

# Navigating your business through the COVID-19 crisis

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# AGENDA

**01** The current situation

**02** Address the immediate challenges

**03** Short-term cashflow resilience

**04** Planning to scale again

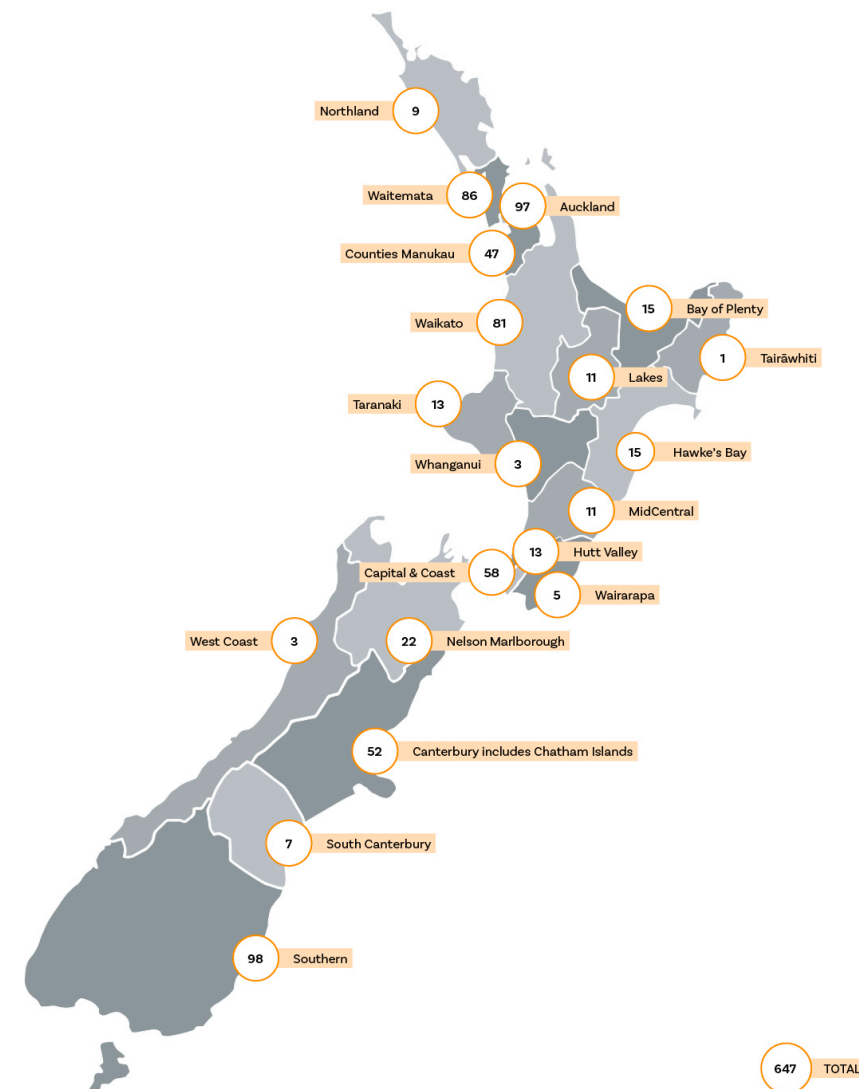
**05** Anticipate the 'New Normal'

**06** Questions

**07** Additional resources

# 01 Our perspective on the current situation

- We all hope that strong action does successfully slow COVID-19
- The health, economic and social impacts will be far reaching
- There is a wide spectrum of how people are impacted and feeling
- Few anticipated that businesses would need to stop trading so quickly
- We are operating with a lot of uncertainty and some contradictory information
- Business owners have pressures to deal with the immediate impacts, to safeguard livelihoods, and to support the recovery of business and the NZ economy
- None of us have ever done this before





## 02 Address the immediate challenges

- BAU is secondary for now, we are in a crisis
- Communicate strongly and honestly to staff and other stakeholders
- Employers must hold themselves to a high moral standard. Look after yourselves and your team - stress levels will be high
- Manage the immediate financial pressures. Preserve cash by deferring expenditure
- Depending on your business this may mean going into 'hibernation'
- Utilise the Government's business assistance package – don't overthink this, but don't take unreasonable advantage
- Seek appropriate advice and document your decisions
- Now is not the time for long-term decisions or big financial commitments

# 03 Short-term cashflow resilience

- Ensure business resilience throughout the shutdown(s) and the initial economic fallout
- Identify any immediate opportunities for your business
- Stress test your financials. Develop an integrated forecast
- Consider the impact to your business and take decisive action
  - Customers and other debtors
  - Stock on hand and supply chain
  - Your team
  - Office rental and other costs
  - Taxes
- Identify funding gaps and potential sources
- Understand that losses incurred during this period will need to be funded somehow



## 04 Planning to scale again

- There will be a return post COVID-19
- It is critical to plan again for the longer term, or be at risk being caught out
- Develop scenarios based on a range of possible outcomes
- Use key sources of business intelligence and knowledge:
  - Early overseas experience
  - Customers and competitors
  - Global financial crisis
  - Christchurch
- Protect and diversify your most critical assets
- Reassure your customers and your stakeholders

*“Never  
waste a  
good crisis”*

*Winston Churchill*





# 05 Anticipate the 'new normal'

- What will normal look like post COVID-19?
- What has changed and what is essentially going to be the same for my business, customers, and industry?
- When consumer demand returns will we be consuming the same things in the same way?
- What does the sudden shift to remote working mean for the future?
- How could a change in regulatory environment impact my business?
- What is my role in the business?

# 06 Questions