

# COVID-19

*Developing your plan to survive,  
and then prosper...*

*Click to hear how to undertake this planning process*

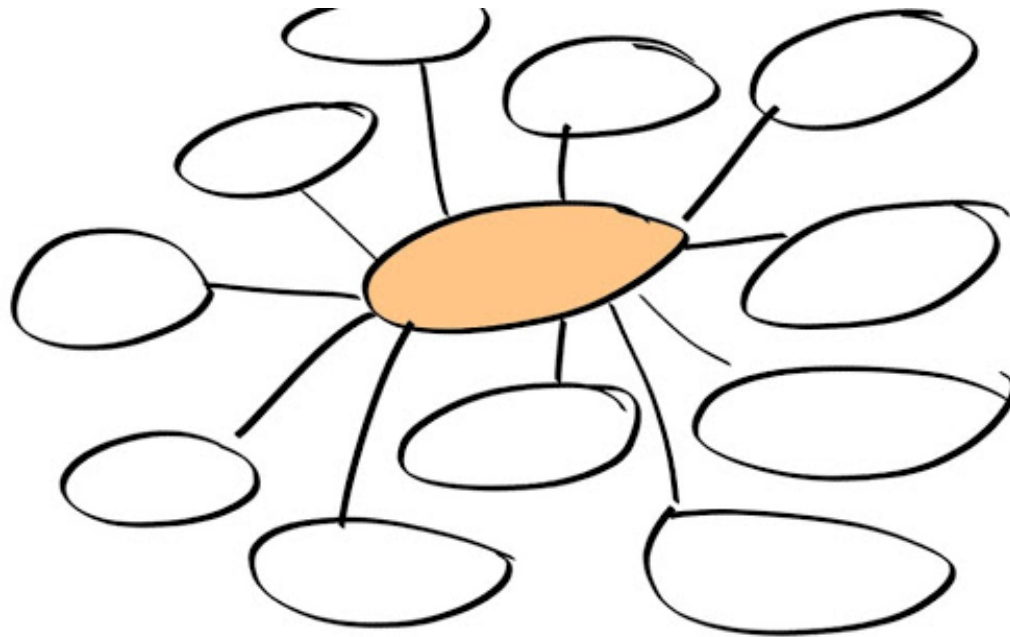
<https://youtu.be/ovmk7YrALrw>

## Key Steps to develop or stress test your plan

- 1. Capture the key issues you are facing today***
- 2. Identify how this may impact your business model***
- 3. Map out three high level scenarios – Low, Medium and High Severity.***

# 1. *Capture the key issues you are facing today*

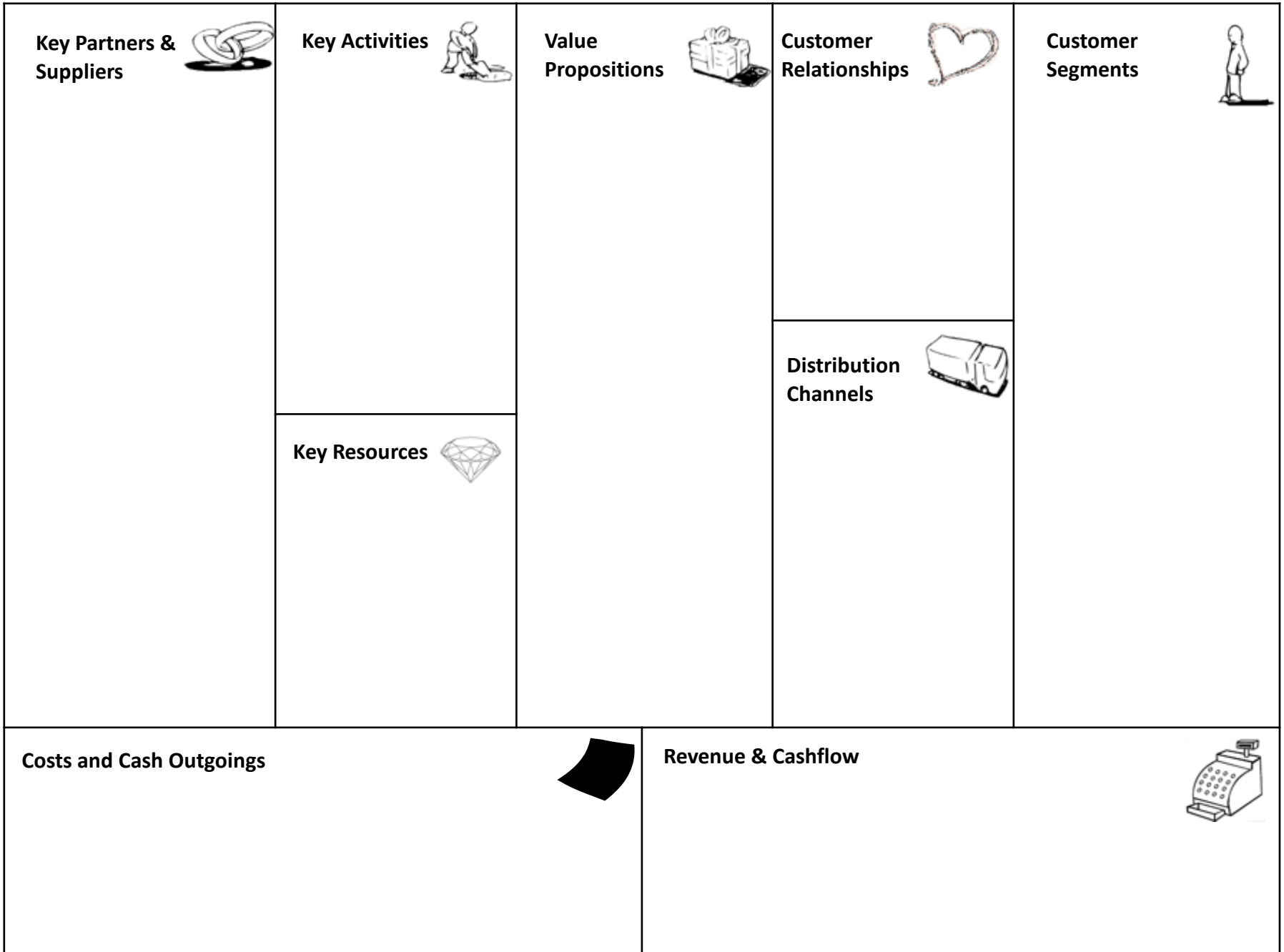
- Capture the key issues you are facing, and likely to face, over the next 90 days
- Use PESTEL as a prompt - Political, Economical, Social, Technological, Environment, Legal.
- Capture opportunities as well.
- Do this quickly – don't spend too much time on this step
- Capture as as a mindmap.









## *2. Identify how this may impact your business model.*

- Utilise the Business Model Canvas
- Each of the business model canvas elements enables you to consider where you will be most affected.
- It could be customer revenue, supply chain, cash or staffing...or more likely a combination of each.
- Remember to capture any opportunities – whether customer demand, ability to utilise spare capacity to work on strategic projects or stripping waste from your business

# Business Model Canvas



# Business Model Canvas

<p><b>Key Partners &amp; Suppliers</b> </p> <ul style="list-style-type: none"> <li>• How could (or is) COVID-19 impacting your key suppliers and partners?</li> <li>• What flow on impact would this have for your business?</li> <li>• What are the alternatives – e.g. new suppliers or partners, changing mix etc?</li> <li>• What are their communication needs?</li> </ul>	<p><b>Key Activities</b> </p> <ul style="list-style-type: none"> <li>• Which activities that you undertake to run your business will be most impacted by changes such as staff illness, lockdown etc.?</li> <li>• What should you stop/start/ramp up?</li> <li>• How else could you deliver ?</li> </ul>	<p><b>Value Propositions</b> </p> <ul style="list-style-type: none"> <li>• What is the most valuable benefit you provide to your key customer segments?</li> <li>• How can you protect those benefits to ensure they continue to be delivered - if not now, but in the future?</li> <li>• Or could you even improve or change your value proposition in the short term to attract sales?</li> </ul>	<p><b>Customer Relationships</b> </p> <ul style="list-style-type: none"> <li>• If you are mainly face to face how can you change that to be digital?</li> <li>• How can you build trust with your key stakeholders?</li> </ul>	<p><b>Customer Segments</b> </p> <ul style="list-style-type: none"> <li>• How do your customer segments look in a COVID-19 environment?</li> <li>• Which ones will be impacted - light, medium or heavy?</li> <li>• What % of sales could be affected?</li> <li>• How does this flow through to sales – attempt to model</li> <li>• What are customers communication needs?</li> </ul>
<p><b>Costs and Cash Outgoings</b></p> <ul style="list-style-type: none"> <li>• What costs should you stop or defer?</li> <li>• Can you liquidate any assets to free up cash?</li> <li>• How can the bank help you in terms of debt?</li> </ul>		<p><b>Revenue &amp; Cashflow</b> </p> <ul style="list-style-type: none"> <li>• Priority 1 – map out your cashflow – where are the key challenges?</li> <li>• Identify impact to revenue and cash from the business model elements (above)</li> <li>• Identify debtors that are at risk</li> </ul>		



**Distribution Channels**

- Do you go direct to customer or via a channel – e.g. retail, partners etc?
- How will they be impacted and what is the flow on impact for you?
- Are there alternative routes to market?

### *3. Map out three high level scenarios*

- Map out three high level scenarios – Low, Medium and High Severity.
- **Low** severity scenario – low impact on the business - business essentially as usual OR rapid growth in business due to opportunities
- **Medium** severity scenario – moderate impact on the business - impact 10-20% revenue, cash, capacity, lots of risks
- **High** severity scenario – high impact on the business - a disaster with over 50%+ loss of revenue
- This will be different for each business and will depend on the business model elements most affected that were identified in step 2

# Scenarios

Severity	Impact	Actions
<p><i>Light</i></p> <ul style="list-style-type: none"> <li>•</li> <li>•</li> <li>•</li> <li>•</li> <li>•</li> <li>•</li> </ul>	<ul style="list-style-type: none"> <li>•</li> <li>•</li> <li>•</li> <li>•</li> </ul>	<ol style="list-style-type: none"> <li>1.</li> <li>2.</li> <li>3.</li> <li>4.</li> </ol>
<p><i>Medium</i></p> <ul style="list-style-type: none"> <li>•</li> <li>•</li> <li>•</li> <li>•</li> <li>•</li> </ul>	<p>What would you classify as Light, Medium or Heavy? May be in terms of revenue change, cost imposts, cashflow, staff impact, supply chain challenges. Document at a summary level so you can then outline the impact on your business model and operations</p>	<p>How will this scenario impact your business model and operation in the short and medium term? This helps you determine which actions you need to take, and by when</p>
<p><i>Heavy</i></p> <ul style="list-style-type: none"> <li>•</li> <li>•</li> <li>•</li> <li>•</li> <li>•</li> </ul>	<ul style="list-style-type: none"> <li>•</li> </ul>	<ol style="list-style-type: none"> <li>4.</li> <li>5.</li> </ol>

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How will this scenario impact your business model and operation in the short and medium term? This helps you determine which actions you need to take, and by when

Determine which steps you need to take to mitigate as best you can the impact of the scenario. Ensure you cover at a minimum staffing, cashflow management, customer, staff and partner communications. Get input from your team where possible. Stress test these actions with close advisors such as your accountant or business coach



# Need Help?

*Please send me an email or give me a call*

Happy to jump on a Zoom meeting to either step you through the process or to challenge and stress test your current plans and actions...this is a fast moving situation so let's stay in touch

Am here to help!

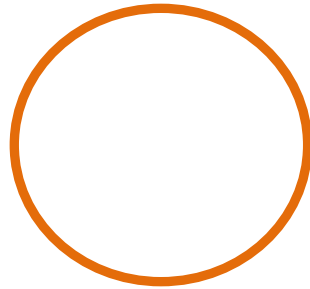
*Contact – 0419 516 655 [jatkins@vantagestrategy.com.au](mailto:jatkins@vantagestrategy.com.au)*

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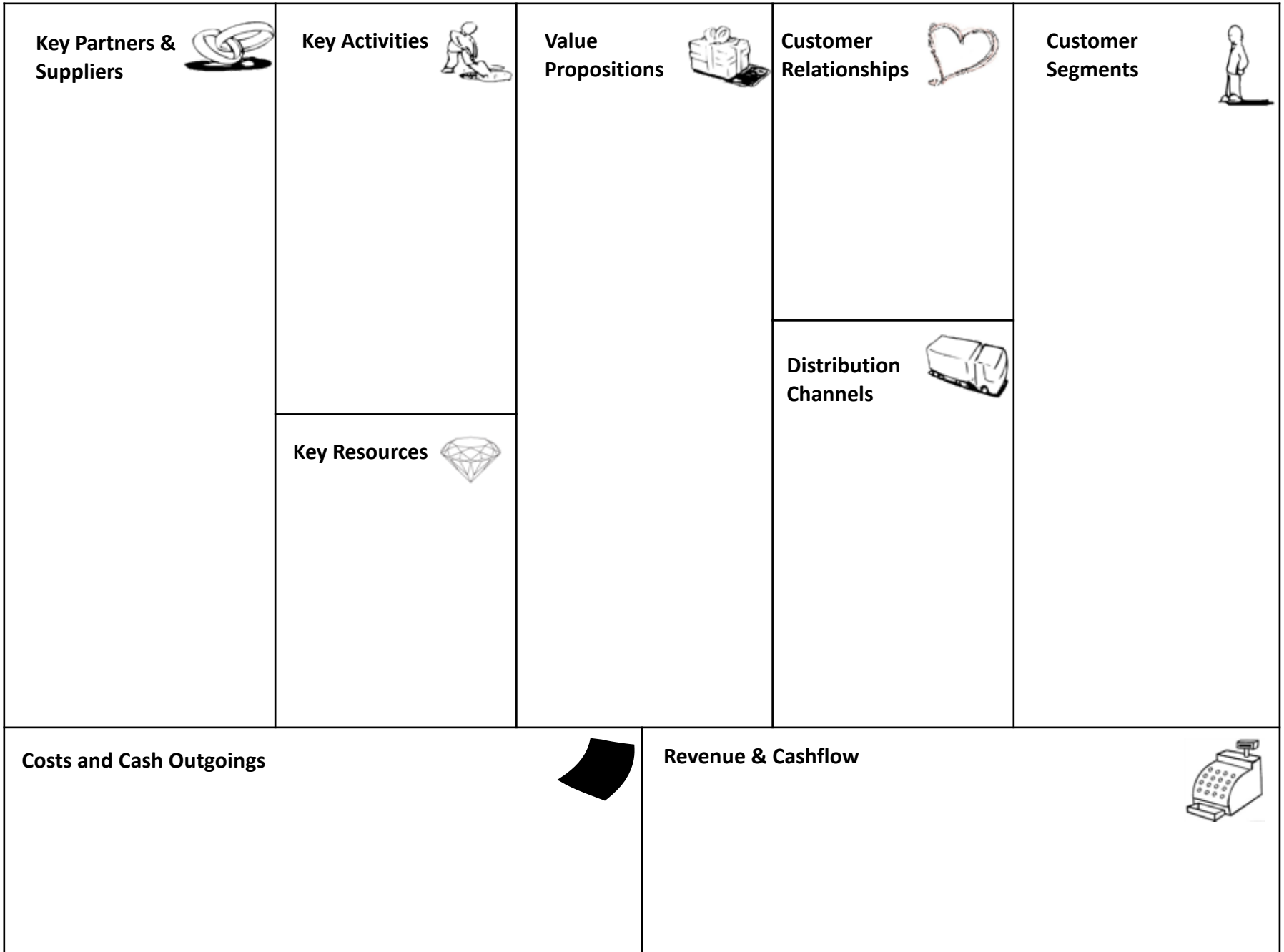
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# Templates

# Mindmap



# Business Model Canvas



# Scenarios

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