

 COVID-19 & YOUR BUSINESS



BUSINESS PREPAREDNESS GUIDE 3

RUNNING A BUSINESS IN CHALLENGING TIMES | NOVEMBER 2020

myob

PART 1:

Our new normal

6

Doing business safely

7

Getting help

PART 2:Transforming
your business**10**Transformative technology
and rapid adoption**11**

Key technology trends

13

Business with purpose

PART 3:Preparing for the
post-pandemic**15**

Remaining nimble

16

New ways of working

17

Opportunities ahead





Across the country, Australian business owners and their teams have embraced new technology, changed their working models and come up with workarounds to support their customers, help their communities and keep staff employed during a trying year.

Despite having coronavirus case numbers under control across most of the country, businesses will still have to adapt to a 'COVID normal' way of working for some time to come. For many, recovery to pre-COVID levels of profitability will require all the creativity, dynamism and drive our business community can muster to survive and succeed.

Thinking local will be the focus for many businesses with international travel yet to resume. Adjusting our strategies, understanding our markets and accepting limitations will be a vital part of planning to rebuild following the crisis.

We are in a good position to respond to this challenge. Even if we face further increased restrictions in the future, the lessons of the lockdown will continue to inspire change for business.

The basis of this has been technology. Many businesses leapt 20 years in just two months in their use of digital resources. We've shared, sold, automated, streamlined and connected in ways that, as we began 2020, would have been out of the reach of many organisations.

In this, the third edition in our Business Preparedness Guide series, we take a look at what it means to be in business in our new normal, we examine some of the ways businesses are looking to transform the way they work, and the opportunities ahead to thrive in the future.



Greg Ellis
Chief Executive Officer, MYOB

PART 1:

OUR NEW NORMAL

The one thing that has characterised business success since coronavirus hit is our ability to adapt to change. Our new normal has been a series of frequently changing environments, each with its own rules, restrictions and new ways of operating – and that's if you were able to operate at all.

As a result, businesses have been forced to quickly accept the limitations they face and identify ways they could respond to the needs of their customers under new restrictions.



Doing business safely

More than ever, the emphasis for business owners is on operating safely. This involves a combination of hygiene measures, social distancing and the ability to support contact tracing.

Guidelines for all business:

Businesses need to meet all public health guidelines, including:

- 1 Regular disinfecting of surfaces.**
- 2 Encouraging good hand hygiene** e.g. frequent hand washing and sanitising.
- 3 Ensuring unwell employees stay at home.**
- 4 Meeting physical distancing requirements.**

Visit: **australia.gov.au**

for full public health guidance and restrictions on activities.

Safe Work has also provided detailed guidance for how businesses in different industries can operate safely at: **safeworkaustralia.gov.au**.

Some individual sectors have had to navigate their own layers of complexity, reflecting the need to protect their staff and customers.

Handling cash

Focusing on contactless technology has been a key measure to prevent the spread of coronavirus. This has seen many people wanting to pay only on card. The Royal Australian Mint is advising that proper hygiene is essential when handling cash.

Recommendations for the safe handling of cash include:

- + Sanitising the surfaces of items touched after handling cash
- + Washing or sanitising hands after handling cash
- + Ensuring safe food-handling guidelines are followed.

Getting help

Business owners don't have to navigate COVID-19-related challenges on their own.

If you haven't already, now is a good time to connect with your accountant or financial advisor as we enter the rebuild and recovery phases. Take the time to discuss where you are now and the support you can access, as well as where you'd like to be in the future. Your advisor can help you with scenario planning, using business data to assess options and consider new approaches – this will help guide you through next steps.

The Government has invested in a range of resources to help business owners access support, while providing guidance on ways to respond to the COVID-19 crisis and its economic impacts.

Business.gov.au

The Australian Government has provided resources to support businesses during this time.

This is where you will get JobKeeper help and support, financial advice, and tips that are tailored to your needs.



Other support available for businesses include:

Australian Taxation Office

Offers financial support for employers

ato.gov.au/general/covid-19/support-for-businesses-and-employers

Tourism Australia

Recovery and relief information for people in the Tourism industry

tourism.australia.com/en/events-and-tools/industry-resources/resources-for-industry/government-support-and-assistance-for-tourism-industry

ASBFEO

The Australian Small Business and Family Enterprise Ombudsman has released a COVID-19 Recovery Plan

asbfeo.gov.au/resources/covid19

Northern Territory Government

Has a business health check tool, alongside general information and advice

nt.gov.au/industry/support-for-business

Business Queensland

Assistance for employers, including; the Small Business COVID-19 Adaption Grant

business.qld.gov.au

Western Australia Government

Information on industry recovery, including the phased re-opening of businesses

wa.gov.au/organisation/department-of-the-premier-and-cabinet/covid-19-coronavirus-business-and-industry-advice

Government of South Australia's Business Information Hub

Offers advice, updates and support to help workplaces

business.sa.gov.au/COVID-19-business-information-and-support

Business Victoria

Includes information for specific industries, and has created an Economic Survival Package Fact Sheet for businesses

business.vic.gov.au/disputes-disasters-and-succession-planning/coronavirus-covid-19/coronavirus-business-support

Service NSW

Has a dedicated section for Covid-19 help for small businesses, offering support and business resources

service.nsw.gov.au/campaign/covid-19-help-small-businesses

ACT Government

Advice for businesses on restrictions, operating safely and economic support

covid19.act.gov.au

Tasmanian Government

Information on COVID-19 to help safeguard your business

business.tas.gov.au/coronavirus_information

PART 2:

TRANSFORMING YOUR BUSINESS

Few businesses in Australia will emerge from the Coronavirus pandemic unchanged. Closing down parts of the economy, creating restrictions to inform business operations and influencing new consumer behaviours has never been done before. Despite heading into uncharted territory businesses responded quickly and efficiently – in many ways changing their operations from the ground up to operate as best they could under exceptional circumstances.

That is likely to continue. We've all adopted new ways of working and even new ways of thinking about how we work.

Whether through adopting technology, developing new strategies or even reconsidering the purpose of their business, our businesses – and our economy – have been transformed and will continue to evolve in response to the COVID-19 crisis.





Transformative technology and rapid adoption

Whether it is used to keep in touch with staff, reach out to customers, or access essential business data, for most businesses, technology has been a lifeline during the COVID-19 response. Many rapidly accelerated their digital transformation processes. Others were forced to re-evaluate how they work and invest in order to remain operational and competitive.

Wherever they are on the technology adoption spectrum, businesses – and their customers – are not likely to step back from the gains they have made through digitisation.

Key technology trends for your business

When considering how your business could survive and succeed through technology, MYOB Head of Digital Experience, Martin Longley, has identified some key trends to consider:



Productivity tools

There are a wide range of applications and solutions designed to help you work more effectively with your team. One of the key advantages for SMEs is that many of the products and applications designed for business productivity offer free options for small users. This means you can trial the product before you decide whether it is right for your organisation.

Team communication tools like Slack, once largely the preserve of larger enterprises, have become more common as businesses of all sizes maintain regular contact with their team members, during periods where staff are working from home. For team communication, collaboration or project management, it's also worth looking into Google Docs, MS Teams and Trello.



Teleconferencing

Across Australia and around the world, everyone has spent a good proportion of the lockdown keeping in touch via videoconferencing platforms like Zoom, Microsoft Teams or even Houseparty.

While platforms like Zoom and Teams have been an invaluable way for businesses to keep in touch with team members, consumers have also widely adopted these apps and tools to stay connected to friends and family.

In the future, this could offer real advantages for local businesses. With so many customers now familiar with the applications and ready to go with the software, there's a host of new opportunities for businesses to connect with their customers – from virtual consultations for professionals, to enabling tradespeople to offer assessments and estimates without making a site or home visit.





E-commerce

If you sell any kind of product and even some services, it is likely you've considered an online store as a way to continue trading during the lockdown.

Australia's online shopping trend is already well entrenched. It is also a trend that is likely to grow as whole new sectors of consumers have now been introduced to e-commerce as a way of shopping, for everything from essential food items to large household appliances.

Even if e-commerce is not a primary source of income, an online store provides the option to supplement your business – especially as physical distancing restrictions and ongoing health concerns influence consumers' decisions around visiting physical premises. Some businesses may even re-evaluate their physical presence altogether and decide a virtual operation is a more cost-effective option over the long term.

As with productivity tools, there are a range of options for SMEs to try, including Shopify, BigCommerce, Magento, WooCommerce – the WordPress plugin, and SquareSpace. Look out for platforms that have the right tools and options for your sector, offer a high-quality user experience and security, and make sure you understand any monthly fees and charges, including sales limits.



Cloud systems and applications

Whether it is creating secure offsite back-ups for when you can't be at your premises, providing shared documents and files for the team to collaborate on, or working with your accountant on a real-time set of accounts, the COVID-19 crisis has reinforced why businesses should consider operating in the cloud.

With teams now much more used to working remotely, this is the perfect opportunity to take advantage of the productivity and security gains that come with adopting a cloud strategy for your business.



Online accounting

In any economic crisis, having a complete, real-time picture of your business and how you are tracking is key.

Online accounting platforms are not only a fast and effective way to monitor cash flow. They also provide the tools to invoice directly and get paid faster, collaborate with your accountant or financial advisor on business planning and analysis, meet ATO requirements quickly and seamlessly, and even demonstrate the kinds of information you may need to provide to qualify for subsidies and loans.

Free trials are available at

myob.com.au

Our team can talk you through the best options for your business.



Evaluating your purpose

The experience of the COVID-19 crisis has prompted many businesses to look at what they do differently.

Day-to-day survival was the foremost priority for many businesses. However for some, the impacts on their community and the support from around the country also meant a renewed focus on what they can give back.

Whether it's providing food for people in need, offering services to remote communities, or collaborating with local networks to support the wider business community, business with purpose was fast becoming established prior to COVID-19. With greater need emerging in many sectors of society as a result of the crisis, more businesses are seeking new ways to do good while also making a profit.

PART 3:

PREPARING FOR BUSINESS AFTER THE PANDEMIC

Following the pandemic, life will return to a semblance of normal for many. The broader issues within the economy are likely to take longer to repair.

One of the clear lessons of past recessions is that change and disruption always leads to opportunity. Businesses bounce back or new enterprises emerge, and the experience often catalyses new products, technology and innovation, leading to the next round of growth.

As we adjust to our 'new normal', it is worth thinking about that next stage and how your business can be best prepared and positioned to take advantage of opportunities ahead.





Remaining nimble

While the virus is still with us, we need to be prepared for ongoing periods of disruption and restriction. The Government has warned that businesses should be prepared to change their working situation at any time. This means looking closely at the experience of life in lockdown and determining how your business could be better placed to respond quickly to new restrictions.

Consider:

- + **Employees** – are your staff prepared for any changes? Could work from home processes be made easier to manage? Are they familiar with health and safety requirements? Do your contracts provide flexibility for changing hours or roles if required?
- + **Premises** – is your workspace flexible enough to extend social distancing? Can you create physical barriers or manage customer access if necessary? Could you accept contactless payments or sell your goods without direct customer contact?
- + **Technology** – do you have the tools in place to work and sell remotely? Can you access your essential data from anywhere you are? Can your teams collaborate remotely; and can your customers buy from you if they can't access your premises?
- + **Communication** – can you stay in touch with everyone you need to – from staff, to suppliers, to customers? Do they understand your working policies at every level? Can you keep them all engaged with your business if restrictions are put in place again?

New ways of working

Now that many of us have experienced working from home, and businesses have made the necessary adjustments to make it possible, organisations around the world are now considering the health, productivity and even cost benefits of making the change permanent.

The large scale move to working from home has led to changes in the way we work. With the technology to support remote working, many businesses are re-evaluating the idea of a physical office, particularly with limitations on travel and restrictions to in-person meetings. Discussion is likely to now be focused on managing priorities, keeping meetings short – if they are needed at all – and setting clear boundaries between time off and on-duty to ensure employees are engaged and motivated.

By adopting effective work from home strategies and committing to digital transformation to support it, businesses may find they are more efficient, staff are more satisfied and customers are better served.



Opportunities from recession

**There is no doubt that the coming months will be tough but opportunity lies ahead.
The Australian GDP is forecast to be down -1.5% in 2020-21 then rebounding to 4.75% in 2021-2022.**



The Global Financial Crisis created the environment for new ventures and new ways of working that dramatically reshaped the world today. Major international companies like Uber, Airbnb, Square, Slack and Dropbox, all of which disrupted or transformed their markets, launched during or just after the GFC.

Australians are renowned for their ingenuity, innovation and creativity. But an unfortunate effect of a recession is that people are discouraged from taking risks, trying new things or setting out on their own. We will need people with the bravery, vision and drive to meet changing consumer needs, introduce innovation and provide new jobs for Australians.

Some of the worst economic impacts from COVID-19 may also provide the foundation for new business development. Job loss can be the

impetus for people to start a new venture or turn a long-held idea or passion into a new enterprise. At the same time, skills-starved start-ups have the opportunity to find new people with the experience, expertise and energy to take their business to the next level.

For your own business, the COVID-19 crisis could be the opportunity to apply some new thinking and adopt some of the dynamism and energy of a start-up. Has the experience of working from home, the need to sell online or the requirement to change your workplace given you a new idea, created some new ways of working or opened up a new market? Is there a new need in your local market that your business could fulfil? Has your competitive environment changed, and is there now an opportunity for you to shake things up and grab a larger market share?

COVID-19

has challenged many things – our health, our security and our livelihoods. But it has not shaken the determination and courage of Australian businesspeople. The right support, investment and long-term vision, will be key to how well, and how quickly, Australia recovers from the effects of the pandemic, and how as an economy and society, we are positioned to respond the opportunities and challenges ahead.



MYOB is dedicated to helping Australian businesses get through the COVID-19 pandemic and beyond.

For details on our services, help in special circumstances or any support, please visit myob.com.au.