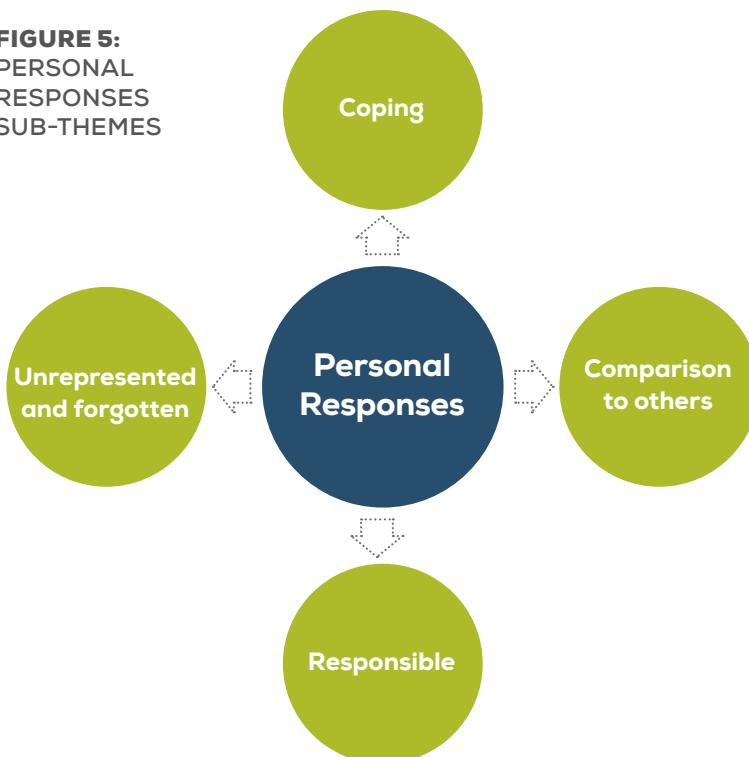
For the first time, after over three decades as a business owner, one SBO considered moving across to paid employment:

It's even flashed past my head thinking, "Why don't I take the stress out of my life and go and pick up one of these jobs that are advertised? Do a really good job, get paid for doing a really good job, go home and not have the stress of it", because there's so much work out there. There's only so much I can keep doing. I can't even factor in a day off. (Hospitality)

For SBOs, there was not only a tangible effect on their businesses, but also a sense of loss around their identity as independent and driven business owners who had been 'in control': '30 years of making my own money and being this strong independent woman who makes it happen, yet it's stopped working. I can't do that right now' (Construction).

Further analysis of the interview data revealed four areas that provide rich insights into the personal responses and reactions of the sample cohort. These are shown in Figure 5 and discussed in turn below, commencing with the ways in which the SBOs coped with the challenges of COVID-19.

FIGURE 5:
PERSONAL
RESPONSES
SUB-THEMES



5.5 SBOs' COPING STRATEGIES



KEY INSIGHTS

- Some SBOs engaged in active, problem-focused coping strategies as a means to engender positive, tangible business outcomes, but also to maintain a sense of hope for their future.
- Many SBOs experienced an emotional response that moved from shock, to engaging in active coping strategies and then becoming fatigued.
- Acknowledging that poor business outcomes were a result of the pandemic reduced SBO stress.

SBOs relied on various emotion- and problem-focused strategies to cope with the impact of COVID-19 on their businesses. Some consistently and actively adopted coping strategies, while others moved through a cycle of shock, action and fatigue.

5.5.1 Consistent and Active: Keeping SBOs Engaged and Hopeful for the Future

Some SBOs were relatively constant in their coping approach. Although they found the earlier stages of the pandemic stressful and overwhelming, these SBOs remained mostly problem-focused and coped predominantly by engaging in action-oriented behaviour. These individuals believe they are equipped with skills that will allow them to work through the business activities required to remain viable through and post-COVID-19. These SBOs also described COVID-19 as a significant shock, but a short-term problem in the scope of a long career as a business owner.

I see running a business as like a marathon not a sprint ... I think that it's a long term thing and a global pandemic is one of the many disruptions that come along with owning a business. It happens to be quite a large one, a huge one actually, but doesn't mean you treat it any differently, I don't think. (Tourism)

SBOs described their positive and active approach as a conscious choice. For example, in a discussion of mental health, 'I could really see that you could tell yourself either story and be very distressed or still very confident' (Business Services).

Active coping strategies for these SBOs included engaging in training and personal development, staff development and creating connections with other, positively engaged SBOs. For example, one interviewee explained that remaining connected with others from his industry who were also taking positive action was important both in terms of how he took action, but also in giving him hope for the future of his industry:

I think you need help outside of the authorities to get through stuff like this, because the authorities will tell you what's black and white, whereas industry will tell you from a human perspective... what's realistically possible and what's not possible ... if we help each other get through it, hopefully, I would like to see our industry come on the other side of this [and] go well'. (Tourism)

A process of shock – action – fatigue

Other SBOs moved through a fairly consistent process involving initial feelings of being overwhelmed and shocked during March and early April, to a focus on taking action wherever possible, and then to feeling fatigued and disengaged.

The first part, we were really active. We finished off big projects out in the room, did all sorts of stuff out in the garden, and got it all spick, and went, "Beauty, we'll get all this done". We've got it done, and now we've hit the wall where we go, "What's the point?" (Tourism)

Some SBOs also experienced at least a short period of disengagement. This sometimes involved positive distractions such as spending time outside, being with family and engaging in exercise: 'And we just took off in the motorhome last week and we took our push bikes and we went push biking around [a regional area]' (Entertainment).

Other SBOs found it difficult to engage in such positive activities. During these times, SBOs became overwhelmed and felt the need to shift their attention away from their business and COVID-19. Some of these SBOs explained that seeing others undertaking engaged activity exacerbated their sense of being overwhelmed and made them feel guilty that they were not 'baking sourdough'. For example: 'I found myself spending most of the day in bed watching Netflix ... I think I just was beyond anything at that point ... was feeling really out of control ... I also drank a lot of alcohol' (Business Services).

Finally, many of the SBOs noted that a key coping mechanism was to recognise that much of what was happening to their businesses was out of their control. A strong theme running through many of the interviews was that SBOs found comfort in explicitly recognising that the negative business outcomes they were experiencing were no fault of their own: 'I know it was corona, there was nothing we could do about it' (Health and Fitness).

In an attempt to maintain some sense of control during a time when most felt out of control, many SBOs described working to manufacture a sense of control: 'I focus on controlling what I can control' (Retail). Some also found comparison to others useful, which is discussed in the next sub-theme.

5.5.2 Comparison to Others: A Source of Gratitude and Validation



KEY INSIGHTS

- As a coping mechanism, SBOs purposefully thought about others in more challenging circumstances to reinforce a sense of gratitude.
- Being able to observe the activity of other SBOs allowed SBOs to benchmark and validate their activity.
- Online groups and forums were an important medium through which SBOs 'checked in' with their peers.

The majority of the interviewees expressed that being aware that others were 'worse off' helped them cope with their own challenges. SBOs explained that comparing themselves to others was not mean-spirited. Rather, as one interviewee explained, it was a way to find gratitude and positivity:

I've got friends and people that are in wedding industries and venues, and places like the restaurants ... Yeah, it's been hard, but I still don't think I'm anywhere near as impacted as what some other people have been ... There's people worse off than you. Sometimes I feel like the universe is challenging me to show me that you're coming pretty bloody close. (Retail)

For many in NSW, thinking of their counterparts in Melbourne was a stark reminder that many were 'in a lot worse situation'. As one interviewee noted, consciously recognising that others were facing tougher conditions was a reminder to focus, where possible, on how her own situation could be viewed more positively:

Well, you just have to recognise that there are people in a lot worse situation. Imagine if you were in stage four lockdown for four months in a one bedroom flat in Melbourne and you'd lost your job? ... I think it's more feeling gratitude for what I have, so then I don't spiral into a dark spiral and be like, "everything's [bad]", because it's really not and I am really fortunate and I have to remember that. (Hair and Beauty)

Another clear theme in many SBO interviews was the recognition of the far greater level of government support received in Australia, compared with internationally:

... things like JobKeeper and boosting cash flow for employers and stuff like that, you know like I said, "It doesn't cover all the costs". But it definitely helps and I definitely feel the support, whereas I can tell overseas is not even receiving even close to that level of support. (Tourism)

Online forums were described as a place where many SBOs went to benchmark their performance. During this unprecedented time, which required entirely new approaches to their work, SBOs were uncertain that they were responding sufficiently or appropriately. Many found engaging with other SBOs in online forums and groups to be a source of comfort. Being able to observe what others were doing helped them to confirm that they were 'doing okay'. For many of those interviewed

these interactions were reassuring and indicated that they were ahead of many others in their response. For example:

one of the things for me too was, you always wonder if someone else is doing a better job and I could see people with a lot more years of business ownership experience than me who were asking questions weeks down the track about infection control and all these things, and I'm like, "Geez, I've already worked that out". We already have—not in a competitive kind of way, but ... "Oh, I'm actually doing great". (Health and Fitness).



5.5.3 Sense of Responsibility

KEY INSIGHTS

- SBOs felt responsible for their employees' experiences and some supported employees financially.
- SBOs were highly conscious of the impact of COVID-19 on other small businesses and some took action to support those in their community.
- SBOs felt responsible for the experiences of their customers.

SBOs felt responsible for their employees during business closure or during times of reduced trading. For some SBOs, this sense of responsibility extended to concern for the financial situation of their employees, particularly those who were unable to access government support. This meant that some of the SBOs used personal money to financially support their employees:

Three of my kitchen chefs sadly are all various visa workers, so they had no access to any government funding. So I was feeding them and giving them a nominal amount of money each week just to buy the basics. (Hospitality)

Several SBOs recalled instances where staff had played a supportive role for them. Staff members explicitly expressed concern for the SBOs' welfare and acknowledged the burden they saw the SBOs carrying:

I just feel right now like I'm responsible for everyone and everything, and she kind of pulled me aside and said, "You know, I want to tell you that you're not. You gave

us the choice all along ... we felt safe to come into work and we all said we were happy to come into work and we were happy to do whatever, so you can't feel responsible for everyone", which was really nice. (Health and Fitness)

Despite being significantly impacted themselves, SBOs expressed clear concern and a sense of responsibility for their suppliers. Their continued trading facilitated the ongoing trading of other small businesses in their network:

I've actually got to realise that they're not my responsibility, but it's not a nice feeling when you know that their source of income for the last—for some of them—five years has relied on what I put on and where they go and trade... Some of the sites I don't make a cent on, but I know that I've got 10 vendors in there that have got somewhere to go to work that week, and they can now pay their bills as well.

(Retail)

SBOs also expressed a sense of responsibility to their customers. This included concern for the customer experience when interacting with their business, particularly in the hospitality and entertainment settings. In addition, SBOs felt responsible for the financial impact that COVID-19 had, or could have, on their customers. For example, one SBO highlighted the close personal relationship he had with many clients, which strengthened his sense of responsibility for their experiences:

Dealing with the disappointment of kids, I know that sounds minor but it's really sad like they put a lot of work into it right and then the parents have invested a lot of money into like them coming for their tuition ... we sort of know them really, really well and you don't want to let those people down. (Education)

Overall, SBOs were expected to be better equipped to manage the impact of COVID-19:

I guess probably one of the most challenging aspects of the pandemic was there was an expectation that as a leader of a business, you had to pull it together, in terms of creating direction and setting the guidelines and the parameters. (Professional Services)

5.5.4 SBOs Feeling Unrepresented and Forgotten

KEY INSIGHTS

- Over the course of 2020, SBOs, particularly in some sectors, felt increasingly forgotten, especially as the media described the nation as moving towards recovery.
- SBOs who didn't fit neatly into an industry category felt they were unrepresented and forgotten by government regulations.
- Some SBOs felt that their industry body was not sufficiently supporting their need for information and advice and/or not appropriately advocating to the government on their behalf.



There was variation in how SBOs felt they had been represented by industry bodies and government. Some felt that government grants were generous and that the decisions regarding business closures and other enforced changes to trading were fair. However, other SBOs felt especially unhappy with the government's response: 'We're not represented at all and I think it's not even ... not represented, they're not listening, they don't [care] ... they're not interested in any way' (Tourism).

These SBOs believed that they were treated unfairly and felt it was because they were less influential than larger organisations or a particular industry. As one SBO explained, the limitations placed on his trading conditions were unfair and he attributed this to his industry making a less significant economic contribution: 'You put rules on us and not on anyone else, but I suppose we don't make the government as much money as pubs would, right?' (Health and Fitness).

SBOs across various industries, including retail, hair and beauty, hospitality and tourism, believed that the rules enforced by government, the way that restrictions were lifted and ongoing funding programs did not sufficiently recognise or account for the significant variations that exist within these broader industry categories. For example:

we were basically a forgotten category.
They kind of reopened stuff and then had forgotten our category. So we were one of the last that they shut down and then they just didn't bring it back. (Retail)

Yeah, because we're in the too hard basket ... you never hear the word accommodation in any of the spiels on the news, because we're all open, but we're not functioning ... It's just this weird no-man's land that we've been placed in. (Tourism)

Furthermore, as parts of the nation and certain industries began moving towards what was described as recovery, some SBOs increasingly felt that the challenges they continued to face were not being acknowledged. These SBOs were fearful that the support they still needed would no longer be provided owing to the broader sense of positivity:

I hope and I ... I think that they will do the right thing and they cannot leave people and businesses like this for three months without any additional support. But for now, we feel like we are left on our own. (Hair and Beauty)

And you can't plan. You're really in a holding pattern. You can't plan any future, and I find that really frustrating ... it stops you going forward, because you go, well what's the point? (Tourism)

One SBO even began advocating to government representatives to communicate the plight of the small business community. Here, she outlines a conversation she had with a local government group:

And they're like, "What do you mean?". And I'm like, "You're talking to the wrong people if you think everyone's booming". I said, "I've had a whole business shut down on the 13th of March that I don't know even know when it can come back. How dare you sit here and say everyone's doing well?" And they were all like, "Oh [no]". (Retail)

Finally, some SBOs felt a lack of advocacy from their industry body, which reinforced their belief that they were not being represented in the broader community:

They never once came to us and asked us what we really wanted and whenever you went to them and said, "This is not working and we need this from the Government", you never got anything from them. Their only interest is not rocking the boat and that's been a problem, and it's still a problem because the concerns I think that small business people have, the employer groups, none of those people that you talk to ever actually; they don't run businesses. (Tourism)



6. RECOMMENDATIONS AND FUTURE RESEARCH PLANS

Based on our findings, we present recommendations for consideration. These are drawn from the researchers' analysis and knowledge of the small business sector.

6.1 Provide a Human Response

Interviewees explained that communicating with a specific individual in a government department was helpful as they navigated COVID-19 regulations and government grants. It provided them with a sense of continuity. It is desirable, but not always practical, for a SBO to engage with a single government employee in all their interactions with various departments. A solution might include the recording and ongoing updating of an individual owner's case. Having shared case files across departments would provide a more seamless experience for SBOs. Importantly, a more personalised experience may also go some way towards ameliorating the sense of feeling neglected. Demonstrating understanding of the business owner's unique story will convey empathy and ensure information and guidance is specifically relevant to individual circumstances. Relatedly, training provided to all call centre staff, across all government departments, that reinforces the importance of a consistent communication strategy will educate service agents on the importance of case continuity to the small business sector.

6.2 Help SBOs Cope

SBOs demonstrated various effective coping strategies that were productive or provided them with a positive break from their business concerns. Others, however, were unable to implement or maintain the implementation of such proactive approaches. Further investigation into how to encourage a range of positive coping strategies for SBOs will be useful (Eager et al., 2018). In particular, we identified that support for SBOs was most welcome when

it was tied to practical business outcomes. Considering how communication regarding coping strategies might be tied to business outcomes may be appropriate. Linking this communication with the already available materials will be an important step. For example, the NSW business continuity plan (NSW Small Business Commissioner, 2020) and the NSW Mentally Healthy Workplace (n.d.) resources offer practical advice for SBOs and may be helpful when addressing SBOs coping strategies.

We also identified that forced business closures afforded SBOs a unique opportunity to disengage from the day-to-day running of their business. Taking time away from the activities of running a small business can feel like a luxury not available to a SBO. Exploring how we can support SBOs to take time away from their business and to help SBOs recognise the personal and business value in doing so is important. The findings here reinforce the positive business outcomes related to, for example, a SBO having time to work on, rather than in, the business. Articulating clearly the ways in which SBOs can take time away from daily business activities in a productive way will be important. Demonstrating clear links between doing so and positive business results will align with the desire for SBO programs to have practical outcomes.

6.3 Help SBOs Feel in Control

Feeling out of control, particularly after years of feeling responsible for their own future, was difficult for many SBOs. Business owners face other circumstances beyond this pandemic which might result in them feeling out of control, such as when supplying larger organisations and responding to other crisis events. Some SBOs worked to manufacture a sense of control and/or focus on the aspects they

could control as an important coping mechanism. Further investigation into how business owners can better identify aspects of their businesses that they can control and implement processes to enhance their sense of control may be helpful. For example, undertaking detailed budgeting and implementing employee engagement strategies proved helpful for SBOs during the pandemic. Identifying how these and other strategies that give SBOs a sense of control can be communicated might be useful.

6.4 Link Mental Health Support to Practical Outcomes

SBOs most welcome mental health support when it is given alongside practical business advice with tangible business outcomes and a measurable return on investment (Dawkins et al., 2018). SBOs in this study rarely sought direct support for their mental health. Instead, they explained that emotional support was incidentally provided, through interactions with other SBOs, occasionally business services professionals, in addition to family and friends. Earlier research identifies a need for mental health support to be multi-dimensional (McCoy et al., 2014), that is, accessible through a variety of channels with a demonstrable benefit to the business owner's work goals. Additionally, SBOs are found to perceive advice to be of higher quality when they also receive emotional support and encouragement from the same advisor (Kuhn et al., 2017). These findings reinforce the importance of programs such as the new Beyond Blue (2020) managed program for SBOs (New Access) and highlight the need to explore other channels that SBOs might use to seek business-related advice, which could similarly embed mental health training and support.

6.5 Connect Owners with Owners

The benefits of peer-to-peer support are increasingly recognised for the motivation and unique insights they generate (Galloway et al., 2019). Throughout most interviews, SBOs identified other SBOs as important for coping with, and productively responding to, COVID-19. SBOs regularly interacted with other owners in their industry and also with small business groups through informal online forums and groups, usually via Facebook. The provision of support for SBOs needs to remain aligned with the practices already in place. In other words, ensuring that communication and programs are offered through the platforms and other networking points already in use by business owners is important. Mapping which platforms are used by business owners and why might be helpful in boosting the uptake of support programs and advice.

6.6 Connect Owners with Those in Different Business Life-cycle Stages

Several SBOs identified that interacting with other, more experienced SBOs was particularly helpful in coping with the impacts of COVID-19. Seeing other more experienced and successful business owners also finding COVID-19 challenging and even negatively affecting their businesses was a source of comfort, as it reassured them that their negative situation was not a result of lack of skills or knowledge. Having access to peers with expertise in the same industry has been previously identified as an important source of support for small businesses (Kuhn & Galloway, 2015). We suggest that programs that link novice owners with those with more experience, particularly in the same industry, might be beneficial to both businesses. Building employer capability via workplace collaboration and mentoring as outlined in the NSW Mentally Healthy Workplaces Strategy 2018–22 (NSW Government, 2017) could be extended to include micro-business owners and sole operators.

6.7 Learn from the Success of the Code of Conduct

The financial impact of COVID-19 has meant that many SBOs have struggled to pay their rent. There is no doubt that the strength and urgency of the need for financial support drove, in part, the successful uptake and use of the Code by SBOs. There are likely important lessons that we might learn from the implementation of the Code of Conduct. For example, there is an opportunity to document how SBOs accessed the new Code and used it to support their businesses' position. The Code gave SBOs an important sense of support in their negotiations with their landlord—a relationship in which they often feel powerless. It is important to recognise the feelings of powerlessness of many SBOs in other business relationships and to understand where and how other forms of support might be offered which provide similar moral support for SBOs. Mapping the SBO Code utilisation process may help to launch other codes or legislation in a way that encourages ongoing adoption by the small business community.

6.8 Help SBOs Return to Work

The emotional experiences and operational requirements of closing and reopening a business were challenging for SBOs. A global pandemic, which led to business closures across the nation, is a rare event. However, there are other situations in which a SBO will need to close their business, or even take time away from their business, and we can learn from the experiences of SBOs during COVID-19. The findings here reinforce that business closure and return to work for a SBO relate not only to the SBO themselves, but to the entire business (Braaf et al., 2019). That is, for a SBO, return to work might be understood as return to business, acknowledging that return of business demand post-reopening is critical for a SBO to have work to return to. We further identify that a SBO has a broad range of business-related elements to consider in their business closure and reopening, extending beyond themselves to the processes and people that are critical to their ongoing business viability. Guidelines to support a

SBO's return to business, therefore, should consider a broad range of aspects, including:

- Processes required to shut down a business. This includes operational aspects, but also support for communicating with customers about business closure which will be important for maintaining customer engagement.
- Processes for handing over work if the business remains open; ideally the business can continue during the absence of a SBO. Helping SBOs identify to whom and how their work might be distributed will be important for business continuity. This assistance is especially challenging for sole operators who may not have established business relationships that can assist with ongoing work if the SBO is away.
- Staffing considerations are important. These include communicating with staff about business closure and engaging with staff during closure to maintain staff engagement.
- Support to help SBOs with the emotional challenges of closing their business or disengaging for a period. The identity of a SBO is often intricately linked to their small business ownership (Harries et al., 2018). Helping SBOs cope with business closure emotionally by, for example, providing advice on positive coping strategies during their time away and guidance for how to remain connected with the business and/or undertake strategic planning for the business during this period, may be beneficial.
- Assistance regarding how to reopen a business will need to acknowledge internal processes, customer communication strategies, staff engagement and, depending on the length and nature of business closure, support to build business demand.
- Financial advice regarding the navigation of business closure, reopening and managing ongoing risks. High rates of presenteeism in the small business sector (Everymind & iCare NSW, 2017) allude to the inability of SBOs to afford being away from their businesses. Providing financial planning support may enable SBOs to better plan for unexpected absences and afford time away from the business if needed.

6.9 Provide SBOs with Reassurance and Validation

SBOs regularly expressed the value of having their interpretations of guidelines and actions responding to COVID-19 checked and validated by other SBOs and professional service providers. Technology may be an important facilitator of such validation and go some way to reduce the anxiety business owners experience in responding to complex compliance regulations. This particular recommendation was introduced by an intermediary who stated:

if there was a way that software could integrate with sort of the Fair Work Act to guarantee that they are getting it right, and there was some kind of assurance that they weren't going to be dragged through the press if they got it wrong against their best wishes to get it right, then that would kind of just de-risk that whole process ... You get a green tick through your app and you know that you're safe. (Business Services)

There was still periods of time where ... the vibe was really low. So, we started doing things like mental health things in here like ... just get out and do something, because I noticed it all just sort of starting to spiral down. (Health and Fitness)

6.10 Understand the Power of Supportive Industry Bodies

SBOs regularly turned to their respective industry body for support during the pandemic. However, the quality of support they felt they had received was mixed. SBOs expected their industry body to provide clear, relevant and timely advice and they also wanted to feel that their industry body was undertaking advocacy activity. Where industry bodies were not seen to do this well, SBOs felt unrepresented and disheartened. However, one industry body was identified as highly effective in their response to the pandemic and the support offered to small businesses. A better understanding of the nature of support provided by this industry body (and other effective industry bodies) and their communication strategies is an important opportunity to learn about how industry bodies might best support SBOs.

It may be that many other industry bodies were providing positive support to SBOs and engaging in advocacy, but this was not communicated effectively to SBOs.

Data collection for this study will continue through 2021, extending the insights upon which these recommendations have been formed, with the intention of further informing support and advice practices available and designed for the small business community. The study will be further expanded upon using in-depth industry case studies and a survey of Australian SBOs.



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