

# Planning for the Recovery and Preparing for Our Next Normal

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**T**he COVID-19 outbreak continues to impact the world in unprecedented ways and has resulted in one of the fastest decreases in economic activity and mobility in history.

At the same time the impact on individual companies has varied greatly depending on the industry and business models employed, which has ranged from sharp decreases in revenue, to spiking short term demand, to uncertain business outlooks. All of which have the potential to have a damaging effect on business continuity and customer experience and require thoughtful strategic planning to

navigate what's coming next. Even though much uncertainty remains, we at Jabian are working closely with our clients and leaders in our communities to plan for an effective recovery and to anticipate several scenarios that could be involved as we eventually return to the next normal. As is key in any crisis management, it is critical to stay ahead of the changing environment and to ensure your employees, customers, suppliers, and business health are protected. With that in mind, we have compiled a number of considerations to help you plan and prepare.

## CRISIS LEADERSHIP CHECKLIST

- ✓ Crisis Management
- ✓ Safety First
- ✓ Communications
- ✓ Revisit Products & Services
- ✓ Physical Security
- ✓ IT Capacity
- ✓ Cashflow & Liquidity
- ✓ IT Security
- ✓ Negotiating Improved Terms

### WHAT YOU NEED TO BE THINKING ABOUT TODAY

As you plan for a future with reduced social distancing, employees returning to work and consumers returning to their daily spending patterns, leaders should ensure that the current crisis is under control and being managed in a manner appropriate to your business. Below are some key areas to consider:

**Safety First:** Continue to complete assessments of how the current environment is impacting your employees, partners, customers, and community. Confirm that protective equipment will not run out. Assess risk levels frequently. Address any longer-term impacts to health and wellbeing beyond Covid-19. Ensure this topic is kept top of mind and align operations, communications, and investments against it. You may also need to innovate and apply new protocols to protect your workforce that is not able to work from home. For those that can work remotely, think through how to support employees, partners, and customers through new digital channels.

**Crisis Management:** Revisit your crisis team and ensure they have the right level of governance to allow for flexibility and effective communications and decision-making. Evaluate what's working and what's not. See [Preparing Your Business for the Coronavirus: How each Department is Impacted and How to Plan Ahead for more information](#).

**Revisit Products and Services:** Continue to assess how to align your go-to-market strategy with the needs of your customers and community. Industries facing reduced customer needs, and industries with products aligned to those in scarcity, are revisiting how they can help. For example, hotels are offering their empty buildings to support hospitals as expanded wings for patients, or a place for hospital staff to safely sleep without infecting their families. Local distilleries, typical producers of liquor, are shifting to produce sanitizer. These are extraordinary examples of crisis support. There is a spectrum of pivoting needed today that

begins with "how can I help?" Start with empathy and apply design thinking to meet your customers and communities where they are with what they need.

#### Customer and Employee

**Communications:** Everyone is receiving a flood of emails from CEOs, including from companies that customers haven't heard from in years. To ensure the message is internalized, consider what is truly important to communicate now, targeted to the right people, across harmonized channels of choice for your audience. Ground your communications in genuine intent. Crisis management should include necessary helpful information, new guidelines, and communications that are honest and uplifting. For customers, be mindful of perceptions to external marketing campaigns and requests that seem misaligned and opportunistic to the current environment. Focus communications on refunds, loyalty point extensions, safety policy changes, adjusted product/service offerings, or transparent status updates on limited supplies to ensure relevant information is provided to your customer base. For employees, ground any requests for help back to supporting the mission and vision of your company. Provide regular touchpoints with your employees that continue to show support and demonstrated actions providing assistance, remembering the importance of diversity and inclusion. Pass on helpful information by, for example, explaining how the CARES Act will impact your employee base. And finally, communication goes both ways. Listen to employees, customers, investors, partners, and suppliers. The feedback loop of experience management and how you respond is more important than ever.

**IT Capacity:** Check your remote tools such as VPN access and conferencing tools domestically and worldwide, where applicable. Ensure these services fit your needs in a remote environment and that they can scale as necessary. System availability is even more critical to the business at this time, so manage your IT priorities effectively for the new environment.

**Physical Security:** If your facilities are empty, ensure you have secured access: deactivate outstanding visitor passes in your system, monitor access daily in all your office locations, and secure your property.

**IT Security:** Cyber risks remain a threat to all businesses. Monitor your system and network risk proactively. This is a time when bad actors will take advantage online, and a time when many are vulnerable to attack, especially those not used to remote working. Assess potential new vulnerabilities if you are using new tools associated with remote working or the crisis. It is also important to make sure your employees have received training and understand how to minimize the risk of viruses, malware and other actions that can impact your business and customers.

**Cashflow and Immediate Liquidity:** Understand your cash flow. With so many unknowns, confirm you have a model for managing cashflow. Detail out your known constants, understand your variables. Build a model for predicting cash flow under a variety of scenarios.

**Negotiating Improved Terms:** An event such as this provides the right timing to revisit supplier contracts. Consider enacting new supplier terms, adjusting accounts payable terms and renegotiating pricing. It is also a good time to restructure debt obligations where possible.

### PLANNING FOR THE REBOUND

No one knows exactly when we'll be back to the next normal, but we do know the economy and the people behind it are adaptable and have been resilient throughout history. Plan for multiple scenarios – quick, moderate, and extended recovery periods – so you are ready for several possibilities. Think beyond today and consider these areas as you plan ahead:

**Product and Go to Market Strategy Review**

Review the hurdles your products and services faced during the initial crisis. Close gaps and reduce risk associated with a sudden rebound in demand. All organizations need several good plans.

**Market Share:** Are you in a position to pick up market share or are you fighting to protect what you have today? Each of these positions needs a strategic plan rather than a reactive response with the ability to adopt changes rapidly.

**Product Strategy:** Has the latest crisis highlighted any gaps in your services and product offerings, such as a strong online presence? Are you in a position to change this? If you lost customers to a competitor will they come back? How do you bring them back? If you picked up customers, how do you retain them? What can you do today to invest in your current customer base?

**Project Reactivation:** Many experts project a fast return to the next normal during the recovery phase. This makes intake and governance, project review, scoring, and planning essential. Unexpected cash and resource limitations may have affected your priorities since budgets were approved. Get ahead of your projects and institute an ad-hoc investment review across all current programs, projects, and initiatives.

**Go-to-Market Strategy:** Think beyond products and service. What about your channels? Did you have enough diversity in how your products and services were being sold or was your revenue going through a single channel? What needs to change in a future world? What channels were liabilities and why? What have you learned? Document your channel weaknesses and strengths. Build a plan to mitigate any risks or issues.

**Near-Term Risk Management:** Update all your near-term product/service risks related to the crisis and put in place a mitigation plan against the most critical concerns.

**Managing Sudden Business Acceleration or Deceleration**

We will rebound – are you ready? If you’ve had to furlough employees, stop supplier contracts, reduce inventory, what will a return to the next normal look like? Or have certain areas of your business accelerated as a result of the crisis such as a grocer or e-meeting provider? How will

your business units prepare to adjust to the next normal?

**Revenue Planning:** Map out a specific revenue return plan, including several scenarios that align with your operational requirements and inventory. Think about workforce alignment with your sales and business needs. Develop a staff forecasting plan to ensure demand can be met.

**Global Supply Chain:** Review your supply chain, what risks are there, what alternatives? How far down the supply chain will the impact be seen and note all countries will not bounce back at the same time. Protect your position with your suppliers as companies compete to rebound quickly.

**Managing your Workforce**

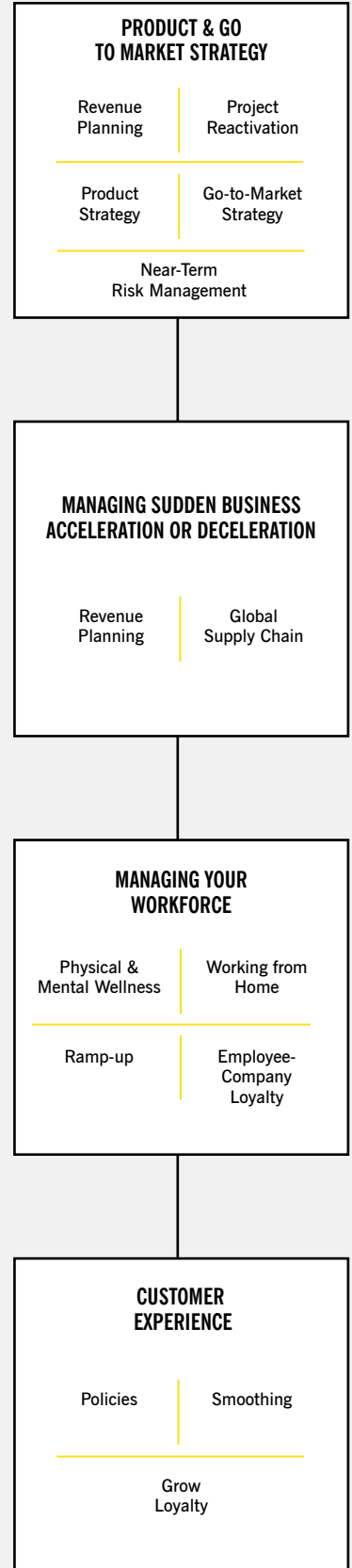
Across all stages of the crisis, you want your workforce consistently informed, aligned, engaged and valued.

**Physical and Mental Wellness:** It’s critical to ensure that you keep your workforce safe. From contractors to employees, your workforce should feel enabled, empowered, and supported to perform their jobs. What have you learned from the crisis experience regarding gaps in safety protocols that perhaps should remain standard to combat general illnesses and protect against future outbreaks?

Additionally, think about how resilient your workforce will be through varying stages of a rebound: What protocols need to be in place and how are you planning for possible changes in your workforce? How are you planning to retain your employees once your business, and other companies, rebound?

**Working from Home:** For some, this has been part of the work environment for years; for others, it’s brand new. Across the world, companies are in effect running pilots for work from home programs that would have taken months to manage through previously. Have you completed an assessment on productivity and savings? Should teleworking be part of your policy in the future? What has been successful? What hurdles have your teams faced? Don’t waste this opportunity to learn.

**Ramp-up:** If your business revenue decreased substantially, what expectations do you have for the rebound and how will you need to schedule employees to return to work? If you’re expecting a surge and peak before stabilization, what extra



workforce requirements will you have? If you're not able to hire for the surge, how will you incent your current employees to take on extra workloads? What's the right balance of demand and capacity versus cost? How will you phase your workforce back in from furlough or unpaid leave?

**Employee-Company Loyalty:** How you treat your employees during times of crisis will dictate how they treat the company during the rebound. Keep track of your A-players and make sure they remain engaged in helping the company through the crisis. Check in on your people and make them part of your recovery efforts. Use this as an opportunity to build brand loyalty with customers as well through your employees. The job market will pick up again in the future and you want to be in a good position to retain your top talent.

### **Customer Experience**

Focusing on customer experience is essential. How are you going to work to reconnect with your customers, before a competitor attracts their attention?

**Policies:** During the crisis, you may have adjusted credit and refund policies, made special programs for pickup and delivery or added special products and services, including digital offerings. How will those change again during and after the rebound? What policies will you keep? What should be adjusted for the long term.

**Smoothing:** Assess if you need to smooth out a sudden demand shift and if you will be able to capture revenue later. If you are out of stock, when business picks up, your customers may wait if your brand is strong, but many will look at a competitive alternative.

Increase your chances of getting your revenue predictions right by running scenario models that assess demand, supply and potential supply chain disruptions (that may take more time to normalize).

**Grow Loyalty:** Companies that are aligned to their mission and vision during the crisis, and supported their customers creatively, even with varied products, or simply transparent messaging, will retain a loyal customer following and gained market share. As the rebound hits, those same customers will grow wallet share as customers have increased ability to spend. During the rebound, consider what actions will continue to drive respect, appreciation, and loyalty. Are there customer bases that will be slow to recover that you will want to provide special support to through a donation or discount model? How do you continue to connect meaning with how you are doing business? How do you continue to show that you appreciated your employee base so they are also brand evangelists? Meaning and care, alongside operations that work, drives loyalty in these climates.

All organizations have been affected in material ways by COVID-19 and will continue to experience shocks and stressors as we return to the next normal over time. Acting now is critical to sustain operations and to optimize your position for a rebound. Once your business reaches the next normal, we also recommend holding an evaluation session to look at what went well and what could be improved. Those lessons learned are essential to prepare your team for the future and to increase your company's resilience. Here at Jabian, all of our consultants are focused on guiding our clients into positions of strength in the next normal. If we can be of assistance to your business, please know Jabian is here to help. ■

## **ABOUT JABIAN**

Jabian Consulting is a strategic management and technology consulting firm with an integrated approach to creating and implementing strategies, enhancing business processes, developing human capital, and better aligning technology — ultimately helping clients become more competitive and profitable. Jabian blends functional expertise, industry knowledge, and senior experience to think strategically and act practically. It's a Strategy That Works®.

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