



THE MARTLET
Partnership LIMITED
CHARTERED ACCOUNTANTS

Planning for the Future: A practical checklist to help SMEs prepare for returning to work post lockdown

As we enter into a new 'stage' of the coronavirus world, we have produced a helpful checklist to help you prepare your business for the 'post lockdown' era.

This checklist is a useful reminder of the key things that need to be in place if you are going to get your business functioning efficiently and effectively; look after your people and your customers; and move your business forward.

Our checklist has been structured around the four pillars of business organisation:

- Operations & technology
- Finance & resourcing
- People
- Marketing & communications

We have also included a section on insurance.



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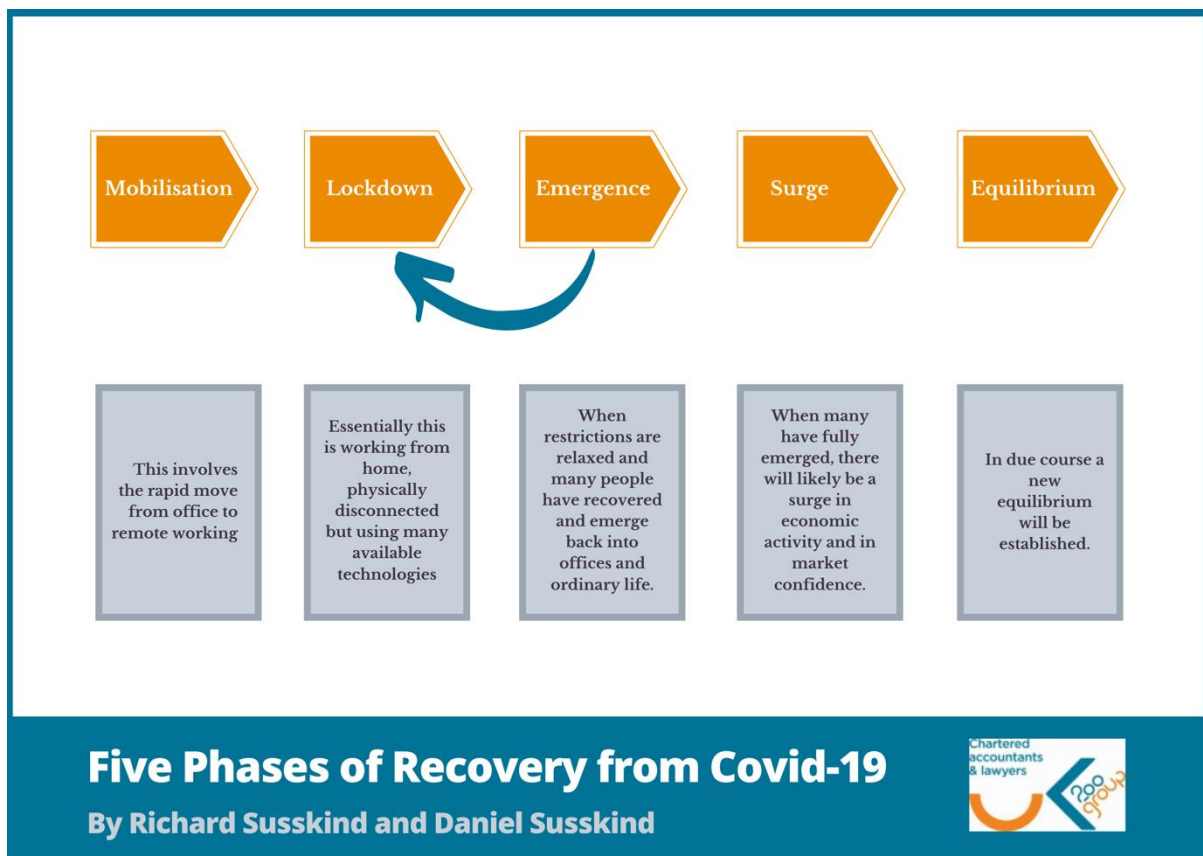


INTRODUCTION

Welcome to our practical checklist to help you prepare your business for what is coming next as we adapt to the implications on our lives, both professionally and personally, due to the coronavirus pandemic and resulting crisis.

The father and son combination of Richard and Daniel Susskind – both renown authors, speakers and independent advisers to professional firms and governments - have outlined a 5-stage model for the progression of the impact of the crisis on firms. It has been reproduced in full at the end of this document.

To summarise, the 5 stages are:



We are still in lockdown but are about to move to the emergence stage, when lockdown restrictions are relaxed, and we emerge back into offices and ordinary lives.

This document contains a checklist that you can use to ensure that you are ready for the lifting of the lockdown and beyond.

The checklist has been structured around the four pillars of business organisation.



OPERATIONS & TECHNOLOGY

As we move towards the “new normal”, it is likely that the way your business has operated in the past will need to be adjusted, if only for the next few months. This will impact on your business model and will require you to think ahead, in order to hit the ground running when the lockdown ends.

The areas to focus on fall into three different areas:

1. Technology;
2. Staff & customer-facing spaces; and
3. Operations, including processes and logistics.

10-point checklist

1. **What does your technology capability look like?**

Will people still be able to utilise remote working? For employees in the office consider how they will be able to interact with those based at home. Will video conferencing still be applicable once the office is up and running again? Do you need to reconsider the positioning of telephones and multi-user equipment (such as photocopiers)? Consider a phased switch on to avoid overloading the system.

2. **Social distancing will be important.**

What measures can you realistically implement to ensure that your business can comply with the social distancing rules? Do you need to review your staffing requirements to be able to meet them? Are shift patterns or working patterns going to need to be adapted to reflect social distancing?

3. **How will your customer experience be affected?**

Will you need to adjust how appointments are made to ensure that the relevant measures to reduce contact points can be implemented? Do you need to have hand sanitiser in place for customers who visit? Have you increased signage to provide guidance around what visitors should be doing?

4. **What does the return to work look like for furloughed employees?**

Will you be looking at a phased return to work for those employees who have been furloughed? Do you need to consider shift patterns and whether they should be adjusted? Will the working day be different? If so, consider communications to inform staff what new procedures and protocols may be required, for example use of hot desking and cleaning. Consider who is returning and when, as thought will need to be given to those who are in the shielding group, any public transport constraints and childcare.



5. Will your operations resume at the previous rate?

Do your processes need to be adjusted to reflect a reduced turnover? Do you need to make changes to ensure that social distancing can be enforced on the shop floor?

6. Are your Health & Safety procedures up to date?

An event such as this pandemic triggers a need to review your risk assessments and record the significant findings of the review. Follow all your normal safety practices, incorporating existing and any new regulatory policies, procedures and control measures, for example using guidance published by the HSE.

Consider whether and how social distancing can be maintained in the workplace. Determine whether you have sufficient appropriate collective and personal protective equipment, if required.

Consider hygiene issues, such as a deep clean of premises, how shared equipment will be sanitised and facilities for washing of hands, as well as stocks of cleaning agents. Train staff, including cleaners, on new or revised safe systems of work.

Consider the use of PPE outside the workplace e.g. on public transport.

7. Can work in progress be completed?

Do you have the necessary stock in hand to complete outstanding work in progress? Have you communicated with your customers with outstanding orders to determine when/if they need the orders completing? Are your suppliers able to provide you with the goods you need to complete your orders? Identify any potential issues with throughput to ensure that you can complete in good time.

8. Review your supply chain

Speak with your suppliers to understand what challenges they are facing. Identify any weaknesses in the ability to supply and research alternatives, especially if there is a heavy reliance on imported goods. Do you need to source certain products from elsewhere?

9. Book your haulage in advance

Many businesses will be opening up at similar times. Make sure that you confirm your haulage and other logistics requirements in advance so that you can minimise any delays to customers. Consider whether you need to adjust how deliveries are made to maintain social distancing and whether drivers need to be provided with PPE.



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10. Consider what your customer service offering looks like

Do you need to use technology in a different way to meet the needs of the remote end user? Can you fulfil any requirements for repairs or returns safely? Think about whether you can make any changes that may enhance your offering to customers/clients.

With thanks: This section was developed in collaboration with Heather Bamforth and Stuart Davison of Armstrong Watson and Michael Veal of Lester Aldridge.



FINANCE & RESOURCING

Managing your cashflow will be vital if you are to exit the lockdown successfully. This means that you will need to understand your cash position both prior to exit and for the immediate future.

Cash will be important as we exit lockdown, so the focus from a finance perspective rightly centres on the cashflow of the business.

10-point checklist

1. **Update your short-term cashflow forecast**

Monitoring cash receipts with a short-term cashflow forecast will help you to establish the cash requirements over the next few weeks. If you have spoken to customers to ask them about paying existing invoices and placing new orders, updating the forecast will ensure that you have a more accurate picture of the cash position.

2. **Use forecasts as a decision-making tool**

Understanding your cash position in the short- and medium-term will help you to assess what steps you will need to take in order to keep your business moving. Devising forecasts with different scenarios will help you understand what your options might be.

3. **Start to look at the longer-term position**

Starting to prepare a longer-term cashflow forecast will help you to understand what additional funding requirements you may need, and in what form. Consider the impact of any deferred payments that you have, including VAT and tax liabilities and make sure any payment holidays and their subsequent repayments are included in the projections.

4. **Determine whether any additional cash is required**

Many businesses are likely to need some additional help as they start back up again. Even businesses which have been going for many years will likely need to treat their business as a start-up for the next few months. Cash will be tight whilst the working capital cycle builds up again and there is likely to be some flex needed with payment terms.

5. **Look at your options carefully if you need to access cash**

Your existing bank or provider of finance should be the first point of contact if you need additional support. If they are unable to help then there are other sources of finance, both through CBILS accredited lenders and alternative providers in the 'normal' lending market.

Seek advice if you are unsure – there are many lenders requesting personal guarantees so the concept of “buyer beware” is important here.



6. Consider the impact of any additional borrowing

Whilst additional funding may be required, caution should be exercised when opting to increase your debt obligations. When looking at borrowing money, like with the deferral position mentioned above, you also need to understand how you will repay the loan. In the event of any reduction in turnover or cash collection, will your business be able to maintain the loan repayments without needing to refinance?

7. Cash collection will be key

Speaking with customers to obtain promised payment dates will help you to keep on top of cash collection. Having an effective credit control process in place will be key to making sure that debtors remain at a reasonable level. Being reasonable and showing empathy towards your customers who cannot pay the full amount is important, but your business also needs to be able to survive.

8. Remember that deferral is not debt forgiveness

Whilst there has been a lot of leeway with regards to payment obligations during the lockdown, any deferred payments will need to be repaid at some point. Keeping to agreed terms will be vital to maintaining creditor loyalty in case you need more flexibility later on, especially with existing supplier agreements.

9. Be prepared to make a loss

With the lockdown resulting in reduced turnover, this will undoubtedly have an impact on the profit margins. Many businesses will be looking at making a loss for a period. Use this period to review your fixed costs and identify any areas of the business which might have been historically underperforming and seek advice if necessary. Remember that you can only draw dividends if you have sufficient equitable reserves to do so.

10. Make sure that you utilise the tax reliefs available

There are various reliefs available for business owners which can assist in tax planning. Seeking advice to ensure that your business is benefiting from the appropriate reliefs will be time well spent.

With thanks: This section was developed in collaboration with Mike Kienlen, Armstrong Watson.



PEOPLE

Your people are crucial to the success of your business. Your staff have become used to having more autonomy during the lockdown. They have experienced more practical and flexible work routines, hours and expectations.

Businesses need to think about how they can adapt their 'old ways' and blend them with the best of the 'lockdown ways' to create 'new ways'. It is an opportunity for businesses to re-imagine how they operate and also to look at different ways to utilise their people and their skills for the benefit of their business and their customers.

10-point checklist

1. How will you re-shape your employees' appraisals and technical work reviews?

In lockdown, we focussed our effort – rightly so – on protecting our mental health. We need to now assess technical aptitude.

2. Have you considered the practicality of getting back to work?

Will your teams want to return to work? How will you manage this process? Consider childcare arrangements – your office may reopen before e.g. schools and nurseries.

3. Re-socialising back to the workplace: furloughed and non-furloughed staff

Plan to manage any friction that may arise between those staff that have been furloughed, and those who have not. Consider the social implications of COVID-19 – and manage expectations e.g. seating arrangements, lunch, breaks, and the need for shift cycles. Recognise the contributions that have been made by both groups. How will you re-establish a structure and routine for both groups? E.g. meetings, dial-ins, Town Halls.

4. Motivation & employee engagement – how will you keep your teams engaged and motivated?

Have you managed to capture quantitative data on employee engagement during the lockdown? What are your plans to ramp up communication and engagement, and make people feel more involved?

5. Will you provide welcome packages and corporate gifts?

How will you ensure that your staff feel valued, and welcome in the office? Can you draw on your experiences of managing the return to work experience for other life events (e.g. maternity)? Will you supply gifts on desks (e.g. wine/chocolate/post cards/coasters)?



6. What ongoing support will you have in place for wellbeing?

(Bereavements, Divorces, Trauma) – Are your managers equipped to help support their teams? Are your managers living your values? How will you re-socialise your values and, do you need to reassess your culture?

7. Will we all return to the previous work environment?

Have you considered the possibility that not everybody will return to the office? What arrangements are you considering?

8. Management and leadership – communication and expectation?

Are your managers and supervisors equipped and empowered to positively lead your teams? What training have you considered to equip them with soft skills?

9. Health & Safety – COVID-19 infection control

Have you complied with the legal duty to review your risk assessments and record the significant findings in light of the pandemic? Can people continue to work at home? If not, can you arrange the workplace to achieve social distancing? Have you considered collective and personal protective equipment, and hygiene policies and procedures? Have you trained your staff on your health and safety processes? What are your policies on response to and reporting of an infection affecting the workplace?

Consider the usage of PPE outside the workplace e.g. on public transport – will you supply PPE to your employees for this purpose?

With thanks: This section was developed in collaboration with Michael Veal of Lester Aldridge, Helen Spencer of Whittingham Riddell, and the UK200Group HR Forum.



MARKETING & COMMUNICATIONS

Marketing 'as usual' needs to be parked in the short term. This means the activities, sponsorships and advertising you had previously planned may not be appropriate. You need to get back to basics as far as your marketing is concerned and focus on three key areas:

1. Your existing customers and staff;
2. Your brand and profile – be visible; and
3. Focused, measured activities.

10-point checklist

1. **Talk to your staff**

Your staff are crucial to your success. Get them on board from the outset. Ask them to help you prioritise your marketing. Ask them what they think you should do and how you should do it.

2. **What do your customers need and want?**

Identify the key things that your customers need from you right now (remember, this may have changed from 'normal' times). Create a list.

3. **Review and refine your products and services**

We are in a new world. What worked before may not work now. Be helpful to your customers by thinking about the alternative ways you can make life easier for them. Review packages, delivery options, promotion. Be creative and find ways to make your products and services accessible and attractive in a socially distant environment.

4. **Review and refine your pricing and payment terms**

How your customers pay you may need to change to help them and/or to help you. Make sure you think about the best way you can ensure you are paid but that is fair and appropriate to your customers.

5. **Get in touch with your existing customers**

Call them, write to them, post messages for them on social channels, invite them to webinars. Make sure you are highly visible with relevant and helpful information and content. Your existing customers already know, like and trust you. Look after them as a priority.

6. **Communicate with helpful content**

Create content about the things that you can help your customers with e.g. explain how you can help; provide examples of how you have helped (case studies & testimonials). Make it clear how customers can contact you and when you are available.



7. Create a strong and consistent tone and look to your communications

Make sure your brand is used consistently – this is not just your logo but also your tone of voice, how and what you communicate and your calls to action. Be true to your values.

8. Post your content on your website and on social channels; run webinars

Use your digital, and other, communication channels to reach your customers. People are used to finding information online, make it easy to find out how you can help them.

9. Review your 'old' marketing plan and activities

Postpone or cancel things that no longer meet the 'is this crucial or important in the next 6 months' test. You can always return to these activities in the future if appropriate but right now, you need to strip things back to the basics. This will also help you preserve budgets and focus resources on the things you need to be doing.

10. Report and measure your activities

Measure your social media engagement. Track and report on web and other leads. Measure every £ of your expenditure to make sure it is delivering value.

With thanks: This section was developed by Clare Fanner of Find Get Grow.



INSURANCE

Insurance is a vital part of your business continuity planning, risk management and protection. There are three key insurance areas that you need to consider:

1. Review lockdown;
2. Prepare for renewals early; and
3. Review your business risk assessment.

10-point checklist

Review lockdown

1. In the rapid move to lockdown was any insurance renewal overlooked leaving you unprotected?
2. Did you keep your insurers advised of changes you made to your business activities, workforce, remote working, premises security etc?
3. Review work undertaken at crisis speed for any remedial action necessary. This might protect you from future claims. Has reduced oversight and supervision caused any issues?
4. On return, create and keep a record of process changes implemented in the run-up to lockdown, during remote working and the transition returning to normal working. This information will assist your insurers understanding of how you managed in future renewal discussions.
5. Consider policies where your risk may have reduced or disappeared completely. Are all of these policies necessary for your ongoing business in the short and longer term? Insurers may be willing to consider premium refunds where it can be demonstrated that risk has reduced materially.

Prepare for renewals early

6. Insurance renewals are likely to take longer to finalise. Begin policy renewal discussions with your broker earlier than normal.

Agreeing your insurance needs early with your broker will help them explore more options for you to secure optimal protection for your budget.

7. Review the levels of cover you arrange and ask your broker for a range of options. While you'll need to keep your legal, regulatory, contractual and other needs for specific levels of cover in mind, can this approach be relaxed to save premiums safely?



8. Ask your broker to advise you on payment options that they and insurers can offer to help your cashflow.
9. If you cannot divert from the day job and are unable to supply the renewal information your broker needs in time, can they negotiate an extension period to take the pressure off?

Review your business risk assessment

10. Consider whether your current insurance protection is adequate:

Cyber – with the increase in online crime, have you arranged cyber insurance?

Management liability protection – this may be worth considering if not already arranged due to an increased risk of employment and other legal disputes.

Professional indemnity – with PII cover typically arranged for 'any one claim', multiple claims or claimants from the same original cause risk being treated as one claim i.e. only one policy limit will apply to all – should you be looking to increase cover at a time of increased risk?

With thanks: This section was developed by Gary Horswell of Ntegrity.



FIVE STAGES OF RECOVERY FROM COVID-19

by Richard Susskind and Daniel Susskind

The following was written by and published by Richard Susskind and Daniel Susskind on LinkedIn on 14 April 2020. [You can see the original post here.](#)

Most professional firms are likely to progress through five stages in recovering from the Covid-19 crisis. The time scales are unclear, of course, but the direction of travel can be mapped out tentatively.

Stage 1 – Mobilisation

The first, that of mobilisation, involves the rapid move from office to remote working. Few were fully prepared for this – in terms of their operations, technology, and culture. For many, the focus here is on near-term survival. During this phase, the finest firms are caring for their people, and helping their clients as well as themselves. Long-term relationships and reputations will be won and lost during mobilisation.

Stage 2 – Lockdown

In the second phase, the great majority of professionals will be in lock-down, essentially working from home, physically disconnected as never before but using many available technologies that enable good and sometimes excellent online communication and collaboration. As firms re-orientate themselves as best they can in the time available, much will be lost. But at the same time, new efficiencies will be gained, and new operating practices established. In many markets, demand will fall significantly. The wise firms will be those who most creatively use the increase in the non-chargeable time of their fee earners. There will be great opportunities here for online training, meeting the overdue challenge of helping professionals re-tool and prepare for work in the 2020s. Firms will also need to provide online support for staff who suffer mental health difficulties arising from solitude, disconnection, and overcrowding. Some firms, even those who claim their prime concern is the health of their people, will no doubt dismiss many members of staff; in this phase, profound questions about the values and purpose of individual firms can and must be asked.

Stage 3 – Emergence

The third phase is hardest to predict – when restrictions on movement are relaxed and many people have recovered and emerge back into offices and ordinary life. On one view, there will be a relatively swift move from lock-down to emergence (if the 'mitigation' strategy is adopted by policymakers). On another view, Covid-19 will then start to spread again, leading to a reversion to lock-down (if the 'suppression' strategy is adopted by policymakers). In the latter event, we may loop between lock-down and emergence several times in the coming months. In any event, during the emergence phase, there may be a novel schism in society – between those who have recovered and are at large and those whose lives are still heavily limited. This



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could mean, for a while at least, that two markets will need served (clients who have emerged and those who have not) and a divided workforce too. Again, challenging operational and cultural issues will arise.

Stage 4 – Surge

When the great majority of people have fully emerged, there will likely be a surge in economic activity and in market confidence. This will be the fourth phase. Some lost ground will be regained, with deals and projects being conducted in compressed time frames. During this surge, the financial markets will begin their journey towards their pre-Covid-19 levels, industry and business will regenerate and flourish, and there will be great demand for professional services. Many unemployed professionals will be re-engaged. Those who looked after their clients in the early phases will now find that loyalty rewarded.

Stage 5 – Equilibrium

In due course, after the initial surge, a new equilibrium will be established. But in this fifth phase, there will not be a reversion to professional life of late 2019. Many of the technologies and techniques that have been forged in the heat of mobilization and lock-down will be regarded as preferable to the traditional ways. Clients will have seen the great inefficiencies of conventional working practices and insist that the digital alternatives are maintained. As many have predicted but in a far shorter period, great swathes of professional work will be automated and transformed by technology.

Leading firms should have strategies and plans for each of the five phases.



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