

The CEO's guide to managing through the 'coronavirus season'

Over 40 practical ideas from 10 industry professionals
to help protect your business, reduce your risk, and
successfully adapt to the new normal

Produced by Vectis Advisors as a service to the Australian business community



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Find clarity amongst the challenges

The coronavirus pandemic has hit. Most businesses (if not every business) will suffer some sort of impact during this time whether that be financial, social or structural.

And the coronavirus season – and yes, it is a season and will pass in time – is not expected to be a short-term issue. Recently Australian Prime Minister Scott Morrison suggested the government is looking at a plan that extends beyond 6 months, maybe 12 months or more.

Sure, at some point the pandemic will be under control. But until then, and probably even after then, you'll need to make decisions about your business and your employees that maybe you've never had to make before.

The following pointers will hopefully give you some options to evaluate during these difficult times.

In addition to some points from myself I have asked a number of trusted colleagues, experienced practitioners in their field whom I have personally known for some time, to provide the top three items they suggest could be considered by CEO's and business leaders to survive the coronavirus season and be positioned to recover as quickly as possible.

This guide isn't intended to be a complete action plan. And it certainly isn't an exhaustive list of things you could consider. Rather, use it to stimulate your thinking about the areas of your business where you may be able to take action, and then investigate your options to find clarity.

If you would like to speak to any of the contributors you are welcome to contact them directly (find their details on the last page) or feel free to call me personally on my mobile 0407 588 468. We're here to help and support the business community.

Wishing you well,

Stuart Ayling
Founder & Business Growth Advisor
Vectis Advisors

1.

Pay extra attention to employee engagement

Make sure your team feel safe in their work environment, whether that be office, production floor or home. Develop inhouse guidelines for staff working from home or considering it (this can be a difficult transition for many) and strive to keep people connected. Provide additional sanitising facilities throughout the business and be in alignment with recommendations from the [Australian government](#) and the [World Health Organisation](#). Also encourage regular breaks and some appropriate physical or outdoor activity to get your team up and active – as long as they are not self-isolating of course.

Increase your communication to help staff avoid feeling disconnected. Use phone or video calls to get a real personal connection beyond email or online chat. Replace the lunchroom conversation with a video call. Ensure managers take the lead with maintaining frequent communication. Hold short update meetings in the morning or afternoons, whatever suits your business. Call employees just to check in and see how you can help them in their new work environment. Support your team so they are equipped to provide an excellent customer experience, even in these difficult times.

2.

Manage your own mental health

Like they say during safety briefings on airplanes, always place your own oxygen mask on first. Especially in these tumultuous times, you need to schedule head space to look after yourself and your loved ones.

There are resources available that could be helpful for you as a great starting point. The [Heads Up](#) organisation is focused on mental health and they even have a dedicated set of resources for [business leaders](#) to help you manage through difficult times. And Beyond Blue has published information specifically about [looking after your mental health](#) during the coronavirus outbreak. Ask for assistance if you need it. There are people happy to support you.

3.

Manage supplier relationships and your supply chain

While there is a lot happening in your business, don't forget to contact suppliers to find out their situation. Will continuity of supplies be possible? Are lead times affected? While it's admirable to be loyal to your current suppliers, if needed, to protect your business and staff, maybe it's time to assess alternate supply options.

Check your options and maybe try out those suppliers you know of but have never used. Consider your cash flow situation and negotiate payment options if required. It's best to be proactive so you can make informed decisions.

It's easy to spot a mouse in an empty room but not in a cluttered one.
... David Lucas

Suellen Greaves... on commercial insurance

1.

Talk to your insurance broker

Seek their advice on appropriate risk reduction strategies for your business that may include measures outside insurance policies. We believe insurance is a great way to reduce your risk but at the end of the day it has to fit your attitude to risk as well as your budget.

2.

Resist the temptation to reduce sums insured and/or indemnity limits

Most property (building and contents) policies have penalties for under-insurance, i.e. nominating a lower sum insured than the actual replacement value. Instead, consider higher excesses to decrease the premium where economically viable.

3.

Protect your cash flow

Premium funding arrangements allow for the yearly premium to be spread over quarterly/monthly payments or other flexible intervals. This is an effective way to protect your cash flow and can easily be arranged by your insurance broker.

Connect with Suellen Greaves at CoverMax Insurance on 0433 070 533.

David Lucas... on digital advertising and web design

Promote your online convenience

With people practising 'social distancing', they still have needs. Tell current and prospective customers you provide online and phone orders with home-delivered or in-store pickup convenience. Offer free postage as a 'sales sweetener'. Video conferencing is perfect for face-to-face business and presentations.

Keep investing in advertising if you can

Your competitors will most likely be cutting back on their ad spend. It's easy to spot a mouse in an empty room but not in a cluttered one. Now is the perfect time to be seen and heard by your target market and drive new business leads when online advertising rates can be cheaper.

Prepare for the 'bounce-back'

If business is quiet, it's the perfect planning time. Review your digital campaign's results for their ROI and content's engagement rates. Whatever hasn't worked, ditch it to invest in what is working or test something new. The bounce-back will happen fast. Get a head start planning your digital campaigns now to be ahead of your competition.

Connect with David Lucas at Fred&Co Digital Advertising on 0431 140 844.

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Tony Evans... on financial planning

1.

Talk to your bank

Talk to your bank about funding options to get through this period – reducing loan payments, interest only, interest/payment freeze etc. If you need further funding you should enquire even if you don't think you are eligible as the RBA has created a special funding facility for commercial banks to help small business. Many banks, especially CBA seem really keen to help small business and restore their battered reputations. In some cases, if the bank lets a business go bust they might recover very little of the loan so it can be in the banks interest to keep businesses going. Don't just assume you can't borrow further if that is an answer to staying alive.

2.

Stay up-to-date on government assistance

Make sure you are aware of any government incentives, for example the cashflow assistance for small business. This is for businesses who turnover less than \$50m - they will get 50% of PAYG withheld - minimum \$2,000, maximum \$25,000.

3.

Think outside the box

Do your customers still require your services? And if so, what are the exact roadblocks to doing business? If its social distancing, consider how you can deliver online or provide services remotely? Is there a different market in this environment? Can you easily and quickly adapt your products and services to what the market requires right now?

Connect with Tony Evans at Cornerstone Advice on 0459 817 783.

Lisa Listama... on e-learning development

Educate your workers on 'work from home' practices

If staff have never worked from home before it would be wise to organise an educational package (can be 10mins or more) about the organisations work from home policy and protocols. Once the staff have completed the small course I suggest testing their knowledge so they can prove they have not only read the course but understand it and can put into place the requirements. The best and quickest solution for this scenario would be to use Teachable. This platform is cost effective, allows onboarding and full course development and reporting on performance.

Encourage professional or personal development

If your staff are at home on paid leave (not working) consider encouraging them to do some professional or personal development. Provide them with some useful links to podcasts, audiobooks, TedTalks and documentaries. Use this time wisely and productively.

Be smart about using video calls and meetings

Consider purchasing a Zoom monthly subscription and opening up a continuous web video meeting for all your staff if they are all working from home (not on leave). Get them to log in and have their webcams turned on throughout the day so you can all see each other working and you can interact like you would in a normal office setting. Also consider holding face to face training courses via Zoom. The share function is fantastic for sharing documents and the breakout rooms function is great for separating into teams for project and chats.

Connect with Lisa Listama at Sparkle E-Learning on 0439 710 944.

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David Bateson... on public relations

1.

Business as unusual so experiment a bit

There is simply not going to be anything approaching 'usual' over the next 3/6/12 months. People will have different priorities and will think differently about things. Join this club. One aspect of PR (Public Relations) that's different from other marketing is that you continually have to be looking for news – in its broadest sense – new stuff happening. People, in the media and outside it, are fascinated by new products, new approaches. Experiment with some of these (or, on reflection, a lot of these) until you find things that work. You might be surprised. You might even get some coverage.

2.

Stay in touch, perhaps more than feels comfortable

Maybe not unexpected for a PR guy, but you can't disappear down a hole. If you do, lots of people will draw their own conclusions, which may not be in your favour. Keep people up-to-date with what you are doing – don't avoid sharing bad news but look for a silver lining (however small) – there will be one somewhere.

3.

Get talent

Now is probably a good time to seek out great talent. There are great people out there who may have thrown out their old expectations and are now more flexible when it comes to their role and pay. So whether it is employees or contractors, people may be more open to arrangements that are outside the norm (within legal and ethical boundaries of course). Grab them, even if only on a short term or casual basis.

Connect with David Bateson at NewsBusiness on 0402 332 287.

Petrina Stamos... on accounting

Revisit your business model

Are there ways you can adapt to ensure that you still have a business? I have heard stories of catering companies selling lasagne to households stockpiling, beer manufacturers partnering with refrigerated trucks and starting a delivery service. Think early about what you can adapt in case your business no longer has demand.

Review your cash flow

Talk to the bank, the ATO, your suppliers to work out what you can do to conserve the cash flow that you do have. Those businesses that do have cash available will be the ones that can take advantage of new markets and customers when things recover.

Get professional advice

This can help you to access and maximise any stimulus packages you are entitled to, as well as work through what changes may mean for your business. For some this may mean closing your existing business, and your advisor can help you to do this potentially reducing any impact on your future.

Connect with Petrina Stamos at McConachie Stedman on 0429 493 903.

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**There is simply not going to be anything approaching 'usual' over the next 3/6/12 months.
... David Bateson**

Tracey Robinson... on commercial law

1.

Inform yourself of your obligations as an employer and person in charge of a workplace, so that you can appropriately manage your workplace

This includes knowing your legal obligations, particularly those that apply under the Fair Work Act 2009; the State and Territory Workplace Health and Safety legislation; the Workers Compensation legislation; and any enterprise agreements, awards, contracts and policies. You must be able to make decisions around employee attendance at the workplace, absences, shutdowns, redundancies, and similar issues in line with those obligations, whilst also maintaining a focus on employee wellbeing.

2.

Assess your business' exposure to financial, operational and strategic impacts, not only in the short term as a crisis response, but in the medium to longer term as part of your plans for minimising business disruption

Businesses need to consider their contractual obligations, liabilities and exposures, and possible interruptions to supply chains. You should pay particular attention to clauses such as force majeure or frustration clauses that could come into effect. These clauses may permit delays or failures resulting from events outside of the reasonable control of the affected party or an act of God and may leave your business with little or no recourse. By planning for any potential legal impacts and committing resources to mitigating adverse consequences, you may reduce the negative impacts. Now may well be the perfect time to review and strengthen your business contracts.

3.

Monitor your business' solvency position, and if applicable, plan for temporary liquidity challenges or endemic shortages of working capital

Being across the solvency position of your business is critically important for both short and long term success. If you operate as company, and you are on the brink of insolvency the directors need to take action immediately, not only to save your business, but to avoid the personal liability which will attach to you as a director of a company if it trades whilst insolvent. Communication with creditors, and other contractual partners may be the key to staving off legal action or putting in place an agreement to allow you trade through the difficult times ahead.

Connect with Tracey Robinson at Robinson Nielsen Legal on 0438 776 161.

Michael Coward... on managed IT services

1.

Enable a remote workforce whilst keeping cyber security at the forefront of all decisions

When enabling staff to work home this may be on personal computers. These devices are outside of your corporate network and are not secured against today's threats. We recommend that if staff are using a personal computer that this is first checked for any threats and a business-grade endpoint security product is installed. Preferably the staff member would use technology like VPN or Remote Desktop back to the corporate network with a Security Check enabled to ensure the PC is safe every time they access corporate resources.

2.

Set up remote communication, e.g. with teams

Keeping in contact when you are spread across multiple locations can be challenging. We have been implementing Microsoft Teams for our clients for over a year now and this allows you to create channels for current projects or departments. In this channel, you can talk via message, video call, audio call, store files, collaborate on documents, setup Planner for task management and much much more. If you are using Office 365 this is included in your subscription, it just needs to be setup.

3.

Ensure your staff have a suitable setup/workspace to work from home

Just sending staff to work from home without any planning could be a disaster. Think about the environment they will be working in. Are there pets or family members to distract or cause noise when working or talking to other staff and clients? Is there sufficient speed on their home internet connection? Is the Wi-Fi signal strong enough? Are there family members at home gaming or streaming video all day? Many of these issues will affect the productivity of a remote staff member and a minimum expectation should be set for a smooth transition.

Connect with Michael Coward at Essential Technologies Group on 0437 332 258.

Michael Mugaba... on cash flow financing

Understand and monitor liquidity impact

It's important to closely monitor the impact the virus may have on the liquidity of your business, therefore I recommend the following: Prepare 13-week cash flow forecast; Track and assess virus impact/s daily; Flag upcoming issues and develop mitigation plans.

Understand impact on working capital and profitability

You may experience working capital or profitability constraints and therefore you may wish to consider the following actions: Trading and cash flow forecast for the next 6 months (Be realistic: Best-case and downside scenarios inclusive); Focus on collecting trade debtors; Manage inventory and supplier payments; Minimise all discretionary opex and capex.

Seek additional funding early if required

You may need the support of different funding solutions during this time of uncertainty. Please contact your funding providers regarding help. Speaking to them early will optimise the support they can provide you. Discussion topics may include, but not limited to: If supplier terms change to COD, or you need to pay new suppliers; If customers require longer to pay; If you are experiencing difficulty in making payments.

Connect with Michael Mugaba at FIFO Capital on 0421 755 680.

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Find clarity by asking us



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