

SMALL BUSINESS ASSISTANCE

Small businesses are often more financially vulnerable than large businesses in the wake of a disaster. Large businesses have significant resources and business continuity plans to draw on to continue their operations and remain financially viable, while small businesses typically lack these resources. According to many experts approximately 25 percent of small businesses do not reopen after a major disaster. This rate increases over time as the impacts of a disaster are not always immediately felt.

Yet, small businesses are the backbone of a local economy, employing nearly 70% of Canadian workers. These small businesses provide essential items such as groceries, gas, childcare, and health services in the local community. Thus, economic development organizations and community partners (Chambers. Community Futures, etc.) need to ensure that small businesses are connected to additional assistance, particularly in terms of capital and technical assistance needs.

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Other issues that small businesses face include challenges working with their landlords around covering renovation costs, not receiving insurance payments for damages (many businesses don't have the appropriate insurance including business interruption and property damage insurance), a lack of clear direction on who to contact for available recovery resources. Another major issue is the negative perception of the area that may be keeping residents, tourists and future business owners away as adjacent stores are left vacant leaving gaps along the commercial corridor.

Below are some suggestions for programs or initiatives to quickly respond to the small business needs that are mentioned above – providing the link to capital access but also connecting small business owners with one-on-one counseling that can help address their individual needs in terms of business planning, marketing and accounting.

Delivering Technical Advice and Counseling to Impacted Businesses

Businesses often need wise counsel following a major incident on critical decisions they should take to reconstruct or salvage their business operations. In the wake of a disaster, new market realities emerge and a host of both opportunities and challenges present themselves to the impacted markets. In this unsettling environment, small business owners need counsel on navigating through the waters so they avoid pitfalls and pursue opportunities that will ensure the survival of their business. Small businesses need business assistance in the form of business planning, market intelligence, finance and taxes, and how to further market and promote their product.





The type of business counseling services to be considered include:

- Tax and accounting preparation
- Preparing financial records (to assist with loans or grant applications)
- Grant and loan application writing
- Marketing and promotion
- Finding appropriate resources

Delivering Business Recovery Workshops

An economic development organization can hold workshops to address both common and unique recovery issues to local businesses. Workshop speakers should include representatives from local, provincial and federal agencies and organizations related to small business, taxation, economic development, labour, housing, local permitting and other local professional service advisors such as tax preparers, insurance agents and lawyers. These representatives should be invited to make presentations and answer questions from impacted businesses. *BCEDA has specific economic recovery workshops for communities to assist in the development of recovery plans.*

Business Continuity Workshops

Experience from recent disasters across Canada has shown that businesses that already have business continuity plans respond to and recover from unexpected events more quickly and effectively. A detailed emergency response and business continuity plan can maximize the chances of a successful recovery by eliminating hasty decision-making under stressful conditions. Many organizations can deliver high-level and effective workshops. The workshops typically include information for businesses to:

- Plan emergency procedures
- Develop a communications plan
- Identify key business processes
- Resolve employee displacement
- Prioritize and protect critical business processes