COVID-19 – Business as Unusual!
Stepping up for small businesses

Blog: By Davinder Valeri

COVID-19 has thrown everyone off balance. Amid the chaos and uncertainly, our priority is of course the health and well-being of our families, our employees, and ourselves. Beyond that, we all need to be thinking about the health of our national economy.

In Canada, that means taking care of small business.

Most of us play a dual role here. We are all consumers – and I want to remind everyone that our spending habits have a direct effect on small business. Secondly, those people who also earn their livelihood in the small business sector need to look for ways to adapt to this new reality, rethink how they engage with consumers, suppliers, lenders and government.

From a consumer’s perspective (and truly, that means most of us), our response is pretty simple. Spend your money. Keep it local.

We used to think of eating out for enjoyment or convenience. Now we also need to look at it as opportunity to create some economic flow. Restaurants are offering take-out and delivery and UberEats, SkipTheDishes, DoorDash are on the front-line. But how do you support the local coffee shop, or the corner grocery store?

From a small business perspective, the ability to adapt, innovate, be creative has never been more critical.

Once thriving, businesses are now facing significant economic hardships due to COVID-19. They have been told to shut down and quite literally have no foreseeable revenue flows. How do they manage the tsunami of costs? How do they pay their suppliers? How do they pay the rent? How do they make their payroll?

It’s overwhelming. The advice I offer the small business owners in my network is to take some time to write down your priorities. It will help you organize the chaos.

What is your number one priority?

Safety has to be at the top of your list. And, understand that stress is your enemy.

Running a small business is stressful at any time; and COVID has amplified it. Responding to COVID is not a sprint. It is a marathon and your endurance will be key. Before you rush into action, pause, reflect and look for ways to minimize stress. Consider yoga, practicing mindfulness, and limiting your news consumption. Make time to connect virtually with family and friends. Make sure your employees know they have your support in doing the same thing. There are many online resources to help you manage COVID-induced anxiety. The Centers for Disease Control and Prevention offers helpful guidance.
Number 2. What does “business as Unusual” look like?

COVID is challenging your existing business model. You need creative alternatives to service your clients.

Most people are at home now, so an online presence is more important for your business than it’s ever been. If you don’t have one, this is the time to build it. Explore the use of digital tools to serve your customers. If you are a manufacturer, there may be opportunities for your company to become part of the solution. Can you re-tool to offer an essential service or product such as masks, sanitizers, wipes, gloves and medical equipment? The Canadian government is looking for your help. Whatever line you’re in, get creative. Innovation is key.

Number 3: Where can you get support?

“Elastic” stimulus may keep your business alive. Find out what is available and how to access it.

Governments at all levels are offering stimulus to support the changing landscape especially for those businesses that are struggling to manage operating costs. This so called “elastic stimulus” expands based on need. It can help you meet costs, including payroll, and offers access to funding to help you continue to thrive in the global markets in which your business operates. (Link).

The environment is changing quickly, so you need to pay attention to government announcements, but here are a few helpful links.

- **Canada Emergency Response Benefit (CERB)** as part of the COVID-19 Economic Response Plan (Link) – announced March 25th, 2020
- **Small Business Loan** (Link) Loans of up to $100,000 to buy equipment, software or for other business expenses
- **Working Capital Loan** (Link) Loans of more than $100,000 for working capital, increase inventory to meet demand, taken advantage of discounts offered by suppliers, and supplement a line of credit
- **Purchase Order Financing** (Link) - Cover up to 90% of the PO amount associated with larger sales, maintain line of credit or grow your business

Whether you are a consumer, or a consumer who also earns your living in the small business sector - we all need to challenge ourselves to imagine the economic impact if this sector suffers prolonged setbacks.

These are unprecedented times. We all need to step up our game.