

Survey Says: SMBs Looking to Cut Costs to Quell Uncertainty

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As the U.S. Small Business Association (SBA) hosts its [National Small Business Week](#) from April 30-May 6, FLEETCOR presents the findings of its annual SMB survey. In March, FLEETCOR surveyed 619 SMBs in the U.S. to gain insights into their approach for navigating the current economic uncertainty. The findings revealed that while many SMBs are concerned about the possibility of bankruptcy or closing their business, they are taking proactive measures to safeguard their operations with many looking to better control expenses by investing in payment automation solutions like those offered by FLEETCOR company [Corpay](#).

Cutting Costs, Investing in Automation



According to the survey, 27% of SMBs expressed fear of filing bankruptcy or having to close their business, driven in large part by economic uncertainty tied to increased interest rates, supply chain disruption, a possible recession, and other uncontrollable factors. In response, 60% of SMBs reported that they plan to combat this uncertainty by reducing expenses and implanting spending controls. Controls can include better workflows or spend caps on purchasing. **Interestingly, 24% plan to invest in accounts payable (AP) automation software.** This is just one indication that SMBs recognize the importance of using technology to create efficiencies in their operations.

Staffing Optimist

The survey also revealed that only 44% of SMBs anticipate staffing shortages in 2023, which is an

improvement of nearly 20 percentage points from 2022. This suggests that SMBs are more optimistic about the job market and the ability to retain employees. In an effort to avoid staffing issues, SMBs plan to allow more flexible work schedules (45%), increase compensation and benefits (36%) and provide more employee training (35%). However, in the event of staffing shortages, employees can become overworked to the point of overlooking important security protocols. As a result, SMBs are taking proactive steps to strengthen their cybersecurity defenses. Fraud has become an increasing issue with small businesses, especially as technology and digital infrastructures become more and more standard in business operations. Here's how:

Automation Also Boosts Security

When SMB's invest in AP automation software they streamline their financial operations while also enhancing their cybersecurity posture. AP automation software can help businesses reduce manual and paper-based processes, reducing the risk of human error. Additionally, many AP automation solutions come with built-in security features, such as data encryption, authentication protocols, and audit trails, which can help safeguard against cyber threats. This investment in technology not only helps SMBs become more efficient but also strengthens their defenses against potential cyberattacks.

In conclusion, SMBs are facing economic uncertainty but are taking proactive measures to combat these challenges. The agenda of the SBA's National Small Business Week virtual summit reflects this strategy, with segments on a possible recession, AI, and optimizing payment processes. These concerns are in line with our survey findings, which indicate that SMBs are less worried about staffing shortages than they were a year ago, but most still intend to cut expenses to mitigate the risk of bankruptcy or closing their doors. The most proactive among them also intend to invest in AP automation software, taking a responsible and strategic approach to protecting their businesses.