

# Survey reveals challenges for small businesses amidst Covid-19

Findings from the pre-lock down Covid-19 National Small Business Survey released by the National Small Business Chamber (NSBC) shows deep economic challenges for small businesses during these unpredictable times.



Source: [www.nsbcafrica](http://www.nsbcafrica)

The survey canvassed thousands of small businesses throughout the country, providing valuable insight into the devastating effects as a result of the Covid-19 pandemic in the sector, these effects deemed to worsen significantly over the coming weeks.

“One of the most significant challenges facing small businesses is insufficient cash-flow due to a poor flow of customers and a significant drop in sales. It comes down to the inability to stay in business for many Small Businesses throughout the nation, specifically in key sectors such as hospitality, tourism and retail” notes Mike Anderson, founder and CEO of the National Small Business Chamber (NSBC).

“The survey found that some 82% of small businesses are urgently in need of a business continuity plan with attention towards the need for low-interest disaster recovery loans due to low financial reserves and innovative strategies to boost customer sales cited by a lack sales and poor customer flow”, says Anderson.

## Summary

A brief summary of the impact the Covid-19 Pandemic is having on small businesses:

- 90% urgently need cash-flow and/or funding to sustain their business
- 89% have a drop in sales due to either no or much fewer customers
- 86% are already experiencing the negative effects of Covid-19
- 66% of import/export trade affected
- 61% are in a financial crisis
- 23% have already laid-off their workforce but indicated that this will increase dramatically in the upcoming weeks ahead

“Cash flow is of vital importance to the health of a small business. Enhanced efforts to encourage and promote best practice between government, larger organisations and their SME suppliers will go a long way in ensuring small businesses remain in business and continues to play a major role in growing the South African economy,” says Anderson.

## Assisting small businesses

The Covid-19 Small Business Relief Centre was recently launched by the National Small Business Chamber (NSBC) to assist small businesses during this crisis. With the collaboration of experts in various business fields, this centre hopes to help small businesses weather the current coronavirus storm successfully.



### Covid-19 Small Business Relief Centre launched

23 Mar 2020



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The objective of The Covid-19 Small Business Relief Centre is to help small businesses by doing whatever we can to take their pain away during this crisis. Some of the key areas the centre will focus on include: low-interest disaster recovery loans, moratoriums on vehicle and equipment leases, bond repayments, supplier negotiation and communication, landlord negotiation with regards to property leases, increased cleaning, disinfecting and hygiene protocols, digital marketing strategies in a time of crisis, quick digital migration for meetings and business continuity plans.

“Small Business is the mainstay of our economy and the future of job creation. We need fast action to make thousands of small businesses throughout South Africa more resilient to coronavirus-related economic disruptions. Small businesses are vital economic engines. More than two-thirds of the working force work in a small business today. This is why we need to make sure we bridge businesses through these tough times. Our goal is to make sure businesses stay in business and that we keep workers employed. Although this is a time to be careful, it’s not a time to panic and stop shopping locally, it’s the time to stand together” concludes Anderson.

Visit the [Covid-19 Small Business Relief Centre](#).

For more, visit: <https://www.bizcommunity.com>