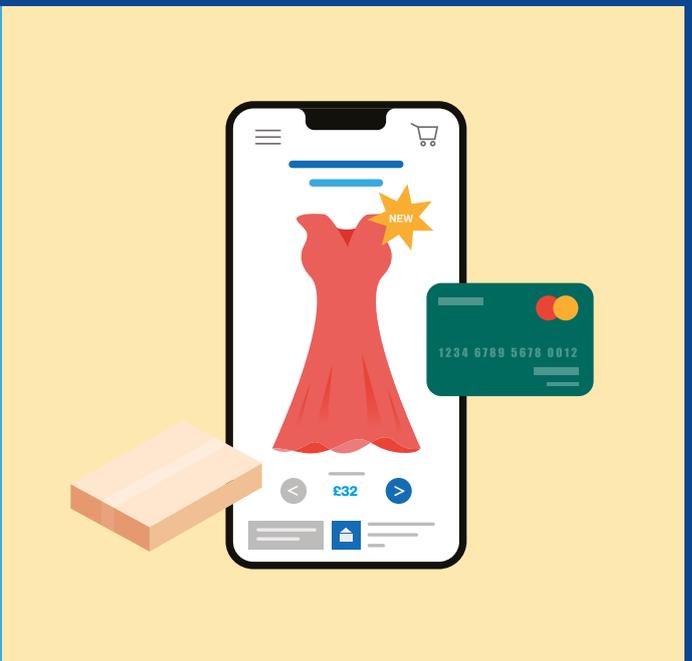
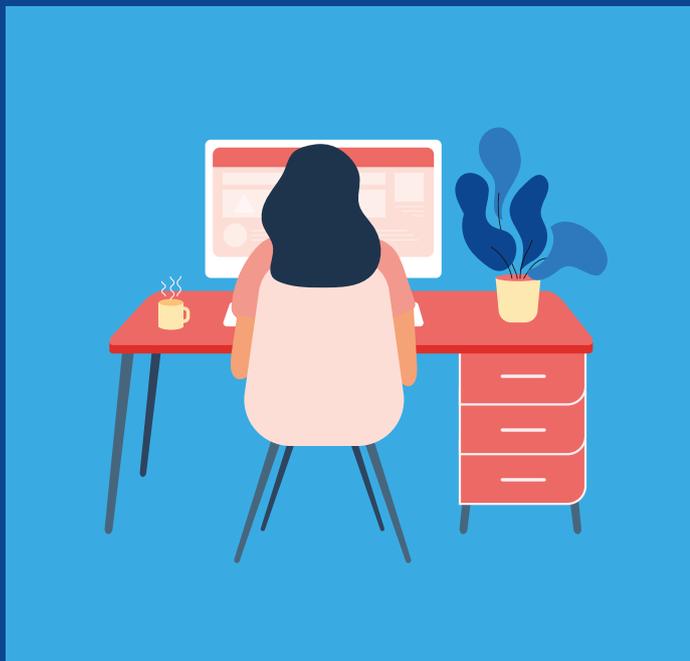


# How To Recover





Small Business Britain is the UK's leading champion of small businesses, supporting all 6 million small businesses in the UK – no matter their background or circumstances, their location, their sector or their ambition. Through a series of reports, events and campaigns, Small Business Britain champions, inspires and accelerates small businesses in the UK to foster growth and increased confidence.

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# There Is Magic In Entrepreneurship

With the challenges thrown at all of us in the last two years, it would be great if there was a magic formula for recovery: for health, for mental health, for the economy and at the heart of communities, for our small businesses too. Whilst I do believe that there is magic in entrepreneurship, the creative and the innovative and the passion coming together, we sadly do not have a magic solution to how to recover from the biggest crisis of our generation.

No magic solution, but we do have a roadmap, a guidebook if you like, that will help us all find a way forward and a path to recovery. There are things we can all do, and examples we can all follow, that can breathe life back into our businesses, bring confidence and optimism back to our entrepreneurs, and there is indeed a bit of magic in that too.

When setting out to write this report, it became clear to us at Small Business Britain that we were dealing with a constantly changing environment. It would be great to see a steady road from crisis to recovery, but the reality has been much more complicated. Restrictions were lifting, but new barriers were coming down in the shape of higher costs, delivery challenges and additional complexity around import, export, staffing and more.

Whilst looking forward to a return to growth over the festive season, the spectre of Omicron started to loom, once more throwing uncertainty into the mix. Hospitality took the brunt of the initial impact, but the tsunami of the new variant left no sector un-impacted. Delayed deliveries, changing work patterns and staff absences meant that no one was left out of the destructive path.

With this backdrop, doing insight into small business sentiment and understanding the path to recovery was inevitably going to be complex. However, once more small businesses stepped up with endless generosity of time and shared experience to give their best insights into what has worked best for them. Not only that, a vast network of support organisations, experts, academics and more have worked night and day for the last two years, and indeed to help us put together this report, to find ways to help and support small businesses through the pandemic. Whilst managing the crisis has been desperately hard, it has absolutely brought out the best in entrepreneurs and communities, and that is surely a great place to start this report.



Talking to our vast community of small businesses and friends over the last few months, I am struck time and time again by the creativity of problem solving that has come up. Having written many reports over the last five years, it always astounds me how individuals keep coming up with new ways to move forward, and surprising solutions that can make big differences.

For example, I am struck by the coffee business that responded to the initial impact of the pandemic in March 2020 by putting staff wages UP to ensure loyalty and a group of people willing to go the extra mile in a crisis. They put their staff's wages up – think about that! Whilst much of the world was cutting back, scaling down and very much in panic mode, this business assessed early that keeping their people was going to be an essential part of their lifeboat through the pandemic. And they were right.

# Nothing moves a business forward like passion for what you do

I have also been struck by the growing impact of disabled entrepreneurs, and the exciting opportunity of tapping into this phenomenal cohort of founders. More remote working and more digital access has made the working world more accessible for disabled founders, and therefore started what I think will be a transformation in opportunity for all. We know that the best way to move our business forwards is to learn from the experience of others, and we are just now starting to uncover the vast prospect of that experience from the huge community of disabled founders.

It should not have taken a pandemic to create these opportunities, but since we are here, let's make the most of them. Every disabled entrepreneur I have spoken to has had to problem solve in an extensive way in order to create the business and the opportunities they want and deserve. This takes courage, passion, determination and over the course of the process develops considerable problem-solving skills that are really not taught in an education setting. I believe this problem-solving superpower is something we can all learn from. We need to work on integrating our business networks so that disabled entrepreneurs can both access the support they need to recover, and so that all entrepreneurs can access the awesome power that disabled entrepreneurs can bring too.

Whether we are talking to disabled entrepreneurs, neuro-diverse entrepreneurs, female founders, male founders, founders with diverse backgrounds or indeed any entrepreneur, we are hearing the same core principle again and again when it comes to finding a way through and out of a crisis: a growth mindset.

Now, much has been written about "growth mindset", and it can sound oversimplified and maybe a bit jargon-y. Really at its core though it is an ability to see yourself as a work in progress and not a finished article. This can be helpful at all points in the business journey. When things are good, giving you the motivation to use it as a springboard to keep moving forward. When things are bad, it can remind you that this is just part of the journey and you can keep going and move out of it.

At any point in the pandemic, applying the growth mindset to any part of your business is going to help you recover. It will give you the impetus to get new skills and has driven the explosion in transformative digital skills in the last two years. It will give you the courage to change things about your business that might have been that way for years, or even in some cases generations. The growth mindset will keep pushing you to look for more and ask for help, because we can none of us navigate these difficult times on our own, whatever our "mindset" might be.

I do not think it is very helpful to tell businesses to simply apply a growth mindset, and hope that will do the job of stimulating recovery. I think we need more than that. We need ways to get into that mindset. We need tools and tricks and ideas and role models that can lead the way into this mental place. We need ideas for tangible actions that can be taken, right now, for businesses to start changing their direction and their fortunes. That is what we are aiming to do in this report.

No list of actions however can work on its own. We cannot simply apply a "painting by numbers" approach to business and think it will be transformative. What we at Small Business Britain have learnt over the last decade, time and time again, is that nothing moves a business forward like passion for what you do. It is what starts us up in business in the first place; it is what lights the fire to build something new; it is what sustains us when times are hard. What we often find in a crisis is that founders can lose this sense of passion – it is hard to feel enthusiastic when footfall is dropping off a cliff, finance costs are biting and you have to lay off staff.

Finding this passion again can be the key to moving forwards. Nothing drives you on more than an all-consuming passion for what you do. It is what makes great business, great sportspeople, great leaders and great communities. What we may struggle with right now is reconnecting with that passion after a long hard two years that has exhausted us and worn down that spark.

We would like to help you find that passion again. Whether it is hearing from other entrepreneurs who have overcome their challenges, or hearing revolutionary ideas for developing a business, or simply spending time with other founders who are excited about the future and want to bring you along with them, Small Business Britain is committed to getting the passion back into the small business community.

I hope that reading this report can help you reignite your passion for business, help you get into a growth mindset, and give you ideas for building your business that can help you on the way to recovery. It does not have to work in isolation though. There is much going on across the Small Business Britain community that can support you each and every day, and help you grow in 2022. Come and join us for free workshops; come and network with other small businesses; come and hear from inspiring leaders and connect with mentors and teachers from across the UK.

We are all stronger when we work together. We can all recover if we work together. I look forward to working with you in 2022 and beyond.

**Michelle Ovens CBE**  
Founder, Small Business Britain



## The last year will probably be remembered by most of us as a complete emotional rollercoaster.

The past two years will probably be remembered by most of us as a complete emotional roller coaster. We marvelled at humanity's ability to come together to develop vaccinations to tackle COVID-19 and then despaired at new variants setting us back. We were energised by the success of the UK's vaccine programme but then pegged back by rising inflation, energy costs and supply chain issues. Through it all, we saw small business across the UK pivot and adapt to constantly changing rules and conditions.

At TSB, we provided over £623m of Bounce Back Loans (BBL) and top-up lending, having been live on day one for the BBL schemes, alongside Pay As You Grow (PAYG) options to support repayment. We have also provided repayment holidays across our lending products, to help provide breathing space when small businesses need it most.

Through our experience in serving customers and working with Small Business Britain, key themes for SMEs in 2022 have become clear:

### 1. Digital enables local

The growth of digital adoption and skills by more people than ever before has helped many businesses address gaps and provide productivity gains, such as automating marketing and accounting, or enabling remote working through collaboration tools. Small businesses will continue to need more access to advice, tools and services to give them the confidence to be more digital. Often, it is as basic as finding the time to invest in learning the skills required to make the most of digital opportunities as well as confidence around knowing how to do the right and most effective things.

Looking forward, unlocking new revenue streams is a key focus for small businesses. Adding on something new is stated by more than half of all small businesses as a goal, and by some, as the first and most impactful route forward. Giving small businesses access to great banking and business support services could support this, creating time savings for business owners, as well as opportunities for growth.

Small businesses continued to play a significant role in local communities. They offered bespoke services that may not be scalable for a larger business. For example, the regeneration of high streets over the pandemic into a more sustainable model featured more local and bespoke businesses rather than high street chains. We heard from many businesses that started to go direct to local customers and local customers that found greater reliability from local businesses. This is a trend we hope and expect to see continuing in 2022.

### 2. Sustainability

The multitude of key climate events in 2021, culminating in COP26 in Glasgow in November, has set the stage for 2022 being a big year for adoption of sustainable practices. However, although larger corporations make most of the headlines on sustainability, we see that small businesses are alive to it and so are many of their customers. At TSB, as well as setting out a pathway to deliver net-zero for our own operations by 2030, we have introduced a partnership with Cogo, an app that helps our customers keep track of their carbon footprint and take steps to 'green' their purchases. We're also putting in place a range of initiatives to support our suppliers and business banking customers to find ways to reduce their impact on the environment.

### 3. The importance of a 'growth mindset'

In our conversations over the past year with small businesses we saw them taking charge. Rather than waiting for someone to come and offer help, their attitude was more "only we can help ourselves, so best get on with it". This was inspiring to see and brings to my mind Gramsci's phrase "pessimism of the intellect and optimism of the will". A Marxist thinker is perhaps not the first place most business owners would go to for inspiration, but Gramsci's idea was that it makes sense to assess the situation critically from all angles but combine it with the belief to take action. This report talks about adopting a 'growth mindset' and that is a very powerful way to apply the 'optimism of will' that small businesses have shown.

With the latest developments on Omicron and associated restrictions relaxing, we can perhaps again hope that 2022 will usher us to the 'new normal'. But one of my mentor's favourite phrases has been "hope is a lousy strategy". So as we step into the new year, I am confident that small businesses up and down the country will be doing far more than hoping and will continue to find ways to embrace the opportunities ahead leading to recovery and growth.

**Adeel Hyder**  
Business Banking Director, TSB Bank Plc

# Executive Summary

The last two years have brought with it a rollercoaster of fortunes for small businesses, as it has for society as a whole. Each time it seems a corner has been turned and we have started to focus on recovery, another hurdle has arisen and small businesses have once more needed to dig deeper for reserves of courage and of cash to keep going.

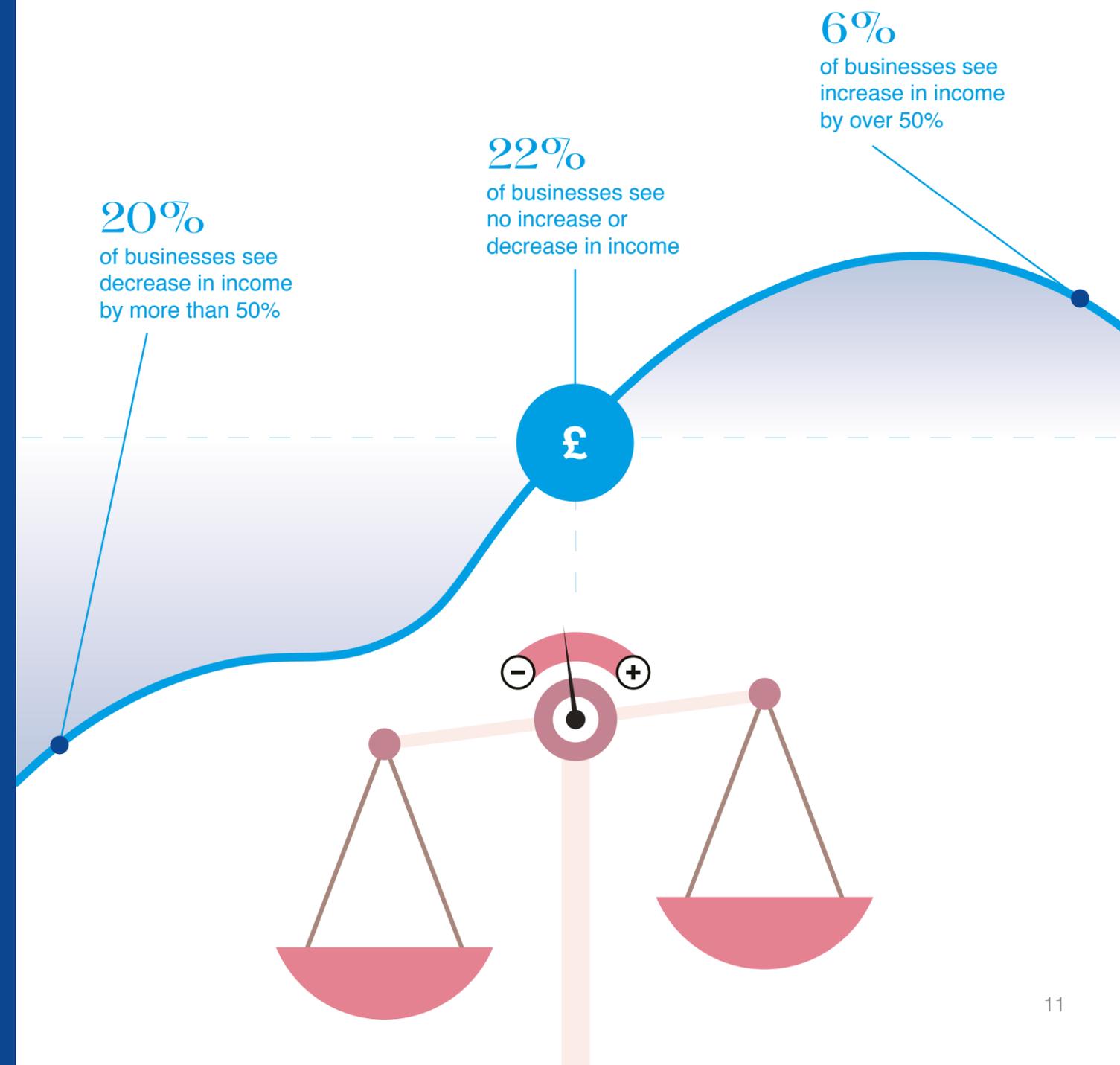
But keep going they have, and with a spirit of resilience that has been heroic. Businesses that have made it this far in the pandemic, and not all have, have found themselves better equipped for a crisis and with more back up plans in place to fall to when challenges arise. There is of course a limit to what small businesses can do: they lack the deep pockets of big business and the access to funding and flexibility those large organisations have too. At some point, all small businesses meet their crunch point and ask themselves, can we recover from this?

It is to answer this question that Small Business Britain (with the support of TSB) has put together this report. How do you recover from a crisis this big? How do small businesses get back on their feet after this many knocks?

By starting to answer these questions, we hope to help more businesses get back on an even keel and face the future with optimism. It is however only a starting point. Small Business Britain is committed to long term support of small businesses, day in day out, throughout the pandemic and beyond, to give the helping hand, inspiration and advice that we all need to navigate this crisis.

We have spoken to thousands of small businesses in depth over the last weeks and months to really understand the key factors in turning a small business around. Whilst different sectors have been hit in different ways, there are common themes amongst successful businesses, common routes taken out of bad situations, that can be applied to most if not all small businesses and can be used as a roadmap to find a way back to growth.

## How has the pandemic impacted small businesses financially?



This is not to minimise the difficulty in turning around a business during this pandemic. There is never a simple solution, and many are tackling this with huge emotional strain as well: mental health issues, concern about staff, concern about family members, and the fatigue of keeping going again and again and again. There is strength in numbers though, and by working together we can help each other overcome some of these hurdles and clarify ways forward with a bit of support and a helping hand.

In fact, not trying to solve everything on your own is the first and key message from the research. Businesses who tried to “work the problem” over and over again on their own found much less success than those that reached out to support networks, to a mentor, to a friend or even to staff and customers for inspiration and ideas. We are often not at our most creative when in crisis, and often others have solved the challenges we face already – so why not tap into their ideas and see if there is something we have not thought about yet. Most small businesses tell us this is absolutely the best first step to breaking through to a workable solution.

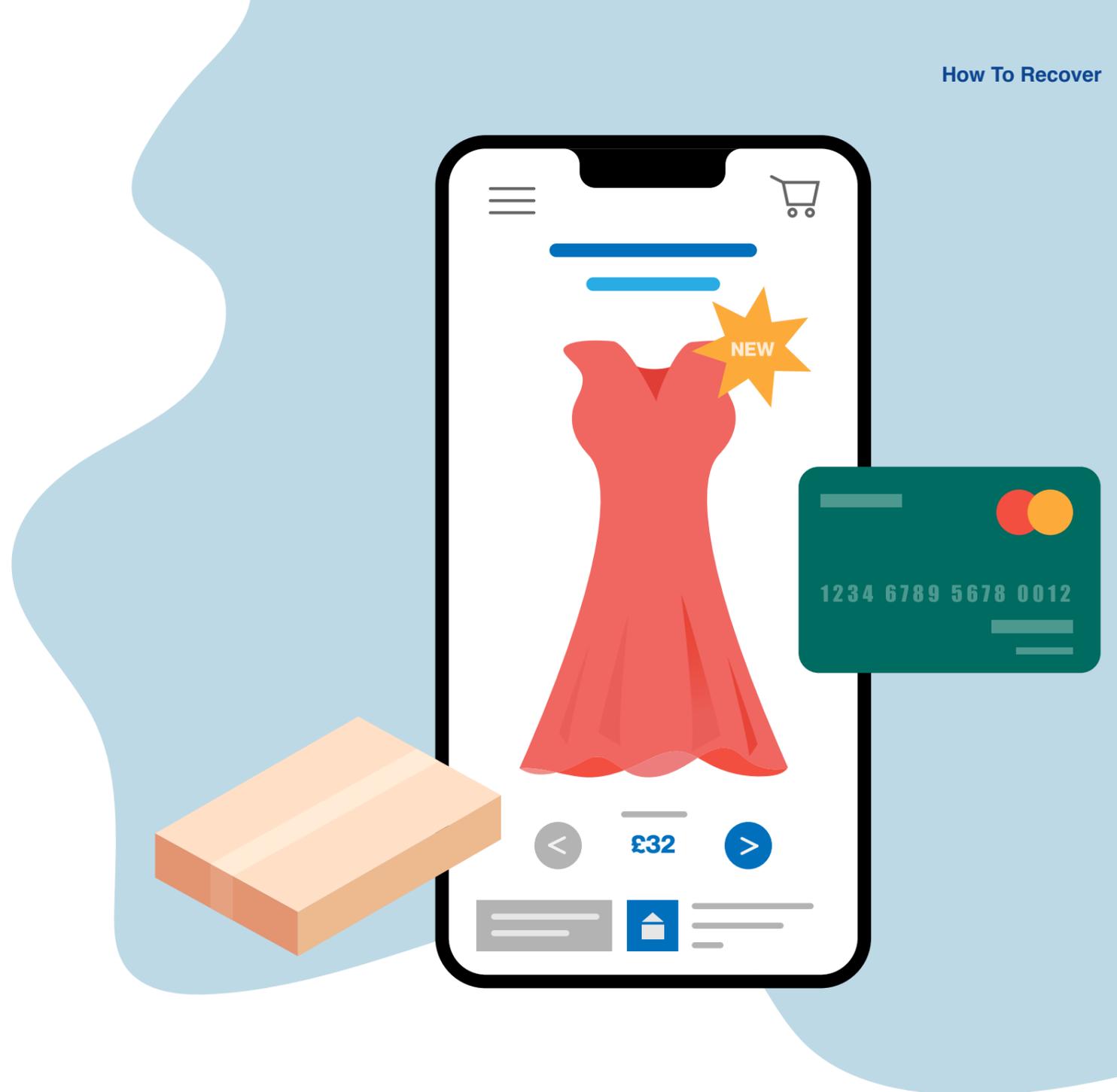
We do need to note at this point that access to support infrastructure is by no means universal, and absolutely not “inclusive”. There is still a gap in availability of mentoring, peer to peer support and indeed broad social capital when it comes to ethnic minority led businesses and disabled led businesses, amongst others. This is not a sustainable situation and much needs to be done to level out access to all. Organisations like Small Business Britain need to take a lead on ensuring that everyone, regardless of situation or background, has access to the critical support infrastructure needed to get businesses back on the road to recovery. This needs to be reflected in Government intervention as well as private sector support.

With that support however, businesses are finding new ways to create new products and services, new routes to market, new platforms to sell on and new channels to sell through. Adding on something new is stated by more than half of all small businesses, and by all the most optimistic businesses, as the first and most impactful route forward. With the help of a support network, looking dispassionately at the business and finding new products and services, small businesses are diversifying their offer to make it more resistant to shocks, and expanding their offer to reach new customers and grow spend.

Businesses that have not changed or developed for decades are finding that there is more they can do and finding that it is giving them a buffer in the down time, and an opportunity when it comes to recovery. This might mean selling to new regions within the UK, or branching out to export with the current set of products, or it might mean developing new products, such as the outdoor pursuit business Rugged Outdoors that moved into wooden chopping boards and gifts sold online, using the wood from their less-used adventure spaces to create a revenue stream that was much more pandemic resistant.

New and shiny things for the business can often also mean new technology, and there has been a boom in technology engagement from small businesses throughout the pandemic. The appetite to try something new, and to even invest when things are quite tight financially, is unprecedented, and an exciting step forward. As options narrowed in some directions with restrictions, lockdowns and changing customer behaviour, small businesses took a risk on new technologies, and for many this has paid off.

Technology can be about productivity gains, such as automating marketing, automating accounting or enabling remote working through collaboration tools. It can also be about enabling revenue growth, and more than half of small businesses have used technology to build new sources of income. It might be via ecommerce, or video conferencing, or it may be for some businesses using new technology to develop totally new products and services, such as the small charity taking donations through contactless tap technology.



Embracing change in your business can, of course, be a very hard thing to do. As a small business, just getting into a routine for business as usual is hard enough when you are managing staff, sales, HR, finance and more. Then having to change on a much more regular basis than ever before is inevitably going to put stress on the individual and on the organisation. This is where a mindset change is needed to embrace these changes, and to actively go out looking for more. It might be new digital channels for the business, and skills for the

staff; it might be closing down shop fronts and opening up online; it might be new partnerships and leaving old ones. Whatever the change, seeing it as a positive thing and not a diversion from reaching a “new normal” is critical to making it a success. This is what leads us to the “growth mindset”. Seeing the business as a constantly evolving thing and not focusing on reaching an end state will help us keep looking for innovation, improvements and opportunities as we move forward.



We talk more about a “growth mindset” in the main section of the report, but at a simple level, it is approaching the business as a work in progress, something that is constantly developing, rather than a fixed thing. Having this approach makes us embrace change as we see new things as an opportunity for development and growth rather than a burden or challenge to be overcome. It can mean that business founders see and engage with skills training, new technology, new staff and partnerships and more in a way they would not be looking for or open to otherwise. From this, great things can happen.

All this change does not come about by accident, however. Whilst even the best laid plans of 2020 ended up getting thrown out by many, putting a plan in place now will give you a head start when facing the often-bumpy road to recovery. Many businesses are finding that approaching the COVID landscape with a more risk averse strategy of planning (with of course the flexibility to change should it be needed!) is helping them navigate the unpredictable economy.

For example, businesses concerned about delivery times and staffing started early on ordering stock in for Christmas in 2021, allowing for more time to get organised and reducing the stress on themselves and their staff. In another example, some B2B training businesses not sure about the seasonality of sales due to lockdown disruption are creating more than one plan and preparing for both, for example to allow for a quiet August as per normal years, and to enable for a busy August as per 2020. Taken by surprise in August 2020 by the lack of downturn due to summer holidays, many businesses prepared for a busy August 2021 as well as being able to accommodate a quiet summer season too. This meant that businesses had a back-up plan when their forecasts from previous months or years became less relevant due to disruption.

Taking time with your team and perhaps a mentor to think ahead and plan for various scenarios can help you better manage should things not go smoothly. Being prepared to have those plans turned upside down at the last minute as well, such as the drop off in hospitality in December 2021, can also make a crisis less impactful on the business, and less stressful for the business owner and leaders. Although many hospitality businesses reported devastating trading conditions in December 2021, some small businesses shared with Small Business Britain their planning process ahead of time, which guessed at a drop off in trade, as was eventually the case. This planning meant that when disaster struck, they already had a backup plan in place. They shifted to some of their lockdown activities, such as home delivery and online gifting, and they spoke to their staff about flexibility in both their type of work and hours. This helped to create a “soft landing” for these businesses and meant they did not experience the devastation of other businesses relying solely on the Christmas rush to get through.

Of course, for many businesses, this type of planning – buying stock early, having dual plans in place – does mean additional cashflow requirements. For many founders, this has been the best use of finance for the business in recent months: investing for recovery. Many businesses have reported to us that being smart with their investment, focusing on people and risk management, has led to some great breakthroughs in the business.

Other businesses that have focused their financing on trying to recreate a pre-pandemic business – keeping an expensive office that staff have barely used, spending on stock that is not moving, staffing a business that is not working so well – have reported a significant struggle and a sense of disillusionment as the world has failed to return to pre-Pandemic working practices, as footfall has not shifted back to old patterns and spend patterns have changed.

When looking at where to focus scarce resources in the business, having an eye on the future is always key. Take for example Perky Blenders, a coffee business in London. When hitting the pandemic in March 2020, footfall to coffee shops fell off almost overnight. Most businesses on the high street in a similar situation looked to rapidly downsize and a sense of panic was prevalent. However, founder Adam Cozens did the opposite: he gave his staff a pay rise. He assessed that for his business, the people were the most important factor, so he invested in them. Investing for recovery means focusing on the thing that will deliver the most for you going forward. This might well be your staff, or it may be a technology or a delay-proof supply chain. It may be in sustainability to reflect your customers' changing needs. Whatever you determine it to be, it should be focused on the future, not on recreating a past business model that may not come back again.

Much like Adam, most businesses have reported that one of the most significant factors in getting back on the road to recovery has been the people around them. This might be a co-founder or partner, it might be staff or collaborators in the supply chain, or it could be your customers and local community: a common theme across the UK throughout the pandemic however has been the critical role of people in small business. Without each other, without that support, that championing, that shoulder to cry on or that shared sense of achievement, small businesses would not have recovered as many have.

Checking in with people has become a huge trend over the pandemic, with communities really pulling together to support each other. Even with remote working and isolating, there has been an acute growth in the awareness of mental health and the need to look after the people as much as the finance of a business. Those businesses that put their people at the front of their approach to recovery are reporting a more positive outlook for 2022 as well as a sense of feeling supported and inspired.

This really sits at the heart of the nature of recovery. Small businesses are run by people, and people are all susceptible to fatigue, loss of confidence and at times loss of hope. Which comes to the most critical factor in recovery: Just keep going.

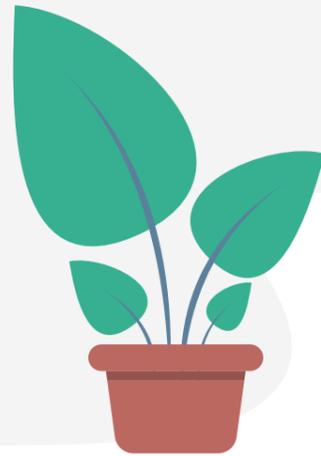
Continuing to get up and run the business for one more day is the only way that businesses keep going. Giving up is final, but pushing through can lead to great new things, even if you cannot see what they are yet.

Do not do it on your own. Explore different things each day to keep moving forward and use those people around you to help you do it. Be open to new things, be open to changing your business's future. Make plans and change them. Be open to helping others as when we focus on others we can put our own challenges in perspective, and often make breakthroughs for ourselves at the same time. Be open, be curious and optimism will come with it. Whatever else you do, just keep going.

Great things are coming.



# A Growth Mindset



At Small Business Britain, we believe developing a “growth mindset” can absolutely help you and your business recover. But is it just a buzz word and does it really mean anything? Have we veered into self-help manual and lost all practical use? Not at all – but it is worth understanding a bit more about what a growth mindset is and how it can relate to your small business.

In 2006, Stanford University psychologist Carol Dweck published “Mindset: The New Psychology of Success” which put forward the idea of the power of mindset. Put simply, success in school, work, sport and every area of human endeavour can be dramatically influenced by how we think. People with a fixed mindset – those that believe that abilities are fixed – are less likely to succeed than those with a growth mindset – those that believe that abilities can be developed.

This can be about skills training, and at Small Business Britain that is a concept we fully engage with. You can use our free training and mentoring to add on new skills, daily if you like, to yourself and your business to keep moving forward and developing. Having a Growth Mindset is however much broader than this. It is about an attitude to yourself and your business that is constantly looking to improve and evolve. At its core, having a growth mindset can help you embrace challenges, struggles, setbacks and even COVID restrictions and see them as a source of growth. This is exactly what a lot of businesses have done over the last two years – and it is at the very heart of their road to recovery.

A great example is the small Oxfordshire pub chain that saw all bookings cancelled as COVID hit in March 2020, shortly followed by a mandated closure and over the coming months, intermittent openings and restrictions. They looked at their peers who saw themselves as fixed – as pubs, with customers that came in, that ate and drank, with a well understood business model around bookings and walk ins – and saw them failing one by one. Instead, they looked at their core strengths and asked themselves and their staff what they could do to adapt to the circumstances, maybe with some new skills and ideas. They started to understand that what they provided was entertainment, social engagement, food you don’t have to cook, drinks with friends, and looked to create that in different ways. Firstly, they created a food truck that could take the catering and drinks to customers’ offices and create an outdoor venue in the carpark. This got around restrictions on parties and also created something fun and new for the customer. Suddenly bookings started picking up. They had no previous experience in food trucks, or how to run an outside catering operation. But they saw themselves as a constant work in progress, and by continuing to change and develop, they found a way through.

When offices were closed too, they started creating at home packages of food and drink to be delivered or picked up, creating an at home experience that brought joy and excitement and something a bit different too. This created work for their staff - slightly different work sometimes, but work that could keep staff engaged, employed and off furlough, and with hope of future work too.

As restrictions eased, these skills remained and what the business found they had was a more capable workforce, happy to change their roles and chip in and be creative, as well as new revenue streams to add onto the ones they had before. They had developed a growth mindset, or discovered it inside themselves, and this had created a route to recovery for the business. This route was not a one-time thing. It was a route that could be applied again and again as challenges arose. Creating new ideas and new ways forward, and being open to learn, was a mindset that put them ahead of their competitors, and meant they survived when many others did not.

This concept can apply to the tiny micro business as well, and in fact can be even more effective as there are less people to bring on the journey. The speed of entrepreneurial change can be rapid! Take Louise Brogan for example, based in Belfast and pre-pandemic very focused on face-to-face networking to build her business. Louise epitomises the growth mindset, always looking to grow and adapt, and as a result has grown to take on more staff during the pandemic, and not been slowed down by a shift in business model.

The pandemic led to Louise rapidly increasing her digital skills, bringing in new software, and as a result, reaching new customers. She now engages with more companies than individuals (her pre-COVID client base) and has used this digital shift to reach new geographies, with a solid client base now in the US as well.



“Increasing my digital skills has helped me survive the pandemic and helped a lot of other businesses realise the opportunities for networking and keeping operations going when none of us can meet face-to-face. While I definitely miss going to in-person networking events as much as I used to, the pandemic has thrown up networking opportunities, events and conferences in a variety of nations and locations that I previously would not have been able to attend – all from the comfort of my own home”

**Louise Brogan**  
Founder, The Social Bee

Adopting a growth mindset can help you as a business whether you are a coffee shop on a high street, a manufacturer in an industrial unit, a dog walker, a window cleaner, a web developer or indeed any business at all. The mistake many businesses made during the pandemic was focusing exclusively on what they have always done, and how they have always done it. Feeling that there is no way to adapt and grow can be a limiting mindset in and of itself. And there can be nothing more annoying or frustrating than someone telling you to simply think differently and the world will change! So, to avoid that pitfall, this report will look at different ways you can adapt and change your business, and your way of thinking, to help move you to a growth mindset. This might not happen overnight, but it can happen over time.

Remember, fundamentally this is about seeing yourself and your business not as fixed, but as a work in progress. So – let’s get to work.

# Do Not Go Alone

Throughout thousands of surveys, interviews and meetings with small businesses over the last few months, one thing has come out again and again as the critical factor in getting through a crisis or finding a way to new growth: getting help from other people.

Whilst there are people that can be more or less impactful on your business – business experts, bank manager, friends or family that know you well – the common and most important factor is the process of reaching out for support.

Entrepreneurs as a group are an incredibly resourceful lot, and often a very independent breed too. Part of the inherent need to create your own business, to build on your own dream, is the desire to do it by and for yourself. This spirit does not always marry well with reaching out for help and support, particularly when you are feeling vulnerable or perhaps that your business is not as successful as you would like, or worst case, your business is failing and you cannot admit that.

But every single entrepreneur we spoke to for this report referred to the positive impact of reaching out for help, and the incredible value of a network, even if only to feel like you are not alone in your challenges. In practice, it is much more than this as you find others have been through your business challenges and solved them before, or they have opportunities for you to tap into, or they are having a motivated day when you are feeling dispirited – the many many ways that a support system of other business owners can help you is the absolute silver bullet in a crisis situation.

“Stick together, support each other, reach out for help as there are so many people out there who want to help! Government can help with support schemes etc, but there is support from within the small business community too.”



**Jo Bevilacqua**  
Founder, Serenity Loves



**Katie Skelton**  
Founder, Little Green Duck

Katie Skelton, founder of Little Green Duck, told Small Business Britain of the critical role her community played in supporting the challenges thrown up by the pandemic:

“When I started reaching out to businesses, particularly solo entrepreneurs, on Instagram, I realised that we all found it really hard to share business struggles. Soon after launching my community for purpose-led business owners, The Duck Pond, I introduced the “Monthly Quack”, an informal, friendly forum to solve problems and allow businesses to open up. I also found that the more I opened up about my problems, the more “sticky” the community became — people really valued that I was also struggling in the same way. We have a diverse mix of people from different backgrounds and sectors, but what they all have in common is how generous they are with their time and experience. It is a safe space. Finding a safe space is so important for businesses to get the support they need, particularly in difficult times like the pandemic. It doesn’t have to be a membership group. It might be a mental health professional, an accountability partner, another business owner — a community does not have to be huge, just a couple of people can be really valuable.”

This applies to all areas of the business, and all aspects of entrepreneurship. Struggling to manage your cashflow? Chances are many people have had this challenge over the pandemic. Difficulty with a member of staff? It has happened to all of us! The chances are you will not realise that a business has been through these things until you ask. Many if not all businesses will be happy to share their experience – and their pitfalls – when asked, so start asking without delay.

The right support for your business may vary depending on your needs and may change over the course of running your business. At times a one-to-one conversation will be most appropriate, which is why finding a mentor to work with is such a critical first step for a business. At other times, a group support infrastructure may be more appropriate, listening to others and supporting them, and finding comfort in a collective solving of challenges.

Many businesses report that finding a small collective of peers that they can be accountable to can be very motivating, particularly when teams are working at home and when the business is not of a scale to have a board or advisors. Committing to action and having to report back, even over a cup of coffee, each week has been shown to make a tangible difference to founders’ focus, motivation and mental health.

There are of course many professionals as well that are geared towards supporting small businesses, and these should not be overlooked. Speaking to business organisations such as Small Business Britain is completely free financially, and free of commitment. Your business banking manager or accountant will be experts in business planning, often with experience of a crisis, and are always willing to help.

It may take a couple of tries to find the support that fits right for you, but do not be deterred. This is absolutely the critical path to take to turn your business around and many, many small businesses have gone before you, successfully turning a network, mentor advice or the experience of a good sounding board into a revitalised business and a pathway to the future.

# Derby Swap Shop



“The first few months of the pandemic were really hard. I thought I had lost my business and it really impacted by mental health and resilience. I wanted to respond by creating something positive. I launched Swap Shop to give businesses a platform to solve problems without framing it as you need something; you offer up a service back in return. It boosted me – and it boosted the businesses. Now over 1,000 businesses offer to “swap” on Swap Shop and I feel proud we have created something so good.”

**Rachel Hayward**  
Founder, Ask The Chameleon

## To Do List

- 1 Get a mentor.**  
Start with approaching someone you respect and have a conversation. Limit your demands on their time and ensure they feel you value their advice.
- 2 Join a network.**  
Ask friends and fellow businesses for recommendations; try a few networking / community groups to find your safe space and something that works for you.
- 3 Be accountable.**  
Ask another business, or even a few, to help you be accountable. Check in with each other regularly and keep each other on track.
- 4 Engage your team.**  
Support can come from within your team. Ask your staff their thoughts and take them on the journey with you.
- 5 Access professional support.**  
Look into business support organisations such as Small Business Britain for help, advice, networks and training. Speak to experts such as your business banking manager to get their perspective on the challenges you are facing and ideas for solutions.

# Time For Something New

A change is as good as a rest, or so the old proverb says. Whilst rest is absolutely critical for small business mental health, making a change can also invigorate and renew a business, and help it forge a new path on the road to recovery.

At the heart of a growth mindset, actively looking for something new for you, for your staff, for your customers and more broadly for your business can help you develop, even if that change does not work out in the way you think it might.

At the start of the pandemic in March 2020, many businesses were caught out by the speed of the change happening around them, with the majority taking, according to Small Business Britain research, around two months to find a good footing to move forward. As the economic and social background has fluctuated in the intervening years, businesses have had to continue to adapt and change to keep relevant, to keep customers engaged, and to maintain their personal and staff morale in a difficult climate.

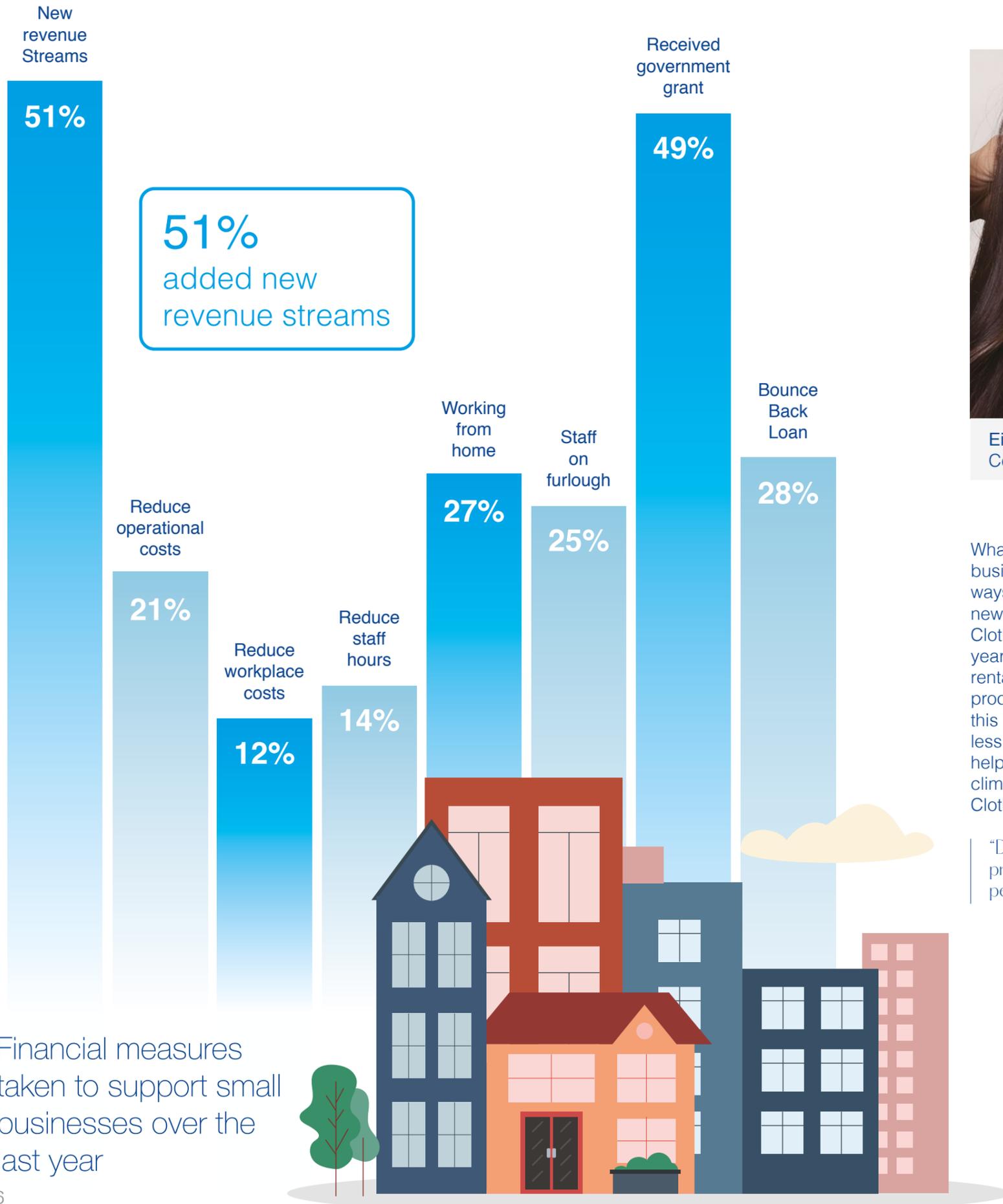
A business may have been successful for years, and brought the founder much joy and satisfaction, but that tried and tested model may no longer work with the ground shifting due to COVID, and more recently Brexit. Where the same products and services and channels may have delivered, pre-2020, strong returns and even growth, changes will now be needed to continue that growth into 2022.

The process of trying something new is, inherently, an optimistic one. Entrepreneurs are generally an optimistic lot – to take the step into self-reliance, to launch a business out of your own knowledge and passion, is of itself an optimistic act. So for many, even though they may not have felt optimistic in 2020/21, by making changes and trying something new, they generated new optimism for themselves, and that has been a very powerful thing.

“We are looking at how to make more of eCommerce opportunities and creating products that will sell well using this way of reaching new customers. It could take us from a local to national level business.”

**Maurizio D'Apollonio**  
Founder, Maurizio Dining & Co





Eileen Willett  
Co-founder, Cucumber Clothing

What could this change look like for your business? It helps to be specific. Exploring new ways you can use your current skill set to develop new products to sell. For example, Cucumber Clothing found the clothing market over the last year to be challenging, so developed a clothing rental model to allow people to effectively try the products before they buy. Called "Loan-To-Own", this created a model whereby the customer took less risk and had a lower up front investment, helping to break through in a difficult retail climate. Eileen Willett, co-founder of Cucumber Clothing, a big proponent of change, says

"Do what you believe in! It is so easy to procrastinate, but just go for it. You'll never be perfect just learn as you go and improve."



Paul Tyer  
Founder, Peedie Models

Change might also be in more radical ways, by adding new skills and resources onto the business and using that to move further away from your starting point. Bringing in new skills and resources can open up some exciting and unexpected routes to growth and recovery. Take Paul Tyer from Peedie Models in the Orkney Islands for example. Having bought a model ship business in 2019, Paul found that the increased home isolation of customers during lockdown drove a strong growth in the business. With the increased interest in the model ships, Paul invested in a large laser cutter, and this has opened up new and unexpected opportunities for him. Paul says,

"During the pandemic, I made masks using my 3D printer, and loads of local businesses were asking for materials to be cut from the new printer in order to avoid added costs due to shipping from the mainland and longer shipping times, which can often be up to 8 weeks. With all this, I have remained ambitious and am currently writing a fifteen-page business plan for the next four years and planning my marketing. The future looks bright, and I am looking to upgrade and move my studio."

Trying something new however does not always mean changing the products and services of the business; it may instead mean changing the channels that you sell those products and services through. The pandemic has spurred a massive growth in the use of digital channels – websites, global online market places, even video chat has grown as a sales tool. As restrictions are lifted, exploring non-digital channels to market may also be an opportunity for your business too. For some, moving away from a retail shop or office building may be the best financial move, but then open up opportunity to try other face to face sales channels such as festivals or fairs.

A great example of this is The Float Spa, founded by Camille Pierson. Floating has to, of course, be done in person. But the business approached the pandemic holistically, looked at what they do across the whole wellness and mental health space, such as yoga, and looked for ways they could deliver that despite restrictions. They now have an online programme of yoga courses that continues, and continues to be successful, even with restrictions lifted. Finding a new channel to sell what they already did drove income at a critical time, but also created new opportunities for post-pandemic too. It kept customers engaged and motivated staff to persevere. As a result, Camille remains optimistic for the business, saying

“I have set ambitious targets which we are on track with both monthly and six-monthly and making progress towards our three to five year plan. We are the market leader in what we do nationwide, with other similar businesses adopting our wellness methodologies, which is encouraging. In 2021, we had our best August ever for floats!”

Clearly continuing to develop has paid off in an optimistic recovery.

New does not have to mean changing the business delivery at all but taking a fresh new take on the business and looking at new opportunities such as partnering or a marketing refresh. It can be difficult to look at a business with fresh eyes and sell it in a fresh way if you have been in the business for a long time or have been “working” the problem during a high stress period of crisis. Once again, reaching out for help and support is going to give you fresh new ideas for development, and speaking to a mentor, peer support group or network could open up opportunities for partnership, as well as fresh new ways to position what you do.

Doing something new can be daunting or intimidating, and the idea of creating and developing during a crisis can feel overwhelming. However, time and time again, small businesses share their experiences of breaking through seemingly insurmountable barriers by trying, and succeeding, at something new.



Camille Pierson  
Founder, The Float Spa

# 54%

of businesses see new revenue streams as the way through the next few months

## To Do List

- 1 **Explore new products for your business.**  
What else can you sell, make, market with your current skill set and resources?
- 2 **Explore completely new products and services.**  
What else can you create, sell, develop if you add on new skills and resources?
- 3 **Explore new channels to market.**  
Web platforms, e-commerce, festivals, fairs – find a new place to sell what you already do.
- 4 **Explore partnerships.**  
Working with other businesses to sell in partnership can boost your potential customer base and stimulate new ideas for the business.
- 5 **Explore new marketing strategies.**  
Social media marketing, affiliate marketing, email marketing – get help, get some training, and give it a try.

# Technology

A sense of optimism has driven technological advancement in recent months: it may be something small, it may be relatively low tech, but starting to look at new technology for the business has been for many businesses a positive step towards recovery and confidence in the future. Coming from a relatively low starting point, based on our research “The Small Report” from early 2020, small businesses have taken big strides in technology, and even when that new tech has not lasted the distance, it has driven a curiosity and a willingness to develop that promises great things for the future.

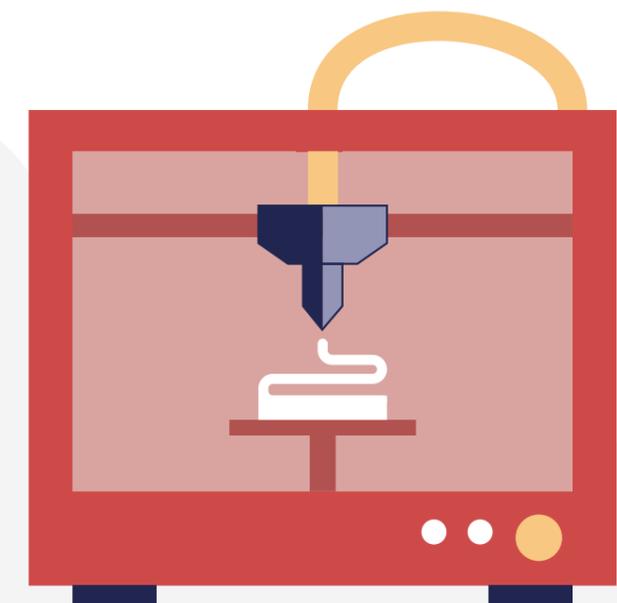
The starting point for many, and often what we call the “gateway drugs” of technology, are online accounting and online banking. Having to forensically look at their spend and budgeting due to a sudden decline, the pandemic has made many small businesses look again at what they have in place in these areas, and what they can use to their advantage.

Indeed, this is absolutely recognised by the Government and the new Help to Grow Digital scheme starts off with these key areas with vouchers to help businesses invest in the business for growth. It is also providing mentoring to help businesses engage with these digital opportunities and find ways to use digital to best work for the business.



“Embracing technology has been vital. It has opened up new opportunities, but more importantly it has given me the confidence that my business is ready to face anything that comes my way. It has made me more resilient and proven that I can tackle things that scare me — such as using tech!”

**Becky Davies-Downes**  
 Founder, William and Tilda



56%

of small businesses have increased their staff's digital skills

40%

have added new technology to their business



Mentoring can of course be the gateway to so much change in a business, as we discuss in Chapter 1. For really small businesses, that may find that Help To Grow Digital is not appropriate for them and who have specific needs and restrictions, there are a number of free and worthwhile programmes available to help you think through the digital opportunities available.

Digital Boost and the Google / BT partnership Get Mentored, Get Growing both offer accessible, free, readily available digital skills mentoring for small businesses. Experienced and trusted experts from these stalwarts of the digital landscape can be accessed at a time that works for you, and give you an open forum to discuss your businesses technology challenges, and help you on the way to solving them.

## To Do List

- 1 Help to grow.**  
Explore Help To Grow Digital, the Government backed programme to drive digital engagement in SMEs.
- 2 Get a mentor.**  
Get a Digital Mentor through Digital Boost or Google / BT.
- 3 Plan to fail.**  
Give yourself the permission to try a few things knowing some will fail and learn from those failures.
- 4 Get some free training!**  
Check out Small Business Britain digital skills training with BT Skills For Tomorrow.

### Checklist

Have you looked at all these areas for automation and could you adapt some more?

- 5**
  - Online accounting, banking and related tools
  - Automated marketing
  - In store technology
  - Automated inventory management
  - Productivity tools

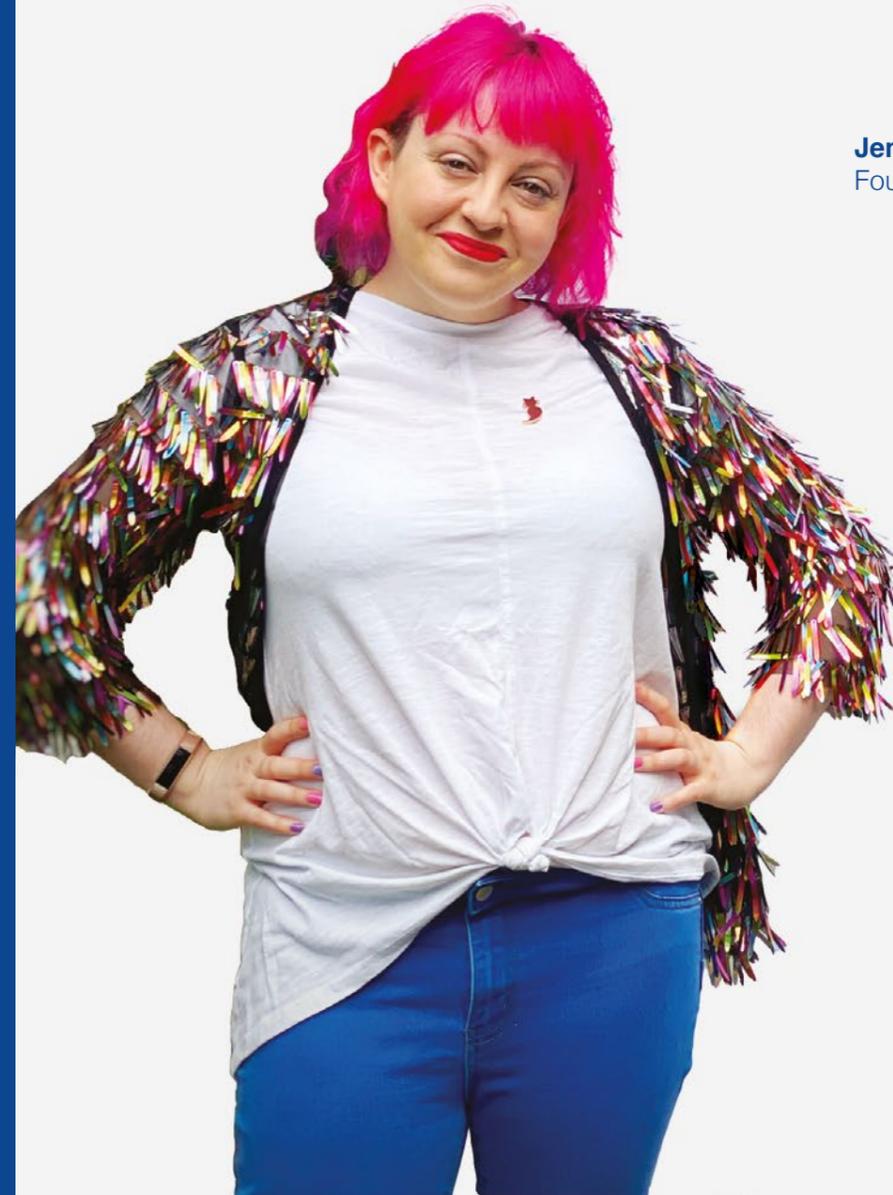
# That's The Plan, Stan

Many small businesses sat down at the start of 2020 and made a plan. For some, the stimulus of a new decade was a springboard to set new goals and targets and created a renewed sense of optimism for the business.

However, for most, those well laid plans were thrown out mid-March as the pandemic created an overnight shock to economies across the world. Adapting those plans or creating new ones with the successful application of a Growth Mindset, became the ultimate pivot for small businesses to find a way through those difficult early months. As the situation changed and changed again, businesses learned to be nimble and quick to respond, and as we faced the third lockdown in early 2021, setting a longer-term plan seemed like folly as so much remained hanging in the air.

“In the seven years of running this business, no one could have predicted the pandemic would happen. We always try to be prepared, but now we are thinking six months ahead at a time. The pandemic and Brexit have made us more cautious in planning, but also more prepared, which is a good thing.”

**Jennifer Blyth**  
Founder, Storm in a Tea Cup



Continuing in this constant state of flux would potentially seem wise or appealing as once again much was thrown in the air with the advent of the Omicron variant in late 2021. However, it turns out that small businesses are absolutely not finding this to be the case. Far from continuously trying to find their balance, businesses are taking control of their fate and making more plans, and finding ways to both predict the future and de-risk potential scenarios that may throw the business off course.

Many founders have found over the pandemic that they have come to understand their business better because of the challenges they have faced. They are much clearer now on where their costs are going; they are clearer on what works for the business and how far in advance they need to start the sales process; they are more savvy about potential hazards that could befall the business, and how to avoid them in the future.

“Lack of income during the pandemic forced me to take a long, hard look at my finances. This proved to be extremely uncomfortable but forced a lot of changes. I had no real idea where I was financially at the start of lockdown. Taking stock uncovered spiralling spending and losses. Lesson learned. The upshot of all that is yes, I’m now feeling my finances are in order and feeling better than they have in a long time. I’ve come out of that time with a business far more in line with where I want to be going. I’m no longer plodding along slightly unsatisfied – I’m excited for the future, have firm plans for growth in place and financially the business is doing ok.”

**Becky Davies-Downes**  
 Founder, William and Tilda

Wherever you are at with your business – mature, family owned business with long-standing staff and an established history, or a one woman band starting up during the pandemic with a passion to change the world – you can and should take a step back from your business and make a plan.

The big learning from the pandemic is finding out how a crisis of such epic proportions would impact you and your business – and finding a way through that. The lessons learnt will help you plan better for the future. The changes you were forced to make will help you learn about how you really want to run your business and what you really want it to be. You may have been forced down a route to stay afloat, but that route will have taught you things too.

Use these learnings to make a better plan for the future. Use this knowledge of how you handle shocks to de-risk your business going forward. Strengthen your ability to recover by reminding yourself that you have got this far.

You can definitely handle anything now. So plan to be great.



## To Do List

- 1 Take a forensic look at your finances and be honest with yourself.**  
 How is the business doing and will it be viable on the current trajectory?
- 2 Write a list of the risks to your business so at the very least you are aware of them.**  
 e.g. Delayed delivery of stock, delays due to imports or exports, big customer cancels, new variant brings change in customer behaviour.
- 3 Make a list of things you can do to manage those risks and start on that today.**  
 e.g. Ordering earlier, lining up new customers earlier, having alternative suppliers with local supply chains.
- 4 Make a 6 month granular plan for sales: what are you selling, through what channels, to who.**  
 Why not get help with this from an expert like Catherine Erdly, The Resilient Retail Club? Lots of top tips can be found on her Instagram feed #SmallBusinessBritainChampion.
- 5 Make a 6 month plan for business development.**  
 What do you want to achieve and what steps are you going to take to get there? This can be as informal as you like, but check back on it regularly.

# How small businesses used loans

## Invest For Recovery

Warning - this section is not for everyone!

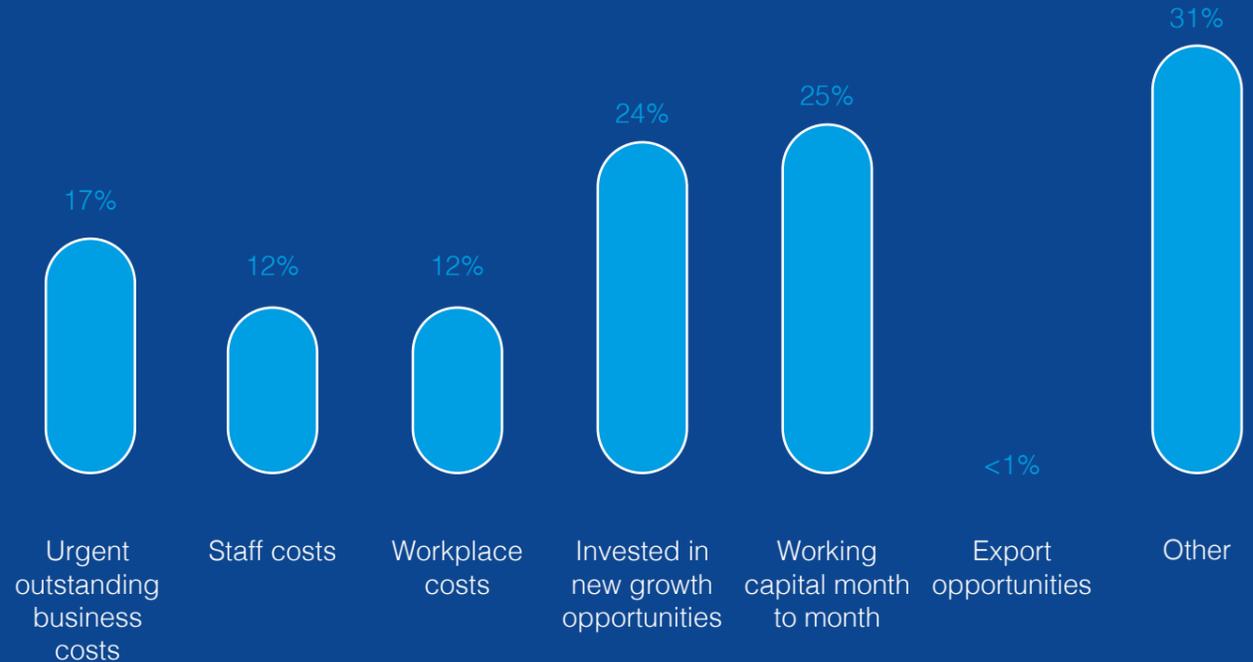
The first thing to say about investment is that cashflow is tight across the board in early 2022 and it is not always an option for many businesses to make any significant investment right now. However, giving some thought to the future and how you will invest over time will give you focus and help you move in a productive direction with a goal.

Over the course of the pandemic, many small businesses did continue to invest, and many grew as a result of responding fast to the changing economy. In fact, 24% of those that took out a Bounce Back Loan used it to invest in growth for the business. This was a wise thing to do for those that could, using the benefit of the favourable lending rates to get their business set up to grow as we moved out of the pandemic. Those that did invest for growth are now starting to reap those rewards.

The key thing to think about, whether investing is funded by cash in the business, by lending or in fact is an investment of time or other resources rather than cash, is how well that investment will work for the business. Do you rely on staff to engage and serve customers? Do you need to ensure staff stay in the business, or do you need more staff to drive customer demand? In that case staff are a great investment for you.

Sanjay Aggarwal, founder of Spice Kitchen, knew that for his business owning their space to give them a stable future was the critical thing. Sanjay said,

“As of April 2021, we purchased our manufacturing and warehouse space outright. We really feel that this is a solid platform on which to grow the business. We were previously renting a small unit in Widnes and quickly outgrew this due to increased demand for our products. It’s been a good year for us and right now, we are feeling very positive about the future.”



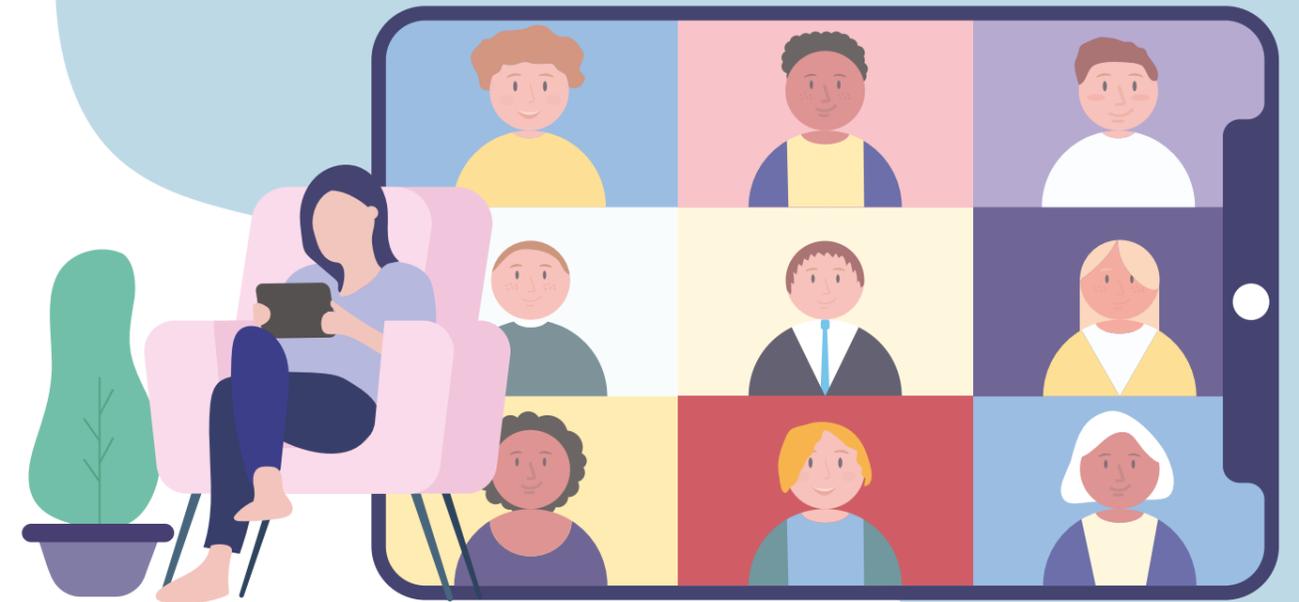
## To Do List

- 1 Speak to your business banking manager.**  
 Ask their advice about how you can best invest in your business, and how to fund that.
- 2 Speak to your accountant / financial advisor.**  
 Ask their advice about how you can best invest in your business, and how to fund that.
- 3 Review potential opportunities for growth for your business.**  
 Which investments will make the most difference to you? What is the most impactful thing? Is it the people? Is it the space? Focus on what is critical to the business.

# It Is All About The People

When it comes to small businesses, it is often said that people buy from people. Let's amend that slightly to say that people work with, engage with, support, champion, sell to and buy from people. For small businesses, it is literally all about the people.

When businesses talk about their experience of the last two years, they start every time with the people who have been through this time with them. Yes, they will talk about how furlough saved their staff; yes they will refer to bounce back loans as a lifesaver; and yes they will talk about the changes they have made to adapt to circumstances; but most of all they will talk about the people who have helped them, stood by them, stuck with them and championed them.



Staff in particular have played a huge role in the small business recovery so far and will continue to be pivotal to their future. From the outside, it has been easy to see staff as a burden during the pandemic, a requirement for accessing furlough and a cost that cannot be managed. In reality, many small businesses have leaned on their staff for support, for inspiration and for morale during this difficult time. Staff often know the business strengths well, they have a vested interest in the future of the business, and often care deeply about the founder and the business' aims. Staff can be the secret weapon against failing; they can be the secret weapon against giving up too.

Small businesses will be the first to champion how important it is to look after your staff. For many, they are like family and founders feel keenly the weight of responsibility to look after those staff. Look after the staff, and the staff will look after you. Small businesses have reported many ways of doing that, but at the core it is principally showing compassion, showing care, and treating staff with respect at all times.

When thinking about recovery, a good place to start is with the staff. They will want the business to continue and thrive, so they will be motivated to help the business move forwards. Tap into their ideas for new products, services or sales mechanisms; tap into their customer knowledge for who to target with what sales message; and tap into their ideas for technology, digital skills and innovation as the more inspiration you have in this area the better. Ask for volunteers to check out new opportunities and by trusting your staff to play a role, you are empowering them to feel they are critical to the business. This builds loyalty and longevity – good things when you are thinking about the long term recovery of the business.

The people in the business are of course much broader than the owner and staff: there is often a chorus of stakeholders as well that play a key role and can be pivotal to your recovery. This will vary business by business, but the chances are there are suppliers that have a vested interest in your success that will be keen to have a chat and see how they can help.

This could be the supply of products, supply of freelance services, fulfilment services or many more: the key thing is that they are critical to your business, so worth sitting down with them for a discussion about how you can succeed. Not only will they want you to do well, but the chances are they work with other businesses that have come across the same hurdles you have and have overcome them. After all, they are probably working to understand their customers too, and this understanding could help you develop your business.

Don't forget to look in the other direction too: customers are often critical people in our work and our lives. Whilst as a business you may be eager to continue to serve your customer, often your customer is keen that you can continue to serve them as well. As a buyer of your goods or user of your services, they will have a singular insight into your business, and our relationships with our customers can often be pivotal to our relationship with our business. Reaching out and asking for insight from customers makes them feel engaged and involved, and could lead to surprisingly exciting ideas for the business.

Whilst you are looking outside the business, remember to look outside the door as well. Remember back in the earlier chapter when we discussed the importance of not trying to recovery on your own? Speak to your neighbours, other businesses in your area and on your street, and see what they are experiencing and ideas they have for the future. This can be inspiring and rewarding. Looking for ways you can support other businesses will both give you a strong sense of accomplishment and also inspire you about your own business. Thinking through others' challenges helps us see our own with new perspective. It can be as simple as walking along the road and asking your neighbouring businesses to join you for coffee. Why not give it a go?

The pandemic has really highlighted to us all the importance of community and how we must not take anyone for granted. Whether that be in family, in health, in community or in business, the people that create and run our communities have really stepped up. Be it health care workers looking after us, local friends and businesses delivering essentials to those shielding, or neighbours sharing laughter over the garden fence, these essential building blocks to community have shown their worth time and time again. Realising this value does not end as COVID recedes; it is an opportunity to rebuild communities and high streets with this spirit at its heart, building on those pandemic relationships to drive reinvigorated local economies.

Recovery will need these relationships more than ever. That spirit of support will help businesses, and people, get back on their feet. The British public believes in small businesses and feels deeply about maintaining their spirit and success. We can build on this to create thriving businesses, create meaningful jobs and ensure that small business foundations are anchored in community spirit in a way that will maintain them for years to come.

People make a business. People make a community. People make a country.

## To Do List

- 1 Schedule a sit down with every member of your staff.**  
Check in on how they are doing.
- 2 Schedule regular staff meetings to check in on how staff are doing.**  
Use the 1-10 scale – how are you doing today?
- 3 Schedule a check in with key stakeholders.**  
e.g. Your business banking manager, key suppliers, freelancers, accountant etc. to check in on their thoughts on the business and the future – they may have great ideas for you.
- 4 Schedule a check in with key clients.**  
Small businesses are people businesses so relationships are your best asset. If you have lots of customers, e.g. online e-commerce, use a survey to check in on how customers are doing.
- 5 Make time to meet other small businesses just to chat.**  
Take care not to become isolated and make time for conversation without agenda – you never know where it might take you.

# Keep Going

“If you are going through hell, keep going”  
– Winston Churchill

Every entrepreneur has had a moment of wondering, is this worth it? Certainly the economic uncertainty of 2020/21 has given many founders pause for thought as income dropped, budgets got tighter and difficult decisions had to be made.

But press on many did, despite the challenges that arose, and one way or another they found a way through. Sometimes it is not clear to us how the situation will turn out, or what the road forward will be. But giving up is final, and for many would mean giving up on their dreams.

Small business owners overwhelmingly report that starting their business was driven by a passion: for independence, for the product or service they provide, for change or even for making the community a better place. Even with this passion driving small businesses, there has been much to overcome. But focusing on why we started can be the key to getting over one more hurdle to keep going for another day.

Of course, this is easier said than done. Applying all the advice in this report is a good place to start. Reach out to others for help, try new things and lean on the people in your life; but critically, entrepreneurs need to also check in on their own mental health during this process too to make sure they are ready to make the decisions they need to make.

The conversation around mental health for small business has significantly grown over the pandemic. Both a good thing and a concern, this increased attention highlights an often-overlooked critical area for entrepreneurs: looking after their own stress and mental burden. That burden became much bigger in March 2020, and as a result we have seen many entrepreneurs face real difficulties. Taking steps to address your mental health, before reaching a crisis, has been shown to benefit not just the entrepreneur, but the business itself. And help find a way to keep going.



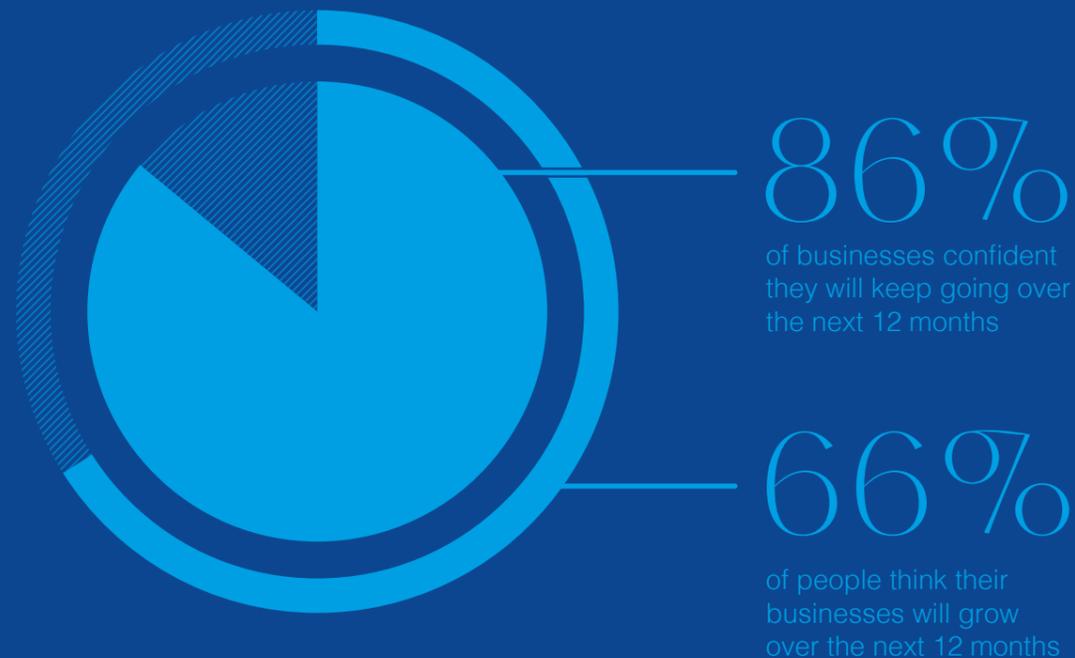
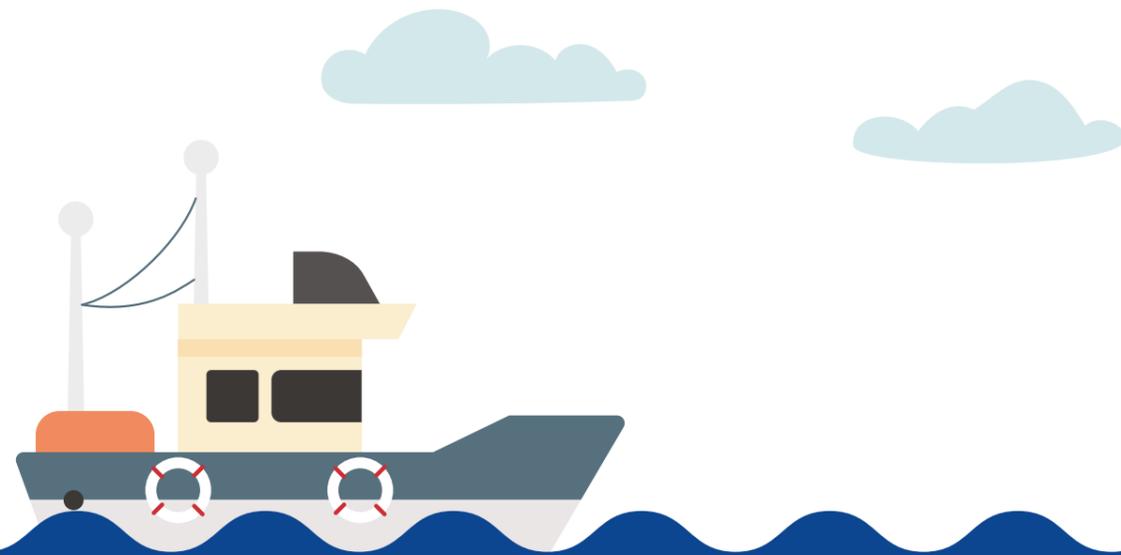
**Tian Allsopp**  
Founder, Tian's Gifts

Tian Allsopp, founder of Tian's Gifts in Newcastle, found herself at a low mental health point during the pandemic, facing considerable hurdles to keep her business and herself going.

“I was at my lowest point. But that is when I decided to focus on my mental health. I signed up to a free Yale course on mental health online. I read books on mental health — to be exact 137 books in a year! And I started regular exercising and even running. I ran so much, I completed a half marathon in 2021. What I found was as my mental health improved, so my business improved. And that kept going. The more I did to support my mental health, the better my business performed. So that is my advice to everyone — get help, look after your mental health. You might not believe it now, but it will definitely benefit your business in the long run!”

There is a lot of help and support available to entrepreneurs to support their mental health, and the solution will not be the same for everyone. Organisations such as Mind have great resources for small businesses to tap into at [www.mind.org.uk](http://www.mind.org.uk) and it pays to start looking at ways to support mental health before we reach crisis point. There is a lot of advice and support also available at the Government's [www.mentalhealth.gov](http://www.mentalhealth.gov)

Running a business is a long-term commitment and there are bound to be highs and lows, even without a pandemic. Arming yourself with support, advice, mechanisms to get you through the low points will set you on a strong path to recovery from both the pandemic and any other challenge that may come along.



## Post-Traumatic Growth



"I and many of my peers have reflected on our journey, being injured in the military and moving onto entrepreneurship, and it is this concept that hopefully is becoming a more common phrase — Post Traumatic Growth. People who have essentially hit rock bottom, but then can use that bad situation to build back up stronger. There are guys out there who are amputees, have been through the mill, and are now becoming doctors and TV presenters and lawyers and of course entrepreneurs. Taking that bad experience and making the best of it."

**Nathan Jones**  
co-Founder, Peak State Mental Fitness

## To Do List

- 1 How are you doing? On a scale of 1-10?**  
If you start dropping below 6 then actively think about how you can re-motivate to keep going – and reach out for help if you need it.
- 2 Give yourself regular reminders on how far you have come.**  
Remember you have got through two years of a pandemic and that is no small feat. Remember to celebrate the wins however small.
- 3 Take a moment to support others.**  
When we are stressed and panicking, taking the focus off ourselves and our business can put things into perspective. Helping others in our communities, other small businesses or charities or people gives us a sense of purpose and achievement that can reignite our passion for our own endeavours.
- 4 Get expert advice.**  
Check in on advice from Mind and the Government's mental health support hub to make sure you are accessing as much expert support as possible.
- 5 Keep going. Just keep going.**  
As Churchill said, never give in, never never never never – in nothing, great or small, large or petty – never give in. Finding a way to get through today, with support, inspiration, a helping hand from a mentor or friend, skills from Small Business Britain, access to financial advice or funding, will get you to tomorrow and that is another day moving forward. Find a way to keep going and that is everything.

# Can Anyone Recover?

Whilst we hope in this report to give specific examples on how to recover, advice on this topic can sound frustratingly generic. Individual businesses in different circumstances will be coming to this in very different positions. Can everyone recover, regardless of circumstances? The UK landscape for business is not completely equal or accessible, and that is something we should engage with head on to help all businesses move forward.

One thing that has become clear through the pandemic is that the support infrastructure for businesses run by diverse founders – ethnic diversity, disabled founders, neurodiverse founders – is lacking and these entrepreneurs are disproportionately less likely to access the help, advice and social capital required to get on the road to recovery post crisis. Although access to many services like networking, workshop training and other support mechanisms have improved for many over the pandemic - as working from home and accessing online support is more accessible for many people – this has not made up for the wide gap that existed pre-pandemic in support infrastructures.

In the report from the Innovation Caucus “Supporting Diversity and Inclusion in Innovation”, it was found that “mainstream support is under-utilised by minority groups and a mapping exercise undertaken by the research team indicated that initiatives targeting either disabled or Black, Asian and minority ethnic innovators / entrepreneurs are piecemeal and disproportionately focused on London.”

The report also calls out significant barriers to accessing mainstream business support, including disproportional levels of poverty amongst disabled people, lower levels of education attained, and the attitudes of business advisors that disabled people would be less likely to benefit from their services.

“Being disabled has given me a perspective on life that has helped me overcome many of the non–disability related challenges I’ve faced since my accident. Disabled people are excellent problem solvers — we solve new problems every day, in all sorts of circumstances — and this is a key skill for any successful entrepreneur. It’s time for this disability narrative to be celebrated and spotlighted far more.”



**Matt Pierri**  
Founder, Sociability

# Ensure equality of recovery across the whole economy

To ensure equality of recovery across the economy, all entrepreneurs need equitable access to mentoring, networks to lean on in times of crisis, and the social capital that makes a business more robust and resilient in all economic conditions. This may not be “equal” access: many founders coming from a disadvantaged background to some degree actually need more support in order to be on a level playing field. For example, rather than business advisors writing off those with a learning disability or with access challenges to overcome, instead giving founders access to the right support to thrive will likely lead to significantly more positive outcomes, and in fact big learnings for the broader business community.

Rather than see disabled founders as a burden or an effort to support, we should see these seasoned problem solvers as incredible innovators that the whole entrepreneurial community can learn from.

To answer the question, can everyone recover? The answer is of course yes, but not everyone has the same access to or training in the skills needed to recover, and we need to make sure that is no longer the case as we come out of the pandemic into recovery in 2022.

## To Do List

### The Government

As the Government announces its Enterprise Strategy, to support businesses into the next decade and drive recovery and resilience, it is critical that it be as inclusive as possible, involving ethnic minority founders and disabled founders from the creation stage all the way through to delivery. We need to ensure that where you are, your level of digital skills, your affluence and your health are not determinants of whether you receive support from government to grow your business.

### Business organisations

Business organisations, such as Small Business Britain, can play a significant role in improving visibility of diverse entrepreneurial stories, improving understanding of a range of entrepreneurial experiences and ensuring that all support is accessible to the widest possible audience. Entrepreneurs tell us they need both support infrastructures and role models: business organisations can do much more to highlight entrepreneurs from a range of backgrounds so potential entrepreneurs, those feeling isolated or unsupported, or those with ambition to grow feel welcomed and relevant to organisations providing that support.

### The General Public

One of the most powerful acts a consumer can make is to choose where to spend their money. With the rise of movements such as Black Lives Matter and the growth in climate change interest, consumers are being more considered and intentional in who they buy from. As consumers, we can decide to make conscious purchase decisions, and make the effort to search out businesses that are run by black founders, disabled founders, or any founder that shares our values. As consumers become more value driven, small businesses can also tap into this by being open about their background and authentic in their communications, giving customers the opportunity to make a conscious choice to support them. This can help create opportunities and as consumers share their good experiences, grow the reach and impact of businesses beyond their own communities.

# And Finally...

Let us know how you get on with your recovery. There is so much goodwill towards small businesses in communities across the UK, and so many people who want you to succeed. Take heart from that, take the support offered and available freely, and move forward with optimism and confidence.

Good things lie ahead.

# What's Next?

Stay in touch with Small Business Britain for more insight, advice, support and training.

Join in for free. Make sure you are on the Small Business Britain mailing list to be the first to hear about what is going on. And follow Small Business Britain on social media.

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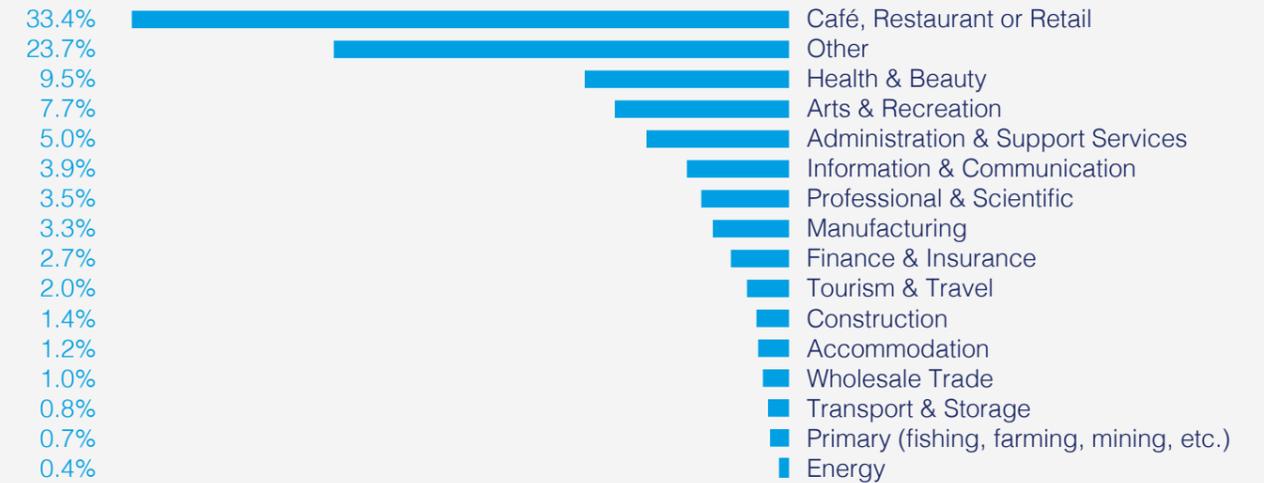
# Methodology

Small Business Britain surveyed 1,014 small businesses from across the UK. A further 60 small businesses were interviewed in depth along with experts in entrepreneurship. A breakdown of the small businesses surveyed is as follows:

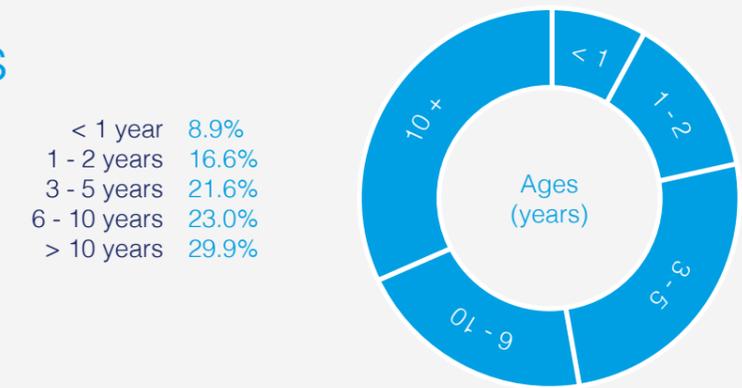
## Locations of Small Businesses



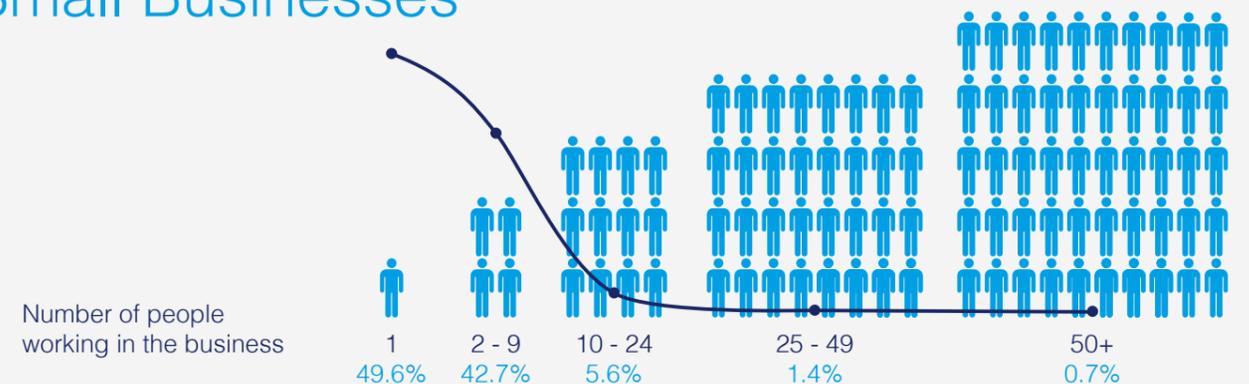
## Sectors of Small Businesses



## Ages of Small Businesses



## Sizes of Small Businesses





If you would like to know more about this research, or would like to get involved with future reports, please do get in touch. You can reach us at:

[hello@smallbusinessbritain.uk](mailto:hello@smallbusinessbritain.uk)

With thanks to TSB for supporting this research





In partnership with

