

Media Coverage



Company: Prushka

Date: 15 December 2021

Publication: Busy Continent

Page: [Online](#)

BusyContinent

Australian SMEs have survived the pandemic and are poised for revival

By [Press Release Desk](#) - December 15, 2021



Roger Mendelson, Founder of Prushka

With lockdowns and pandemic restrictions easing despite the perceived threat of new variants, the impact on business for Australian SMEs has been less widespread and severe than feared.

This is seen in the [Canary in the Coal Mine](#) report released by [Prushka Fast Debt Recovery](#).

The survey of nearly 500 Australian small business operators revealed almost half (47%) of small businesses did not change any part of their business model to navigate the pandemic.

Prushka Fast Debt Recovery's survey finding

Businesses have a positive outlook for the rest of 2021 and early 2022 now that lockdowns and restrictions have eased, even though the pandemic is not yet fully controlled.

Media Coverage



Company: Prushka

Date: 15 December 2021

Publication: Busy Continent

Page: [Online](#)

86.8% of the companies that participated in the survey anticipate that they will not have to close for the remainder of the year because of the negative economic impacts of COVID.



[Roger Mendelson](#), the Founder of Prushka, is surprisingly pleased with the survey results and the statements attached about the general outlook for SMEs in Australia.

“We are seeing a much more positive attitude in the small and medium enterprise sector than one would normally expect based on what has happened over the past two years.”

“Much of the focus of the business impact from the global COVID-19 pandemic has been on main street businesses for example fitness gyms, cafes and retail grocery shops.”

“Although these businesses are highly visible to the population, they represent a very small percentage of activity in the small and medium enterprise sector,” said Mr Mendelson.

Most of the surveyed small and medium enterprises retained all employees over the last 18 months and almost three-quarters of businesses (73.3%) did not have to let go any staff.

However, SMEs lost revenue with 45% losing more than \$60k in revenue over the course of the pandemic so far, while 28% lost less than \$10k and nearly 27% lost \$10,000 to \$59,999.

Media Coverage



Company: Prushka
Date: 15 December 2021
Publication: Busy Continent
Page: [Online](#)



“Until now, businesses have had to make tough decisions to survive and as COVID-related restrictions seem to be a thing of the past, there will be new challenges to overcome.”

“Businesses should be focused on best and worst case scenario planning, to ensure [they have a framework](#) in place that allows their business to operate no matter the circumstances.”

Prushka weighs government support’s impact

When asked about government support for business during the pandemic, 41% of the surveyed small and medium enterprises said that they are satisfied with the help they received.

However, small and medium enterprises that participated in the survey expressed more dissatisfaction when it comes to the federal government’s broader handling of the pandemic.

43% of the small and medium enterprises in the survey indicated at least some level of satisfaction with the federal government’s response, but 33% said that they are not satisfied.

Asked to explain their answer, 33% of respondents say the federal government handled the pandemic response poorly – the initial response was good, but thereafter it was unsatisfactory.

17% of the small and medium enterprises cited poor vaccine roll out for their dissatisfaction.

Media Coverage



Company: Prushka
Date: 15 December 2021
Publication: Busy Continent
Page: [Online](#)



Almost half of SMEs said the biggest negative impact on their business in the past 12 months has been state lockdowns, followed by state of the economy and border closures.

About their biggest concerns over the coming 12 months, SMEs noted profitability, growing their customer base and supply shortages or availability of labour as major concerns.

To mitigate potential issues with cash flow, nearly 57% of SMEs said that they have a cash buffer though businesses continue to rely on personal funds as a temporary measure.

“It is therefore very concerning that small and medium enterprises are still continuing to rely on their own funds in times of strife, as this can exert pressure on families.”

“Forecasting a business’ cash flow ahead of time can help you plan any expenses around your projected cash inflows and ensure you are adhering to your credit collection processes.”

On a positive note, SMEs feel that they are in a good position to manage their debts, as nearly 48% said that their debt is manageable and almost 35% have limited or no debt.

Media Coverage



Company: Prushka

Date: 15 December 2021

Publication: Busy Continent

Page: [Online](#)



Even though small and medium enterprises are spending less time chasing payments, 42% of the businesses are finding it harder to collect debt, with the building and construction sector and individual customers being rated as the worst payers of invoices.

“Whereas it’s a good sign that small and medium enterprises are spending less of their time chasing debts, it is still a significant concern since they are finding it hard to collect.”

“In order to facilitate [their own business survival](#), small and medium enterprises in this new normal are obliged to be adaptable, flexible and able to act on decisions quickly.”

“Strong cash flow processes are more important than ever for survival,” said Mr Mendelson.