

# COVID19 Business Survival Checklist

As business leaders our people are looking to us to step up and lead through these difficult times. They need us to acknowledge their fears, give them perspective, have an informed plan, focus on solutions, & over-communicate with confidence that we will come through this intact, together. To do this we have 2 critical priorities: **1. PROTECT OUR PEOPLE; 2. PROTECT THE BUSINESS.**

**PROTECT THE BUSINESS CHECKLIST** - To drive the changes you need to make to survive you need to 1) **PLAN** IT, 2) **DO** IT, 3) **MEASURE** IT, 4) **IMPROVE** IT. To help you organize and prioritize your planning, we've developed this simple COVID19 Business Survival Checklist utilizing **2 scenarios** developed by McKinsey, and **6 key business functions**. Use the checklist to assess where your planning is at, and where you need to strategically focus next. A later consideration is the **recovery plan**, how & when you will adapt to prosper when the crisis is over.

<b>SCENARIO 1 - Delayed Recovery - Q4 2020</b> Moderate GDP effect (-5%)	<b>SCENARIO 2 - Prolonged Contraction - Q2 2021</b> Severe GDP effect (-15%)
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<b>1</b>	<b>FINANCIAL HEALTH</b>
	<b>"Cash Flow Determines Survival" - Adapting to increasing costs, shrinking revenue, aging A/R.....</b>

	SCENARIO 1			SCENARIO 2			RECOVERY		
	Completed	In progress	NS or N/A	Completed	In progress	NS or N/A	Completed	In progress	NS or N/A
a	<b>Identify planning scenarios</b> - Define scenarios that are <u>tailored</u> to the company								
b	<b>Identify variables that will affect revenue and cost</b> - For each scenario, define input numbers for each variable through data analytics and expert input								
c	<b>Model cash flow</b> , P&L, and balance sheet in each scenario; identify input-variable triggers that could drive significant liquidity events (ie. Breach of covenants)								
d	<b>Identify trigger-based actions</b> that can be taken to stabilize the organization in each scenario (A/P, A/R optimization, cost reduction, tax deferral, product/service rationalization, divestment, M&A)								
e	<b>Identify external financial support programs</b> - federal, provincial, municipal governments, EDC, BDC, banks, investors, etc. (loans, subsidies, financing, grants, tax deferral, interest holidays, payment deferrals)								

NS - Not Started, N/A - Not Applicable

<b>2</b>	<b>MARKETING &amp; SALES</b>
	<b>"Sustaining Revenue" - Adapting to the changing needs of your clients through customer engagement</b>

	SCENARIO 1			SCENARIO 2			RECOVERY		
	Completed	In progress	NS or N/A	Completed	In progress	NS or N/A	Completed	In progress	NS or N/A
a	<b>Customer Engagement</b> - reach out to key customer segments to anticipate their changing needs & behaviors ( <b>pulse of the customer</b> )								
b	<b>Communications &amp; Messaging</b> - Maintaining customer intimacy through relevant points of contact, timely value added messaging & feedback, training & support								
c	<b>Product / Service Changes</b> - short term changes, long term impacts & opportunities for growth								
d	<b>Pricing Changes</b> - short term changes/discounts & long term impacts								
e	<b>Delivery / Distribution</b> - Inventories, delivery channels, customer protection								
f	<b>Key Client Risk Assessment</b> - Focus on clients that impact your bottom line the most, what is the impact of loss of their business, how to stay ahead of the risk								

3 OPERATIONAL EXCELLENCE										
"Cost Reduction" - Maintaining service levels & supply channels while reducing costs										
		SCENARIO 1			SCENARIO 2			RECOVERY		
		Completed	In progress	NS or N/A	Completed	In progress	NS or N/A	Completed	In progress	NS or N/A
a	<b>Identify Operational Cost Saving Opportunities</b> - Engage teams at all levels (LEAN Light) to identify opportunities for improvement (better output with less input)									
b	<b>Identify Critical Operational Vulnerabilities</b> - variables that will materially affect product/service delivery (timing, quality, cost, customer experience/satisfaction) & plans to minimize impacts									
c	<b>Supply Chain Stabilization</b> - supplier engagement, order management, service level expectations, inventory management, logistics									
4 SUPPORT FUNCTIONS										
"Maintaining Corporate Infostructure" - Adapting resources, process & systems to sustain effective & efficient operations										
		SCENARIO 1			SCENARIO 2			RECOVERY		
		Completed	In progress	NS or N/A	Completed	In progress	NS or N/A	Completed	In progress	NS or N/A
a	<b>Remote Working Infrastructure, Tools &amp; Support</b> - Engage teams at all levels (LEAN Light) to identify opportunities for improvement (better output with less input)									
b	<b>Core Business Function Sustainment</b> - Identify functional performance risks to core services (HR, HSE, QA, Finance, Accounting) & plans to minimize their impacts									
c	<b>Supply Chain Stabilization</b> - supplier engagement, order management, service level expectations, inventory management, logistics									
5 LEADERSHIP NERVE CENTER										
"Proactive Management" - A single source of truth, planning, direction & decision making that provides a stable foundation of leadership for the organization in the new-normal										
		SCENARIO 1			SCENARIO 2			RECOVERY		
		Completed	In progress	NS or N/A	Completed	In progress	NS or N/A	Completed	In progress	NS or N/A
a	<b>Lead Planning Teams</b> - 5 working teams - 1) employee protection, 2) financial, 3) marketing & sales, 4) operational excellence, 5) Support & Infrastructure									
b	<b>Issue Map &amp; Management</b> - Leadership is aligned & assigned, & has combined their teams planning into an issue map & consolidated action plan									
c	<b>Organizational Design, Roles &amp; Responsibilities</b> - Agile/adaptive remote team structures with modified roles & responsibilities to execute on the action plan items									
d	<b>Communications &amp; Team Management</b> - Role model disciplined, proactive communications to provide as-needed information, decision making, engage & support operational teams in owning & executing on the detailed action plans									

6 PROTECTING PEOPLE										
THIS IS 1 OF 2 IDENTIFIED CRITICAL CORPORATE PRIORITIES & IS ADDRESSED IN A SEPARATE CHECKLIST										
		SCENARIO 1			SCENARIO 2			RECOVERY		
		Completed	In progress	NS or N/A	Completed	In progress	NS or N/A	Completed	In progress	NS or N/A
a	<a href="#">Internal People Protection - SEE PEOPLE PROTECTION CHECKLIST (CEVO SOLUTIONS)</a>									
b	External People Protection - What are we doing to support our community & other stakeholders? Support the greater community needs & efforts.									
<b>ADDITIONAL LINKS TO RESOURCES:</b>										
<p>* <a href="https://www.mckinsey.com/business-functions/risk/our-insights/covid-19-implications-for-business">McKinsey Covid19 Article with scenarios</a> - <a href="https://www.mckinsey.com/business-functions/risk/our-insights/covid-19-implications-for-business">https://www.mckinsey.com/business-functions/risk/our-insights/covid-19-implications-for-business</a></p> <p>** <a href="https://www.wsps.ca/WSPS/media/Site/Resources/Downloads/Bsnss_Pndmc_Prprdnss_Chcklst_FINAL.pdf?ext=.pdf">WSPS Business Pandemic Preparedness Checklist</a> - <a href="https://www.wsps.ca/WSPS/media/Site/Resources/Downloads/Bsnss_Pndmc_Prprdnss_Chcklst_FINAL.pdf?ext=.pdf">https://www.wsps.ca/WSPS/media/Site/Resources/Downloads/Bsnss_Pndmc_Prprdnss_Chcklst_FINAL.pdf?ext=.pdf</a></p> <p>*** <a href="https://www.cdc.gov/flu/pandemic-resources/pdf/businesschecklist.pdf">CDC Pandemic Influenza Planning Checklist</a> - <a href="https://www.cdc.gov/flu/pandemic-resources/pdf/businesschecklist.pdf">https://www.cdc.gov/flu/pandemic-resources/pdf/businesschecklist.pdf</a></p> <p>**** <a href="https://www.ccohs.ca/publications/PDF/businesscontinuity.pdf">CCOHS Business Continuity Plan</a> - <a href="https://www.ccohs.ca/publications/PDF/businesscontinuity.pdf">https://www.ccohs.ca/publications/PDF/businesscontinuity.pdf</a></p> <p><a href="https://drive.google.com/file/d/174ZPrrLTmn-Mxn1bpRjpSYyEMsimPUHl/view?usp=sharing">SAMPLE - COVID19 Small Business Response Plan</a> - <a href="https://drive.google.com/file/d/174ZPrrLTmn-Mxn1bpRjpSYyEMsimPUHl/view?usp=sharing">https://drive.google.com/file/d/174ZPrrLTmn-Mxn1bpRjpSYyEMsimPUHl/view?usp=sharing</a></p> <p><a href="https://drive.google.com/file/d/12RaO9mUQpQd_ckVAerzJ6Wra9yGGNZux/view?usp=sharing">COVID19 Business Survival Checklist</a> - <a href="https://drive.google.com/file/d/12RaO9mUQpQd_ckVAerzJ6Wra9yGGNZux/view?usp=sharing">https://drive.google.com/file/d/12RaO9mUQpQd_ckVAerzJ6Wra9yGGNZux/view?usp=sharing</a></p> <p><a href="https://drive.google.com/file/d/16_5gNLGrFPuIYPLX7s6ZSUR0bo-s9Ov9/view?usp=sharing">COVID19 Entrepreneur Survival Checklist</a> - <a href="https://drive.google.com/file/d/16_5gNLGrFPuIYPLX7s6ZSUR0bo-s9Ov9/view?usp=sharing">https://drive.google.com/file/d/16_5gNLGrFPuIYPLX7s6ZSUR0bo-s9Ov9/view?usp=sharing</a></p>										
<p>Developing effective plans requires factual information, and the collective intelligence of your teams in building practical strategies that they will be responsible for implementing. To help you CEVO is offering, (with no cost or obligation; it's the right thing to do):</p> <ol style="list-style-type: none"> <li>1. A 1.5 hour facilitated "online team problem solving session" on anything related to this Checklist, and/or</li> <li>2. Access to the <a href="#">COVID19 resource folder I've assembled from the most credible resources I can find including the WHO, CDN/AB Government, EU Health, MIT, CDC, etc.</a></li> <li>3. A weekly <a href="https://meet.google.com/wzi-xaxb-mtz">google group meeting for business leaders to discuss COVID19 issues as peers, share ideas &amp; success stories – Every Friday @ 12:15pm</a> - <a href="https://meet.google.com/wzi-xaxb-mtz">https://meet.google.com/wzi-xaxb-mtz</a></li> </ol> <p>To follow-up contact Brad Gaulin at <a href="mailto:bgaulin@cevo.ca">bgaulin@cevo.ca</a>, 403.660.9961 or, for People Protection aspects, Ken Kan at <a href="mailto:kenkan@shaw.ca">kenkan@shaw.ca</a>, 403-589-6071.</p> <p>We hope this is useful for you, <b>feel free to share it</b>. We wish you the best in managing this crisis and know we'll all get through it together. Warmest regards, stay safe.</p>										