



ADVISING YOUR CLIENTS THROUGH COVID-19



YOU ARE THE **NHS** FOR SMALL BUSINESS

The world as we know it has been turned on its head. I am reeling as I'm sure most of you will be as I mainline news channels and social media for the latest update. A "new normal" is becoming more and more likely, post this COVID-19 apocalypse.

So much is unclear, and unpredictability in our personal and business lives will be the primary narrative.

Small businesses may be some of the biggest casualties.

As finance professionals you are the trauma doctors that can be the difference between businesses and families surviving or not.

I know your staff and families will be affected too. Not more so than if your portfolio is decimated.

To be clear, this is **not** a sales push for Futrli, this is a guide to help scale a tactical response, that can

make an impact now.

It's a blend of our experiences, as a small business ourselves; on behalf of the small businesses asking us for help, and having worked with firms like yours over the past 6 years.

We are here for you, so that you can be here for your small businesses.

Hannah Dawson
CEO, Futrli





What you can do today

You need to treat your portfolio in the same way a paramedic would deal with carnage following a multiple car accident on the motorway. It is essential that you identify which of your clients are critical, which of those have minor injuries and those who sadly may have already died. This process is not about size of business or importance of client to your firm. Every client needs you to help them and to do that you need prioritise those who are most critical.

Establish these facts immediately. It is the most important thing you can do

for them but also for your business. During this economic environment, there is no such thing as business as usual, you are likely doing this already, but if not, put VAT/GST returns/admin to the bottom of the list.

Protecting your clients is vital for your business and theirs. This is what we suggest you do immediately:

Get in contact with every client.

To be done at scale and to quickly connect with every one of your clients use email. Most people are working from home and so trying to track them down via office phones/mobiles will be much harder and you have no time to

waste. However, they need to hear from you. Many of your smaller clients will be on their own and even those with teams are now isolated at home. Do not underestimate the psychological trauma many of them will be experiencing and the relief you will provide by reaching out.

If you use Calendly or similar, put a link to your calendar booking tool at the bottom of the email, if not encourage a response by reply.

Dear <client name>,

I know you are worrying about the security of your business, making payroll, staff, supply chain, and cash flow. To help you navigate this, can we book in a 15 minute call as soon as possible?

This call is free of charge of course, it's a preliminary check in to first of all see how you are and what you're immediately worried about. This will then feed into an online 30-60 min meeting where we will look at your future cash flow, current risk areas and immediate tactics/government relief that you may benefit from immediately .

Email me with your availability/Book here now.

Accept that it is NOT business as usual

This email should prompt an immediate response from your clients. Expect almost every one of your clients to book in. To manage this, you and your teams must clear your calendars for the foreseeable. Your priority is to risk assess your portfolio of clients and protect as many of them as you can.

Keep a record of those that have booked and have not. Follow up with those that haven't responded on the phone. Be persistent.

Remember this is not a not business as usual and no one expects it to be, your client's need you to do this for them, so manage expectations of other work that has been scheduled, being postponed.

Get the facts

Initial assessment call

This first session with your clients can be done on the phone. It is an efficient, time effective way to carry out your initial client assessment.

The call should be for no more than 15 minutes as you offered in your email. Some of your clients will take this as a call to off load, try to prevent this by keeping focused and to your agenda.

Whilst this is a vital strategy for your business, time really is money.

The objective of the call is:

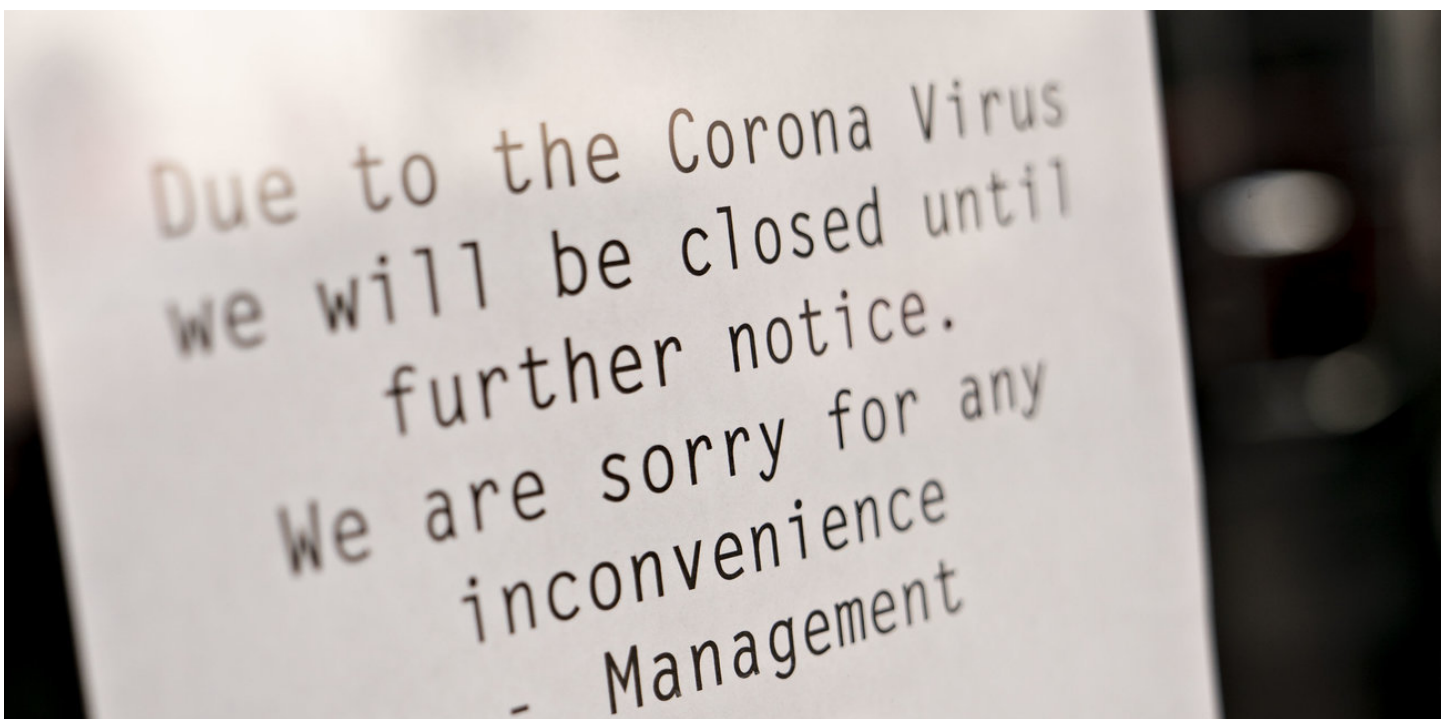
1. To understand directly from your clients as to the impact they have

felt at this point. The economy is changing daily and you need them to brief you on where they think they are and what changes they have already witnessed.

2. To check they are okay, on a personal level. This simple step will elevate your relationship & create trust. Something both you and they will need over the coming weeks.

As you will be following this process with every client, you need a system that is repeatable and scalable. To help you with this use the script on the next page. These questions answered will give you everything you need to know to create an initial business projection.

This call is not about solutions. It is fact finding to enable you to create a more



realistic future projection while providing reassurance to your client base who are likely to be desperately worried about their future.

It is likely that your clients will be looking for answers and will fire direct questions to you about the market, their business, what to do. Resist giving answers until the next meeting when you have the facts and data to back up the strategies you want to suggest.

NB. Many firms we work with do not have a database or CRM system in place. Now is not the time to tackle this but you will need to record the conversations that you are having. A simple spreadsheet will do just fine for now.

Download this template if you are not sure of where to start.

Don't rely on your own memory or that of your client's at times like this.

Assessment call script

Keep the call focused and on point. You are doing this for free and you need to give yourself the capacity to do this with every client

- How are you?
- What has the immediate impact of COVID-19 to your business?
- Have you taken any immediate actions?
- Are your customers still paying you? How many invoices are outstanding? Do you know? Are you worried about their ability to pay?
- What are you most worried about?
- How are your teams? Are you all working from home now? How has this impacted productivity?
- Are you worried about meeting payroll?
- When are you free for our 60 min follow up Zoom/Hangout/Skype?

Next steps

Following this initial assessment call, the priority is to take these initial COVID-19 insights and combine them with their reconciled financial data to create an accurate cash flow projection for the next 12 months.

Schedule a follow up 1 hour online meeting and explain that you are going to now spend some time calculating the impact of the changes they have seen and when you meet next you will share these findings along with some recommendations as to how they best navigate the next few months.

NB. that we do not advise charging for this service at this point, please allocate the time cost impact if you must, to client retention. It is in your interest to make sure they get through this challenging period. The value you establish during this time will pay dividends on the other side.



New tools for a new world

You cannot help your clients through this period without using the technology that has been built to help you with just this. You may be tempted to revert to Excel but don't. You simply do not have the time and you will not be able to scale that to every client. It is also not equipped for accurate 3-way projections without formula error risk.

You also do not have the time to trial all of the suggested cash flow products on the market, to help you drill down what you are looking for it is vital to consider the following:

Project the P&L, Balance Sheet and Cash flow

Projections based upon invoices or bills alone, or approximations of VAT/GST based upon historical activity, (rather than being calculated) is not accurate enough for the diagnosis required.

The critical decisions businesses have to make require the ability to model debt, payment days, payroll etc. The balance sheet holds critical elements that have to be considered, and are not by many tools.

A further note on VAT/GST - be aware:

It is vital that the forecast data that you are using to strategically plan your client's survival is accurate. VAT/GST in many add-ons are projected forward from prior periods, rather than calculated from transactions. Such inaccuracy could be deadly in the economic climate of today.

Dashboards are more important than ever

Presenting your clients with a cash flow projection and planning their survival strategy is of huge value. However extending this value past the meeting and giving them a tool which means they can monitor how they are tracking against the strategy you have set together is truly game changing.

Dashboard solutions should be able to compare future scenarios visually, as well as tracking against actual data or assessing historical performance.

Ongoing advisory and client retention comes from this foundational base.



Aside from the economic impact of COVID-19, it has also overnight, completely changed the way we are all working.

Communication risks being limited to email. This is a threat which you must all consider both to your team but also to your clients.

Client relationships are harder to build and the tricky conversations you are inevitably going to have with your clients cannot be delivered any other way than face to face.

Technology is here to help. Zoom is a brilliant online meeting software that is so easy to use for both you and your clients.

Plus the FREE plan is more than enough for most firms.

Download it now:



Efficient meeting preparation

Each online meeting can be prepared for in 15 minutes when you have done a few. You will create 2 projections and 1 dashboard which will form the basis of all on-going meetings. Often this scenario creation can be done *in* a meeting but we advise against it for this specific meeting, so that you are forearmed with strategies if it looks like your clients could be in serious danger:

Projection 1: The base case (Pre COVID-19 Projection)

Clients need to understand what their future base-line was. Use a quick technique based upon last years actuals* for this. Full P&L, balance sheet and cash in the bank should be projected.

Projection 2: The worst case (Post COVID-19 Projection)

Using the pre COVID-19 forecast as the base**, model the impacts they revealed in the initial assessment call. Drops in revenue, increased payment days, higher costs etc. Note down the %s and numbers you've used. Your client may challenge them. If they do, create another COVID-19 version with them

Survival strategy

During the meeting use Projection 2 with them, to test:

- Reducing staff salaries either with redundancy or salary reductions
- Supplier reviews and cost cutting
- Site closures
- Reduce marketing spend
- Cash injections inc. loans
- Government initiatives.etc

** Quick create in Futrli Advisor does this in seconds with 3-way impact.*

*** Advanced create in Futrli Advisor let's you flex these in seconds with 3-way impact.*

This short video takes you through these exact steps, watch now



"69% of small businesses are already experiencing cash flow issues related to the coronavirus"

MarketFinance, March 2020

Delivery matters

In preparation for your meeting, get both scenarios onto a dashboard. It is a lot of information for your clients to digest, so keep it simple and be mindful of the emotional impact. Do not present tables of data. A story must be told.

Choose a comparison report for your dashboard selecting both scenarios. Focus on cash in the bank, profit, revenue and expenses as the back drop.

You'll have the dashboard in one tab and the worst case projection in another, ready to be edited with tactical suggestions.

Your dashboard should have an option to create notes throughout the meeting. Jot down the worst case %s and amounts that you had applied as a reference. You'll also set the agreed actions the business owner will take afterwards here.





THE STRATEGY MEETING

This may be the first online meeting either you or your client (or both) have ever been part of. Whilst Zoom is easy to use, make sure you are online 5 minutes early and ready. The more composed you are, the calmer your client will be.

This is not a normal advisory meeting, you are not selling, you are crisis managing your scared and worried client through their immediate future.

Follow these simple rules for every client meeting:

Camera on!

Make sure you have a working video camera, if your computer doesn't have one,

get one delivered. It is an essential part of the new remote working world we find ourselves in. Your client's need you to have one: difficult business decisions cannot be suggested by a voice on the other side of a black screen. Ask your clients to put their camera on too. Failing no computer cameras: Facetime them and mute your computers as you screen share.

Set the agenda

This is your meeting, you need to establish yourself as the leader. They need you to take charge and guide them through their current position and of course what happens next. Set the agenda, ensure it is simple and starts immediately after salutations.

Lets get started on this session as we only have an hour and there's quite a lot to go through.

My proposal for this meeting is for you to give me a quick update on the days since we last spoke, let me know of any further impacts or changes.

I will then take you through a couple of models I have for your business, both focused on your cash flow.

Finally let's look at the best way forward together. Anything you want to add to this?

Start with a reassessment

Although the initial assessment call will have been only a few days ago, re-assess where they are and if there have been any further impacts of the virus felt. Things are changing daily and so it is vital to see if either scenario need to be edited. You should be able to easily do this during the meeting so the dashboard reports when refreshed, reflect their today.

Keep eyes on

Share the dashboard screen first, keeping your camera on at all times - they need the human face behind the numbers and it will enable you to read their faces.

Gauging an individual's reaction to what you are discussing is so much harder from behind a screen. Their face is the best indication.

Look for confusion, worry, fear and invite their participation. Remember some terms you may need to explain as well as the impact positively or negatively of what you're showing. You're the trained professional, they aren't. Make them feel comfortable about their numbers.

Keep it focused

Bring the business on the dashboard to life. Don't expect them to read the numbers. Make sure you have a beginning, a middle and an end. It is always tempting to present the solution from the off but you must take your client on a journey. Educate them and make sure they are on the same page.

To help them understand and not be over whelmed by information, keep the meeting to one core focus and for this first session, it needs to be cash flow.

Let them talk

Make sure that you ask your client throughout the meeting if they understand what you are explaining and if they have any questions. It is a lot of information that they are probably hearing for the first time. Do not flip from report to report assuming they are on the same page as you, it is highly likely that they aren't. Ask them to repeat what they understood from the graph - it will help engage them with what you are showing.

End with purpose

This meeting is about more than just a conversation, you need your client to walk away with a clear plan for the future. You must agree actions and outcomes that are to be taken by them and you. Fix urgent deadlines and update everything in the dashboard notes as well as booking the next check in.

Be friendly

This may sound obvious but be empathetic, be kind. It is tough times and they will respond so much better if you are clearly in their corner.

Tell a story

The beginning

Start their journey with your base case Pre COVID-19 scenario.

"This was how your business was tracking before this virus hit. You can see this is the projected cash flow."

Don't spend too much time here, it is just to help them understand the critical impact of what you show them next

The middle

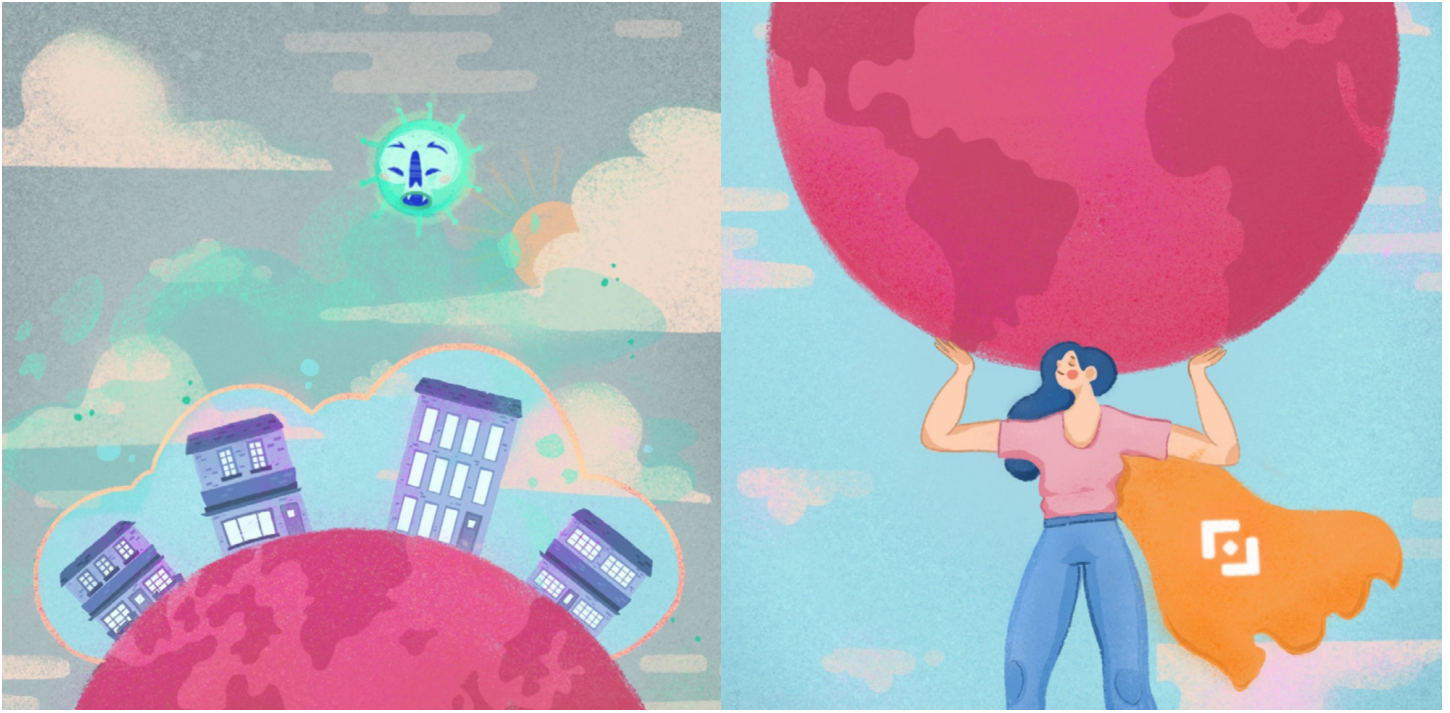
Take them through the worst case Post COVID-19 scenario.

"This is that forecast but with the impacts we talked about added in. I have reduced it by X income, increase Y costs and increased payment days by Z"

Take them through the specific cash flow challenges the graph presents. It is vital they understand anything critical.

The end

Present proposed survival strategy tactics. Head to the worst case scenario tab and make the changes live with them. This is where they see the outcome and impact of future events and decisions they may have to make. It's an incredibly powerful way to link why the new normal will involve testing decisions in this way before they are made.



WHAT HAPPENS NEXT

The answer to this question from every economy's perspective is of course unknown. By taking these steps you will have positioned yourself and your firm at the centre of your clients' businesses.

The role you now have comes with responsibility. Your clients will be looking to you for direction and decision making, they will be relying on you to share information that you have garnered with your other clients and networks and finally they will expect you to be pro-active. Check in phone calls, emails are essential.

Until this crisis is worked through, you cannot communicate with your clients enough.

The following steps will help you to get it right:

Meeting follow up

All actions agreed during the strategy online meeting (and any meeting going forward) must be shared. Add all actions to the dashboard during the meeting so that they can be easily acted upon after the call. But also get in the habit of

following up any meeting with an email confirming outcomes. It will reinforce you being in control and saves time meeting to meeting. This email should include all actions agreed, who is responsibility for them and the timescales for them to be completed .

Real time dashboards

Share the dashboard with your client and ensure that you have their actual Xero or QBO / Quickbooks Online data automatically flowing in daily, updating their performance vs the forecast. Direct your client to use this dashboard as their sat nav between your meetings, if they track off course instruct them to call, waiting from meeting to meeting is just too long in this economy.

Do they have daily bookkeeping and bank reconciliation set up? Offer it, introduce them to someone who can, or teach them how: they will now understand why it's important, as all future projections need up to date data. You'll be tracking their progress with them in this new normal.

Alerts

Use technology to alert you if a client enters a danger zone. The beauty of cloud technology is that you have real time information. You can set up alerts that will trigger should any KPI or account line go above or below your set threshold. Bank balance alerts will be invaluable for you during this period when you are at full capacity it may just give you the opportunity to catch a company before it goes under. Again, these are dependent on automating the books, Receiptbank etc. are essential tools.

Follow up meetings

Always schedule a follow up meeting, things are moving too quickly for you to not stay in control. Monthly at the very least but more frequently for those clients in really tricky positions would be hugely valuable. These meetings will also get your client into the habit of talking to you about their business and this will continue once this current situation has passed. They can be 15 minute Zoom calls - be time efficient.



FUTRLI

Helping you to help your portfolio through COVID-19:

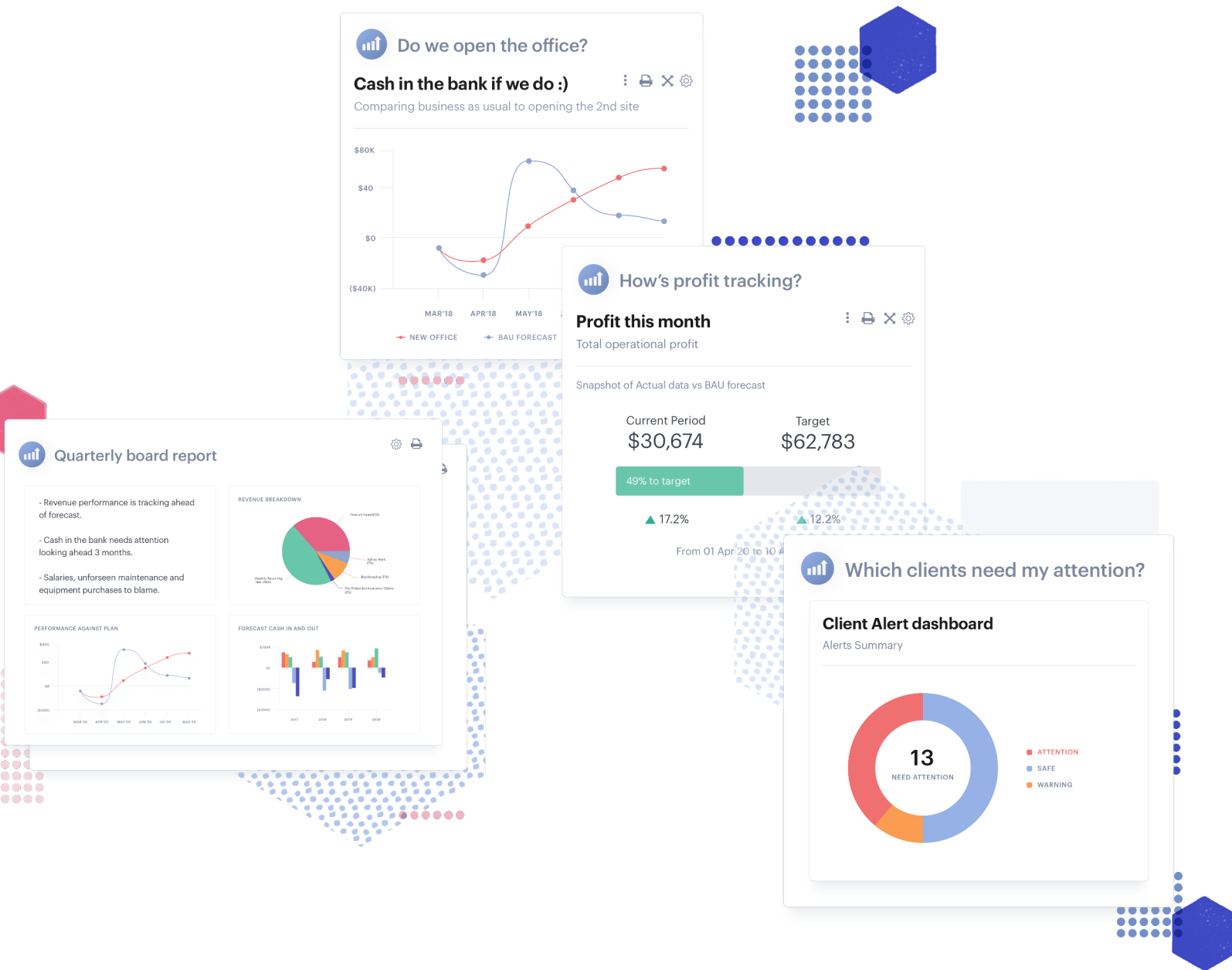
Futrli Advisor

Used by thousands of accountants globally, Futrli Advisor is an all in one forecasting and reporting engine.

Create forecasts based on last years actuals in a few seconds and produce multiple scenarios based on the impacts being faced by your clients.

Integrated dashboards make your meetings to your clients easy as you work with them to survive.

Alerts will keep an eye on your clients for you, between meetings.





FUTRLI

Helping you to help your portfolio through COVID-19:

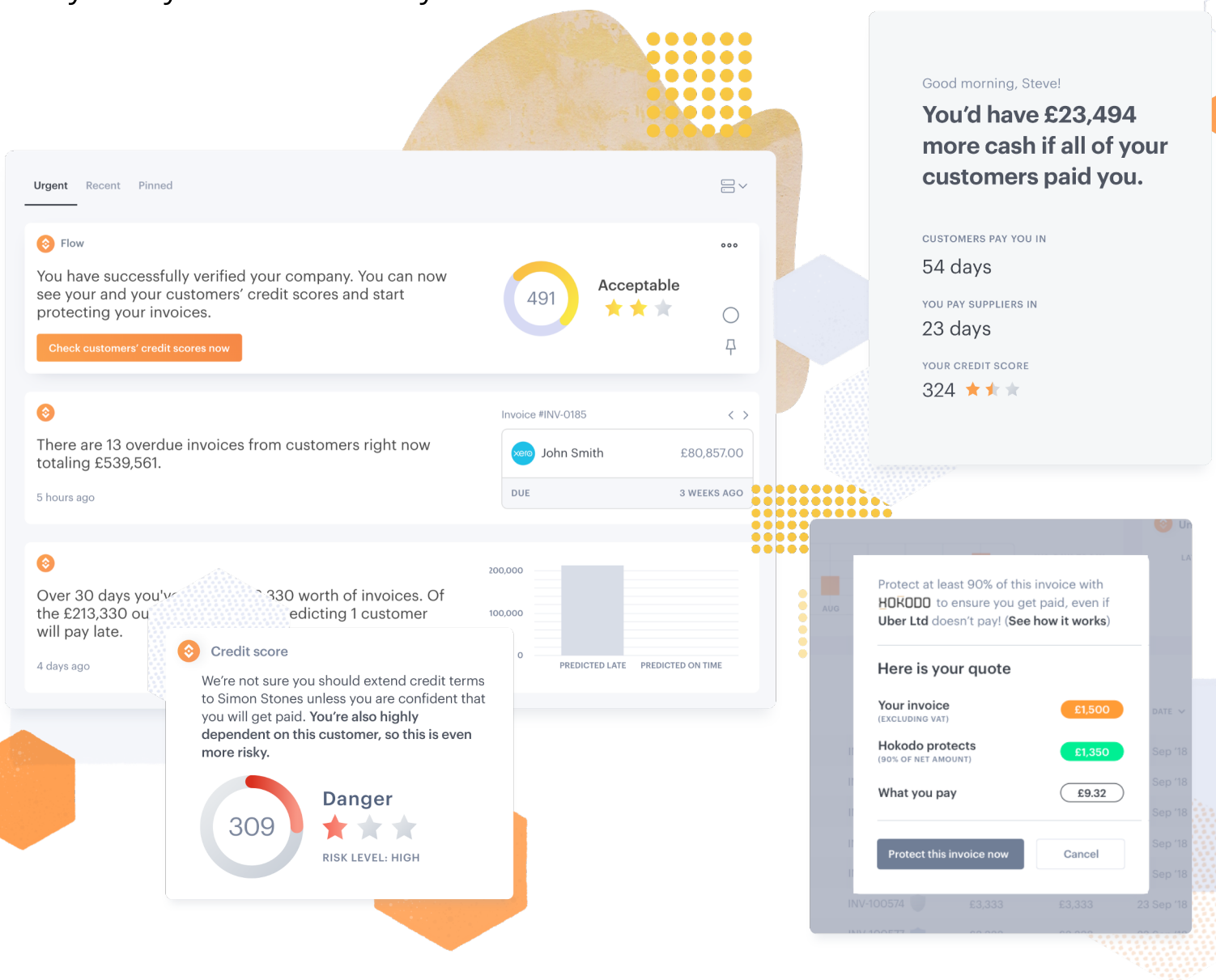
Futrli Flow

A protection tool for your clients: Flow quickly identifies hidden poor payers, calculates the right time they should pay bills and will enable them to hold onto more cash in their bank.

UK clients can protect their invoices from within Flow guaranteeing up to 90% of the value as well as monitoring the credit scores of their customers.

In the current economy, this could be the difference between keeping the lights on or turning them off for good.

Simple to use, it compliments the strategic dashboard you provide and gives them day to day tactics which they can control.



Our promise to you

We will help you so that you can help your clients.

Time is critical.

We will make it very easy to get started. No certification, no big training manuals, just simple focused support so that you will be able to action everything in this strategy, quickly and at scale.

We also acknowledge that additional costs can be hurdles, we have introduced special rates for all new clients during this time.

There are packages for every firm.



"Today actually we have had zero clients" says Alex who runs a number of shops in Brighton, UK . "We have 12 full time employees and we are definitely trying to figure out what to do to help keep our heads above water. I genuinely do not know what to do"