

# Nine in Ten Small Businesses Impacted by Credit Crunch

*Limited access to funding is hindering growth and causing small business owners to doubt their potential for long-term survival.*

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/EINPresswire.com/ -- Leading invoice funding company Viva Capital says most small businesses across the country are impacted by the credit crunch, a complex problem that produces a series of unique challenges. Additional coverage of the topic is available in ["10 Credit Crunch Business Strategies to Boost Your Resilience,"](#) which is now live on VivaCF.net.

The new release offers a deep dive into current research, including surveys which show that nearly nine in ten businesses are experiencing diminished growth due to the credit crunch. Additionally, one in five small business owners say they're unsure about the long-term survival of their companies.

"The credit crunch is a complex issue that influences much more than a business's ability to raise capital," explains Armando Armendariz, Director of Business Development and Partner of Viva Capital. "We're seeing businesses struggle with virtually every aspect of cash flow management due to the credit crunch."

Armendariz notes that businesses that offer clients trade credit are seeing an uptick in late payments and non-payment as the effects of the credit crunch ripple through the small business community. This intensifies the challenges, as businesses are faced with reduced cash inflows while being unable to access capital through traditional sources like bank loans. Moreover, seven in ten believe the current economic climate makes it impossible for them to pay off a loan. It's a valid concern, as 25 percent of businesses that have loans with variable interest rates report a



five to ten percent interest rate increase.

These challenges seep into virtually all aspects of business operations, Armendariz says. Around half of all small businesses struggle to keep up with operational expenses, while more than 80 percent say covering the costs of goods and services or payroll is difficult.

“There are still options for business owners, even those greatly impacted by the credit crunch,” Armendariz continues. “Invoice factoring, for example, can provide working capital instantly and may even offer a measure of protection against bad debt.”

Armendariz says most businesses with B2B invoices qualify for factoring, making it a viable option even when loans are not. Moreover, it doesn't create debt, so it's ideal for those with concerns about keeping up with payments.

Those interested in learning more about invoice factoring are encouraged to request a complimentary rate quote at [VivaCF.net](https://www.vivacf.net).

#### ABOUT VIVA

Founded in 1999, Viva helps B2B businesses of all types accelerate cash flow through specialized funding solutions like factoring, accounts receivable financing, and asset-based lending. Their simple qualification process makes it easy for small and mid-sized companies to get vital funding despite lack of credit or time in business. [Additional information is available at VivaCF.net](https://www.vivacf.net).

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