

**COVID-19**

# **BUSINESS RECOVERY AND RESILIENCE GUIDE**

By EXPORT HELP

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# INTRODUCTION

## PLANNING FOR BUSINESS RESILIENCE

COVID-19 has changed the game for businesses in every industry. Most are likely to experience significant ongoing disruption to their business-as-usual operations and will face uncertainty for quite some time during the crisis and beyond. Returning to work and thriving will require new thinking and refined business strategies. Below, we have highlighted some of the latest and leading thinking on business resiliency during what is sure to be a continued period of uncertainty.

In their article, [COVID-19: Which critical choices should businesses make next?](#), the accounting firm EY puts forward two business imperatives for the private sector, i.e. the need to adapt operations and increase resilience, which they argue can be achieved by creating a flexible workforce, an agile supply chain, adapting to a new kind of customer, and sustainable finance, which also constitute lessons learned [from China's post-COVID-19 reopening](#). These requirements, which are illustrated in the article [COVID-19: Integrating workplace re-entry, reimagination and resiliency](#), are further spelt out in the guides [From surviving to thriving: Reimagining the post-COVID-19 return](#) and [COVID-19: Leading successfully in turbulent times](#); and are elaborated below.

## BUSINESS REOPENING PLANNING

As businesses across most industries are planning on resuming their operations, it is a known fact that the impact of the COVID-19 pandemic will linger, forcing businesses to put in place mitigation strategies to ensure the safety of their workforce and operations. Organisations from both the public and private sectors have developed practical guidelines, which can help companies design and maintain COVID-19 recovery plans.

In [COVID-19: How firms can protect their workforce, operations and values](#), EY presents five people themes that cover the range of topics, challenges and risks all organizations must manage. These themes include Understanding the impact on people and priorities, assessing risk for local and globally mobile employees, protecting your workforce, enabling your people and Maintaining capability and capacity.

The firm KMPG also publishes [COVID-19: Return to the workplace - A guide for employers](#) which identifies the following four key mitigation measures: Access Controls, Physical distancing, Personal protective equipment and Office Cleaning and Hygiene, to safeguard the health and safety of all those involved and avoid any risk of potential infection.

In Canada, Industry Associations such as the [Canadian Manufacturers and Exporters Association](#) and [Food & Consumer Products of Canada \(FCPC\)](#) also offer practical guidelines to serve as a resource for businesses to uphold the most rigorous hygiene and sanitation standards and implement new protocols for preventing the spread of COVID-19. For step-by step guidelines, you can also check the [COVID-19: Top 10 focus areas for workplace re-entry checklist](#) and the [COVID-19 Quick-Reference Considerations for Employers](#).

As part of their COVID-19 response strategies, governments at all levels have also issued guidance on reopening of businesses, such as [How to Create a COVID-19 Safety Plan for Reopening](#) and [WorkSafeBC – Best Practices for Re-opening your business](#) in British Columbia or the [Business Reopening Toolkit](#) in Ottawa.

# BUSINESS RECOVERY AND RESILIENCE PLANNING

As companies navigate the ongoing COVID-19 crisis, two key issues have emerged as major hindrance that corporate leaders should be thinking about and designing mitigation strategies to ensure their business recovery and resilience.



## MANAGING CASH FLOWS RISK

Businesses across the board have been hard-hit by the COVID-19 pandemic and are, to varying degrees, vulnerable to financial and cash flow risks. The Bank of Montreal's Crisis Planning Guide on [How to manage your small business through COVID-19](#) offers an overview of measures that businesses can take in order to solve a cash flow crisis and maintain their operations.

Recognizing the negative impact of the COVID-19 pandemic on Exporters (and non-exporters alike) on revenue and growth, EDC publishes the article [Managing your cash flow during COVID-19—and beyond](#), which presents an overview of major cash flow challenges and identifies potential strategies for sustaining cash flow.

Based on lessons learned amidst previous global crisis, such as the SARS outbreak in 2003, the 2008 recession and credit crunch and the Japanese earthquake of 2011, Deloitte also publishes the guide [COVID-19: Managing cash flow during a period of crisis](#) with insight on how to navigate the crisis and maintain operations with low cash reserves or unstable cash flows.

For a quick overview, these strategies are further summarised in the RCGT's article [Three tips for effective cash management in a crisis](#).



## MANAGING THE SUPPLY CHAIN RISK

The COVID-19 pandemic has not only ravaged the lives and well being of thousands across the globe, it is also causing significant economic damages including through the disruption of the well-oiled global value chains. As having a steady flow of inventory, supplies and service providers is crucial to business survival for a large portion of companies, they have to put in place strategies to mitigate the impact of interrupted supply chains.

In the guide [COVID-19 Orchestrating the recovery of organizations and supply chains](#), Deloitte put forwards a few actions companies should take to ensure business recovery and resilience, including a restructuring of the sales and operations planning (S&OP) processes to enable quick responses to continuously changing business conditions.

EY goes a step further in their article [COVID-19: how to build supply chains resilient to disruption](#) by identifying key pillars to help companies build a resilient supply chain, building on practical illustrations from several industries. See also the article [How can your industry respond at the speed of COVID-19's impact?](#) for an overview of the impact on nine key industries and their proposed strategies.

In the face of global events such as COVID-19, McKinsey also provides guidance for the creation of sustainable and resilient supply chains in six practical steps in their guide [Supply-chain recovery in coronavirus times—plan for now and the future](#).

## ADDITIONAL RESOURCES

The following organisations have designed and offer self assessment tools that can help companies in planning for their businesses' recovery and resilience:

- EY's [Enterprise Resilience Tool](#), an easy-to-use diagnostic tool, provides a methodical approach to crisis management, recovery and reinvention.
- PWC offers the digital tool [COVID-19 Navigator](#), with 3 sections of questions to help companies understand where they stands in the areas of: crisis management and response; workforce; operations and supply chain; finance and liquidity; tax and trade; and strategy and brand.

**Questions about exporting?** EDC's [Export Help Hub](#) can support your business in navigating through a wide range of topics. If you don't find the answers you are looking for on-demand, you can submit a request to our expert advisors through the hub and receive a personalized information package.

**Questions on additional EDC resources for COVID-19?** Check out [EDC's COVID Resource Page](#) for further information on how EDC can support you during this challenging time.