

Paul Zahra:

Joining me for some retail therapy in the Amex lounge is Alexi Boyd. The CEO of COSBOA, the council of small business organizations, Australia Alexi has over 20 years' experience working with small and family businesses. In addition to running her own bookkeeping practice, where she supported countless small and microbusinesses in their journeys. I'm delighted to have Alexi with me today to talk the challenges of small business, what they're facing as well as the opportunities that lie ahead in the new normal of living with COVID. Alexi. Welcome.

Alexi Boyd:

Hi Paul.

Paul Zahra:

Paul Small business of the life, lot blood of so many communities, they employ over four, 7 million people representing 41% of the total business workforce. The media sometimes like to focus on the big end of town, but small business really are the key to Australia's economic success. Aren't they?

Alexi Boyd:

Oh, you are absolutely right. And it's funny. You should mention communities cuz that's what small businesses are all about and the way that they position themselves in communities, the role that they play, the importance with not only the economic development of a community, but really providing the fabric of what communities are all about. I mean, I mean, hands up are out there. Anyone listening, who's had their first job at a small business and of course you don't just learn about that job, but you learn about how to operate a small business and you, you, you pick up some business active and yourself as well. And not to mention that small business people are the lifeblood of a community with, through community sports and the support they do for the local schools. So it's really important that through all of this, that that we are going through and continue to go through that we recognize the importance that small businesses play are placed in terms of the community spirit. Well,

Paul Zahra:

Given all your time as small is, I, it's interesting, isn't it? Cause one of the revelations I've had, I guess small business people are really able to multitask and do so many things at once. In fact, there's no choice, right? Because if you're in a small business, you don't have an HR department, you don't have a finance department, you you've gotta be across all of those cross-functional type work and roles. Do, do you find that a lot that often small business owners are actually forced to become the master of so many things?

Alexi Boyd:

Yeah, that's exactly right. It's the wearer of many hats and and what's been so interesting is, is to see small businesses grow in this new way of working. You think about remote working and changing your management style, develop relationships with your team, if they're not on site. And then how does it work with the, the changing nature of sales from being perhaps just a bricks and mortar face to face business. And now you're doing online sales in this globalized world. So it's not just about the different hats that they've always had to wear, but the way that they evolve, their thinking, they're quick to learn. They're quick to pick up things and because they're the, the sole decision makers, they're quick to make changes and, and maybe bad and good decisions in their business and make, make make changes as need basis as quick as they can.

Paul Zahra:

So, so it's not really a job for the faint hearted, I guess you've gotta be able to be stoic enough to roll with the punches

Alexi Boyd:

Exactly. Stoic and also you know, sometimes fearless as well. And sometimes a little bit naive, I think in it, you know, I think a lot of us who run small businesses would look back on our experience over the last few years is and say, would I have really done it if I'd known about the lows, but you definitely would do it if you know about the highest, I mean the ability to be autonomous set your own hours, have that if you needed ability to be there for your family, but at the same time, it's grinding hard work. The buck stops with you. There's those awful feelings when you stuff up and you know that it's to your responsibility and, and you've got workers to, to look after as well. So it definitely is the highs and the lows of running a business.

Paul Zahra:

Now you certainly raised some good points there. Look, I've got an interesting stat for you, Alexi. Interesting what you think about this, but there were figures released by the abs showing the number of small businesses as actually increased since the start of the pandemic. So I found this quite astonishing, a jump of 15.2% over the last financial year. Now, is that surprising as a step for you given the economic uncertainty that so many of us have been living with?

Alexi Boyd:

Yeah. Look, I've been asked this by a few different people and, and my response has been the devil's in the detail. If you told me that those new business were falling in say tourism or restaurants and catering, for example, I'd be quite remarkably surprised because they've been hit so hard. But if you told me that they were happening in I C T for example, then my response would be well in the it sector. People have been able to be working flexibly. They recognize that they're really valued and more of a them are setting up their own businesses so that they can be consultants. So I think it depends which sector of the small business economy we are talking about. And you can't just use that as a singular figure to show economic stability or even economic growth. You know, economic growth in the small business world is so many different factors and this is just one of them. But to us it doesn't point to anything in particular, unless we are breaking it down by

Paul Zahra:

Sectors. That's a good point. We need to know the categories, don't we, because we are probably gonna find that it's in line with what's been successful during the pandemic as opposed to what hasn't been successful. So

Alexi Boyd:

That's right. And one of the things, you know, in your wheelhouse as well is that they were talking about more more people being employed in, in restaurants and in hospitality. Yes. Okay. That makes sense to say, you could say that they're all growing. We know that they're not, but what that could also be is that more people are being employed by their family businesses because they've lost work elsewhere. So again, it's that really granular information that you need to be able to digest this information?

Paul Zahra:

Equally the pandemic spelled the end of many small businesses, I guess, and we've sort of just slightly touched on that. Is there anything that could have been done that wasn't done to keep businesses afloat during the lockdowns and restrictions?

Alexi Boyd:

Well, I think it's really important that we look at this situation that we've just lived through and look and really unpack. The high what's been positive and negative about the different support measures. What could have been done differently, how the approach could have been done differently because let's face it. It may not be another pandemic of this scale that we see will impact small businesses. But if we talk about the impacts of globalization and the effects of the environmental disaster, we find ourselves in they're going to be other crises that hit not just one singular business segment, but across the board. So we need to learn from what has been done well and done poorly. So that in future we can quickly and efficiently put up the measures and the support measures that small businesses need to survive. So that those that are viable and that had a successful business to begin with can retain that business and don't end up in the toilet.

Paul Zahra:

So, Alexi, I know you have lots of conversations with small business owners. You're doing that every day in the conversations you have with small business owners, what are they telling you in terms of the challenges and the barriers maybe around that's blocking them for success?

Alexi Boyd:

Generally? I think it's the opportunities and the, and the weaknesses of having a globalized environment. We find ourselves in like competitions really important to small business that we have a level playing field, but also that it's fair and equitable. So I think that there needs to be an evolving conversation with legislators and regulators around providing a system where small businesses who can essentially compete for the same goods and services that a multinational giant can, but are doing so in a fair and equitable environment. So I think competition needs to be examined long term to make sure that it's fair. I think making sure that small businesses are not taken advantage of because, because they are individual and because one on one, they might not have a lot of buying power. That's another thing that needs to be factored in and just making it as simple as possible to run a business. I mean, again, if you'd had the conversation with yourself a few years prior, and you knew about all the obligations and the complexity around hiring and firing individuals or what your requirements were with work health and safe, I think that there's a lot of stuff to be said about that.

Paul Zahr: So Alexi, you would, there's a lot of bureaucracy and red tape still around, and what's when you think about small business, that's really hard. We know major companies struggle with it and they've got whole departments to deal with it. But when you get to a small business on how do they deal with all of that? You know, if you take the general retail award, something in my world, it's like, it's, it's over 50 pages. Like how does a small business owner get their head around that?

Alexi Boyd:

That's a really good question. And I would say that, you know, if you take a look at the big businesses out there who keep stuffing it up as well it's fair enough to say that it's pretty inequitable that small businesses have you all of this themselves, like you said, they don't have an HR department. They don't have a lawyer on tap. It's quite expensive to engage with these people who are important to have in

your, in your as wing men, but not necessarily something you've always got access to. So keeping it as simple as possible to run a business report which is always very onerous on what you know, your best reports, for example. Yes. Keeping it simple with hiring and firing employees, workers comp all of the legalities around the things that you sell and being correct. If you, if you're working with consumers, so it is quite complex, but that's not to say that it shouldn't encourage people to go into business. We just wanna make sure it doesn't stifle innovation. So we need those protections in place to make sure everybody's, you know, living in a safe and fair and equitable world, that's very important. But at the same time, we need to sort of foster the ability for peoples to start businesses and make it as easy for them as possible.

Paul Zahra:

Absolutely. And what does, do you think COVID normal looks like for small business? We know it's not an, the media snap back to the way things were. That's what we are seeing currently in CBD business have had to face a really long road back. If you've got a crystal ball, what is it showing you?

Alexi Boyd:

Look, I think COVID normal looks like a recognition that this will be with us for years to come that there needs to be a melding of health requirements, which is something small businesses have never had to deal with. And also the, the runnings of a small business, but it's really important that governments give us the framework in which to operate. So as many of those decisions that make this an onerous task are taken away from that small business person, things around refusing three, to those who are vaccinated or UN invested, or you know, are working out whether or not you employ someone see long term, we have to think about rebuilding our workforce. It's not just about the conversations around mandating vaccines now, but actually those workers who are coming, how do those conversations work? So whatever the government can do to provide a framework, not necessarily a you must, but if you meet these and you tick these off the list and you do this due diligence that you can be assured you're not gonna find yourself in court

Paul Zahra:

Really, really good points there. I guess what I'd be keen to hear from you around is that if you, how has the landscape changed for small business over the years? I know in my world, there's been a lot of focus on digital transit innovation. I'm assuming that goes across all of industry and the importance has been very much on running an omnichannel business. How has the landscape different now for small business say compared to five or 10 years ago?

Alexi Boyd:

Yeah. Look that adapt really kicks in when you talk about digitization because small businesses have recognized that being a part of a global economy means you can access new markets. You can quickly switch on new services or products that you haven't done previously, and you may be able to access the goods that you need to produce, what you need to produce. All of that accessibility is really part positive. But what it's meant is that because small businesses don't have that it department, they don't have the sales people who are experts at selling online. It's been about the transition from not only the products and services they provide, but also the workforce that they engage with. And I think that's one of the difficulties is realizing that I need to not employ for what my business was like two years ago, but what my business will look like in the next five to 10 years. And I think that's where the skills gap

knowledge is for small businesses. How do I employ thinking about what my business looks like in the future?

Paul Zahra:

Really good points. There can a small business, do you think without be successful today without a digital offering to up to sales or to run their business, or is it now a must have for any business to be successful?

Alexi Boyd:

Oh, it's like asking any questions about small businesses. Every single one of them is so unique and specialized and interesting and different. It's certainly not a one size fits all. When it comes to digitization, there are absolutely things that cannot be done by a computer massage therapist for or example or, or, you know, someone who specializes in an allied health provision that has to be hands on. There's a really good example of a small business that probably couldn't digitize, but there are aspects of your business that you can digitize and that you should make more efficient, your finances, your sales the way that you interact with your clients online, your social media marketing, those aspects of digitization are important to embrace. But certainly the need to suddenly everything become available online and all of us to be selling our goods and services through the intra web is not something that means that we're all gonna become this homogenized big business system. Every small business is very different and needs to engage with their customers on a one-on-one basis as well.

Paul Zahra:

If you took the massage therapy example as an example, you're right, obviously that can't be offered online, but the, but there's an expectation by customers that they'll be able to book and cancel their appointment, do a scheduling, et cetera. So I guess customer expectations, even on those sort of administrative tasks, you know, most of us would not wanna be hanging on a phone waiting or leaving a voicemail to have that return. So it sort of impacts everybody, but you, what you are saying is it really is by degrees, isn't it? So there's an expectation to be in certain industries to be fully available digitally, but others have a component of their, what they're doing digitally.

Alexi Boyd:

Yeah. Like you said, it's about that. What's the client facing thing you can do to get your customers to you as easily and efficiently, and what's their expectations. Yeah. So you've gotta do your research, maybe find out what your competitors are doing. Definitely talk to your professional association and say, what's best practice in my field. What's software. Can I implement easily that bugs in neatly with what it is that I do to make it as easy as possible? There's the beauty of digitization.

Paul Zahra:

What are some of the small business success stories, any examples of small business that have led the way of embraced new and innovative ways of doing business that others could follow that people listening on this podcast today may say, well, that's a really good sort of insight for me to be able to follow.

Alexi Boyd:

Look, I think I always go back to, and it's, it's a classic pivot story, sorry to use that overused word, but I always think of stage Kings. You know, he was an event company that was producing structures and

scaffolding and like frameworks and for the event and theater industry and for performances and their business was gone overnight, completely dried up because of course, events and, and performances dried up themselves. So what they did is they sat down as a team went, right. Well, what are we good at, apart from this? What have you done previously? What, have you, where have you worked in the past? And they actually came up with this remote working, is something you could self construct as a, as a consumer. Wow. It got delivered easily and their business skyrocketed.

Paul Zahra:

An amazing story.

Alexi Boyd:

It's great. And I think they quadruple their workforce in a matter of months, they became this huge pivoting success. And it was because they digitize fast. They got the product out there quickly, but importantly, they tapped into the strengths of their existing workforce. So I think maybe a takeaway from that for small businesses is always have a chat to your workers and have a chat to the people around you and see ways that you can do things differently and collaborate doesn't mean you have to change things overnight, like maybe. Yeah. Yeah. But you can evolve in that way.

Paul Zahra:

That's an amazing story. It's almost like that saying comes to mind, you know, the need is the master of all invention or the master of invention because people in a crisis don't waste it, try and use it to think of new and it forces innovation and it gives you a need to make changes. And that's a really good example of that happening.

Alexi Boyd:

And that's where small businesses has its strength. We're not some giant, you know, Junor, that is so slow to move and evolve and change. And, you know, it takes 15 people to approve one webpage and that's where the strength of small business lies. So again, going back to what you were saying before, it's about taking those risks, recognizing your strengths of your workforce, and then actually making the decisions quickly and being prepared to take those risks to do it

Paul Zahra:

Well. That's great. Look, I want to just talk a little bit about Cobo, but I will specifically want to ask you first Alexi, just around cuz you're a newly appointed CEO. And it's nice to have you as a, you know, on the zoom calls, we're meeting with government and doing all the media that you're doing, I'd just be keen to hear your story on how you got involved in Cosmo.

Speaker 2:

Yeah, sure. It's as I mentioned, it's a plucked from obscurity moment. That's for sure. My background is as a bass agent. So for 10 years, I've run my own bookkeeping practice in the very passionate about small and micro businesses. And when you, when you're operating in that financial advice space, you are wearing a lot of the hats that your small businesses'

Paul Zahra:

And across across many industries, I would take it as well as a result.

Alexi Boyd:

Yeah, exactly. And you need to know about HR and you need to be able to give them advice and where point them in the right direction and find the government websites that they need. So you really do end up answering a lot of those questions and those questions came to me and, and I didn't know the answers. So I decided to set up my own radio show on community radio, where I got in experts to answer the questions that my clients were asking me. And so eight years later that turned into a bit of an advocacy piece for me. I became very passionate about giving small business a voice that community radio space, but also making it educational, cuz I also used to be a teacher. So it's so important to you know, make sure it's easy to unpack it's practical. And I always see if people can walk away with two or three, two dos from every show and they could implement it in their business. Then, then that was a value. And then I guess from that, and being in the small bit is this media landscape and floating around the Cosmo of family. It was just a matter of being in the right place at the right time. And just having a chat again, having a chat with people and building those relationships, that it seemed like a, a good time to move into that advocacy role in Canberra.

Paul Zahra:

Absolutely. And I guess even just thinking about, as you're explaining this, some what's been interesting Alexi that all those previous jobs really have prepared you well for this role because you know, being being in radio, that's prepared, you obviously dealing in the media, but equally as a teacher, that's, you know, most of what you're doing with small business, educating businesses on actually the right thing, you know, the best way to save money, but equally how to drive their business. So mitigate risk, really good. CV there.

Alexi Boyd:

Yeah. It was one of those life moments where you, you turn around and go, oh, well I remember when I did this. Yes. And that fed into that information. I had this job at uni and, and I, you know, I had this experience and I was even thinking to myself, a moment pop up in, on the Facey bookie place that I don't like giving them extra advertising opportunities, but it popped up and said three years ago I was standing in front of council and I was yelling at them about something probably about trees, cuz I'm a bit of an environmentalist and I got shut down and I got absolutely slammed down by one of the counselors quite aggressively actually. And I kind of walked away a little bit beat and a little bit downtrodden, but sort of wrote in there. No, I just need to keep strong, keep to my morals, keep to my objectives. And, and one day my time will come and that popped up in my phone the other day. And I went, oh, look at that. It's just about being patient.

Paul Zahra:

That's amazing. So, so you've got the outcome that you're looking for.

Alexi Boyd:

Exactly. Yeah, exactly. Oh, with the council? No.

Paul Zahra:

Well I thought that was gonna be the moral to the story.

Alexi Boyd:

Be patience.

Paul Zahra:

Be patient fair enough. That's that's a really good point. We we'll come back to that in a minute. I wanted to now talk about Cobo and what are some of the things that you, you are you're doing to support and advocate the best interest of small business. And is there any key areas you're currently working or focusing on?

Alexi Boyd:

Yeah, look what I've noticed about Cosmo because we, we are in that Canberra centric community and it's all about policy that's happening at a federal level. What I've learned is there's not a single piece of policy, a that small business doesn't comfortably sit in. So it's really important that all the advocacy bodies out there are across all these different engagement points, talking to politicians about lots of different things because you know, small business even has a thing to say about migration has a things to say about payments and electronic payment services. Plus we can talk about, you know, implementation of software. We can talk even about health because that's where we are living at the moment with, with COVID. So I think it's important that these groups are well resourced and, and well funded for the purposes of being able to be across all these different pieces of legislation. And, and it's really important that those groups, that advocate for such important issues are strengthened and have the opportunity to have a voice in as many, many places as possible.

Paul Zahra:

Yeah, really. Good points there. The, the other area I'd like to get your opinion on Alexi is that we know that consumers are becoming more values driven and want business to reflect the values and issues that are important to them. Things like sustainability, climate change, diversity what's, what are some of the things that small business can be doing in that regard?

Alexi Boyd:

Well, have a talk to your community, use that CRM that you're working on to find out what your customers actually want from you as a business, and don't be afraid to ask. And I think one of the thing is that you learn, if you are comfortable in that idea of running a business and getting advice is that everybody is happy to sit down with you over a cup of coffee at the local small business, the local small business cafe, and, and tell you what they think of your idea. And that's the same for your loyal customers as well because they want, they wanna hear from you. They wanna be part of the journey. That's what they love about small businesses. So really those engaging with them, we all know about that with social media and being genuine, authentic, and all that stuff, but also asking the questions and use them as a resource. And like I said, use your workers as a resource about new things that you can do as well. Cause I think those values will evolve and they'll change. And you know, a global pandemic is a great way to flip those on their head, but there will also be things that are, that are pertinent and there'll be things that are pertinent to different groups that you are trying to target as well. So learning about that them is really important so that you can make sure you're catering your goods and services for that, for that market.

Paul Zahra:

So take time to con take time to consults really important, be patient is the other point. And I guess you know, that often the resources are there looking you in the faces, you just don't take the time to think

about asking somebody's view, which is often, you know, most people give you the time for free. Like they're gonna, they, people are generally, it's very rare that you, someone says, no, I'm not prepared to help you. So there's a lot of support, I guess if you, if you seek it

Alexi Boyd:

And tap into what happens in your local small business community, I think sometimes we can sort of be a bit heads down bums up and not really notice what's happening around us. And don't be afraid. Don't think that everybody who's, you know, the, the same sector as you, the other grocery store or, you know, the other accountant necessarily competition work together because there's quite a lot of work that can be done at the local level in terms of advocacy, in terms of making small business flourish in your area, get, get into that advocacy space, consider yourself a small business leader. Cause I think a lot of people out there really proud of what they do, what they don't realize is that simply by being proud of what you do is you being in a leadership role. Yes. And you've got the opportunity to mentor others and make a difference. And that's what I'd like to see as part of where advocacy sits is that bringing it back down to these grassroots levels, reminding politicians and reminding big business at the local level, how important we are. And then without us, we're gonna end up with this homogenized cut and paste local street from one suburb to the next, which is not what anybody wants.

Paul Zahra:

No, no sense of community. And on that note, Alexi Boyd, thank you so much for joining us in the Amex lounge. Thank you for being so generous with your insights and joining us here for retail therapy, congratulations on all the work, doing it, because and all the best for the future.

Alexi Boyd:

Thanks Paul. It's been a delight. Thank you.