

What Next?

How to Prepare for Recovery after COVID-19

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The present is a time of disruption, chaos and confusion. Each day we receive more information that continues to confuse and spark fear in our future. But, there **IS** a future. As you navigate through the series of difficult decisions and consider the best course for your business, your employees, and your community, don't forget to consider the future as well.

While we can't yet predict a date that our economy will recover, we know it will. We know that the mandated closure orders will be lifted and we can begin preparing today. Businesses across the country will be deeply affected by these closures, but the unified goal is that we are able to reopen and begin moving forward.

The aftermath COVID-19 will certainly have unique challenges, but preparation today will help promote a stronger recovery in the future. Financial preparation, communication, essential planning, innovation and employee care are key areas to focus on as you prepare.

Financial

Businesses nationwide are being encouraged to do whatever they can to keep their employees, customers and selves healthy; in doing so, Government officials have approved several measures to help protect businesses financially. As a business owner, now is the time to meet with your trusted financial advisor or banker and discuss which programs best align with your strategic needs and apply immediately. These programs have allocated funds that will help provide working capital to you; however these funds will be used quickly based on national need. The following is a summary of two programs available.

- Paycheck Protection Program
 - \$349 Billion has been allocated for small business to utilize toward job retention and other specified expenses. Loan repayment will be deferred for 6 months. If you maintain your workforce, SBA will forgive the portion of the loan proceeds that are used to cover the first 8 weeks of payroll and certain other expenses.

- Economic Injury Disaster Loans
 - The program provides small businesses with loans that can provide vital economic support to help overcome the temporary loss of revenue. There is a loan advance option of up to \$10,000 (\$1,000 per employee) as well.

Moving forward, if you can maintain working capital, keep employees working and preserve your supply chain you will be positioned well for recovery.

Communication

Communication is always essential; however during crisis it is imperative to your survival. Communicate clearly with not only customers, but both employees and vendors.

Whether you use email, social media or another outlet to communicate with your customers or clients, make sure they know what you are doing during this time. Are you open with full operational support? Do you have limited operations? Are you closed during the interim? Be clear with what you are doing, how you are operating, and as we work towards recovery what that looks like for your specific operation while keeping customer and employee safety at the forefront of your decisions.

Your employees also need to understand your strategic plans. Communicate with them what your plans may look like; this may help ease some of their underlying fear. Employees may be feeling lost or confused and we want to ensure you don't lose your key talent to another competitor or industry during this time.

Keep a line of communication open with your vendors. You will be preparing for some supply chain disruption and as you communicate with your vendors you will learn what their strategic plan looks like. If they are not able to return to full operation by the dates you need them to, you will want to know this in advance so you can seek new relationships as necessary.

Essential Planning

This is the time to revise or create pieces of your strategic plans. Budgets, risk and business continuity plans will need to be revised to best prepare for your recovery and future.

In last month businesses shut their doors, employees filed for unemployment in record numbers, and the new normal became social distancing. Most operational budgets were not prepared for this. This is the time to review your current situation and plan for the remainder of the year. You will need to prepare for supply chain disruption, staffing concerns, and financial strain. Consider ways to conserve cash and protect the bottom line, can executives go without pay for any period of time? Is there a way to limit overhead expenses? Is there any opportunity you can seize?

Revisit your risk assessments, reviewing your strengths, threats, hazards and opportunities that exist. Consumer and employer habits will change as a result of this crisis, what will these impacts be on your operation and how can you prepare? A crucial part of your risk planning should include creating or revising your business continuity plan. Business continuity plans provide a way to determine and evaluate the potential loss scenarios and recovery strategies in the event of an interruption to critical business operations. As you review, consider any reciprocal agreements that could exist. These types of agreements are made between companies to use each other's resources during a disaster to help prevent devastating financial strain. We saw this work during this crisis with restaurants offering shopping kits, partnering with wholesalers in an effort to help customers avoid stores and supplement their cash flow.

Taking the time to update and review your essential strategic plans will help you begin to reassess and prepare for the months and years to come.

Innovation

Crisis can breed innovation. Recovery will contain elements of reinvention for many. Moving forward consider what worked for you during this time, there may have been new services offered or new distribution channels that you can continue to build on. Your operational capacity may change as telecommuting and flexible hours may be a consideration for your employees during recovery and beyond.

In order to position well for recovery we expect innovation will be a key differentiation in the future. Recovery will not be a return to the prior way of operation, social distancing will be in our vernacular for months and years to come. Plan for this. Can you change the layout of your restaurant, lobby or retail operation? How can you ensure that your employees and customers are safe and healthy for the future? There may be new services you can offer in conjunction with other organizations to create strength in service as well. Find ways to reinvent your operation as influenced by the "new normal".

Employee Care

Employee care will greatly impact your revival. As you rehire, or work back to full operational status in recovery, each individual will be working to recover as well.

Every individual situation will be different as you and your employees work to manage the rebuilding of their personal and work lives. Employers and employees alike have all suffered emotional and physical loss as well as the added financial stress. There are many ways you can

offer levels of care to your employees through this, whether this means offering modified office policies to balance work and personal recovery with additional telecommuting opportunities, modified hours, or changes in service delivery.

Your employees will directly impact your efficiency as you reopen, it will be important to care for them so they can provide care to your customers.

Summary

As we move forward from COVID-19 in the months to come, we hope you are able to successfully rebuild, reassess and reopen. While experts are seemingly divided on when recovery will begin, we are assured there will be a recovery. Use this time to begin positioning your operation to have a strong return in the future. Financial preparation, communication, essential planning, innovation and employee care should be considered as you prepare. Unique challenges face us ahead, but with proper care and planning there is opportunity to survive, and thrive.

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