

MANAGING THROUGH COVID-19

HIGH-LEVEL TIPS TO ASSIST SMALL BUSINESS MANAGE THROUGH THE IMPLICATIONS OF COVID-19

COVID-19 presents a significant threat not only to human health but also to business. For many businesses, steps by governments to contain the public health risks of the virus, such as restricting the movement of people and shutting non-essential businesses, will result in a sudden fall in demand for products or services, labour shortages and supply disruptions.

There are a range of actions you should consider implementing to manage your business through the COVID-19 pandemic. These actions should assist your business to survive and place it in the best possible position for recovery.

Below is a list of actions you can undertake to help your business manage through COVID-19. We encourage you to speak with your accountant or other professional advisers to help you manage through this crisis:

1. Update your financials and keep them up-to-date

To be able to make the best possible decisions in a difficult environment, you need access to the most up-to-date information on the financial position of your business.

2. Do a financial health check on your business and repeat regularly

Knowing the financial health of your business is fundamental to assisting you in deciding what you can and should do to manage through the crisis.

3. Act now to improve your cash flow

Improving cash flow, whether it be by getting more cash into the business or reducing cash leaving the business, or both, is fundamental to business survival. It should also put your business in a good position to take advantage of the recovery.

4. Develop a contingency plan setting out how you will operate your business should the government impose tighter restrictions

If possible, put in place actions to help your business continue operations if the government imposes tighter restrictions, such as staff working from home.

5. Keep in regular contact with staff

Remain positive but also be upfront with staff on the state of your business.

6. Increase online sales and keep in contact with your key customers

With customers staying at home, look to reach them through online sales platforms.

7. Keep in contact with your key suppliers

Talk to your key suppliers about their ability to deliver reliably to you during the crisis. Consider alternative suppliers.

8. Take time to do a reality check

Ask yourself some questions about the performance of your business before the crisis to help you determine what you want your business to look like post-crisis.

9. If you are in financial difficulty, seek professional advice early.

View the detailed summary of these tips (PDF).