All work and little play for SMEs

Survey reveals significant sacrifices and proud achievements of Australian business operators

Few things in life come without sacrifice. For many Australian business operators, achieving their business goals means working extra hours, taking fewer or no holidays, and cutting back on household expenses.Research released by MYOB, Australias largest business management solutions provider, revealed more than 85% of business operators (87%) have made some sort of sacrifice since they started it.Nearly two thirds (64%) of the countrys business owners and managers have put in extra hours. Those in retail and hospitality (74%) or in a small business (73%) are most likely to do so. Of further interest was the lack of correlation between hours worked and revenue gains. 71% of business operators who experienced a rise in revenue in the prior 12 months had worked extra hours, compared to 69% who saw their revenue fall despite working extra hours.MYOB CEO Tim Reed says, The pressures, obstacles and difficulties business operators face to keep thriving in a tough economy can be intense. The phrase the more you put in, the more you get out is a catchcry for many business owners. Unfortunately right now many business owners are putting more in but not getting more out.It is important that the broader community understand what enormous efforts business owners are putting in right now. As a community we owe them a huge debt of gratitude as they continue to work hard so they can remain the major source of employment in our great country. While the majority of business owners have worked additional hours and forgone holidays, and many have cut back on household expenses and missed important family occasions for their business, very few have retrenched a full-time employee. The second most common sacrifice was taking fewer holidays (53%). Of those who had reported a decline in revenue in the last year, 56% had taken fewer holidays. This compared to those who reported a revenue rise (52%) who had also taken fewer holidays. Those who had not taken any holidays since starting the business (29%) also struggled with revenue losses in the last year (37%). They were most likely to be micro businesses (36%) and located in Queensland (37%).Of the operators who had cut back on family and/or household expenses (45%), 54% reported a decline in revenue. They were most likely to be female rather than male (53% versus 38%) and micro businesses (53%).Those who had missed an important family occasion to work in the business (32%) were most likely to be in a business with $1-5m p.a revenue (48%) or in retail and hospitality (43%). Sacrifices nominated by business operatorsIncidenceWorked extra hours in the business64%Taken fewer holidays53%Cut back on family/household expenses45%Missed an important family occasion to work in the business32%Delayed investment in new equipment or technology29%Not taken any holidays at all29%Cut back on/not used contractors/casuals/part time employees25%Taken on another job or work outside the business21%Sold a property or other assets to put more cash into the business17%Postponed or cancelled sustainability measures in business10%Retrenched one or more full-time employees9%Cut full time employee working hours back to part time9%Moved child/children from private to public school4%Have not needed to make any sacrifices to help business13%Pride in business and lifestyle milestonesThe survey found business operators took more pride in achieving several personal/lifestyle milestones than they did in achieving business milestones, though the latter still ranked highly. At number one was having a child/children. Of the 75% who did, 54% were very proud of that while 12% were quite proud. Ranking second was seeing them do well at studies or sport (49% very proud, 16% quite proud).The next milestone they were most proud of was getting married or settling down with a partner (48% very proud, 19% quite proud), then buying their first property (43% very proud, 28% quite proud).In contrast, starting your own business ranked fifth in the pride register. Of the 88% of owners and managers surveyed who had started the business, 41% of them were very proud of this and 31% were quite proud. The overall pride in growing their business to a level that provided them with a comfortable living was high (70%), but with only 34% very proud they were not as intensely proud as they were of some other milestones. 10% had not reached the comfortable living stage yet or said they didnt know if they had.The same was true of reaching their first month or year of profit in the business (33% very proud, 32% quite - and of making their first sale (32% very proud, 29% quite proud).Graduating from university was low on the pride register (41%) as it did not apply to 43% of those surveyed. Having said that, if they had graduated from university, two thirds (66%) of business operators were very proud and a further 22% were quite proud of this achievement. For many years weve said that for Australias business owners, business isnt business its personal. Many large business and government departments dont realise this when they deal with a small business. Small business owners are people. A commitment from their business is a commitment from them. They seek to be counted and treated as a person not a distant company without a face. Our research shows this as business owners rate family as being far more important to them than their business accomplishments. This underlines the level of sacrifice they make for their business given many have missed significant family events and sacrificed holidays, Reed says.MilestoneQuite Proud Very Proud Not relevantHaving a child/children12%54%25%Seeing my child/children do well in their studies and/or sports16%49%26%Getting married/settling down with my partner19%48%16%Buying my first property28%43%14%Starting my own business31%41%12%Growing my business to a level that provides me with a comfortable living36%34%10%Paying off most or all of my mortgage23%34%22%Reaching my first month or year of profit in the business32%33%15%Making my first sale29%32%21%My graduating from university17%24%43%Helping others start their own business21%12%42%*NB: While not all respondents had started their business (88% had), it was still a more likely milestone than any of the personal milestones listed for respondents to rank (e.g. 75% had children).For MYOB product information, research results, business tips, discussions, customer service and more visit http://myob.com.au, http://myob.com.au/blog and www.twitter.com/MYOBteam.- ENDS -For further information or to

arrange an interview please contact:Kristy SheppardManager - Public Relations, MYOB02 9089 9068 / M: 0407 450 860 /kristy.sheppard@myob.comAbout MYOBEstablished in 1991, MYOB is now Australasias largest business management software provider. Its 50+ products and services have helped more than one million businesses in Australia and New Zealand. MYOB serves businesses of all ages, types and sizes, delivering solutions that simplify accounting, payroll, client management, websites and much more.With a network of more than 20,000 accountants and other professional partners, it provides the support and tools that help make business life easier. Today, MYOB is extending its solutions online and delivering innovation through cloud computing, enabling clients to make smarter connections with their business partners and customers: www.myob.com.au/smarterconnections.